

Charity Registration No. 1166740

**SECOND CHANCE CHARITY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 14 MAY 2021**

SECOND CHANCE CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Penny Keevil
A Fitzpatrick
Steven Keevil
G Jordan
R Pataky
Robert Swift
Candy Penfold

Charity number

1166740

Registered office

105 High Street
Chatham
Kent
ME4 4DH

Accountants

Crossley Financial Accounting
Star House
Star Hill
Rochester
Kent
ME1 1UX

SECOND CHANCE CHARITY

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SECOND CHANCE CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 14 MAY 2021

The trustees present their report and financial statements for the year ended 14 May 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's deed of trust, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

AIMS

Second Chance Medway (Charity No: 1166740), working in the Community for the Community was set up for the relief and assistance of the homeless and people in crisis throughout Medway and surrounding areas. Second Chance Medway aims to stop the revolving door of evictions for vulnerable families, providing Tenancy and Housing Support to establish an independent life, accessible from our Community Hub located on Chatham High Street. Tenancy and Housing Support services include awareness, education, incentives and support for Landlords and Tenants. Crisis Support including Domestic Violence, Mental Health, Benefits, Debt and Budgeting Skills, Grants and Food Aid. Support intervention for; financial, social, employability, isolation, vulnerability, mental health or food and hygiene poverty and varied support programs towards independent living in the community.

ACTIVITIES

With 12 Volunteers, working on a flexible rota over a 5-day week, and with no paid full or part time staff, supporting families and individuals to encourage and empower their selves and their families with the best possible chance in life. Our support raises self-confidence, self-esteem, improves social ability and reduces isolation. The support also reduces difficult behaviour within the family which improves mental health and encourages strong family ties. Volunteers are usually ex-service users themselves, recruited, trained and mentored by our experienced team. Our activities are ever changing to match the needs of the clients and beneficiaries, mainly due to the Covid-19 Pandemic and the increased need for services and support. We have had to diversify this year to match the needs of the Community, with more Food Aid provision and Mental Health support being the most significant changes, with budgeting and financial support due to furloughing and redundancies; our Crisis Support Desk has been extremely busy at times with the need for support during these very difficult times.

We provide several services including;

Food Aid Project: feeding over 1800 family members and individuals, much higher than that of previous periods due to Covid, redundancies and furloughing. Many that previously supported us now look to us for support. Food Aid continued to feed members that would otherwise go hungry due to food poverty and financial crisis. Food and groceries, including household and toiletries, are provided by FareShare, for a regulated and agreed cost, this allows Second Chance Medway to pass on this huge saving to its Project Members, whereby an average family shop cost in excess of £100 at mainline Supermarkets, it can cost £30-£35 via the project. We have added fresh meat from a local Butchers and are sourcing fresh fruit and vegetables from local suppliers and wholesalers.

We have kept Membership to a simple process, allowing us to monitor numbers and requirements. Many families have joined along with individuals, and all have found the Project helpful and life changing. Members often refer family, friends and colleagues to the project, which ensures the Projects growth and helps us support the wellbeing of the Medway Community.

We have had many referrals from Schools, all Social Service Departments, DWP, UC, CAB, and LA; where they are seeing more and more families struggling, they are being referred to Second Chance Medway to help support food poverty and feed and support the families on a low income.

Finance and Benefits Clinic: numbers are increasing again, with many families and individual reaching out for budgeting support, as clients are just struggling to manage as they can with finances being difficult for all. There were still clients seeking benefit advice, with benefits from being underpaid, or not aware of the benefits that should be calming due to their being furloughed and made redundant.

SECOND CHANCE CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 14 MAY 2021

We also offer Debt and Budgeting Advice and are seeing many people on a regular basis and helping them achieve a better household budget, by looking at better prices on household essential bills and signing up for Food Aid.

We are continually supported by members of the DWP, by phone or email. Our support for clients looking to the Credit Union, has also ceased as clients generally are preferring to stick to old bank accounts to manage what money they have. We will continue to support the idea of Credit Union, where possible.

Housing Advice and Tenancy Support Service: we are supporting various clients with housing advice from landlord repairs, to housing benefit, to being worried regarding eviction due to arrears and finding it hard to cover rents and all other general household bills. We always advocate Rent should come first as it is essential to keep roofs over families' heads at this difficult time. We would offer help, support and guidance to ensure Tenancy Sustainment and therefore reduce Homelessness statistics, but this has become difficult to do via appointments by phone calls. Where possible we apply for DHPs on behalf of the client where arrears are involved to halt eviction processes and help to sustain tenancies with continued support for the families involved.

Crisis Support Desk: we have seen the number of emails increase with people seeking advice, grants for essentials and membership to the food aid project. We have a 2 tier system, those that need a simple answer get answered immediately ('one and done'), those that need a telephone appointment are offered one via email, and then it is set up and any follow on that may be required is also by telephone.

We are allowing appointments back in the Hub, under strict rules of distancing, masks to be worn and hand sanitiser used. It helps the client if they can have a one to one with a support worker as they feel more at ease and often need that personal touch to help them feel secure.

Domestic Violence: sadly, the number of Domestic Violence reports have increased during Covid, and we are often being approached by outside of area Councils and Refuges to help families fleeing from their family homes, often without anything. We help by housing those we can, with furniture grants, clothing and food and we also assign them a Support Worker to ensure they have someone to turn to and someone to advice best place for schools, shops, doctors and local facilities. The improvement in self esteem and confidence over time is empowering and they often stay and support like new clients that seek our help. We have seen a remarkable change in clients overall wellbeing and often they volunteer before seeking employment in the area, but they continue to visit the Hub and keep in touch with Support Workers and Volunteers.

Mental Health & ADHD Support Group: although we continue to give Mental Health support where we can, as some just need someone to turn to, to talk to, someone to listen and offer advice. The ADHD Support has had to be close for the time being as the ADHD advisor left post Covid, and we refer clients seeking more detailed support on to more qualified organisations, like MEGAN and Talking Therapies. The ADHD support will be reinstated during 2021/22.

Job Club, Employability & Training: this is currently on hold, although in talks with DWP to get started again. We currently have one Apprenticeship at the Hub and are looking to take on Trainees via the Kickstart Program. This service will restart once Covid restrictions are lifted and we will be offering a desk space for individual to carry out Job Search within the Hub.

Ex-Offenders and Offenders Support: our WOS scheme (Working Out Scheme) with Stanford Hill had to cease, as all the clients at Stanford were on lock down due to the possibility of catching or spreading the infection. During Covid we had to replace volunteers from more localised groups, so WOS has not been restarted, although many of the previous volunteers keep in touch, especially after they have finished their sentence and after release many have visited and were grateful for the work experience and help and support they received whilst working at Second Chance Medway.

Furniture Grants: this seems to have increased, with service users struggling to meet general bills, therefore unable to replace furnishings and white goods when they breakdown. We have had to forward many clients onto CAB who handle the Local Social Grant Scheme for the Council, to help many of those that do not meet our criteria. Colyer Ferguson continue to support the 18-25 age group and Chatham Charities for residents of Chatham, which we are more than happy to continue to work with to obtain the financial support many need.

SECOND CHANCE CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 14 MAY 2021

Support for 18-24 year olds Starting Out; with the support of Colyer Ferguson Charitable Trust, we can offer small grants to individual leaving home for the first time, either as Care Leavers or unable to live in the family home for whatever reason, we can help set up a small one bedroomed flat with furnishings, to help the transition into their own homes.

Also within this age group, should anyone be starting their first job and have no appropriate clothing we can allow small grants to ensure they look the part on their first day and beyond, which helps with confidence and self-esteem and secures their settling into their new job.

This has held fast, with many young adults seeking help and advice, or looking for grants to help set up their first home.

Further development via our Membership with the KICC, we are in talks with various other Young Adult Schemes and will work together to help support into driving lessons and other services. This is in development and will be detailed at a later date.

FUND RAISING

Second Chance Medway' Tenancy Support Service, currently nearing completion, with further statistics and evidence added plus financial requirements and amendments to be made, before submitting for funding. This will enable Second Chance Medway to run a Pilot Scheme, thus enabling results and statistics to be presented to the Ministry of Housing, Communities and Local Government (MHCLG) to further the project for LA contractual schemes.

We also are planning to move the Service Hub to a new location, allowing Food Aid to continue and grow at the Chatham High Street location and are in talks to progress these plans, with a new Central Community Centre identified.

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

Achievements and performance

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is controlled by its governing document, a deed of trust.

The trustees who served during the year and up to the date of signature of the financial statements were:

Penny Keevil
A Fitzpatrick
Steven Keevil
G Jordan
R Pataky
Robert Swift
Candy Penfold

SECOND CHANCE CHARITY

TRUSTEES' REPORT (CONTINUED)

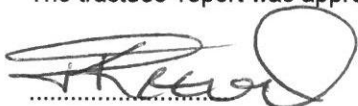
FOR THE YEAR ENDED 14 MAY 2021

The charity's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The charity's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the charity's contractual and other legal obligations.

The trustees' report was approved by the Board of Trustees.



Penny Keevil

Trustee

Dated: 26/10/21

SECOND CHANCE CHARITY

CHARTERED ACCOUNTANTS' REPORT TO THE TRUSTEES ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF SECOND CHANCE CHARITY FOR THE YEAR ENDED 14 MAY 2021

In order to assist you to fulfil your duties under the Charities Act 2011, we have prepared for your approval the financial statements of Second Chance Charity for the year ended 14 May 2021, which comprise the statement of financial activities and the related notes from the charity's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

This report is made to the charity's trustees, as a body, in accordance with the terms of our engagement letter dated 4 May 2018. Our work has been undertaken solely to prepare for your approval the financial statements of Second Chance Charity and state those matters that we have agreed to state to the charity's trustees, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Second Chance Charity and the charity's trustees as a body, for our work or for this report.

It is your duty to ensure that Second Chance Charity has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and surplus of Second Chance Charity. You consider that Second Chance Charity is exempt from the statutory audit requirement for the year, and is not required to obtain an independent examiner's report.

We have not been instructed to carry out an audit or a review of the financial statements of Second Chance Charity. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Crossley Financial Accounting

Chartered Accountants

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Star House
Star Hill
Rochester
Kent
ME1 1UX

SECOND CHANCE CHARITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 14 MAY 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income from:</u>			
Donations	2	56,611	37,369
		<hr/>	<hr/>
<u>Expenditure on:</u>			
<u>Charitable activities</u>			
Charitable Expenditure	3	45,774	42,342
		<hr/>	<hr/>
Total charitable expenditure		45,774	42,342
		<hr/>	<hr/>
Net income/(expenditure) for the year/ Net movement in funds		10,837	(4,973)
Fund balances at 15 May 2020		1,516	6,489
		<hr/>	<hr/>
Fund balances at 14 May 2021		12,353	1,516
		<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

SECOND CHANCE CHARITY

STATEMENT OF FINANCIAL POSITION

AS AT 14 MAY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	6		2,394		750
Current assets					
Debtors	7	200		200	
Cash at bank and in hand		11,274		3,014	
		<u>11,474</u>		<u>3,214</u>	
Creditors: amounts falling due within one year	8	<u>(1,515)</u>		<u>(2,448)</u>	
Net current assets			9,959		766
Total assets less current liabilities			<u>12,353</u>		<u>1,516</u>
Income funds					
Unrestricted funds - general			12,353		1,516
			<u>12,353</u>		<u>1,516</u>

The financial statements were approved by the Trustees on



Penny Keevil
Trustee

SECOND CHANCE CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 14 MAY 2021

1 Accounting policies

Charity information

Second Chance Charity is a charitable incorporated organisation, incorporated in England and Wales. The registered office is 105 High Street, Chatham, Kent, ME4 4DH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's deed of trust, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

1.2 Charitable funds

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

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

1.3 Incoming resources

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

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

SECOND CHANCE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 14 MAY 2021

1 Accounting policies

(Continued)

1.4 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.5 Tangible fixed assets

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

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

Fixtures and fittings

Computers

Motor vehicles

5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

SECOND CHANCE CHARITY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 14 MAY 2021

3 Charitable activities

	2021 £	2020 £
Furniture grant	2,885	2,992
Clothing provision	-	500
Food aid	10,977	15,204
Utilities payment provided	-	1,090
	<u>13,862</u>	<u>19,786</u>
Share of support costs (see note 4)	30,718	21,806
Share of governance costs (see note 4)	1,194	750
	<u>45,774</u>	<u>42,342</u>

4 Support costs

	Support costs £	Governance costs £	2021 £	2020 £
Depreciation	472	-	472	200
Rent	12,408	-	12,408	14,542
Mobiles, broadband & phones	1,378	-	1,378	754
Insurance	346	-	346	-
Membership	283	-	283	(193)
Legal and professional	6,790	-	6,790	3,025
Repairs and maintenance	430	-	430	39
Hub electricity	1,372	-	1,372	706
Marketing and designs	2,889	-	2,889	1,883
IT support	4,350	-	4,350	850
Accountancy	-	1,194	1,194	750
	<u>30,718</u>	<u>1,194</u>	<u>31,912</u>	<u>22,556</u>
Analysed between				
Charitable activities	<u>30,718</u>	<u>1,194</u>	<u>31,912</u>	<u>22,556</u>

Governance costs includes payments to the accountants of £759 (2020- £750) for accountancy fees.

SECOND CHANCE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 14 MAY 2021

1 Accounting policies

(Continued)

1.6 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

2 Donations

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Donations and gifts	25,226	29,910
Grant	31,385	7,459
	<u>56,611</u>	<u>37,369</u>

SECOND CHANCE CHARITY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 14 MAY 2021

5 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
7	7
<u>7</u>	<u>7</u>

6 Tangible fixed assets

	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost				
At 15 May 2020	-	-	1,000	1,000
Additions	901	1,214	-	2,115
	<u>901</u>	<u>1,214</u>	<u>1,000</u>	<u>3,115</u>
At 14 May 2021	901	1,214	1,000	3,115
	<u>901</u>	<u>1,214</u>	<u>1,000</u>	<u>3,115</u>
Depreciation and impairment				
At 15 May 2020	-	-	250	250
Depreciation charged in the year	150	121	200	471
	<u>150</u>	<u>121</u>	<u>200</u>	<u>471</u>
At 14 May 2021	150	121	450	721
	<u>150</u>	<u>121</u>	<u>450</u>	<u>721</u>
Carrying amount				
At 14 May 2021	751	1,093	550	2,394
	<u>751</u>	<u>1,093</u>	<u>550</u>	<u>2,394</u>
At 14 May 2020	-	-	750	750
	<u>-</u>	<u>-</u>	<u>750</u>	<u>750</u>

7 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	200	200
	<u>200</u>	<u>200</u>

8 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	1,398
Accruals and deferred income	1,515	1,050
	<u>1,515</u>	<u>2,448</u>

SECOND CHANCE CHARITY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 14 MAY 2021

9 Analysis of net assets between funds

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Fund balances at 14 May 2021 are represented by:		
Tangible assets	2,394	750
Current assets/(liabilities)	9,959	766
	<u>12,353</u>	<u>1,516</u>