M3 PROJECT

England & Wales · Charity number 1154113

Details

Status	Registered
Legal form	Charitable company
Company number	07024301
Registered	2013-10-07
Register	View on the Charity Commission register

Contact

Address	M3 Project Ltd St. Johns Court Bacup Road Rossendale BB4 7PA
Phone	01706216600
Email	info@rossendalem3.org
Website	www.m3-project.org

Activities

Objects: THE RELIEF OF YOUNG PEOPLE BETWEEN THE AGES OF 16 – 25 YEARS OLD IN EAST LANCASHIRE BY THE PROVISION OF ACCOMMODATION, INCLUDING EMERGENCY SUPPORTED LODGINGS, SUPPORTED LODGINGS AND MOVE-ON ACCOMMODATION.

Activities: M3 is a specialist charity that offers a variety of accommodation services to homelessyoung people and families aged 16-25. This accommodation is provided throughout East Lancashire(Rossendale, Burnley, Pendle, Hyndburn and Ribble Valley) and neighbouring areas.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Accommodation/housing
- **Who:** Children/young People

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Geography

- Lancashire
- Rochdale

Finances

Period end	Income	Expenditure	Assets	Employees
2025-09-30	£392,596	£385,402	-	-
2024-09-30	£380,549	£356,059	-	-
2023-09-30	£354,881	£344,541	-	-
2022-09-30	£315,899	£305,724	-	-
2021-09-30	£289,549	£292,689	-	-
2020-09-30	£265,552	£299,643	-	-

Trustees

Name	Role	Appointed
GRAHAM HELM	Chair	2013-04-19
Catherine Brooks		2026-05-28
John Cooper		2018-10-01
Morgan Rothwell		2025-05-29
Rachel Weinhold		2019-04-01

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M3 PROJECT

England & Wales - Charity number 1154113

Accounts

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

Company registration number: 07024301
Charity registration number: 1154113

M3 Project Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2025

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

M3 Project Limited

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 6
Statement of Trustees' Responsibilities	7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11 to 20

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

M3 Project Limited

Reference and Administrative Details

Trustees	G Helm J Cooper C Nelson (resigned 11 June 2025) R Weinhold M Rothwell (appointed 29 May 2025)
Charity Registration Number	1154113
Company Registration Number	07024301
	The charity is incorporated in England and Wales.
Registered Office	Suite 2 St John's Court Bacup Road Rossendale BB4 7PA
Independent Examiner	Helen Binns FCA Menzies LLP Chartered Accountants One Express 1 George Leigh Street Manchester M4 5DL

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

M3 Project Limited

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 30 September 2025.

Objectives and activities

Objects and aims

The objectives of the charity are to provide relief to young people between the ages of 16-25 years old in East Lancashire and surrounding areas, by the provision of social housing and accommodation, including emergency supported lodgings, supported lodgings and move-on accommodation.

M3 Project supports young singles and parents who find themselves living in insecure or unsafe accommodation, moving from one place to another and 'sofa surfing'. We believe that every young person should have a safe place to call home, a place where they can thrive, and we have worked towards this aim since 2003 when a gap in service provision was identified and Supported Lodgings were set up.

Over the past 22 years the project has developed services to reflect that and has three distinct service areas to support young people who face homelessness.

- Supported Lodgings (ages 16-21): A service where young people have their own bedroom in someone's home and get day-to-day support from the householder along with tailored support from a M3 Support Worker. Working through a support plan, young people eventually move on into their own accommodation with the skills and knowledge to sustain a tenancy.
- Teenage Family Service (ages 16-21): A service for young mums and mums to be, who move into an assured shorthold tenancy and receive support around parenting and tenancy management to ensure a positive move-on.
- The Listening Project: A unique young person led service for 16 and 17-year olds who are experiencing difficulties in their relationships at home and may be at risk of homelessness. Using a trained peer mentor, it gives a young person space to think through options and families an opportunity to talk together and find solutions for a better way forward and prevent unplanned moves and potential sofa surfing.

As a small team of 1 full-time and 5 part-time employees, the project works with young people across East Lancashire encouraging them to develop new skills, re-engage with family and friends, access education and training or get into work. Tailored support packages enable young people to eventually move on into their own independent accommodation with the skills and knowledge to sustain a tenancy; their own safe place to call home.

The organisation continues to campaign at local and national level around the issues of homelessness and the impact it has on young people.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

M3 Project Limited

Trustees' Report

Achievements and performance

New Contracts with Lancashire County Council Started in November 2024 with an expansion of the Teenage Family Service from 11 properties to 14. Due to social housing being under enormous pressure sourcing new properties proved challenging and took longer than expected. We acquired 2 properties in August with the promise of an additional property becoming available early in the next financial year. The contract with Lancashire County Council withholds part of the grant until the additional properties are occupied so the delay has impacted on our budget predictions this year. The cost of furnishing the properties was also higher than predicted.

There has been a small increase in regular donations this year although we have narrowly missed reaching our £20,000 fund raising target. We have continued to offer more direct financial assistance to young people experiencing hardship, as well as material support when moving in or moving on from placements. Rent deposits, including for social housing, have increased to the extent that they are generally unaffordable for our young people we have contributed to deposits in 2 cases together with paying removal costs to enable move ons. We expect this will continue to be a challenge.

There have been significant staff changes in 2025. Charity Manager, Alan Dorrington, resigned in December 2024 and left the organisation at the end of March 2025. Mathew Meynell was appointed as the Interim Ofsted Registered Service Manager for both services. Trustees have signed a service level agreement with local youth housing charity Pendle Action In The Community to provide support and help us navigate through a period of significant change and review the staffing structure. Interim measures have been put in place to cover essential financial duties in view of the retirement of our Charity Officer, Jayne Turner, at the end of October 2025. The Listening Project, which is unfunded, has been suspended to enable the support worker vacancy on Supported Lodgings to be filled by an experienced member of staff and ensure that service delivery under current contracts has not been impacted.

Lloyds Bank Foundation continued to support the charity during this period as part of their core funding programme. The current grant period comes to an end on 30 September 2026 with the final payment in October 2025. At this point it seems unlikely that a further extention of funding will be available but we will be meeting our current Grant Manager to discuss future possibilities.

Quality of Service reviews have continued on a regular basis providing feedback from young people that informs our practice. Feedback continues to be overwhelmingly positive and constructive. Some examples which evidence our successes are as follows:

“M3 has helped me learn how to cook and clean. I struggled before but I now have more coping tools to deal with my emotions and more life experience. I know how to do a healthy food shop now and I'm better at saving my money. I've gained skills that I can take with me when I move on."

“I feel safe and secure where I am living. M3 has opened up more opportunities for me and I feel more independent as I am treated like an adult. My support worker has encouraged me to open a savings account and manage my money more sensibly."

We are supported by the local community and have been visited by the Mayor, Councillors, our local MP and the Regional Head of the Centre for Social Justice. We have talked about the issues of homelessness and the impact on young people in our area.

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

M3 Project Limited

Trustees' Report

Numbers in Services

Over the last year, 9 single young people and 16 young Mums with 19 children have maintained a stay in our accommodation services. There have been 8 move ons, 5 of which have been to more independent living and in accordance with pathway planning.

Our Listening Project mentored and supported 4 young people during the period October to December 2024.

Challenges

Move on accomodation

The severely restricted supply of move-on accommodation continues to be the greatest problem for both young people and our charity. Private rented accommodation is almost almost always unaffordable for young people as rent payable through benefits continue to fall well behind rapidly increasing private rents.

Social housing continues to be under extreme pressure in all the areas we work in. Some of our young people have now stayed with us for over 3 years despite being ready to move and bidding for many months without success to secure their own social property. It is disheartening for young people, who have worked hard to build their confidence and skills to live independently but are unable to find their own accommodation to move on to and some have started to disengage from our support. We are working to find solutions to this issue, with LCC Commissioners and other local partners.

Higher needs young people

In common with many partner organisations, we are seeing larger numbers of referrals for young people with higher support needs and challenging behaviours. We have recorded an increase in the incidents of domestic abuse and anti social behaviour. These young people are often coming from a care-experienced background and have multiple issues for support based around their lived experience and adverse childhood experiences. In many cases we are unable to responsibly meet those support needs within our two accommodation services, a situation that has been underpinned by Ofsted recommendations that young people with higher, complex or care needs should not be placed in regulated services. Sadly, these young people are not always receiving the support and advice that they need.

Support and advice was delivered in both accommodation services around the following issues:

Benefits or money
Education or training
General issues
Housing options
Independent Living Skills
Mental Health
Parenting skills
Physical health
Placement issues
Relationships at home incl domestic abuse
Self harm
Work and employment

The Trustees would like to thank all staff and Host volunteers across the charity for all their hard work and commitment in delivering high quality services to vulnerable young people in our local areas.

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

M3 Project Limited

Trustees' Report

Financial review

The charity's income for the year was £392,596 (2024: £380,549) and expenditure of £385,402 (2024: £356,059) leaving surplus funds of £7,194 (2024: £24,490).

Policy on reserves

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future.

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. Significant consideration has been given in regards to Ofsted compliance and there are active plans around implementation of the new supported accommodation regulations.

The Charity maintains a reserves policy in order to promote sustainability and growth. This policy aims to reserve 6 months operating costs alongside funds allocated to running costs, staff training and charity growth. Current free reserves held by M3 Project are sufficient to cover 6 months operating costs, in addition to protected reserves available for redundancy costs for all staff. M3 Project is continuing to make good progress toward a mixed and sustainable funding scenario based on grant funding, charitable giving and contracts for service delivery. Grant application activity is planned and monitored on a quarterly basis.

The total funds at 30 September 2025 was £168,348 (2024: £161,154) of which all are unrestricted funds. Free reserves are £163,692 (2024: £160,226) after allowing for funds tied up in fixed assets.

Structure, governance and management

Nature of governing document

M3 Project Limited is a company limited by guarantee and is governed by it's Memorandum and Articles of Association dated 20 Setpember 2009, as amended on 6 March 2021.

Recruitment and appointment of trustees

Trustees are appointed In accordance with thc Charity's Memorandum and Articles of Association. The Trustees as charity trustees have control ofthe Charity.

Major risks and management of those risks

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. Significant consideration has been given in regards to Ofsted compliance and there are active plans around implementation of the new supported accommodation regulations.

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

M3 Project Limited

Trustees' Report

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 12-May-2026 and signed on its behalf by:

DocuSigned by:
Graham Helm
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G Helm
Trustee

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M3 Project Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of M3 Project Limited 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".

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.

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.

Approved by the trustees of the charity on 12-May-2026 and signed on its behalf by:

DocuSigned by:
Graham Helm
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G Helm
Trustee

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

M3 Project Limited

Independent Examiner's Report to the trustees of M3 Project Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 September 2025.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company'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:

1. accounting records were not kept in respect of M3 Project Limited as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

Signed by:
Menzies LLP
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Helen Binns FCA
Menzies LLP
Chartered Accountants
One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 12-May-2026

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

M3 Project Limited

Statement of Financial Activities for the Year Ended 30 September 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2025 £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	42,421	42,421	56,769
Charitable activities	4	348,878	348,878	322,260
Investment income	5	1,297	1,297	1,520
Total income		392,596	392,596	380,549
Expenditure on:				
Raising funds	6	(736)	(736)	(812)
Charitable activities	7	(384,666)	(384,666)	(355,247)
Total expenditure		(385,402)	(385,402)	(356,059)
Net income		7,194	7,194	24,490
Net movement in funds		7,194	7,194	24,490
Reconciliation of funds				
Total funds brought forward		161,154	161,154	136,664
Total funds carried forward	18	168,348	168,348	161,154

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2024 is shown in note 18.

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

M3 Project Limited

(Registration number: 07024301)
Balance Sheet as at 30 September 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	14	4,656	928
Current assets			
Debtors	15	16,279	14,933
Cash at bank and in hand	16	165,739	152,828
		182,018	167,761
Creditors: Amounts falling due within one year	17	(18,326)	(7,535)
Net current assets		163,692	160,226
Net assets		168,348	161,154
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		168,348	161,154
Total funds	18	168,348	161,154

For the financial year ending 30 September 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 9 to 20 were approved by the trustees, and authorised for issue on 12-May-2026 and signed on their behalf by:

DocuSigned by:
Graham Helm
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G Helm
Trustee

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

M3 Project Limited

Notes to the Financial Statements for the Year Ended 30 September 2025

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 £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Suite 2 St John's Court
Bacup Road
Rossendale
BB4 7PA

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
M3 Project Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern
The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

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

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

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

Tangible fixed assets
Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

Asset class	Depreciation method and rate
Furniture and Equipment	25% Reducing balance

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

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

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

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.

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.

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

Financial instruments

Classification

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

Recognition and measurement

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

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

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

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

3 Income from donations and legacies

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Donations and legacies;			
Donations from individuals	16,228	16,228	20,190
Gift aid reclaimed	1,193	1,193	1,641
Grants, including capital grants;			
Government grants	-	-	9,938
Grants from companies	25,000	25,000	25,000
	42,421	42,421	56,769

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

4 Income from charitable activities

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Grants received regarding accomoation and support	200,282	200,282	182,185
Housing	148,596	148,596	140,075
	348,878	348,878	322,260

5 Investment income

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Interest receivable and similar income;			
Interest receivable on bank deposits	1,297	1,297	1,520

6 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total 2025 £	Total 2024 £
Fundraising costs		736	736	812

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2025 £	Total 2024 £
Housing costs		150,078	150,078	117,343
Staff travel		5,962	5,962	5,058
Depreciation		798	798	310
Staff costs		165,852	165,852	180,417
Allocated support costs	8	54,226	54,226	42,044
Governance costs	8	7,750	7,750	10,075
		384,666	384,666	355,247

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

8 Analysis of governance and support costs

Support costs allocated to charitable activities

	Total 2025 £	Total 2024 £
Premises costs	17,380	16,521
Insurance	4,266	4,052
Telephone	9,749	10,679
Computer and IT costs	3,010	2,544
Bank charges	119	104
Office admin costs	13,798	1,097
Sundry costs	3,574	5,262
Legal and professional	2,330	1,785
	54,226	42,044

Governance costs

	Total 2025 £	Total 2024 £
Independent examiner fees		
Examination of the financial statements	2,340	2,340
Other fees paid to examiners	1,500	2,235
Other governance costs	3,910	5,500
	7,750	10,075

9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2025 £	2024 £
Depreciation of fixed assets	798	310

10 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 or any other benefits from the charity during the year.

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

11 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	154,463	166,641
Social security costs	6,755	8,791
Pension costs	4,634	4,985
	165,852	180,417

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	2025 No	2024 No
Head count	7	7
Full-time equivalent	6	5

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

The total employee benefits of the key management personnel of the charity were £22,284 (2024 - £44,083).

12 Independent examiner's remuneration

	2025 £	2024 £
Examination of the financial statements	2,340	2,340
Other fees to examiners		
All other services	1,500	2,235

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

13 Taxation

The charity is exempt from tax on income snd 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.

14 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 October 2024	16,720	16,720
Additions	4,525	4,525
At 30 September 2025	21,245	21,245
Depreciation		
At 1 October 2024	15,792	15,792
Charge for the year	797	797
At 30 September 2025	16,589	16,589
Net book value		
At 30 September 2025	4,656	4,656
At 30 September 2024	928	928

15 Debtors

	2025 £	2024 £
Trade debtors	15,561	14,256
Prepayments	718	677
	16,279	14,933

16 Cash and cash equivalents

	2025 £	2024 £
Cash on hand	107	138
Cash at bank	165,632	152,690
	165,739	152,828

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

17 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	1,515	2,633
Other creditors	971	1,063
Accruals	15,840	3,839
	18,326	7,535

18 Funds

	Balance at 1 October 2024 £	Incoming resources £	Resources expended £	Balance at 30 September 2025 £
Unrestricted funds				
General				
General Funds	161,154	392,596	(385,402)	168,348

	Balance at 1 October 2023 £	Incoming resources £	Resources expended £	Balance at 30 September 2024 £
Unrestricted funds				
General				
General Funds	136,664	370,611	(346,121)	161,154
Restricted				
Lancashire County Council	-	9,938	(9,938)	-
Total funds	136,664	380,549	(356,059)	161,154

The specific purposes for which the funds are to be applied are as follows:

Lncashire County Council - to fund Ofsted registration fees and training costs.

Docusign Envelope ID: 351C0DF2-CAEA-8321-8013-F5219ED77863

19 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 30 September 2025 £
Tangible fixed assets	4,656	4,656
Current assets	182,018	182,018
Current liabilities	(18,326)	(18,326)
Total net assets	168,348	168,348

	Unrestricted funds General £	Total funds at 30 September 2024 £
Tangible fixed assets	928	928
Current assets	167,761	167,761
Current liabilities	(7,535)	(7,535)
Total net assets	161,154	161,154

20 Related party transactions

There were no related party transactions in the year.

21 Prior year Statement of Financial Activities

	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:			
Donations and legacies	46,831	9,938	56,769
Charitable activities	322,260	-	322,260
Investment income	1,520	-	1,520
Total income	370,611	9,938	380,549
Expenditure on:			
Raising funds	(812)	-	(812)
Charitable activities	(345,309)	(9,938)	(355,247)
Total expenditure	(346,121)	(9,938)	(356,059)
Net income	24,490	-	24,490
Net movement in funds	24,490	-	24,490
Reconciliation of funds			
Total funds brought forward	136,664	-	136,664
Total funds carried forward	161,154	-	161,154

M3 PROJECT

England & Wales - Charity number 1154113

Accounts

Company registration number: 07024301

Charity registration number: 1154113

M3 Project Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2024

M3 Project Limited

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 5
Statement of Trustees' Responsibilities	6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 to 19

M3 Project Limited

Reference and Administrative Details

Trustees	G Helm
	J Cooper
	C Nelson
	R Weinhold
Charity Registration Number	1154113
Company Registration Number	07024301
	The charity is incorporated in England and Wales.
Registered Office	Suite 2 St John's Court Bacup Road Rossendale BB4 7PA
Independent Examiner	Helen Binns FCA Beever and Struthers Chartered Accountants One Express 1 George Leigh Street Manchester M4 5DL

M3 Project Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2024.

Objectives and activities

Objects and aims

The objectives of the charity are to provide relief to young people between the ages of 16-25 years old in East Lancashire and surrounding areas, by the provision of social housing and accommodation, including emergency supported lodgings, supported lodgings and move-on accommodation.

M3 Project supports young singles and parents who find themselves living in insecure or unsafe accommodation, moving from one place to another and 'sofa surfing'. We believe that every young person should have a safe place to call home, a place where they can thrive, and we have worked towards this aim since 2003 when a gap in service provision was identified and Supported Lodgings were set up.

Over the past 20 years the project has developed services to reflect that, and now have three distinct service areas to support young people who face homelessness.

- Supported Lodgings (ages 16-21): A service where young people have their own bedroom in someone's home and get day-to-day support from the householder along with tailored support from a M3 Support Worker. Working through a support plan, young people eventually move on into their own accommodation with the skills and knowledge to sustain a tenancy.
- Teenage Family Service (ages 16-21): A service for young mums and mums to be, who move into an assured shorthold tenancy and receive support around parenting and tenancy management to ensure a positive move-on.
- The Listening Project: A unique young person led service for 16 and 17-year olds who are experiencing difficulties in their relationships at home and may be at risk of homelessness. Using a trained peer mentor, it gives a young person space to think through options and families an opportunity to talk together and find solutions for a better way forward and prevent unplanned moves and potential sofa surfing.

As a small team of 2 full-time and 5 part-time employees, the project works with young people across East Lancashire encouraging them to develop new skills, re-engage with family and friends, access education and training or get into work. Tailored support packages enable young people to eventually move on into their own independent accommodation with the skills and knowledge to sustain a tenancy; their own safe place to call home.

The organisation continues to campaign at local and national level around the issues of homelessness and the impact it has on young people.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

M3 Project Limited

Trustees' Report

Achievements and performance

In November 2023 we celebrated our 20th Anniversary with staff, Trustees, Volunteers, former Service Users and representatives from the local community. In spite of the cost of living crisis we were also pleased to reach our annual fundraising target. We have seen an increase in fundraisers organised by community groups and the amount received through committed regular donations has almost doubled. In the circumstances we have been able to offer more direct financial assistance to young people experiencing hardship, as well as material support when moving in or moving on from placements.

Registration with Ofsted under the Supported Accommodation Regulations (2023) was successfully completed on 2 January 2024, making the organization one of the very first in Lancashire to gain registration status. Charity Manager Alan Dorrington was also accepted as Registered Service Manager for both services and will lead the organization into the Ofsted Inspection window starting September 2024. Work for the organization to become inspection-ready was completed at the end of Summer 2024.

The charity successfully renewed its main contracts with Lancashire County Council over the summer of 2024. As part of a competitive tendering process, both Supported Lodgings and Teenage Family were awarded the contracts for the East Lancashire footprint, securing a further 4 and possibly 7 years funding to continue our work in these specialist accommodation services.

New contracts start in November 2024 and see an expansion in Teenage Family supported properties from 11 to 14.

Lloyds Bank Foundation continued to support the charity during this period as part of their core funding programme. LBF has consistently championed small but vital charities across the country and their blend of unrestricted funds backed up with specialist support from external partners and consultants has ensure that M3 continues to thrive and develop.

Quality of Service reviews are now carried out on a regular basis providing feedback from young people that informs our practice. The feedback we have received has been overwhelmingly positive and constructive. Some examples which evidence our successes are as follows:

"M3 has contributed to my growth and development. I am now more confident, respectful and healthier. I have a better outlook on life with a better understanding of life skills such as cooking and laundry. Without the support from M3 and my Host I would not be where I am today."

"Due to being in a settled home with M3 I was able to focus more on me and what I wanted. I was able to go back to college which was a big step. My confidence has gone up and I am now able to cook and clean up for myself. I am learning to drive and have a test coming up. I have also learnt to paint, decorate and do some gardening."

"I am grateful to not only have a home for me and my daughter but to have a lovely support worker supporting me while I'm here. I have learned to manage a household and organise bills. It's given me the space to better myself and live comfortably with my girl."

M3 Project Limited

Trustees' Report

Numbers in Services

Over the last year, 7 single young people and 14 young Mums with 18 children have maintained a stay in our accommodation services for over 12 months. There have been 5 successful move ons with young people taking up accommodation of their own in order to live independently.

Our unique Listening Project mentored and supported 22 young people with mental health issues, isolation, wellbeing issues or who were at risk of homelessness. Many referrals to this service have come from mental health services based in local schools and we continue to see an ongoing need for young person led one-to-one support and mentoring that is not available elsewhere in the area.

Challenges

Move on accomodation

One of the biggest challenges facing both the charity and the individual young people is a severely restricted supply of move-on accommodation. Private rented accommodation is only affordable for young people who are working in reasonably well-remunerated jobs, as rent payable through benefits continue to fall well behind rapidly increasing private rents.

Social housing is now under extreme pressure in all the areas we work in, and young people who are ready to move are bidding for many months without success to secure their own social property. This is leading to stagnation for young people who have worked hard to build their confidence and skills to live independently but are unable to find their own accommodation to move on to. We are working to find solutions to this issue, with LCC Commissioners and other local partners.

Higher needs young people

In common with many partner organisations, we are seeing larger numbers of referrals for young people with higher support needs. These young people are often coming from a care-experienced background and have multiple issues for support based around their lived experience and adverse childhood experiences. In many cases we are unable to responsibly meet those support needs within our two accommodation services, a situation that has been underpinned by Ofsted recommendations that young people with higher, complex or care needs should not be placed in regulated services. Sadly, these young people are not always receiving the support and advice that they need.

Support and advice was delivered in both accommodation services around the following issues:

Benefits or money
Education or training
General issues
Housing options
Independent Living Skills
Mental Health
Parenting skills
Physical health
Placement issues
Relationships at home incl domestic abuse
Self harm
Work and employment

The Trustees would like to thank all staff and Host volunteers across the charity for all their hard work and commitment in delivering high quality services to vulnerable young people in our local areas.

M3 Project Limited

Trustees' Report

Financial review

The charity's income for the year was £381,496 (2023: £354,881) and expenditure of £357,007 (2023: £344,541) leaving surplus funds of £24,489 (2023: £10,340).

Policy on reserves

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future.

The Charity maintains a reserves policy in order to promote sustainability and growth. This policy aims to reserve 6 months operating costs alongside funds allocated to running costs, staff training and charity growth. Current free reserves held by M3 Project are sufficient to cover 6 months operating costs, in addition to protected reserves available for redundancy costs for all staff. M3 Project is continuing to make good progress toward a mixed and sustainable funding scenario based on grant funding, charitable giving and contracts for service delivery. Grant application activity is planned and monitored on a quarterly basis.

The total funds at 30 September 2024 was £161,153 (2023: £136,664) of which all are unrestricted funds. Free reserves are £160,225 (2023: £135,426) after allowing for funds tied up in fixed assets.

Structure, governance and management

Nature of governing document

M3 Project Limited is a company limited by guarantee and is governed by it's Memorandum and Articles of Association dated 20 Setpember 2009, as amended on 6 March 2021.

Recruitment and appointment of trustees

Trustees are appointed In accordance with thc Charity's Memorandum and Articles of Association. The Trustees as charity trustees have control ofthe Charity.

Major risks and management of those risks

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. Significant consideration has been given in regards to Ofsted compliance and there are active plans around implementation of the new supported accommodation regulations.

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 17/3/2025 and signed on its behalf by:

.....

G Helyt

Trustee

M3 Project Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of M3 Project Limited 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".

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.

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.

Approved by the trustees of the charity on 7/3/2025 and signed on its behalf by:

.....
G Helm
Trustee

M3 Project Limited

Independent Examiner's Report to the trustees of M3 Project Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 September 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company'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:

1. accounting records were not kept in respect of M3 Project Limited as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

H E Binns

Helen Binns FCA
Beever and Struthers
Chartered Accountants
One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 17/03/25

M3 Project Limited

Statement of Financial Activities for the Year Ended 30 September 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	46,831	9,938	56,769	55,500
Charitable activities	4	322,260	-	322,260	298,693
Investment income	5	1,520	-	1,520	688
Total income		370,611	9,938	380,549	354,881
Expenditure on:					
Raising funds	6	(812)	-	(812)	(712)
Charitable activities	7	(345,309)	(9,938)	(355,247)	(343,829)
Total expenditure		(346,121)	(9,938)	(356,059)	(344,541)
Net income		24,490	-	24,490	10,340
Net movement in funds		24,490	-	24,490	10,340
Reconciliation of funds					
Total funds brought forward		136,664	-	136,664	126,324
Total funds carried forward	18	161,154	-	161,154	136,664

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 18.

M3 Project Limited

(Registration number: 07024301)
Balance Sheet as at 30 September 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	928	1,238
Current assets			
Debtors	15	14,933	16,508
Cash at bank and in hand	16	152,828	126,884
		167,761	143,392
Creditors: Amounts falling due within one year	17	(7,535)	(7,966)
Net current assets		160,226	135,426
Net assets		161,154	136,664
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		161,154	136,664
Total funds	18	161,154	136,664

For the financial year ending 30 September 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 8 to 19 were approved by the trustees, and authorised for issue on 17/3/2025 and signed on their behalf by:

.....
G Helm
Trustee

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 £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Suite 2 St John's Court
Bacup Road
Rossendale
BB4 7PA

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
M3 Project Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern
The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

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

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

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

Tangible fixed assets
Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

Asset class	Depreciation method and rate
Furniture and Equipment	25% Reducing balance

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

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

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

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.

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.

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.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Donations and legacies;				
Donations from individuals	20,190	-	20,190	19,991
Gift aid reclaimed	1,641	-	1,641	1,259
Grants, including capital grants;				
Government grants	-	9,938	9,938	-
Grants from companies	25,000	-	25,000	34,250
	46,831	9,938	56,769	55,500

4 Income from charitable activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Grants received regarding accomoation and support	182,185	182,185	171,727
Housing	140,075	140,075	126,966
	322,260	322,260	298,693

5 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	1,520	1,520	688

6 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total 2024 £	Total 2023 £
Fundraising costs		812	812	712

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Housing costs		117,343	-	117,343	118,143
Staff travel		5,058	-	5,058	4,232
Depreciation		310	-	310	413
Staff costs		180,417	-	180,417	172,120
Allocated support costs	8	37,606	4,438	42,044	44,105
Governance costs	8	4,575	5,500	10,075	4,816
		345,309	9,938	355,247	343,829

8 Analysis of governance and support costs

Support costs allocated to charitable activities

	Total 2024 £	Total 2023 £
Premises costs	16,521	18,472
Insurance	4,052	3,489
Telephone	10,679	8,641
Computer and IT costs	2,544	2,699
Bank charges	104	100
Office admin costs	1,097	1,673
Sundry costs	5,345	6,974
Legal and professional	1,785	2,057
	42,127	44,105

Governance costs

	Restricted funds £	Total 2024 £	Total 2023 £
Independent examiner fees			
Examination of the financial statements	-	2,340	2,340
Other fees paid to examiners	-	2,235	2,476
Other governance costs	5,500	5,500	-
	5,500	10,075	4,816

9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2024 £	2023 £
Depreciation of fixed assets	310	413

10 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 or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	166,641	158,541
Social security costs	8,791	8,244
Pension costs	4,985	5,335
	180,417	172,120

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	2024 No	2023 No
Head count	7	7
Full-time equivalent	5	5

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

The total employee benefits of the key management personnel of the charity were £44,083 (2023 - £39,549).

12 Independent examiner's remuneration

	2024 £	2023 £
Examination of the financial statements	2,340	2,340
Other fees to examiners		
All other services	2,235	2,476

13 Taxation

The charity is exempt from tax on income snd 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.

14 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 October 2023	16,720	16,720
At 30 September 2024	16,720	16,720
Depreciation		
At 1 October 2023	15,482	15,482
Charge for the year	310	310
At 30 September 2024	15,792	15,792
Net book value		
At 30 September 2024	928	928
At 30 September 2023	1,238	1,238

15 Debtors

	2024 £	2023 £
Trade debtors	14,256	10,415
Prepayments	677	6,093
	14,933	16,508

16 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	138	54
Cash at bank	152,690	126,830
	152,828	126,884

17 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	2,633	2,865
Other creditors	1,063	1,261
Accruals	3,839	3,840
	7,535	7,966

18 Funds

	Balance at 1 October 2023 £	Incoming resources £	Resources expended £	Balance at 30 September 2024 £
Unrestricted funds				
General				
General Funds	136,664	370,611	(346,121)	161,154
Restricted funds				
Lancashire County Council	-	9,938	(9,938)	-
Total funds	136,664	380,549	(356,059)	161,154

	Balance at 1 October 2022 £	Incoming resources £	Resources expended £	Balance at 30 September 2023 £
Unrestricted funds				
General				
General Funds	126,324	354,881	(344,541)	136,664

The specific purposes for which the funds are to be applied are as follows:

Lancashire County Council - to fund Ofsted registration fees and training costs.

19 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 30 September 2024 £
Tangible fixed assets	928	928
Current assets	167,761	167,761
Current liabilities	(7,535)	(7,535)
Total net assets	161,154	161,154

	Unrestricted funds General £	Total funds at 30 September 2023 £
Tangible fixed assets	1,238	1,238
Current assets	143,392	143,392
Current liabilities	(7,966)	(7,966)
Total net assets	136,664	136,664

20 Related party transactions

There were no related party transactions in the year.

21 Prior year Statement of Financial Activities

	Unrestricted funds £	Total 2023 £
Income and Endowments from:		
Donations and legacies	55,500	55,500
Charitable activities	298,693	298,693
Investment income	688	688
Total income	354,881	354,881
Expenditure on:		
Raising funds	(712)	(712)
Charitable activities	(343,829)	(343,829)
Total expenditure	(344,541)	(344,541)
Net income	10,340	10,340
Net movement in funds	10,340	10,340
Reconciliation of funds		
Total funds brought forward	126,324	126,324
Total funds carried forward	136,664	136,664

M3 PROJECT

England & Wales - Charity number 1154113

Accounts

Company registration number: 07024301

Charity registration number: 1154113

M3 Project Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2023

M3 Project Limited

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 5
Statement of Trustees' Responsibilities	6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 to 19

M3 Project Limited

Reference and Administrative Details

Trustees	G Helm J Cooper C Nelson R W Robinson, resigned 15 January 2024 R Weinhold
Charity Registration Number	1154113
Company Registration Number	07024301
	The charity is incorporated in England and Wales.
Registered Office	Suite 2 St John's Court Bacup Road Rossendale BB4 7PA
Independent Examiner	Helen Binns FCA Beever and Struthers Chartered Accountants One Express 1 George Leigh Street Manchester M4 5DL

M3 Project Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2023.

Objectives and activities

Objects and aims

The objectives of the charity are to provide relief to young people between the ages of 16-25 years old in East Lancashire and surrounding areas, by the provision of social housing and accommodation, including emergency supported lodgings, supported lodgings and move-on accommodation.

M3 Project supports young singles and parents who find themselves living in insecure or unsafe accommodation, moving from one place to another and 'sofa surfing'. We believe that every young person should have a safe place to call home, a place where they can thrive, and we have worked towards this aim since 2003 when a gap in service provision was identified and Supported Lodgings were set up.

Over the past 20 years the project has developed services to reflect that, and now have three distinct service areas to support young people who face homelessness.

- Supported Lodgings (ages 16-21): A service where young people have their own bedroom in someone's home and get day-to-day support from the householder along with tailored support from a M3 Support Worker. Working through a support plan, young people eventually move on into their own accommodation with the skills and knowledge to sustain a tenancy.
- Teenage Family Service (ages 16-21): A service for young mums and mums to be, who move into an assured shorthold tenancy and receive support around parenting and tenancy management to ensure a positive move-on.
- The Listening Project: A unique young person led service for 16 and 17-year olds who are experiencing difficulties in their relationships at home and may be at risk of homelessness. Using a trained peer mentor, it gives a young person space to think through options and families an opportunity to talk together and find solutions for a better way forward and prevent unplanned moves and potential sofa surfing.

As a small team of 2 full-time and 5 part-time employees, the project works with young people across East Lancashire encouraging them to develop new skills, re-engage with family and friends, access education and training or get into work. Tailored support packages enable young people to eventually move on into their own independent accommodation with the skills and knowledge to sustain a tenancy; their own safe place to call home.

The organisation continues to campaign at local and national level around the issues of homelessness and the impact it has on young people.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

Contract funding from Lancashire County Council, including for the Supported Lodgings and Teenage Family services has continued through this accounting period with extensions on the original contracts from LCC as necessary. Re-contracting of these core services has been further delayed pending Ofsted registration to comply with new regulations in supported accommodation. It is anticipated that a tendering exercise will take place in early to mid 2024.

Trustees' Report

A successful bid to Lloyds Bank Foundation in Spring 2023 resulted in a new 3 year funding offer starting October 2023, once again to cover core costs of management, administration, development and fundraising. This funding will continue to deliver additional outside consultancy and support around strategic planning, staff coaching and developing future housing and accommodation partnerships to provide accommodation within the social housing sector. LBF funding has been a mainstay of the Charity's operations over the past few years and we are delighted to be supported by them as a 'small but vital' organization once again.

Application for registration with Ofsted under the Supported Accommodation (England) Regulations 2023 was completed in August 2023, before the deadline of October 2023 and the charity expects successful registration toward the end of 2023. In the meantime, work toward compliance with the new regulatory and inspection framework continues. The Trustees embrace the significant benefits that national regulation and inspection will bring to quality and standards of accommodation and outcomes for young people at M3.

Referral pathways established with Lancashire County Council continue to allow direct referrals from Children's Social Care for both homeless 16/17 year olds and care-experienced young people aged 16-21. Other referrals have been received from local organisations working with young people, health agencies as well as through self-referrals of young people themselves.

Over the last year, 10 single young people and 17 young Mums have maintained a stay in our accommodation services for over 12 months. There have been 12 successful move ons with many young people taking up accommodation of their own in order to live independently, and a small number rebuilding relationships with family in order to return home to a more settled situation.

Our unique Listening Project mentored and supported 26 young people with mental health issues, isolation, wellbeing issues or who were at risk of homelessness. Many referrals to this service have comefrom mental health services based in local schools and we continue to see an ongoing need for young person led one-to-one support and mentoring that is not available elsewhere in the area.

In spite of the cost of living crisis we managed to exceed our £20,000 fundraising target in the financial year ended 30th September 2023. (£21,187). Direct costs of fundraising were 4.2%.

The small number of regular donors increased and consequently income from this source increased by 50%. Donations from small local businesses, larger corporates, ShareGift and Benefact Movement for good amounted to over £5,800. A local Charity Shop, run by the Bacup Fellowship of Churches, donated £5,000.

Our annual Big Soup Social was well supported by community groups and local churches raising £841. This was less than in the pre pandemic years but in December 2022 we were able to join members of the local methodist Churches for the first time in 3 years to raise over £200 by Carol Singing in our local Asda store.

Individual and Community fundraisers raised £3,816, much of this coming from sponsored personal challenges by two members of staff to celebrate our 20th Anniversary.

Growing waiting lists are a huge challenge. The number of applications for our services has increased and we are unable to move young people on as quickly because of a shortage of social housing and the lack of accessible private accommodation. Working in partnership with our existing social landlord partners, we have taken on further properties for the Teenage Family Service in the Padiham and Nelson areas. This has resulted in the service operating significantly above contracted capacity in order to meet this demand.

Support and advice was delivered in both accommodation services around the following issues:

Benefits or money
Education or training
General issues
Housing options
Independent Living Skills
Mental Health
Parenting skills
Physical health
Placement issues
Relationships at home incl domestic abuse
Self harm
Work and employment

The Trustees would like to thank all staff and Host volunteers across the charity for all their hard work and commitment in delivering high quality services to vulnerable young people in our local areas

Financial review

The charity's income for the year was £354,881 (2023: £315,899) and expenditure of £344,541 (2023: £305,724) leaving surplus funds of £10,340 (2023: £10,175).

Policy on reserves

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future.

The Charity maintains a reserves policy in order to promote sustainability and growth. This policy aims to reserve 6 months operating costs alongside funds allocated to running costs, staff training and charity growth. Current free reserves held by M3 Project are sufficient to cover 6 months operating costs, in addition to protected reserves available for redundancy costs for all staff. M3 Project is continuing to make good progress toward a mixed and sustainable funding scenario based on grant funding, charitable giving and contracts for service delivery. Grant application activity is planned and monitored on a quarterly basis.

The total funds at 30 September 2023 was £136,664 (2022: £126,324) of which all are unrestricted funds. Free reserves are £135,426 (2022: £124,673) after allowing for funds tied up in fixed assets.

Structure, governance and management

Nature of governing document

M3 Project Limited is a company limited by guarantee and is governed by it's Memorandum and Articles of Association dated 20 Setpember 2009, as amended on 6 March 2021.

Recruitment and appointment of trustees

Trustees are appointed In accordance with thc Charity's Memorandum and Articles of Association. The Trustees as charity trustees have control ofthe Charity.

M3 Project Limited

Trustees' Report

Major risks and management of those risks

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. Significant consideration has been given in regards to Ofsted compliance and there are active plans around implementation of the new supported accommodation regulations.

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 21/6/24 and signed on its behalf by:

.....
G Helm
Trustee

M3 Project Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of M3 Project Limited 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.

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.

Approved by the trustees of the charity on 25/6/24 and signed on its behalf by:

G Helm
Trustee

M3 Project Limited

Independent Examiner's Report to the trustees of M3 Project Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 September 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company'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:

1. accounting records were not kept in respect of M3 Project Limited as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

.....
Helen Binns FCA
Beever and Struthers
Chartered Accountants
One Express
1 George Leigh Street
Manchester
M4 5DL

Date:.....

M3 Project Limited

Statement of Financial Activities for the Year Ended 30 September 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2023 £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	55,500	55,500	59,494
Charitable activities	4	298,693	298,693	256,390
Investment income	5	688	688	15
Total income		354,881	354,881	315,899
Expenditure on:				
Raising funds	6	(712)	(712)	(821)
Charitable activities	7	(343,829)	(343,829)	(304,903)
Total expenditure		(344,541)	(344,541)	(305,724)
Net income		10,340	10,340	10,175
Net movement in funds		10,340	10,340	10,175
Reconciliation of funds				
Total funds brought forward		126,324	126,324	116,149
Total funds carried forward	18	136,664	136,664	126,324

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 18.

M3 Project Limited

(Registration number: 07024301)
Balance Sheet as at 30 September 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	1,238	1,651
Current assets			
Debtors	15	16,508	6,871
Cash at bank and in hand	16	126,884	123,761
		143,392	130,632
Creditors: Amounts falling due within one year	17	(7,966)	(5,959)
Net current assets		135,426	124,673
Net assets		136,664	126,324
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		136,664	126,324
Total funds	18	136,664	126,324

For the financial year ending 30 September 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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 8 to 19 were approved by the trustees, and authorised for issue on 25/6/24 and signed on their behalf by:

G Helm
Trustee

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 £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Suite 2 St John's Court
Bacup Road
Rossendale
BB4 7PA

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

M3 Project Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

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

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Taxation

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

Tangible fixed assets
Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

Asset class	Depreciation method and rate
Furniture and Equipment	25% Reducing balance

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

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

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

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.

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.

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.

3 Income from donations and legacies

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Donations and legacies;			
Donations from individuals	19,991	19,991	24,985
Gift aid reclaimed	1,259	1,259	509
Grants, including capital grants;			
Grants from companies	34,250	34,250	34,000
	55,500	55,500	59,494

4 Income from charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Grants received regarding accomoation and support	171,727	171,727	147,652
Housing	126,966	126,966	108,738
	298,693	298,693	256,390

5 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	688	688	15

6 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total 2023 £	Total 2022 £
Fundraising costs		712	712	821

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2023 £	Total 2022 £
Housing costs		118,143	118,143	99,908
Staff travel		4,232	4,232	5,059
Depreciation		413	413	550
Staff costs		172,120	172,120	164,420
Allocated support costs	8	44,105	44,105	31,974
Governance costs	8	4,816	4,816	2,992
		343,829	343,829	304,903

8 Analysis of governance and support costs

Support costs allocated to charitable activities

	Total 2023 £	Total 2022 £
Premises costs	18,472	15,129
Insurance	3,489	3,145
Telephone	8,641	8,001
Computer and IT costs	2,699	2,156
Bank charges	100	104
Office admin costs	1,673	1,664
Sundry costs	6,974	1,775
Legal and professional	2,057	-
	44,105	31,974

Governance costs

	Total 2023 £	Total 2022 £
Independent examiner fees		
Examination of the financial statements	2,340	1,080
Other fees paid to examiners	2,476	1,912
	4,816	2,992

9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2023 £	2022 £
Depreciation of fixed assets	413	550

10 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 or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	158,541	152,259
Social security costs	8,244	7,647
Pension costs	5,335	4,514
	172,120	164,420

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	2023 No	2022 No
Head count	7	6
Full-time equivalent	5	4

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

The total employee benefits of the key management personnel of the charity were £39,549 (2022 - £35,252).

12 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	2,340	1,080
Other fees to examiners		
All other services	2,476	1,912

13 Taxation

The charity is exempt from tax on income snd 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.

14 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 October 2022	16,720	16,720
At 30 September 2023	16,720	16,720
Depreciation		
At 1 October 2022	15,069	15,069
Charge for the year	413	413
At 30 September 2023	15,482	15,482
Net book value		
At 30 September 2023	1,238	1,238
At 30 September 2022	1,651	1,651

15 Debtors

	2023 £	2022 £
Trade debtors	10,415	5,179
Prepayments	6,093	1,692
	16,508	6,871

16 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	54	55
Cash at bank	126,830	123,706
	126,884	123,761

17 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	2,865	2,736
Other creditors	1,261	1,063
Accruals	3,840	2,160
	7,966	5,959

18 Funds

	Balance at 1 October 2022 £	Incoming resources £	Resources expended £	Balance at 30 September 2023 £
Unrestricted funds				
General	126,324	354,881	(344,541)	136,664

	Balance at 1 October 2021 £	Incoming resources £	Resources expended £	Balance at 30 September 2022 £
Unrestricted funds				
General	116,149	281,899	(271,724)	126,324
Restricted funds	-	34,000	(34,000)	-
Total funds	116,149	315,899	(305,724)	126,324

19 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 30 September 2023 £
Tangible fixed assets	1,238	1,238
Current assets	143,392	143,392
Current liabilities	(7,966)	(7,966)
Total net assets	136,664	136,664

	Unrestricted funds General £	Total funds at 30 September 2022 £
Tangible fixed assets	1,651	1,651
Current assets	130,632	130,632
Current liabilities	(5,959)	(5,959)
Total net assets	126,324	126,324

20 Related party transactions

There were no related party transactions in the year.

21 Prior year Statement of Financial Activities

	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:			
Donations and legacies	25,494	34,000	59,494
Charitable activities	256,390	-	256,390
Investment income	15	-	15
Total income	281,899	34,000	315,899
Expenditure on:			
Raising funds	(821)	-	(821)
Charitable activities	(270,903)	(34,000)	(304,903)
Total expenditure	(271,724)	(34,000)	(305,724)
Net income	10,175	-	10,175
Net movement in funds	10,175	-	10,175
Reconciliation of funds			
Total funds brought forward	116,149	-	116,149
Total funds carried forward	126,324	-	126,324

M3 PROJECT

England & Wales - Charity number 1154113

Accounts

Company registration number: 07024301

Charity registration number: 1154113

M3 Project Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2022

M3 Project Limited

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 6
Statement of Trustees' Responsibilities	7
Independent Examiner's Report	8 to 9
Statement of Financial Activities	10 to 11
Balance Sheet	12
Notes to the Financial Statements	13 to 25

M3 Project Limited

Reference and Administrative Details

Trustees	G Helm J Cooper C Nelson RW Robinson R Weinhold
Principal Office	Suite 2 St John's Court Bacup Road Rossendale Lancashire BB4 7PA
Company Registration Number	07024301
Charity Registration Number	1154113
Independent Examiner	MacMahon Leggate Limited Institute of Chartered Accountants in England and Wales 1st Floor Kingsway House Kingsway Burnley Lancashire BB11 1BJ

M3 Project Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2022.

Governing Document

The governing document under which the charity operates is its Memorandum and Articles of Association dated 20 September 2009, amended 6 March 2021.

The charity is a company limited by guarantee, as defined by the Companies Act 2006.

The trustees are treated as directors for Companies Act purposes.

Objectives and activities

Charity Objectives

To provide relief to young people between the ages of 16-25 years old in East Lancashire and surrounding areas, by the provision of social housing and accommodation, including emergency supported lodgings, supported lodgings and move-on accommodation.

Summary of Activities

M3 Project supports young singles and parents who find themselves living in insecure or unsafe accommodation, moving from one place to another and 'sofa surfing'. We believe that every young person should have a safe place to call home, a place where they can thrive, and we have worked towards this aim since 2003 when a gap in service provision was identified and Supported Lodgings were set up.

Over the past 19 years the project has developed services to reflect that, and now have three distinct service areas to support young people who face homelessness.

Supported Lodgings (ages 16-21): A service where young people have their own bedroom in someone's home and get day-to-day support from the householder along with tailored support from a M3 Support Worker. Working through a support plan, young people eventually move on into their own accommodation with the skills and knowledge to sustain a tenancy.
Teenage Family Service (ages 16-21): A service for young mums and mums to be, who move into an assured shorthold tenancy and receive support around parenting and tenancy management to ensure a positive move-on
The Listening Project (ages 15-18): A unique young person led service for 16 and 17-year olds who are experiencing difficulties in their relationships at home and may be at risk of homelessness. Using a trained peer mentor, it gives a young person space to think through options and families an opportunity to talk together and find solutions for a better way forward and prevent unplanned moves and potential sofa surfing.
As a small team of 3 full-time and 4 part-time employees, the project works with young people across East Lancashire encouraging them to develop new skills, re-engage with family and friends, access education and training or get into work. Tailored support packages enable young people to eventually move on into their own independent accommodation with the skills and knowledge to sustain a tenancy; their own safe place to call home.

With limited move-on accommodation, M3 are also working in partnership with Valley Heritage in Rossendale and have secured a small number of move-on accommodation units in their heritage building conversion project in Bacup. This will greatly assist where a young person is ready to move but struggling to find a tenancy and will be an exciting new service development for the organisation.

The organisation continues to campaign at local and national level around the issues of homelessness and the impact it has on young people.

Acheivement and Performance

Charitable Activities

Contract funding from Lancashire County Council, including for the Supported Lodgings and Teenage Family services has continued through this accounting period with extensions from LCC as necessary. Re-contracting of these core services has been delayed pending clarification of the forthcoming National Standards and Regulations for Supported Accommodation (Ofsted) and will commence in early 2024.

Referral pathways established with Lancashire County Council allow direct referrals from Children's Social Care for both homeless 16/17 year olds and care-experienced young people aged 16-21. Other referrals have been received from local organisations working with young people, health agencies as well as through self-referrals.

Funding from Lloyds Bank Foundation enters its final year covering core hours for management, administration, development and fundraising. This funding has delivered additional outside consultancy and support around strategic planning, staff coaching and developing future housing and accommodation partnerships to provide accommodation within the social housing sector.

New for the charity is the establishment of a small Foodbank for service users affected by the cost of living crisis. Through generous donations from individuals and local supermarket champions we have been able to support young parents in our accommodation with the challenges of budgeting on a low income against the backdrop of rising food and utility costs.

Service Delivery

Over the last year, 15 single young people and 17 young Mums have maintained a stay in our accommodation services for between 6 and 12 months. 100% of the single young people report greater confidence and self esteem through mentoring with our Host Providers and staff. 95% of young Mums report greater confidence and ability in independent living skills. There has been a reduction in domestic violence incidents and 100% report they are managing their mental health better. Nothing beats seeing a young person move on to their first home and 95% of our young people have learned how to better manage a budget and find suitable accommodation at the end of their placement.

Our unique Listening Project mentored and supported 30 young people with mental health issues, isolation, wellbeing issues or who were at risk of homelessness. Many referrals to this service came from mental health services based in local schools and we continue to see an ongoing need for young person led one-to-one support and mentoring that is not available elsewhere in the area.

M3 Project Limited

Trustees' Report

Our financial year ended 30th September 2022 has also been our most successful yet in terms of fundraising in spite of restrictions and challenges. With the help of donors and small grant funders, we have managed to raise nearly £30,000. We became actively involved in our first 'significant' Corporate Fundraiser when a regional insurance company adopted us on their 'Give Back Day' raising over £9000 in 24 hours. Conversations with their staff then led them to submit an application for match funding on our behalf bringing in a further small grant of £5000. The number of individual donors giving regularly has increased. Practical help from local Supermarkets has grown with more donations of essential household items which we use to support young people moving into their new placements as well as when they move on from our service.
Growing waiting lists are a huge challenge. The number of applications for our services has increased and we are unable to move young people on as quickly because of a shortage of social housing. Working in partnership with our existing social landlord partners, we have taken on further properties in the Padiham and Nelson areas. This has resulted in the Teenage Family service operating significantly above contracted capacity in order to meet this demand.

Recruiting new Hosts is an ongoing challenge, possibly made harder by the cost of living crisis, so we have used a variety of different methods of advertising from radio, print and social media and traditional advertising. We rely on funding from Lancashire County Council to pay our Hosts and this year we successfully negotiated a significant uplift in the daily rate payable which had not been changed for several years. We are hopeful that this will make it easier to recruit and retain our Hosts.

Support and advice was delivered around the following issues:

Benefits or money
Education or training
General issues
Housing options
Independent Living Skills
Mental Health
Physical health
Placement issues
Relationships at home incl domestic abuse
Self harm
Work

Financial Review

Current free reserves held by M3 Project are sufficient to cover 6 months operating costs, in addition to protected reserves available for redundancy costs for all staff. M3 Project is continuing to make good progress toward a mixed and sustainable funding scenario based on grant funding, charitable giving and contracts for service delivery. Grant application activity is planned and monitored on a quarterly basis.
Budget reviews take place every month and the Treasurer has access to financial information gathered by the Project through a cloud based accounting system.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial instruments

Objectives and policies

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustee, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

M3 Project Limited

Trustees' Report

The annual report was approved by the trustees of the charity on 17 March 2023 and signed on its behalf by:

.....

G Helm
Trustee

M3 Project Limited

Statement of Trustees' Responsibilities

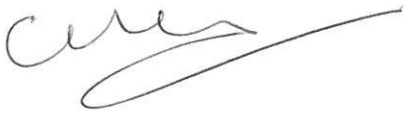
The trustees (who are also the directors of M3 Project Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

Approved by the trustees of the charity on 17 March 2023 and signed on its behalf by:



.....
G Helm
Trustee

M3 Project Limited

Independent Examiner's Report to the trustees of M3 Project Limited

I report on the accounts of the charity for the year ended 30 September 2022 which are set out on pages 10 to 25 .

Respective responsibilities of trustees and examiner

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

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

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

Basis of independent examiner's report

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

Independent examiner's statement

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

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

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

have not been met; or

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

M3 Project Limited

Independent Examiner's Report to the trustees of M3 Project Limited

.....

Kay Flanagan FCA CTA
Institute of Chartered Accountants in England and Wales
MacMahon Leggate Ltd
1st Floor
Kingsway House
Kingsway
Burnley
Lancashire
BB11 1BJ

17 March 2023

M3 Project Limited

Statement of Financial Activities for the Year Ended 30 September 2022
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Donations and legacies	3	25,494	34,000	59,494	48,991
Charitable activities	4	256,390	-	256,390	240,549
Investment income	5	15	-	15	9
Total Income		281,899	34,000	315,899	289,549
Expenditure on:					
Raising funds	6	(821)	-	(821)	(935)
Charitable activities	7	(242,575)	(30,354)	(272,929)	(265,589)
Other expenditure	8	(28,328)	(3,646)	(31,974)	(26,165)
Total Expenditure		(271,724)	(34,000)	(305,724)	(292,689)
Net income/(expenditure)		10,175	-	10,175	(3,140)
Net movement in funds		10,175	-	10,175	(3,140)
Reconciliation of funds					
Total funds brought forward		116,150	-	116,150	119,290
Total funds carried forward	17	126,325	-	126,325	116,150

The notes on pages 13 to 25 form an integral part of these financial statements.

M3 Project Limited

Statement of Financial Activities for the Year Ended 30 September 2022
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 17.

M3 Project Limited

(Registration number: 07024301)
Balance Sheet as at 30 September 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	1,651	2,201
Current assets			
Debtors	14	6,871	11,937
Cash at bank and in hand	15	123,761	107,966
		130,632	119,903
Creditors: Amounts falling due within one year	16	(5,958)	(5,954)
Net current assets		124,674	113,949
Net assets		126,325	116,150
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		126,325	116,150
Total funds	17	126,325	116,150

For the financial year ending 30 September 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 10 to 25 were approved by the trustees, and authorised for issue on 17 March 2023 and signed on their behalf by:

.....

G Helm
Trustee

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 £1 towards the assets of the charity in the event of liquidation.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

M3 Project Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

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

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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.

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

(i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
(ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
(iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

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.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

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

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

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

Asset class	Depreciation method and rate
Furniture and Equipment	25% Reducing balance

Trade debtors

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

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

Cash and cash equivalents

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

Trade creditors

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

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

Borrowings

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

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

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

Fund structure

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

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.

Financial instruments

Classification

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

Recognition and measurement

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

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

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

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

Debt instruments

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

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

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

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

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

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

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

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

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

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

Investments

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

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

Derivative financial instruments

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

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

Fair value measurement

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

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Gift aid reclaimed	509	-	509
Grants, including capital grants;			
Grants from other companies	-	34,000	34,000
Donations	24,985	-	24,985
Total for 2022	25,494	34,000	59,494
Total for 2021	16,991	32,000	48,991

4 Income from charitable activities

	Unrestricted funds General £	Total funds £
Supported lodgings	147,652	147,652
Housing benefit	104,666	104,666
Rental income	4,072	4,072
Total for 2022	256,390	256,390
Total for 2021	240,549	240,549

5 Investment income

	Unrestricted funds General £	Total funds £
Other investment income	15	15
Total for 2022	15	15
Total for 2021	9	9

6 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Total for 2021		266	266

b) Other costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Other direct costs		821	821
Total for 2022		821	821
Total for 2021		669	669

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Supported lodgings		99,908	-	99,908
Depreciation, amortisation and other similar costs		550	-	550
Staff costs		139,125	30,354	169,479
Governance costs	9	2,992	-	2,992
Total for 2022		242,575	30,354	272,929
Total for 2021		228,194	37,395	265,589

In addition to the expenditure analysed above, there are also governance costs of £2,992 (2021 - £2,940) which relate directly to charitable activities. See note 9 for further details.

8 Other expenditure

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Other resources expended		28,328	3,646	31,974
Total for 2022		28,328	3,646	31,974
Total for 2021		26,165	-	26,165

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Accounting fees		
Other fees paid to accountants	2,992	2,992
Total for 2022	2,992	2,992
Total for 2021	2,940	2,940

10 Net incoming/outgoing resources

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

	2022 £	2021 £
Depreciation of fixed assets	550	734

11 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	152,259	154,014
Social security costs	7,647	7,864
Pension costs	4,514	4,406
Other staff costs	5,059	3,206
	169,479	169,490

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Average number of employees	7	6

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

12 Taxation

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

13 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 October 2021	16,720	16,720
At 30 September 2022	16,720	16,720
Depreciation		
At 1 October 2021	14,519	14,519
Charge for the year	550	550
At 30 September 2022	15,069	15,069
Net book value		
At 30 September 2022	1,651	1,651
At 30 September 2021	2,201	2,201

14 Debtors

	2022 £	2021 £
Trade debtors	5,179	10,146
Prepayments	1,692	1,791
	6,871	11,937

15 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	55	169
Cash at bank	123,706	107,797
	123,761	107,966

16 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	2,736	2,736
Other creditors	1,062	1,059
Accruals	2,160	2,159
	5,958	5,954

17 Funds

	Balance at 1 October 2021 £	Incoming resources £	Resources expended £	Balance at 30 September 2022 £
Unrestricted funds				
General	116,150	281,899	(271,724)	126,325
Restricted funds	-	34,000	(34,000)	-
Total funds	116,150	315,899	(305,724)	126,325

	Balance at 1 October 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 September 2021 £
Unrestricted funds					
General	114,195	257,549	(255,294)	(300)	116,150
Restricted funds	5,095	32,000	(37,395)	300	-
Total funds	119,290	289,549	(292,689)	-	116,150

Unrestricted funds

Restricted funds

At the 30th September 2021 the individual balances comprising the Restricted Fund balances were Nil.

18 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 30 September 2022 £
Tangible fixed assets	1,651	1,651
Current assets	130,632	130,632
Current liabilities	(5,958)	(5,958)
Total net assets	126,325	126,325

M3 PROJECT

England & Wales - Charity number 1154113

Accounts

Company registration number: 07024301
Charity registration number: 1154113

M3 Project Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2021

M3 Project Limited

Contents

Reference and Administrative Details	1
Trustee's Report	2 to 5
Statement of Trustee's Responsibilities	6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9 to 10
Notes to the Financial Statements	11 to 23

M3 Project Limited

Reference and Administrative Details

Trustee	G Helm
Principal Office	Suite 2 St John's Court Bacup Road Rossendale Lancashire BB4 7PA
Company Registration Number	07024301
Charity Registration Number	1154113
Independent Examiner	MacMahon Leggate Ltd Institute of Chartered Accountants in England and Wales 1st Floor Kingsway House Kingsway Burnley Lancashire BB11 1BJ

M3 Project Limited

Trustee's Report

The member, a director for the purposes of company law, presents the annual report together with the financial statements of the charitable company for the year ended 30 September 2021.

Governing Document

The governing document under which the charity operates is its Memorandum and Articles of Association dated 20 September 2009, amended 6 March 2021.

The charity is a company limited by guarantee, as defined by the Companies Act 2006.

The trustees are treated as directors for Companies Act purposes.

Objectives and activities

Objectives, strategies and activities

To provide relief to young people between the ages of 16-25 years old in East Lancashire and surrounding areas, by the provision of social housing and accommodation, including emergency supported lodgings, supported lodgings and move-on accommodation.

M3 Project supports young singles and parents who find themselves living in insecure or unsafe accommodation, moving from one place to another and 'sofa surfing'. We believe that every young person should have a safe place to call home, a place where they can thrive, and we have worked towards this aim since 2003 when a gap in service provision was identified and Supported Lodgings were set up.

Over the past 19 years the project has developed services to reflect that, and now have three distinct service areas to support young people who face homelessness.

• Supported Lodgings (ages 16-21): A service where young people have their own bedroom in someone's home and get day-to-day support from the householder along with tailored support from a M3 Support Worker. Working through a support plan, young people eventually move on into their own accommodation with the skills and knowledge to sustain a tenancy.

• Teenage Family Service (ages 16-21): A service for young mums and mums to be, who move into a Shorthold tenancy and receive support around parenting and tenancy management to ensure a positive move-on

• The Listening Project (ages 15-18): A unique young person led service for 16 and 17-year olds who are experiencing difficulties in their relationships at home and may be at risk of homelessness. Using a trained peer mentor, it gives a young person space to think through options and families an opportunity to talk together and find solutions for a better way forward and prevent unplanned moves and potential sofa surfing.

As a small team of 3 full-time and 4 part-time employees, the project works with young people across East Lancashire encouraging them to develop new skills, re-engage with family and friends, access education and training or get into work. Tailored support packages enable young people to eventually move on into their own independent accommodation with the skills and knowledge to sustain a tenancy; their own safe place to call home.

With limited move-on accommodation, M3 are also working in partnership with Valley Heritage in Rossendale and have secured a small number of move-on accommodation units in their heritage building conversion project in Bacup. This will greatly assist where a young person is ready to move but struggling to find a tenancy and will be an exciting new service development for the organisation.

The organisation continues to campaign at local and national level around the issues of homelessness and the impact it has on young people.

M3 Project Limited

Trustee's Report

The financial year took place against the continuing backdrop of the global Covid-19 pandemic. The project continued to adopt a blend of home-based working practices whilst maintaining an office presence in order to continue support for young people in placement and volunteers within local and national Covid guidelines and restrictions.

The organisation is working largely as it was before the pandemic, and in fact we have used this period to strengthen some of our operations, in terms of governance and with business planning for the future. We have adapted and embraced working from home where we have had to, or where actually it allows for greater flexibility in providing our services. Work with a consultant has reinvigorated the governing body for the organisation and resulted in clear strategic plans for the next 3 years. We have developed our fundraising activities further, despite challenges around face to face activities and successfully hit our fundraising targets through greater individual donor and fundraiser support rather than the event-based activities we had previously relied on. Despite the challenges we provided accommodation and in depth support for 22 young people during this period and worked with a further 26 young people on the Listening Project, providing one to one support around mental health, isolation, relationships and homeless prevention

Building on the work overcoming the challenges Covid-19 presented, during the financial year the project has:

o Provided 5475 nights of safe accommodation & support for young people - 10 parents, 13 children & 12 singles.

o Mentored and supported 26 YP with mental health issues, isolation, wellbeing issues or who were at risk of homelessness.

Support and advice was delivered around the following issues:

Benefits or money
Education or training
General issues
Housing options
Independent Living Skills
Mental Health
Physical health
Placement issues
Relationships at home incl domestic abuse
Self harm
Work

Regulatory change for the supported accommodation sector is mooted, with government plans to introduce Ofsted inspections in settings working with 16 and 17 yr olds in 2023. This may result in a dramatic change in the monitoring, inspection and standards required from supported accommodation providers, some of which may be beneficial but much of which may introduce significant burdens around quality assurance. As contract holders for services with a local authority we are already subject to quality assurance and monitoring of our services, but at a local level rather than through a national body. A move to Ofsted regulation and inspection would increase costs and administrative work considerably for a small organisation like ours.

Fundraising disclosures

The project had a successful year of fundraising, despite the disruption caused by Covid, continuing to organise and support fundraising events in the local community this year.

Our regular "Big Soup Social" took place in Spring 2021 and was well supported by many individuals and community groups. Individual donations and community group donations continued grow from the previous year

Core service funding from Lancashire County Council, including contracts for the supported lodgings has continued through this accounting period with extensions from LCC as necessary. Re-contracting of these core services has been subject to delay and is likely to be delayed further till 2023 or beyond..

Referral pathways established with Lancashire County Council allow direct referrals from Children's Social Care for both homeless 16/17 year olds and care-experienced young people aged 16-21. Other referrals come from local organisations working with young people, as well as through self-referrals.

Funding from Lloyds Foundation has continued to cover core hours for management, administration, development and fundraising. This funding has delivered additional outside consultancy and support around developing our Trustee group, strategic planning and developing future housing and accommodation partnerships to provide accommodation within the social housing sector.

Public benefit

The trustee confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management
Financial instruments

Objectives and policies

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustee, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

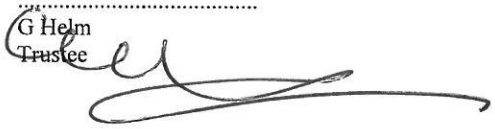
Financial Review

Current free reserves held by M3 Project are sufficient to cover 6 months operating costs, in addition to protected reserves available for redundancy costs for all staff. M3 Project is continuing to make good progress toward a mixed and sustainable funding scenario based on grant funding, charitable giving and contracts for service delivery. Grant application activity is planned and monitored on a quarterly basis.

Budget reviews take place every month and the Treasurer has access to financial information gathered by the Project through a cloud based accounting system.

The annual report was approved by the member of the charity on 23 May 2022 and signed on its behalf by:

.....
G Helm
Trustee



M3 Project Limited

Statement of Trustee's Responsibilities

The trustee (who is also the director of M3 Project Limited for the purposes of company law) is responsible for preparing the trustee's report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

The member is responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the member of the charity on 23 May 2022 and signed on its behalf by:

.....
C Helm
Trustee

M3 Project Limited

Independent Examiner's Report to the trustee of M3 Project Limited

I report on the accounts of the charity for the year ended 30 September 2021 which are set out on pages 8 to 23 .

Respective responsibilities of trustee and examiner
The trustee (who is also the director of the company for the purposes of company law) is responsible for the preparation of the accounts. The trustee considers that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of MacMahon Leggate LtdThe Institute of Chartered Accountants in England and Wales.
Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

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

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

Independent examiner's statement
In connection with my examination, no matter has come to my attention:

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

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

have not been met; or

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

Kay Flanagan

Kay Flanagan FCA CTA
Institute of Chartered Accountants in England and Wales
MacMahon Leggate Ltd
1st Floor
Kingsway House
Kingsway
Burnley
Lancashire
BB11 1BJ

23 May 2022

M3 Project Limited

Statement of Financial Activities for the Year Ended 30 September 2021
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	16,991	32,000	48,991	16,798
Charitable activities	4	240,549	-	240,549	248,712
Investment income	5	9	-	9	42
Total Income		257,549	32,000	289,549	265,552
Expenditure on:					
Raising funds	6	(935)	-	(935)	(2,067)
Charitable activities	7	(228,194)	(37,395)	(265,589)	(267,100)
Other expenditure	8	(26,165)	-	(26,165)	(30,475)
Total Expenditure		(255,294)	(37,395)	(292,689)	(299,642)
Net income/(expenditure)		2,255	(5,395)	(3,140)	(34,090)
Transfers between funds		(300)	300	-	-
Net movement in funds		1,955	(5,095)	(3,140)	(34,090)
Reconciliation of funds					
Total funds brought forward		114,195	5,095	119,290	153,381
Total funds carried forward	17	116,150	-	116,150	119,291

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 17.

M3 Project Limited

(Registration number: 07024301)
Balance Sheet as at 30 September 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	2,201	2,935
Current assets			
Debtors	14	11,937	8,986
Cash at bank and in hand	15	107,966	113,368
		119,903	122,354
Creditors: Amounts falling due within one year	16	(5,954)	(5,999)
Net current assets		113,949	116,355
Net assets		116,150	119,290
Funds of the charity:			
Restricted income funds			
Restricted funds		-	5,095
Unrestricted income funds			
Unrestricted funds		116,150	114,195
Total funds	17	116,150	119,290

The notes on pages 11 to 23 form an integral part of these financial statements.

M3 Project Limited

(Registration number: 07024301)
Balance Sheet as at 30 September 2021

For the financial year ending 30 September 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 8 to 23 were approved by the , and authorised for issue on 23 May 2022 and signed on his behalf by:

.....
G Helm
Trustee

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 £1 towards the assets of the charity in the event of liquidation.

2 Accounting policies

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

Statement of compliance
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation
M3 Project Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern
The trustee consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

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

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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.

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

(i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
(ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
(iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

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.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings and reimbursed expenses.

Taxation

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

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

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

Asset class	Depreciation method and rate
Furniture and Equipment	25% Reducing balance

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

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

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

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

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

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

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

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

Fund structure
Unrestricted income funds are general funds that are available for use at the trustee's 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.

Financial instruments

Classification

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

Recognition and measurement

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

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

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

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

Debt instruments

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

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

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

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

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

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

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

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

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

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

Investments

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

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

Derivative financial instruments

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

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

Fair value measurement

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

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Gift aid reclaimed	2,178	-	2,178
Grants, including capital grants;			
Grants from other companies	-	32,000	32,000
Donations	14,813	-	14,813
Total for 2021	16,991	32,000	48,991
Total for 2020	16,798	-	16,798

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total funds £
Supported lodgings	143,040	-	143,040
Housing benefit	93,857	-	93,857
Rental income	3,652	-	3,652
Total for 2021	240,549	-	240,549
Total for 2020	232,430	16,282	248,712

5 Investment income

	Unrestricted funds General £	Total funds £
Other investment income	9	9
Total for 2021	9	9
Total for 2020	42	42

6 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Marketing and publicity		266	266
Total for 2021		266	266
Total for 2020		1,163	1,163

b) Other costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Other direct costs		669	669
Total for 2021		669	669
Total for 2020		904	904

	Total costs £

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Supported lodgings		92,425	-	92,425
Depreciation, amortisation and other similar costs		734	-	734
Staff costs		132,095	37,395	169,490
Governance costs	9	2,940	-	2,940
Total for 2021		228,194	37,395	265,589
Total for 2020		213,813	53,288	267,101

In addition to the expenditure analysed above, there are also governance costs of £2,940 (2020 - £3,344) which relate directly to charitable activities. See note 9 for further details.

8 Other expenditure

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Other resources expended		26,165	-	26,165
Total for 2021		26,165	-	26,165
Total for 2020		30,367	108	30,475

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Accounting fees		
Other fees paid to accountants	2,880	2,880
Legal fees	60	60
Total for 2021	2,940	2,940
Total for 2020	3,344	3,344

10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	734	978

11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	154,014	155,923
Social security costs	7,864	11,906
Pension costs	4,406	4,319
Other staff costs	3,206	3,014
	169,490	175,162

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Average number of employees	6	6

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

12 Taxation

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

13 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 October 2020	16,720	16,720
At 30 September 2021	16,720	16,720
Depreciation		
At 1 October 2020	13,785	13,785
Charge for the year	734	734
At 30 September 2021	14,519	14,519
Net book value		
At 30 September 2021	2,201	2,201
At 30 September 2020	2,935	2,935

14 Debtors

	2021 £	2020 £
Trade debtors	10,146	7,798
Prepayments	1,791	1,188
	11,937	8,986

15 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	169	266
Cash at bank	107,797	113,102
	107,966	113,368

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	54
Other taxation and social security	2,736	2,801
Other creditors	1,059	1,009
Accruals	2,159	2,135
	5,954	5,999

17 Funds

	Balance at 1 October 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 September 2021 £
Unrestricted funds					
General	114,195	257,549	(255,294)	(300)	116,150
Restricted funds	5,095	32,000	(37,395)	300	-
Total funds	119,290	289,549	(292,689)	-	116,150

	Balance at 1 October 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 September 2020 £
Unrestricted funds					
General	111,273	249,270	(246,247)	(101)	114,195
Restricted funds	42,108	16,282	(53,396)	101	5,095
Total funds	153,381	265,552	(299,643)	-	119,290

Unrestricted funds

Restricted funds

At the 30th September 2021 the individual balances comprising the Restricted Fund balances were Nil.

18 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 30 September 2021 £
Tangible fixed assets	2,201	2,201
Current assets	119,903	119,903
Current liabilities	(5,835)	(5,835)
Total net assets	116,269	116,269

M3 PROJECT

England & Wales - Charity number 1154113

Accounts

Company registration number: 07024301
Charity registration number: 1154113

M3 Project Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2020

MacMahon Leggate
Chartered Accountants
Charter House
18-20 Finsley Gate
Burnley
Lancashire
BB11 2HA

M3 Project Limited

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 5
Statement of Trustees' Responsibilities	6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9 to 10
Notes to the Financial Statements	11 to 23

M3 Project Limited

Reference and Administrative Details

Trustees	G Helm J Cooper R Weinhold RW Robinson C Nelson
Principal Office	Suite 2 St John's Court Bacup Road Rossendale Lancashire BB4 7PA
Registered Office	Suite 2 St John's Court Bacup Road Rossendale Lancashire BB4 7PA
Company Registration Number	07024301
Charity Registration Number	1154113
Independent Examiner	Mrs K Flanagan MacMahon Leggate Chartered Accountants Charter House 18-20 Finsley Gate Burnley Lancashire BB11 2HA

M3 Project Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2020.

Objectives and activities

Objects and aims

To provide relief to young people between the ages of 16-25 years old in East Lancashire and surounding area by the provision of social housing and accommodation, including emergency supported lodgings, supported lodgings and move-on accommodation

Objectives, strategies and activities

M3 Project supports young singles and parents who find themselves living in insecure or unsafe accommodation, moving from one place to another and 'sofa surfing'. We believe that every young person should have a safe place to call home, a place where they can thrive, and we have worked towards this aim since 2003 when a gap in service provision was identified and Supported Lodgings were set up.

Over the past 17 years the project has developed services to reflect that, and now have three distinct service areas to support young people who face homelessness.

- Supported Lodgings (ages 16-21): A service where young people have their own bedroom in someone's home and get day-to-day support from the householder along with tailored support from a M3 Support Worker. Working through a support plan, young people eventually move on into their own accommodation with the skills and knowledge to sustain a tenancy.
- Teenage Family Service (ages 16-21): A service for young mums and mums to be, who move into a Shorthold tenancy and receive support around parenting and tenancy management to ensure a positive move-on
- The Listening Project (ages 15-18): A unique young person led service for 16 and 17-year olds who are experiencing difficulties in their relationships at home and may be at risk of homelessness. Using a trained peer mentor, it gives a young person space to think through options and families an opportunity to talk together and find solutions for a better way forward and prevent unplanned moves and potential sofa surfing.

As a small team of 4 full-time and 4 part-time employees, the project works with young people across East Lancashire encouraging them to develop new skills, re-engage with family and friends, access education and training or get into work. Tailored support packages enable young people to eventually move on into their own independent accommodation with the skills and knowledge to sustain a tenancy; their own safe place to call home.

With limited move-on accommodation, M3 are also working in partnership with Valley Heritage in Rossendale and have secured a couple of move-on accommodation units in their heritage building conversion project in Backup. This will greatly assist where a young person is ready to move but struggling to find a tenancy and will be an exciting new service development for the organisation.

The organisation continues to campaign at local and national level around the issues of homelessness and the impact it has on young people.

M3 Project Limited

Trustees' Report

Core service funding from Lancashire County Council, including contracts for the supported lodgings has continued through this accounting period with extensions from LCC as necessary. Re-contracting of these core services was timetabled for 2019, but has been subject to delay already and is likely to be delayed further till 2021 or beyond.

New referral pathways have seen these accommodation services subject to direct referral mechanisms from Lancashire County Council, as part of the Joint Protocol for Homeless Young People relaunched by Lancashire County Council in 2018. Funding from Lloyds Foundation continued to cover core hours for management, administration, development and fundraising. This funding has delivered additional outside consultancy and support around developing our Trustee group, strategic planning and developing future housing and accommodation partnerships to provide accommodation within the social housing sector.

The second half of the financial year took place against the backdrop of the global Covid-19 pandemic. The project was proud to have been an early adopter of safer home-based working practices that still maintained a high level of support for young people in placement during the various national and local lockdowns and restrictions.

Working through the challenges Covid-19 presented, after 100 days the project had:
o provided 1561 nights of safe accommodation & support for young people - 11 parents, 13 children & 7 singles.
o Mentored a group of YP at risk of homelessness.
o Organised an inaugural virtual fundraiser.
o Learned to work in new ways, many of which will be retained to enhance our service.

This support has continued within the framework of Covid-secure working practices meaning the services been able to continue to provide accommodation and support to vulnerable young people and families with only minimal disruption.

This has been in large part due to the dedication of staff and the volunteer group of Householders. In the last financial year as a whole, the project has supported over 40 young people with their accommodation, support and advice needs. Support and advice was delivered around the following issues:

Benefits or money
Education or training
General issues
Housing options
Independent Living Skills
Mental Health
Physical health
Placement issues
Relationships at home incl domestic abuse
Self harm
Work

2020 was a special year as it was ten years ago that M3 Project set up its unique Teenage Family Service and during this year that the service provided its 100th mother and baby with supported accommodation.

Fundraising disclosures

The project has successfully organised 2 major fundraising events in the local community this year.

The "Big Soup Social" took place in February 2020 before all the Covid-19 restrictions were in place and again captured the imagination of the community groups. Staff were 'bowled' over with the support in its third year and thrilled to see so many people enjoying themselves.

Staff were forced to put on their thinking caps on this year to arrange a safe "Run Out Homelessness" event which usually takes place in the Summer at Marl Pits. Hence the Run Out Homelessness Fun Run moved into the 'virtual' world. It gave individuals the opportunity to run, walk or cycle 5km or more, and many did much more.

Current free reserves held by M3 Project are sufficient to cover 6 months operating costs, in addition to protected reserves available for redundancy costs for all staff. M3 Project is continuing to make good progress toward a mixed and sustainable funding scenario based on grant funding, charitable giving and contracts for service delivery. Grant application activity is planned and monitored on a quarterly basis.

Budget reviews take place every month and the Treasurer has access to financial information gathered by the Project through a cloud based accounting system.

Public benefit

The governing document under which the charity operates is its Memorandum and Articles of Association dated 20 September 2009, amended 11 July 2013.

The charity is a company limited by guarantee, as defined by the Companies Act 2006.

The trustees are treated as directors for Companies Act purposes.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management
Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.
Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.
The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.
The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.
The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.
Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

The annual report was approved by the trustees of the charity on 10 June 2021 and signed on its behalf by:

.....
G Helm
Trustee

M3 Project Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of M3 Project Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

Approved by the trustees of the charity on 10 June 2021 and signed on its behalf by:

.....

G Helm
Trustee

M3 Project Limited

Independent Examiner's Report to the trustees of M3 Project Limited

I report on the accounts of the charity for the year ended 30 September 2020 which are set out on pages 8 to 23 .

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

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

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

Independent examiner's statement
In connection with my examination, no matter has come to my attention:

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

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

have not been met; or

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

Mrs K Flanagan
MacMahon Leggate
Chartered AccountantsCharter House
18-20 Finsley Gate
Burnley
Lancashire
BB11 2HA

10 June 2021

M3 Project Limited

Statement of Financial Activities for the Year Ended 30 September 2020
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
Income and Endowments from:					
Donations and legacies	3	16,798	-	16,798	49,006
Charitable activities	4	232,430	16,282	248,712	242,569
Investment income	5	42	-	42	48
Total Income		249,270	16,282	265,552	291,623
Expenditure on:					
Raising funds	6	(2,067)	-	(2,067)	(1,188)
Charitable activities	7	(244,180)	(53,396)	(297,576)	(289,835)
Total Expenditure		(246,247)	(53,396)	(299,643)	(291,023)
Net income/(expenditure)		3,023	(37,114)	(34,091)	600
Transfers between funds		(101)	101	-	(3,060)
Net movement in funds		2,922	(37,013)	(34,091)	(2,460)
Reconciliation of funds					
Total funds brought forward		111,273	42,108	153,381	155,841
Total funds carried forward	16	114,195	5,095	119,290	153,381

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 16.

M3 Project Limited

(Registration number: 07024301)
Balance Sheet as at 30 September 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	2,935	3,913
Current assets			
Debtors	13	8,986	29,161
Cash at bank and in hand	14	113,368	127,256
		122,354	156,417
Creditors: Amounts falling due within one year	15	(5,999)	(6,949)
Net current assets		116,355	149,468
Net assets		119,290	153,381
Funds of the charity:			
Restricted income funds			
Restricted funds		5,095	42,108
Unrestricted income funds			
Unrestricted funds		114,195	111,273
Total funds	16	119,290	153,381

The notes on pages 11 to 23 form an integral part of these financial statements.

M3 Project Limited

(Registration number: 07024301)
Balance Sheet as at 30 September 2020

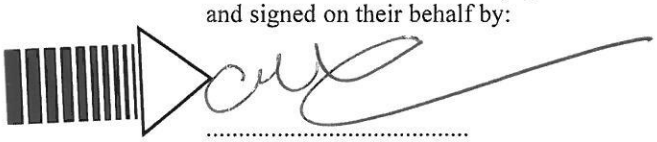
For the financial year ending 30 September 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 8 to 23 were approved by the trustees, and authorised for issue on 10 June 2021 and signed on their behalf by:



.....
G Helm
Trustee

1 Charity status

The charity is limited by guarantee, incorporated in , and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

2 Accounting policies

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

Statement of compliance
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation
M3 Project Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern
The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

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

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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.

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

(i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
(ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
(iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

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.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

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

Tangible fixed assets
Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

Asset class	Depreciation method and rate
Furniture and Equipment	25% Reducing balance

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

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

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

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

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

Borrowings

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

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

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

Fund structure

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

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.

Financial instruments

Classification

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

Recognition and measurement

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

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

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

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

Debt instruments

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

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

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

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

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

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

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

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

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

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

Investments

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

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

Derivative financial instruments

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

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

Fair value measurement

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

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Gift aid reclaimed	861	-	861
Donations	15,937	-	15,937
Total for 2020	16,798	-	16,798
Total for 2019	17,116	31,890	49,006

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total funds £
Supported lodgings	134,053	-	134,053
Housing benefit	91,285	-	91,285
Rental income	7,092	-	7,092
Prevention project income	-	16,282	16,282
Total for 2020	232,430	16,282	248,712
Total for 2019	210,278	32,291	242,569

5 Investment income

	Unrestricted funds General £	Total funds £
Other investment income	42	42
Total for 2020	42	42
Total for 2019	48	48

6 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Marketing and publicity		1,163	1,163
Total for 2020		1,163	1,163
Total for 2019		300	300

b) Other costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Other direct costs		904	904
Total for 2020		904	904
Total for 2019		888	888

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Supported lodgings		85,914	1,888	87,802
Depreciation, amortisation and other similar costs		978	-	978
Staff costs		123,577	51,400	174,977
Governance costs	8	33,711	108	33,819
Total for 2020		244,180	53,396	297,576
Total for 2019		250,038	39,797	289,835

In addition to the expenditure analysed above, there are also governance costs of £33,819 (2019 - £31,596) which relate directly to charitable activities. See note 8 for further details.

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Restricted funds £	Total funds £
Staff costs			
Other staff costs	185	-	185
Audit fees			
Other fees paid to auditors	3,024	-	3,024
Legal fees	135	-	135
Other governance costs	30,367	108	30,475
Total for 2020	33,711	108	33,819
Total for 2019	29,944	1,652	31,596

9 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2020 £	2019 £
Depreciation of fixed assets	978	1,304

10 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	155,923	154,802
Social security costs	11,906	9,816
Pension costs	4,319	4,380
Other staff costs	3,014	5,439
	175,162	174,437

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2020 No	2019 No
Average number of employees	8	8

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

11 Taxation

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

12 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 October 2019	16,720	16,720
At 30 September 2020	16,720	16,720
Depreciation		
At 1 October 2019	12,807	12,807
Charge for the year	978	978
At 30 September 2020	13,785	13,785
Net book value		
At 30 September 2020	2,935	2,935
At 30 September 2019	3,913	3,913

13 Debtors

	2020 £	2019 £
Trade debtors	7,797	11,689
Prepayments	1,189	1,189
Other debtors	-	16,283
	8,986	29,161

14 Cash and cash equivalents

	2020 £	2019 £
Cash on hand	266	208
Cash at bank	113,102	127,048
	113,368	127,256

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	54	1,693
Other taxation and social security	2,801	2,405
Other creditors	1,009	931
Accruals	2,135	1,920
	5,999	6,949

16 Funds

	Balance at 1 October 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 September 2020 £
Unrestricted funds					
General	111,273	249,270	(246,247)	(101)	114,195
Restricted funds	42,108	16,282	(53,396)	101	5,095
Total funds	153,381	265,552	(299,643)	-	119,290

	Balance at 1 October 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 September 2019 £
Unrestricted funds					
General	138,117	227,442	(251,226)	(3,060)	111,273
Restricted funds	14,664	64,181	(39,797)	3,060	42,108
Total funds	152,781	291,623	(291,023)	-	153,381

Unrestricted funds

Restricted funds

At the 30th September 2019 the individual balances comprising the Restricted Fund balances were as follows:
Children in Need £11,131

17 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 30 September 2020 £
Tangible fixed assets	2,935	2,935
Current assets	122,354	122,354
Current liabilities	(5,880)	(5,880)
Total net assets	119,409	119,409