

**Company Registration Number: CEO14235**

**Charity No: 1178557**

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022  
FOR  
CONTACT**

**Ainsworths Limited  
Charter House  
Stansfield Street  
Nelson  
Lancashire  
BB9 9XY**

## **CONTACT**

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## **CONTACT**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022**

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The trustees present their annual report and the unaudited financial statements of the charity for the year ended 31<sup>st</sup> March 2022.

The financial statements comply with the Charities Act 2011 and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1<sup>st</sup> January 2015) – (Charities SORP (FRS 102)).

## **LEGAL AND ADMINISTRATIVE DETAILS**

### **Registered charity number**

1178557

### **Registered address**

339 Wilbraham Road  
Whalley Range  
Manchester  
M16 8GL

### **Trustees and key management personnel**

The trustees who served during the year and appointments since the end of the year were as follows:

Andrew Farrell	-	Appointed as Chair on 25 <sup>th</sup> November 2021
Joanne Doran		
David Fitzgerald	-	Appointed 28 <sup>th</sup> July 2022
Susanne Flinn	-	Appointed 27 <sup>th</sup> January 2022
Megan Walden-Jones	-	Appointed 28 <sup>th</sup> July 2022
Daressa Mullen	-	Resigned 31 <sup>st</sup> March 2022
Janet O'Connor	-	Resigned 25 <sup>th</sup> November 2021
Laura Redhead		
Kirsten Sedgwick	-	Resigned as Chair on 25 <sup>th</sup> November 2021
Kay Smith		
Susan Taylor		

### **Independent Examiner**

Michael Heys FCCA ACA  
Ainsworths Limited  
Charter House  
Stansfield Street  
Nelson  
Lancashire  
BB9 9XY

## **CONTACT**

### **REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Organisational status**

Contact was registered as a charitable incorporated organisation (CIO) on 30<sup>th</sup> May 2018 under the provisions of the Charities Act (Charity number: 1178557).

##### **Structure, governance and management**

The trust provides for a minimum of three and a maximum of twelve trustees. Were there a requirement for new trustees, these would be identified and appointed by the remaining trustees. The chair of trustees is responsible for the induction of any new trustee which involves awareness of a trustee's responsibilities, the governing document, administrative procedures and the history and philosophical approach of the charity. A new trustee would receive copies of the previous year's annual report.

##### **Risk management**

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to ensure that regular reports are produced and that necessary steps can be taken to address any issues arising.

#### **OBJECTIVES AND ACTIVITIES**

##### **Our Mission**

Contact offers more than just a place to stay. Contact aims to provide a home that is safe and secure and staffed twenty-four hours a day for vulnerable young women aged 16-19 in the Manchester area. The ethos of Contact is very simple; to provide each young person "what any good parent would do". The hostel offers support and help to move on to a better and happier future. Contact offers seven residential places in the main house and one place in an adjacent bungalow on the same site. It also provides an informal outreach service for the young women who have moved into more secure accommodation. All placements at Contact are regarded as short term.

##### **Public benefit**

In setting out the charity's objectives and planning of activities the trustees have given careful consideration to the Charity Commission's general guidance and section 17(5) of the Charities Act 2011. The trustees are confident that the charity offers services of real and practical use to the local population and therefore complies with the responsibility placed on all charities under the Charities Act 2011 to demonstrate a public benefit.

## **CONTACT**

### **REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022**

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#### **Chair's report**

I am pleased to present our annual report for the financial year ending 31<sup>st</sup> March 2022.

Over the last twelve months, and despite restrictions with Covid, the board have continued to work with all colleagues at Contact and have achieved a great result and affected some extremely effective change.

We have restructured the roles within the core team of Manager, Deputy Manager, Administrator and Fundraiser and created three new roles of Service Manager, Operations Manager and Fundraising Partner. The board worked with colleagues affected by the change to ensure that clear roles and responsibilities were outlined, documented and agreed with our external HR business partners. Trustees and staff agree that the new structure works better and all involved have a clear job description, line manager and key objectives where applicable.

As a board we have two main projects on our agenda – Governance and Risk, and the renovation of Brigid's Bungalow. Governance is an ongoing process and we have started by reviewing all current documentation to ensure it is relevant and up to date. The Bungalow project is gathering pace with work due to start in the new year.

I would like to welcome Suzanne Flinn, Megan Walden-Jones and David Fitzgerald as new trustees. They bring a wealth of experience from their respective careers which will only bolster the skill set of the Board.

On that matter, I would like to thank our outgoing trustees - Daressa Mullen, who has served us well over the years and Kirsten Sedgwick, who has dedicated a substantial amount of her time as former Chair of the Board. I wish them well in their next endeavours.

I am looking forward to what the next twelve months has in store for Contact and the further changes we are making; we can only hope that we continue to significantly improve the lives of the women who pass through our doors.

*Andy Farrell*  
*Chair of the Board of Trustees*

## **ACHIEVEMENTS AND PERFORMANCE**

#### **Who we support**

Since being founded in 1970 Contact has provided a safe home and support to over 800 young women. Although Contact continually modifies its service offering to meet the ever-changing needs of young people, the nature and the ethos of Contact remains consistent with those set by its founder Brigid Murphy 52 years ago. Contact provides "what any good parent would wish for" to vulnerable young women aged 16-19. The young women who access Contact are considered homeless with no suitable housing to live where they can be kept safe and free from harm. Many of the young women will arrive with few or no belongings and with no family or support system.

The young women supported by Contact come from a range of backgrounds with many having experienced parental breakdown, physical and emotional abuse, child sexual exploitation, oppressive family regimes, forced marriage and involvement in gangs. Without exception all carry the wounds of rejection, trauma and loss of childhood. Many of the young women accommodated by Contact were raised in poverty in some of the most socially deprived areas of Greater Manchester.

## CONTACT

### REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022

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#### ACHIEVEMENTS AND PERFORMANCE (Continued...)

##### Young women accommodated

In the year ending 31<sup>st</sup> March 2022 Contact received 38 referrals from The Gateway which is a centralised referral system hosted by Centre Point in central Manchester. Of those 38 referrals, Contact was able to accommodate 13 young women. This shows that Contact's service is still very much needed in Greater Manchester.

##### Our Performance

	2021/2022	2020/2021	2019/2020
Number of young women referred	38	46	58
Number of young women accommodated	13	15	21
Occupancy	81%	85%	97%
Average length of stay in months	8.1	4.69	4.7
Average age in years	17.6	16.8	17.2

Ethnicity			
White British	31%	33%	33%
Black British	69% BAME	67% BAME	67% BAME
Asian			
Mixed Heritage			
Sexuality			
LGBTQ	46%	33%	9.50%

##### Average age

The average age of those accommodated by Contact in 2021 was 17 years and 6 months. This is an increase on 2020 when the average age was 16 years and 8 months. The Gateway prioritises this group when making referrals to Contact because we have a longstanding reputation of supporting extremely vulnerable young women who would be considered at high risk of grooming and exploitation in larger, mixed gendered, homelessness providers.

##### Race and sexuality

Of the 13 young women accommodated at Contact during 2021/22, 69% (2020/21: 67%) identified as being Black, Asian or of mixed heritage. This reflects the diverse population of Manchester.

##### The support we give

Our experienced support staff offer personalised one to one intervention including employment and education support, advice and guidance, referrals to specialised support agencies and create personal development plans outlining their future goals and aspirations. We are passionate about delivering early intervention and a wraparound service of support to ensure the young women at Contact have the best possible chance to succeed. They will be supported to learn independent living skills, life skills, budgeting and managing money and through the transition into independence.

## CONTACT

### REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022

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#### ACHIEVEMENTS AND PERFORMANCE (Continued...)

##### Shelly's\* success

(\*Name has been changed to protect service user identity.)

At Contact we encourage the young women we support to dream and make plans for their futures. A perfect example of this is Shelly\* who entered Contact in January 2020.

Shelly came from a loving home where she lived with her mother and younger brother. When Shelly was in her mid-teens her mother's mental health began to decline resulting in the loss of the family home. Upon being made homeless her brother entered the care system and Shelly was placed in emergency accommodation, while their mother continued to live homeless on the streets. The emergency accommodation ended once Shelly turned 18 and on her 18<sup>th</sup> birthday she came to Contact.

Shelly was very distressed upon arriving at Contact, struggling with having been separated from her mother, brother and everything she was familiar with. Support Staff at Contact worked to gain her trust and offered emotional support, kindness and stability. Although incredibly resilient and fiercely independent Shelly was vulnerable and fragile at times. Upon arrival Contact provided clothing, bedding and food. Contact assisted Shelly with her Housing Benefit application. As Shelly had enrolled on a legal apprenticeship her Housing Benefit entitlement was reduced, therefore Contact helped to finance the shortfall to enable her to continue the apprenticeship and achieve her goal of becoming a paralegal.

Contact further supported Shelly with her apprenticeship by improving the internet connection in the hostel to enable all occupants to work remotely while Covid-19 restrictions were in place.

At the end of 2021, with no other suitable independent accommodation available, Shelly moved into Contacts Move On Bungalow, she continued her apprenticeship, taking responsibility for the bungalow and herself, safe in the knowledge that her Key Worker was close at hand. In 2022 Shelly was allocated her own property. Contacts Moving On Fund provided financial support, purchasing most of her furniture, a television, white goods, cutlery, kettle and new carpets. Contact paid for the removal and provided support to ensure that she didn't struggle in the initial stages. Shelly continues to thrive and keeps Contact updated on her progress. She has finished her apprenticeship and is now working full time at a law firm.

Shelly said the following upon her departure from Contact:

*"I miss Contact and all the staff with all of my heart. It brings me to tears to think of all the great memories I made at Contact, especially remembering the young naïve lady I walked in as. Contact saved me in many ways that they don't even know. Contact was there for me when I needed a helping hand most. Contact provided me with the life skills any young, independent person needed and without this step in my life, I don't believe I would be where I am today. Most of all Contact provided me with not just a place to stay, they provided me with a warm, loving HOME. I am eternally grateful for all of Contact and their amazing staff that cannot be credited enough."*

## **CONTACT**

### **REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022**

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#### **ACHIEVEMENTS AND PERFORMANCE (Continued...)**

##### **Because of you**

In the year ending 31<sup>st</sup> March 2022 over 52% (2021: over 67%) of the income Contact received came from charitable donations. Without the loyal and outstanding generosity of our benefactors Contact would not have been able to provide our vital service during this difficult period. This generosity enables Contact to maintain our high level of service and to be staffed to the required levels to achieve this.

Our benefactors enable us to have funds readily available to meet the immediate needs of those we support, to start to combat the poverty and deprivation that has oppressed their early years and develop the skills they need to thrive in the future.

##### **Moving On Fund**

Contact continued to support young women to move on to more independent living. Moving on can be a traumatic transition in any young person's life but it is greater when there is absence of support which, under normal circumstances, a young person would expect to receive from parents or other family members.

##### **Hardship Fund**

The Hardship Fund covers the costs of essential travel, clothing, equipment for education, emergency food parcels, phone credit, sanitary products and prescriptions. In addition to this the Hardship Fund provides money for replacement birth certificates and passports. This provides the young women we support with all the documentation required to begin their independent lives. By having this fund available Contact can continue to relieve poverty and avoid young people borrowing from unregulated lenders. In the year ending March 2022 Contact made 37 payments from the Hardship Fund.

#### **FUTURE PLANS**

##### **Brigid's Bungalow**

Contact received 38 referrals from The Gateway in year ending 31<sup>st</sup> March 2022, of which we supported 13 young women. The service we provide is still very much needed within the Greater Manchester community. With this in mind we continue to plan for our future. We are planning an expansion of Brigid's Bungalow so that we may offer our services to more young women in need. Suitable rental accommodation is in decline and the average length of stay at Contact is increasing. In addition to this we have a commitment to not disrupt young people at vital stages in education, close to university entry or vocational training. This commitment enables us to support young people through the vulnerable period of transition to further independence.

Currently we house 7 young women in the main house and 1 in an adjacent independent living bungalow, where service users learn to live independently day to day, taking full responsibility for themselves, safe in the knowledge that our Support Workers are close at hand. The bungalow is in need of repair and renovation, coupled with the increased need for Move On accommodation we intend to develop the bungalow into two single person dwellings. This exciting opportunity enables more young women to successfully live independently when they eventually move on from Contact.

Plans for the bungalow were submitted and approved by the board of trustees and we are currently obtaining quotations to move to the build phase of the project. We expect expansion of Brigid's Bungalow to be completed in 2023.



## **CONTACT**

### **REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022**

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#### **FUTURE PLANS (Continued...)**

##### **Positive Futures**

Contacts' Positive Futures project will provide the young women we support with the tools to live happier, healthier and more fulfilled lives. Funding will be utilised to deliver workshops and training that will enable the young women to develop into adulthood including independent living skills, vocational learning, budgeting and money management, wellbeing support and personalised learning.

Through consultation with beneficiaries, we have found that access to mental health support, tackling loneliness and isolation, support with learning and development are in significant need. They also require support in managing their home and personal lives, budgeting and basic core skills including Maths, English and Communication Skills. As the young women come from a variety of different backgrounds and cultures they may require additional support to help them transition. With this information we have planned our Positive Futures project. At Contact we have a communal space that is in need of repair and refurbishment. We intend to turn this space into a learning hub that the young women can utilise to continue with their development. The space will offer a calm and relaxing atmosphere where they can complete homework, apply for jobs and training opportunities and take part in one-to-one learning sessions with their support worker. The space will also be utilised for mental health and wellbeing support and workshops.

In addition to the learning hub we will review options to engage a part-time Learning and Development Support Worker to assist our young women with their academic needs and provide vocational support through workshops and one-to-one sessions.

#### **FINANCIAL REVIEW**

Total incoming resources for the year ended 31<sup>st</sup> March 2022 decreased to £228,930 (2021: £324,438). In the prior year there was an exceptional, one-off donation of £110,000 from a charity that was ceasing and had to pass its charitable funds onto others with similar objects. The trustees are extremely grateful for all donations made to the charity.

Total expenditure in the year decreased from the prior year to £253,153 (2021: £256,436).

In the year ended 31<sup>st</sup> March 2022 the charity realised a deficit of £24,223 (2021: surplus of £68,002) and this is in comparison to a deficit of £41,998 in the prior year on normal operations.

The trustees are pleased with the reduction of the deficit on normal operations but nonetheless are not complacent in looking for additional funding. The charity is dependent on donations and the trustees appreciate that such an income stream can be erratic from one year to another.

The charity is in a healthy financial position to continue to help young women in the future.

## **CONTACT**

### **REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022**

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#### **FINANCIAL REVIEW (Continued...)**

##### **Reserves policy**

The trustees understand that to meet our contractual liabilities should the organisation have to close we must have sufficient reserves to cover redundancy pay and paying our creditors. We must have sufficient money for emergencies that may arise to cover major repairs to the building and sufficient monies to cover unexpected costs that may arise due to staff illness, maternity leave or legal costs defending the charity's interest.

We believe that we must ensure the organisation Contact can provide a stable and quality service to those who need them and to protect its employees and the young women who depend on its support against unforeseen financial crisis. We have agreed that £145,000 is to be set aside within our reserves budget to fund the following:

##### **Operating contingency fund: £90,000**

This covers six months operating costs to manage cash flow in periods of uneven income and expenditure. For example, changes to Housing Benefit could delay cash inflow or reduced donations.

##### **Closure fund: £45,000**

In the event of closing down the organisation would use this fund to cover redundancies, legal costs, outstanding bills to creditors and winding up costs. With the political climate being one of austerity and uncertainty we believe that we have a responsibility to our employees to be prepared for this eventuality.

##### **Emergency repairs fund: £10,000**

Contact is based in a large, old, three-storey building which is maintained by our Manager. However, in the absence of an asset management plan we believe it is prudent to have a fund to cover unforeseen emergency repairs.

##### **Designated Funds**

We have designated some of our unrestricted reserves to fund future developments. Our proposed plan for this designated fund of £60,000 is set out below:

##### **Enhanced Services Future Development Fund: £60,000**

This capital expenditure is earmarked to help develop the service Contact offers. We are exploring how we can adapt our buildings to provide more 'independent' move on accommodation. The key focus for 2022 and 2023 is the development of the bungalow within the grounds of the existing house to create additional accommodation. We will use a mixture of fund raising and our reserves to fund this project.

##### **Refurbishment of Living Accommodation:**

This fund was to finalise the refurbishment the bedrooms. Sufficient funds have been raised for this project to enable completion in 2022 and these are now part of the restricted funds, therefore designated funds are no longer required.

## CONTACT

### REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022

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#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

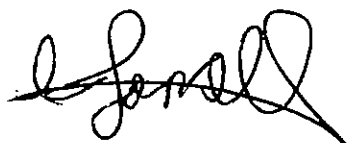
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed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

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011; the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Charity requirements

This report has been prepared in accordance with requirements set down by the Charities SORP (FRS 102).

The trustees' annual report was approved on 24<sup>th</sup> November 2022 and signed on behalf of the board of trustees by:



A Farrell  
*Chair*

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CONTACT**

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I report to the trustees on my examination of the accounts of the Charity for the year ended 31st March 2022, which are set out on pages 11 to 22.

### **Responsibilities and basis of report**

As the trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the trustees' accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

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

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

- accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Michael Heys FCCA ACA  
Association of Chartered Certified Accountants  
Ainsworths Limited  
Charter House  
Stansfield Street  
Nelson  
Lancashire  
BB9 9XY

Dated 24<sup>th</sup> November 2022

## CONTACT

### STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 £	2021 £
<b>Income from:</b>					
Donations	2	87,208	32,634	119,842	218,629
Charitable activities	3	109,080	-	109,080	104,163
Investment income	4	6	-	6	8
Other income	5	2	-	2	1,638
<b>Total incoming resources</b>		<b>196,296</b>	<b>32,634</b>	<b>228,930</b>	<b>324,438</b>
<b>Expenditure on:</b>					
Charitable activities	6	247,710	5,443	253,153	256,436
<b>Total expenditure</b>		<b>247,710</b>	<b>5,443</b>	<b>253,153</b>	<b>256,436</b>
<b>Net (outgoing)/incoming resources before other recognised gains/(losses)</b>		<b>(51,414)</b>	<b>27,191</b>	<b>(24,223)</b>	<b>68,002</b>
Transfers between funds	15	31,231	(31,231)	-	-
<b>Net movement in funds</b>		<b>(20,183)</b>	<b>(4,040)</b>	<b>(24,223)</b>	<b>68,002</b>
<b>Total funds brought forward</b>		<b>740,043</b>	<b>67,022</b>	<b>807,065</b>	<b>739,063</b>
<b>Total funds carried forward</b>	15	<b>719,860</b>	<b>62,982</b>	<b>782,842</b>	<b>807,065</b>

All transactions relate to continuing operations.

There are no other recognised gains or losses for the year other than in the Statement of Financial Activities.

## CONTACT

### STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST MARCH 2022

	Notes	2022	2021
		£	£
<b>Fixed assets</b>			
Tangible assets	12	495,600	481,713
<b>Current assets</b>			
Debtors	13	7,720	9,566
Cash at bank and in hand		<u>282,392</u>	<u>320,978</u>
		290,112	330,544
<b>Current liabilities</b>			
Creditors: Amounts falling due within one year	14	<u>2,870</u>	<u>5,192</u>
<b>Current assets less current liabilities</b>		<u>287,242</u>	<u>325,352</u>
<b>Net assets</b>		<u>782,842</u>	<u>807,065</u>
<b>Funds</b>			
Restricted	15	62,982	67,022
Unrestricted	15	<u>719,860</u>	<u>740,043</u>
		<u>782,842</u>	<u>807,065</u>

These financial statements were approved by the Board of Trustees on 24<sup>th</sup> November 2022 and signed on its behalf by:



A Farrell  
Chair

## CONTACT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

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#### 1. ACCOUNTING POLICIES

##### **Statutory information**

Contact is a charitable incorporated organisation (CIO) registered with the Charity Commission in England. The registered charity number, company registration number and address can be found in the Report of the Trustees on page 1.

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

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16<sup>th</sup> July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and United Kingdom Generally Accepted Practice as it applies from 1<sup>st</sup> January 2015.

Contact 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 note(s).

##### **Cash flow**

The charity is exempt from the requirement to prepare a cash flow statement as it qualifies as a small entity.

##### **Incoming resources**

All incoming resources are included on the Statement of Financial Activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably;
- Legacy income is recognised when receipt is probable and entitlement is established;
- Income from donated goods is measured at the fair value of the goods unless this is impracticable to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers;
- Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

## CONTACT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022

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#### 1. ACCOUNTING POLICIES (Continued)

##### **Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods;
- Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities;
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are funds subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowment funds.

##### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.



## CONTACT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022

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#### 1. ACCOUNTING POLICIES (Continued)

##### **Depreciation**

Depreciation is provided at the following rates in order to write off each asset over its estimated useful life:

Freehold Property	2% on cost
Fixtures and fittings	25% reducing balance
Computer equipment	33% on cost

##### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

##### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

##### **Taxation**

The company is a registered charity and is therefore exempt from Income Tax and Corporation Tax under the provisions of Section 505(1) of the Income and Corporation Taxes Act 1988.

## CONTACT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022

#### 2. INCOME FROM DONATIONS

	Unrestricted funds £	Restricted funds £	2022 £	2021 £
Albert Hunt Trust	-	-	-	5,000
Anton Jungen Charitable Trust	-	-	-	2,000
Arete Foundation	-	1,000	1,000	-
Austin & Hope Pilkington Trust	1,000	-	1,000	-
B & Q Foundation	-	8,300	8,300	-
Barley Corn Trust	-	2,000	2,000	-
Bernard Sunley Foundation	-	5,000	5,000	-
Betty Messenger Trust	2,000	-	2,000	-
Broome Family Trust	15,000	-	15,000	10,000
Charlotte Marshall Trust	-	1,000	1,000	-
Cinderella trust	-	534	534	-
Desmond Foundation	-	2,000	2,000	-
Duchy of Lancaster Benevolent Fund	-	5,000	5,000	-
Edward Holt Trust	-	-	-	10,000
Ford Britain Trust	-	3,000	3,000	-
Funderbirds	4,700	-	4,700	-
Grocers Charity	5,000	-	5,000	-
Heineken Community Foundation	500	-	500	-
Herefordshire Community Foundation	-	1,500	1,500	-
Houghton Dunn Charitable Trust	5,000	-	5,000	-
Housing Link	-	-	-	110,000
Joseph Cox Charity	-	-	-	19,381
Manchester Relief in Need	-	-	-	2,000
Marsh Charitable Trust	600	-	600	-
Morrisons Foundation	-	3,300	3,300	-
MPO O'Halloran Trust	5,000	-	5,000	-
Shepherd Street Trust	500	-	500	-
Sydney Black Trust	500	-	500	-
Zochonis Trust	-	-	-	20,000
General donations	44,793	-	44,793	32,455
Gift aid	2,615	-	2,615	2,793
	<u>87,208</u>	<u>32,634</u>	<u>119,842</u>	<u>218,629</u>

## CONTACT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022

#### 3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	2022 £	2021 £
Housing benefit	48,400	-	48,400	74,019
Housing related support	54,170	-	54,170	24,444
Rental income	6,510	-	6,510	5,700
	<u>109,080</u>	<u>-</u>	<u>109,080</u>	<u>104,163</u>

#### 4. INCOME FROM INVESTMENTS

	Unrestricted funds £	Restricted funds £	2022 £	2021 £
Bank interest	6	-	6	8
	<u>6</u>	<u>-</u>	<u>6</u>	<u>8</u>

#### 5. OTHER INCOME

	Unrestricted funds £	Restricted funds £	2022 £	2021 £
HMRC JRS grants	-	-	-	1,638
Other income	2	-	2	-
	<u>2</u>	<u>-</u>	<u>2</u>	<u>1,638</u>

## CONTACT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022

#### 6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	2022 £	2021 £
Fundraising	599	-	599	372
Resident's expenses	1,931	4,071	6,002	8,496
Staff salaries (see note 9)	178,839	-	178,839	169,943
Rates and water	2,735	-	2,735	2,673
Light and heat	7,312	-	7,312	13,289
Repairs and maintenance	6,771	1,312	8,083	15,406
Insurance	7,023	-	7,023	6,819
Telephone	1,868	-	1,868	2,311
Postage, printing and stationery	1,372	-	1,372	2,984
Advertising and recruitment	2,983	-	2,983	1,285
IT costs	5,529	-	5,529	5,588
Accountancy	2,127	-	2,127	3,649
Legal and professional fees	6,332	-	6,332	2,681
Sundry expenses	4,101	60	4,161	5,867
Finance costs	161	-	161	112
Depreciation	18,027	-	18,027	14,961
	<u>247,710</u>	<u>5,443</u>	<u>253,153</u>	<u>256,436</u>

#### 7. NET INCOME

Net income is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>18,027</u>	<u>14,961</u>

#### 8. INDEPENDENT EXAMINATION FEES

	2022 £	2021 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	1,620	1,600
Other services	<u>507</u>	<u>2,049</u>

## CONTACT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022

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#### 9. STAFF COSTS

The total staff costs and employee benefits for the reporting period are as follows:

	2022	2021
	£	£
Wages and salaries	166,957	161,734
Social security costs	8,683	4,809
Employer pension contributions	3,199	3,400
	<u>178,839</u>	<u>169,943</u>

Social security costs above in the year ended 31 March 2021 includes a credit for overpaid social security costs in the prior year of £3,320.

The average number of employees during the year is analysed as follows:

	2022	2021
	No	No
Number of staff	<u>8</u>	<u>9</u>

No employees were individually paid more than £60,000 during the current or previous year.

#### 10. TRUSTEE REMUNERATION AND EXPENSES

No trustees or persons related or connected by business to them received remuneration or other benefits from the charity during the current or previous year.

## CONTACT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022

#### 11. COMPARITIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	2021 £
<b>Income from:</b>			
Donations	177,208	41,421	218,629
Charitable activities	104,163	-	104,163
Investment income	8	-	8
Other income	1,638	-	1,638
<b>Total incoming resources</b>	<b>283,017</b>	<b>41,421</b>	<b>324,438</b>
<b>Expenditure on:</b>			
Charitable activities	248,248	8,188	256,436
<b>Total expenditure</b>	<b>248,248</b>	<b>8,188</b>	<b>256,436</b>
<b>Net (outgoing)/incoming resources before other recognised gains/(losses)</b>	<b>34,769</b>	<b>33,233</b>	<b>68,002</b>
Transfers between funds	579	(579)	-
<b>Net movement in funds</b>	<b>35,348</b>	<b>32,654</b>	<b>68,002</b>
<b>Total funds brought forward</b>	<b>704,695</b>	<b>34,368</b>	<b>739,063</b>
<b>Total funds carried forward</b>	<b>740,043</b>	<b>67,022</b>	<b>807,065</b>

#### 12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixture and fittings £	Computer equipment £	Total £
<b>Cost:</b>				
At 1 <sup>st</sup> April 2021	505,409	75,636	5,742	586,787
Additions	9,382	21,849	683	31,914
As at 31 <sup>st</sup> March 2022	514,791	97,485	6,425	618,701
<b>Depreciation:</b>				
At 1 <sup>st</sup> April 2021	42,117	61,869	1,088	105,074
Charge for the year	10,125	5,779	2,123	18,027
At 31 <sup>st</sup> March 2022	52,242	67,648	3,211	123,101
<b>Net book value:</b>				
At 31 <sup>st</sup> March 2022	462,549	29,837	3,214	495,600
At 31 <sup>st</sup> March 2021	463,292	13,767	4,654	481,713

## CONTACT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022

#### 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other debtors	2,874	6,286
Prepayments	4,846	3,280
	<u>7,720</u>	<u>9,566</u>

#### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other creditors	-	1,433
Accruals	2,870	3,759
	<u>2,870</u>	<u>5,192</u>

#### 15. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
<b>Unrestricted funds</b>				
<i>Designated:</i>				
Capital fund	435,613	-	(10,028)	425,585
Enhanced services future development fund	40,000	-	20,000	60,000
Refurbishment of living accommodation fund	20,000	-	(20,000)	-
<i>Undesignated:</i>				
General fund	244,430	(51,414)	41,259	234,275
	<u>740,043</u>	<u>(51,414)</u>	<u>31,231</u>	<u>719,860</u>
<b>Restricted funds</b>				
Good Memories fund	3,241	(696)	-	2,545
Hardship fund	7,052	293	-	7,345
Move On fund	30,463	(1,134)	-	29,329
Bedroom refurbishment fund	26,266	28,728	(31,231)	23,763
	<u>67,022</u>	<u>27,191</u>	<u>(31,231)</u>	<u>62,982</u>
<b>Total funds carried forward</b>	<u>807,065</u>	<u>(24,223)</u>	<u>-</u>	<u>782,842</u>

## CONTACT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST MARCH 2022

#### 15. MOVEMENT IN FUNDS (continued)

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	196,296	(247,710)	(51,414)
<b>Restricted funds</b>			
Good Memories fund	1,534	(2,230)	(696)
Hardship fund	1,000	(707)	293
Move On fund	-	(1,134)	(1,134)
Bedroom refurbishment fund	30,100	(1,372)	28,728
	32,634	(5,443)	27,191
	228,930	(253,153)	(24,223)

The general fund represents surplus donations and other incoming resources receivable in excess of outgoing resources payable and available for use by the trustees in accordance with the charitable objects.

Other funds within unrestricted funds are designated funds earmarked by the trustees for particular future projects or commitments. More details of each designated funds can be found in the trustees' report.

There are two transfers between funds as follows:

- i. A transfer of £10,028 (2021: £10,205) between the general fund and the capital fund in respect of depreciation charged to the statement of financial activities on assets transferred from the previous charity;
- ii. A transfer of £31,231 (2021: £579) from the Bedroom refurbishment fund to the general fund in respect of capital additions funded by restricted funds, the restriction on which is satisfied once the funds are spent for the purpose for which they were given.