

Charity Registration No. 1179901

Company Registration No. CE015106 (England and Wales)

LEO'S
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

LEO'S

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr. A D Marsden	
	Mr. A Villis	
	Mrs A Stewart	(Appointed 11 November 2021)
	Mrs A Hodgson	(Appointed 11 November 2021)
	Mrs P Storey	(Appointed 5 November 2021)
Charity number	1179901	
Company number	CE015106	
Registered office	8 Hall Wood Close Yarm Stockton On Tees TS15 9FR	
Bankers	Natwest Premier Banking 123 High Street Stockton-On-Tees United Kingdom TS18 1NW	

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LEO'S

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees present their report and financial statements for the year ended 30 September 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 governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objective of Leo's CIO, which is outlined in the constitution of the CIO dated 12 September 2018, is the relief of sickness and the preservation of good health of expectant mothers whose baby or babies will need neonatal care.

Aims of the charity

The charity's main focus is on improving mental health of the entire family from birth, until they no longer need the charity's support. The charity does this by offering community support work to reduce social isolation, dedicated peer support and a counselling service. The charity is also a founder of Neonatal Mental Health week.

Strategies for achieving aims and objectives

The aims and objectives are met by promoting education around pre-term and early labour conditions, resulting in neonatal admissions, working with obstetric and midwifery staff to raise awareness of, and the actions required, when pre-term labour is threatened.

The charity supports and encourages research in pre-term labour, neonatal care and outcomes and the subsequent effect on the mental health and well-being of parents and families.

The charity will also undertake any other charitable activities in line with the aims of the charity as the trustees determine at their absolute discretion.

Significant Activities

During this financial year Leo's completed the award - winning Nurture Project, this included occupational therapy treatment, counselling, paid peer mentor work and community support groups and due to demand begun work on sourcing and renovating a building to become a neonatal wellness centre.

Volunteers

The charity is organised and managed by the voluntary efforts of our trustees and their respective businesses. It should be noted that volunteers worked tirelessly during the Covid-19 pandemic to provide dedicated peer support to families who were receiving neonatal care or were discharged in the community. The trustees were reimbursed during the period for travel expenses relating to charitable activities. The total amount reimbursed was £5,049.

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

Achievements and performance

Leo's finalised its Covid - 19 project, 'The Nurture Project' which was one of the leading neonatal Covid-19 response projects in the country. It was awarded a Points of Light award from Boris Johnson, and was presented as an example of best practice at the UNICEF Baby Friendly conference.

It provided exceptional support to infants, siblings and parents during the height of the pandemic and the continued visiting restrictions within neonatal unit settings. Provision included supportive community groups, peer support, counselling, cognitive behavioural therapy to support sensory development.

Leo's then began work on renovations of a building to create a wellness centre for neonatal families. This would be the first of its kind in the UK and would benefit the full neonatal community within the North East.

LEO'S

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

Despite work beginning on the Leo's Cub Hub project, it was decided in January 2022 as a board that we would cease funding and work on this project. A general lack of funds for building projects from grant funders, the rising costs of materials and tradesmen from the Covid-19 pandemic and Brexit were all contributing factors to this decision. Local businesses, who had previously supported Leo's or businesses we had aimed to contact, had also suffered financial losses or closed and were unable to provide any kind of support. These individuals would have been a life-line for funding and in-person labour assistance. After much deliberation we made the incredibly difficult decision to walk away from this project and reinvest time and funds back into the community we serve. We were transparent and honest with all grant funders and families involved and would like to thank them for being understanding and supportive during this time.

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 consider 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 have 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 governed by its CIO Deed, dated 12 September 2018, and under this deed is constituted as a Charitable Incorporated Organisation (CIO).

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

C King	(Resigned 12 April 2021)
Miss. C Campbell	(Resigned 30 April 2021)
Mr. A D Marsden	
Mrs. J L King	(Resigned 22 April 2021)
Mrs. K Davis	(Resigned 31 August 2021)
Mr. T Robinson	(Resigned 31 May 2021)
Mr. A Villis	
Mrs. J M Lloyd	(Resigned 25 July 2021)
Mrs. K Carruthers	(Resigned 31 July 2021)
Mrs. A Mancini	(Resigned 30 September 2021)
Mrs. M Marsden	(Resigned 25 July 2021)
Miss. E Hills	(Resigned 3 August 2021)
Miss. C Campbell	(Resigned 10 May 2021)
Mrs. K Davis	(Resigned 4 August 2021)
Mr. T Robinson	(Resigned 1 June 2021)
Mrs. K Carruthers	(Resigned 25 July 2021)
Mrs. A Mancini	(Resigned 4 August 2021)
Mrs A Stewart	(Appointed 11 November 2021)
Mrs A Hodgson	(Appointed 11 November 2021)
Mrs P Storey	(Appointed 5 November 2021)

LEO'S

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 30 SEPTEMBER 2021*

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

Andrew Willis

Mr. A Willis

Trustee

Dated: 28 July 2022

LEO'S

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LEO'S

I report to the Trustees on my examination of the financial statements of Leo's (the charity) for the year ended 30 September 2021.

Responsibilities and basis of report

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

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

Independent examiners statement - Emphasis of Matter

I have completed my examination. We draw your attention to the trustees' report, on pages one and two it sets out the circumstances in respect of the investment in leasehold premises for use by the organisation, where the project was discontinued after the year end.

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

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

I confirm that there are no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Graham Fitzgerald BA FCA DChA
Azets Audit Services

Azets Audit Services

Wynyard Park House
Wynyard Avenue
Wynyard
TS22 5TB
United Kingdom

Dated: 28 July 2022

LEO'S

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<u>Income from:</u>					
Income from charitable activities	3	46,890	157,905	204,795	109,408
<u>Expenditure on:</u>					
Expenditure on charitable activities	4	26,707	190,018	216,725	82,761
Net incoming/(outgoing) resources before transfers		20,183	(32,113)	(11,930)	26,647
Gross transfers between funds		(8,058)	8,058	-	-
Net income/(expenditure) for the period/ Net movement in funds		12,125	(24,055)	(11,930)	26,647
Fund balances at 1 October 2020		13,604	24,055	37,659	11,012
Fund balances at 30 September 2021		25,729	-	25,729	37,659

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

All income and expenditure derive from continuing activities.

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

LEO'S

BALANCE SHEET

AS AT 30 SEPTEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	8		6,583		4,745
Current assets					
Debtors	9	883		1,757	
Cash at bank and in hand		28,266		48,746	
		<u>29,149</u>		<u>50,503</u>	
Creditors: amounts falling due within one year	10	(10,003)		(17,589)	
Net current assets			19,146		32,914
Total assets less current liabilities			<u>25,729</u>		<u>37,659</u>
Income funds					
Restricted funds			-		24,055
Unrestricted funds			25,729		13,604
			<u>25,729</u>		<u>37,659</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2021.

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

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

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

The financial statements were approved by the Trustees on 28 July 2022

Andrew Willis

Mr. A Willis
Trustee

Company Registration No. CE015106

LEO'S

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

Charity information

Leo's is a charitable incorporated organisation registered in England and Wales. The registered office is 8 Hall Wood Close, Yarm, Stockton On Tees, TS15 9FR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". 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 are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Going concern

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

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

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

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

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

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost relating to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

LEO'S

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

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

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

Playgroup equipment	15% straight line
IT equipment	33% 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.

1.7 Cash and cash equivalents

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

1.8 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

LEO'S

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

1.9 Employee benefits

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

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

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Income from charitable activities

	2021 £	2020 £
Donations	67,043	41,882
Grants	137,752	67,526
	<u>204,795</u>	<u>109,408</u>
Analysis by fund		
Unrestricted funds	46,890	31,540
Restricted funds	157,905	77,868
	<u>204,795</u>	<u>109,408</u>
For the year ended 30 September 2020		
Unrestricted funds	31,540	
Restricted funds	77,868	
	<u>109,408</u>	

LEO'S

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

4 Expenditure on charitable activities

	2021 £	2020 £
Staff costs	29,881	9,946
Depreciation and impairment	1,564	1,049
Charity checkout charges	1,271	991
Merchandise	-	409
Fundraising and events	3,580	3,129
Ward support	7,656	11,710
Nurture project and Covid-19 support	91,406	37,383
Subscriptions	1,352	669
Travel costs	5,049	2,318
Repairs and maintenance	52,654	-
Insurance	1,444	607
Sundry	3,008	1,592
Advertising	3,317	5,301
Welcome boxes	-	4,183
Sibling support	-	218
Donations	3,295	-
	<u>205,477</u>	<u>79,505</u>
Share of support costs (see note 5)	8,112	2,164
Share of governance costs (see note 5)	3,136	1,092
	<u>216,725</u>	<u>82,761</u>
Analysis by fund		
Unrestricted funds	26,707	25,924
Restricted funds	190,018	56,837
	<u>216,725</u>	<u>82,761</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

5 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Print, postage and stationery	480	-	480	327
Computer expenses	3,579	-	3,579	1,191
Rent	1,880	-	1,880	646
Light, power and heating	691	-	691	-
Staff training	1,482	-	1,482	-
Legal and professional	-	976	976	-
Accountancy	-	2,160	2,160	1,092
	<u>8,112</u>	<u>3,136</u>	<u>11,248</u>	<u>3,256</u>
Analysed between				
Charitable activities	<u>8,112</u>	<u>3,136</u>	<u>11,248</u>	<u>3,256</u>

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. The trustees were reimbursed during the period for travel expenses relating to charitable activities. The total amount reimbursed was £5,049 (2020: £2,146).

7 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	<u>2</u>	<u>1</u>
Employment costs	2021	2020
	£	£
Wages and salaries	28,722	9,692
Social security costs	-	58
Other pension costs	1,159	196
	<u>29,881</u>	<u>9,946</u>

LEO'S

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

8 Tangible fixed assets

	Playgroup equipment	IT equipment	Total
	£	£	£
Cost			
At 1 October 2020	3,660	2,181	5,841
Additions	2,042	1,360	3,402
At 30 September 2021	5,702	3,541	9,243
Depreciation and impairment			
At 1 October 2020	370	726	1,096
Depreciation charged in the year	757	807	1,564
At 30 September 2021	1,127	1,533	2,660
Carrying amount			
At 30 September 2021	4,575	2,008	6,583
At 30 September 2020	3,290	1,455	4,745

9 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Accrued income	-	1
Other debtors	300	862
Prepayments	583	894
	883	1,757

10 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Other taxation and social security		3,797	385
Deferred income	11	-	15,000
Trade creditors		1,438	-
Other creditors		1,355	1,282
Accruals		3,413	922
		10,003	17,589

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

11 Deferred income

	2021 £	2020 £
Other deferred income	-	15,000
	<u> </u>	<u> </u>

12 Events after the reporting date

Since the year end, we ceased to fund the Leo's Cub project. Further details are provided in the Achievements and Performance section of the Trustees' Report.

13 Related party transactions

There were no related party transactions during the period.