

Registered number:
Charity number: 1181449

Paper Cup Project

INDEPENDENTLY EXAMINED ACCOUNTS
FOR THE YEAR ENDED 31/01/2021

Prepared By:
Harvey Guinan LLP
Chartered Certified Accountants
310/311 Vanilla Factory
39 Fleet Street
Liverpool
Merseyside
L1 4AR

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31/01/2021**

TRUSTEES

Andrew Shute (resigned 17 November 2020)

Michelle Langan (resigned 25 August 2020)

Stephanie Smith

Adam Boaks

Paul Polhill

Patrick Hurley

Matt Ide (appointed 2 December 2020)

Julie Duffy (appointed 26 January 2021)

Liam Gray (appointed 13 April 2021)

REGISTERED OFFICE

Amber House

Green Lane, Old Swan

Liverpool

Merseyside

L13 7GD

CHARITY NUMBER

1181449

BANKERS

Santander

INDEPENDENT EXAMINER: Julie Guinan FCCA

Harvey Guinan LLP

Chartered Certified Accountants

310/311 Vanilla Factory

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Paper Cup Project

**ACCOUNTS
FOR THE YEAR ENDED 31/01/2021**

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31/01/2021

The trustees present their report and accounts for the period ended 31/01/2021 .

PRINCIPAL ACTIVITIES

The principal activity of the charity in the year under review was the relief of poverty amongst those who are homeless, facing homelessness or rough sleepers.

STRUCTURE GOVERNANCE AND MANAGEMENT

Paper Cup Project is a Charitable Incorporated Organisation (CIO) which was registered as a charity (1181449) on 7 January 2019.

The financial statements have been prepared in accordance with the charity's Constitution, 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 (FRS 102).

The charity was established under a Constitution which governs the charity and sets out the objects and powers of the charity.

The Trustees set and approve the policy for the charity which is then implemented by the Trustees who are the members. The Trustees meet regularly throughout the year with scheduled meetings and in between as required.

No remuneration is paid to any Trustee for their services as a Trustee.

Appointment of Trustees:

The first Trustees were appointed under the Constitution, namely Michelle Langan (for 4 years), Stephanie Smith (for 2 years) and Andrew Shute (for 3 years). During the year Michelle Langan and Andrew Schute resigned as trustees, with Michelle Langan subsequently becoming an employee of the charity. She was replaced as Chair by Patrick Hurley. The remaining 6 board members, Adam Boaks, Paul Polhill, Patrick Hurley, Matt Ide, Julie Duffy and Liam Gray were subsequently appointed for a period of 3 years. All trustees are eligible for reelection at the end of their initial term of appointment.

The Charity seeks to have a wide range of skills and experience on its Board, contained within a small number of individuals. The board are seeking to add more diversity to its trustees, particularly welcoming those with lived experience of homelessness.

Skills audits of trustees are conducted and any identified training needs provided. All new Trustees are given a detailed introduction to the Charity and provided with key important documents including the Constitution and latest Financial Statements.

OBJECTIVES OF THE CHARITY

The objectives of the CIO are :

For the public benefit, the relief of poverty amongst those who are homeless, facing homelessness or rough sleepers who are in need, hardship and distress on account of their social and economic circumstances, in particular, but not exclusively, by the provision of outreach services including the provision of clothing, bedding, food and drinks, information, advice, guidance and signposting to statutory and other voluntary agencies so that each person can find a route out of homelessness.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31/01/2021

ACHIEVEMENTS AND PERFORMANCE

Our Aims

Our charity works across Liverpool to help relieve poverty among rough sleepers, people experiencing or at risk of homelessness through the provision of outreach. We are assisted greatly by our pool of volunteers (approximately 30) who offer food, drink, clothing, advice and support and sign posting to statutory services on a weekly basis.

Our Objectives

The objective of our work is to assist those who are experiencing homelessness or poverty and enable them to access the available help in order to find a route out of poverty. We also work hard to challenge the stigmas around homelessness, and to give those who are experiencing homelessness a voice.

Overview

As for many other charities, our work in 2020/21 was impacted by the Covid-19 pandemic and as a result we adapted the way we delivered our services. In March, when it started to become clear that there was a huge public health crisis unfolding, our immediate work became about protecting the health and well-being of the people we were assisting, and we realised early on that getting people inside was a main priority.

Locally and working with other charities and groups Nationally, we lobbied for aid and support to get people into accommodation. Liverpool city council adapted very quickly, and our work at the beginning of the pandemic was about making our benefactors aware that accommodation was available to them, regardless of circumstances, and encouraging them to engage and accept offers of accommodation. There was largely a good take up, one pensioner who we assist would not accept the offer of statutory assistance so we placed him into self- contained accommodation for several months and provided his food and support on a weekly basis.

Across most of 2020, it was not possible to offer our usual form of outreach so we pivoted how we operate so we were still able to provide a service. We dropped food and clothing directly at the various supported accommodation where people were being assisted, and did this in smaller groups to adhere to Covid regulations. It has been important to keep our volunteers engaged during this period, as they are so valuable to the charity, so we offered volunteer opportunities in a safe manner and kept people involved with regular contact and updates on the charity.

We kept in contact with some of those who we assist, during the pandemic, and were able to offer pastoral support when required. In the summer, we received a grant from SIB/ EDP/Homeless Link to enable us to employ a full-time member of staff (who started in September) to develop plans for a coffee shop in Liverpool, which would fill an existing gap and enable us to offer more meaningful support to some of the people who had been newly accommodated from the streets during the pandemic. This has helped enormously and enabled the charity to grow and progress with larger plans.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31/01/2021

We have added a further three trustees to our board, one of whom replaced the previous Chair, who became an employee of the charity in order to develop the plans for the coffee shop. As a result of now having a full-time member of staff, we have identified and secured premises for 'Paper Cup Coffee' which will open in 2021. We will be working with a local training provider, The Learning Foundry, to offer accredited training opportunities. Paper Cup Coffee will offer a new opportunity for those in Liverpool who have experienced homelessness, and will fill an existing gap in provision.

Our charity has also become part of the All Party Parliamentary Group on tackling homelessness, and is proud to offer representation for Liverpool on this group, which affects government policy on tackling homelessness. We have campaigned across the year for issues that affect rough sleepers and people experiencing homelessness, and were proud that Liverpool Council took on our suggestion to vaccinate this vulnerable group as a priority, once the programme was underway. As a result, Liverpool became the first large city to offer vaccinations to protect against Covid -19 to this group.

At Christmas we were able to deliver Christmas parcels across the city, and delivered a total of 130 packages to supported accommodation across the city. It has been a year of huge change for our charity, but one that has seen incredible strides and progress made in the work we are doing. We are proud to have been part of such meaningful work across such a difficult year, and as we build, we plan and look forward to scaling up the charity in a way that will assist people in a lasting meaningful way, which will have a positive impact on not just their lives, but of the lives of our wider community.

As with all charities, the COVID-19 pandemic had a huge impact on our donations, and we saw a big drop in our income. Thankfully, we are largely assisted by our volunteers, which means that we weren't affected too much. The year ahead is much more positive, as we can look towards Paper Cup Coffee to raise our profile as well as generating an income for the charity through trading.

Pre-pandemic, our charity would give out over 2000 meals during our outreach. During this year, however, less required meals as they were accommodated as part of the government's 'Everyone In' initiative. We did however, give out 15 tonnes of toiletries which were spread across people experiencing poverty, as well as 10 tonnes of clothing for people who had been newly accommodated (previously rough sleeping) and had very few possessions. We also worked alongside Global Scouse Day to provide meals across two days for 60 residents of one of the local hostels.

PUBLIC BENEFIT

How our activities deliver public benefit:

Our outreach work is accessible to all in the area we serve who are in need of our assistance. We believe that the services we provide are crucial to homeless people's lives helping them to find their way out of homelessness, thereby making a contribution to society and benefiting all.

FINANCIAL REVIEW

The results for the period and the charity's position at 31 January 2021 are shown in the attached financial statements. Total incoming resources were £35,601 (2020 £39,575) and total resources expended were £23,575 (2020 £3,368) resulting in net incoming resources for the period of £12,026 (2020 £36,207) - net incoming resources on the unrestricted funds of £13,695 (2020 net incoming £27,857) and net outgoing resources on the restricted funds of £1,669 (2020 net incoming resources of £8,350). At 31 January 2021 the balance on the unrestricted funds was £41,552 (2020 £27,857) and the balance on the restricted fund £6,681 (2020 £8,350) giving total funds of £48,233 (2020 £36,207).

TRUSTEES' REPORT
FOR THE YEAR ENDED 31/01/2021

RISK MANAGEMENT

The Trustees confirm that the day-to-day controls are designed to mitigate the identified risks faced by the charity.

RESERVES POLICY

The reserves policy of the charity reflects the organisation's wish to strike a balance between two financial objectives. Firstly, the need for financial stability and secondly to expand the volume and range of services offered to the homeless people that we work with.

At 31 January 2021 our reserves stood at £48,233 of which £40,686 represented free reserves not invested in fixed assets or restricted in their use. The trustees feel that this level of reserves is adequate to meet both financial objectives for the foreseeable future.

FUTURE PLANS

The Charity is committed to developing services to help homeless people or people facing homelessness.

VOLUNTEERS

Volunteers are a valuable resource for the charity, with all of our outreach work undertaken by volunteers. Our volunteers come from a wide range of backgrounds, and we encourage diversity. We currently have a waiting list of potential volunteers and the capability to expand our service if required.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity Law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and Applicable Law).

Under Charity Law the trustees must not approve the financial statements until they are satisfied that they give a true and fair view of the state of affairs of the charity and of the net incoming or outgoing resources of the charity for that period.

In preparing the 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 judgments and estimates that are reasonable and prudent;

TRUSTEES' REPORT
FOR THE YEAR ENDED 31/01/2021

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

The names of the Trustees who held office during the year are noted on page 1.

APPROVAL

The report was prepared in accordance with the Charities Act 2011 and Statement of Recommended Practice FRS102 Accounting and Reporting by Charities.

This report was approved by the Board of Trustees on 28/06/2021 .



Patrick Hurley
Trustee

INDEPENDENT EXAMINER'S STATEMENT

FOR THE YEAR ENDED 31/01/2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PAPER CUP PROJECT

I report on the accounts of the charity for the period ended 31/01/2021 .

RESPONSIBILITIES AND BASIS OF REPORT

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

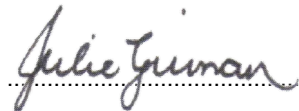
I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

INDEPENDENT EXAMINERS STATEMENT

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.



..... Julie Guinan FCCA, Independent Examiner

Date: 28/06/2021

Harvey Guinan LLP
Chartered Certified Accountants
310/311 Vanilla Factory
39 Fleet Street
Liverpool

**INDEPENDENT EXAMINER'S STATEMENT
FOR THE YEAR ENDED 31/01/2021**

Merseyside
L1 4AR
01517097797

Paper Cup Project

**Statement of Financial Activities
for the year ended 31/01/2021**

			2021	<i>2020</i>
	Unrestricted funds	Restricted funds	Total	<i>Total</i>
	£	£	£	£
Income				
Income from generated funds				
Donations and legacies	-	-	-	13,000
Income from charitable activities	14,923	20,678	35,601	26,575
Total Income	14,923	20,678	35,601	39,575
Expenses				
Costs of generating funds				
Expenditure on Charitable activities	1,228	22,347	23,575	3,368
Total Expenses	1,228	22,347	23,575	3,368
Net Income	13,695	(1,669)	12,026	36,207
Net movement in funds:				
Net income for the year	13,695	(1,669)	12,026	36,207
Total funds brought forward	27,857	8,350	36,207	-
Net funds carried forward	41,552	6,681	48,233	36,207

This statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

Paper Cup Project

BALANCE SHEET AT 31/01/2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	3	866	-
CURRENT ASSETS			
Cash at bank and in hand		<u>51,630</u>	<u>36,777</u>
		51,630	36,777
CREDITORS: Amounts falling due within one year	4	<u>4,263</u>	<u>570</u>
NET CURRENT ASSETS		47,367	36,207
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>48,233</u>	<u>36,207</u>
RESERVES			
Unrestricted funds	5		
General fund		41,552	27,857
Restricted funds	6	<u>6,681</u>	<u>8,350</u>
		<u>48,233</u>	<u>36,207</u>

Approved by the board of trustees on 28/06/2021 and signed on their behalf by



.....
Liam Gray (appointed 13 April 2021)
Trustee

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31/01/2021**

1. ACCOUNTING POLICIES

1a. Basis Of Accounting

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with FRS102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

1b. Incoming Resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

1c. Resources Expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the 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.

1d. Allocation And Apportionment Of Costs

All costs relate to the single activity of the charitable company and are recognised accordingly.

1e. Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are funds set aside by the trustees out of unrestricted general funds for the specific future purposes or projects.

1f. Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Equipment	straight line 33.33%
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1g. Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

1h. Income Recognition

Items of income are recognised and included in the accounts when all of the following are met: (1) The charity has entitlement to the funds; (2) Any performance conditions attached to the income have been met or are fully within the control of the charity; (3) There is sufficient certainty that receipt of the income is considered probable and (4) The amount can be measured reliably.

1i. Cash At Bank And In Hand Policy

Cash at bank and in hand includes cash and short term liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1j. Creditors And Provisions Policy

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement value amount after allowing for any discount due.

1k. Financial Instruments Policy

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

11. Basis Of Preparing Accounts

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. They also confirm that the period considered in making this assessment was at least 12 months from the date of approval of these accounts. Hence the trustees continue to adopt the going concern basis of accounting in preparing the accounts. The impact of covid 19 has had an effect on the charity during the year and since the year end with reduced activity during periods of lockdown and restrictions in place at other times. The safety of staff, volunteers and the homeless who are beneficiaries of the charity has been of paramount importance and the charity has adopted covid safe procedures and practices. The trustees have considered the impact of covid 19 and they have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

2. DIRECTORS AND EMPLOYEES

Particulars of employees (including directors) are shown below:

Employee costs during the year amounted to:

	2021	2020
	£	£
Wages and salaries	15,417	-
	<u>15,417</u>	<u>-</u>

The average weekly numbers of employees during the year were as follows:

	2021	2020
	No.	No.
Management and administration	1	-
	<u>1</u>	<u>-</u>

Paper Cup Project

3. TANGIBLE FIXED ASSETS

	Equipment £	Total £
Cost		
Additions	1,299	1,299
At 31/01/2021	<u>1,299</u>	<u>1,299</u>
Depreciation		
For the year	433	433
At 31/01/2021	<u>433</u>	<u>433</u>
Net Book Amounts		
At 31/01/2021	<u><u>866</u></u>	<u><u>866</u></u>

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Taxation and social security	683	-
Other creditors	<u>3,580</u>	<u>570</u>
	<u><u>4,263</u></u>	<u><u>570</u></u>

5. UNRESTRICTED FUNDS

	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
General fund	27,857	14,923	(1,228)	-	41,552
	<u>27,857</u>	<u>14,923</u>	<u>(1,228)</u>	<u>-</u>	<u>41,552</u>

Paper Cup Project

6. RESTRICTED FUNDS

	Brought forward	Incoming resources	Outgoing resources	Transfers	Carried forward
	£	£	£	£	£
National Lottery	8,000	-	(8,000)	-	-
Liverpool City Council	350	2,000	(2,350)	-	-
Community Foundation for Merseyside	-	1,430	(1,430)	-	-
Enterprise Development Programme	-	15,000	(10,567)	-	4,433
Crowdfunder Ltd	-	2,248	-	-	2,248
	<u>8,350</u>	<u>20,678</u>	<u>(22,347)</u>	<u>-</u>	<u>6,681</u>

National Lottery

Funds for a Feasability Study into the Paper Cup Project Coffee Shop

Liverpool City Council

Funds for Equipment for the Outreach Project

Community Foundation for Merseyside

Funds for Christmas activities

Enterprise Development Programme

Funding for salaries

Crowdfunder Ltd

Funding for setting up and running a coffee shop

Paper Cup Project

7. INCOMING RESOURCES

	2021	2020
Restricted Funds		
National Lottery	-	10,000
Liverpool City Council	2,000	350
Community Foundation for Merseyside	1,430	-
Enterprise Development Programme	15,000	-
Crowdfunder Ltd	2,248	-
	<hr/>	<hr/>
	20,678	10,350
General Unrestricted Funds		
Donations	14,923	16,225
Funds Transferred on Incorporation from Unincorporated Paper Cup Project	-	13,000
	<hr/>	<hr/>
	14,923	29,225
Total Incoming Resources	<hr/>	<hr/>
	35,601	39,575
	<hr/>	<hr/>

Paper Cup Project

8. RESOURCES EXPENDED

	2021	2020
Salaries	15,417	-
Accommodation and Other Beneficiary Costs	1,065	398
Storage	1,438	382
Independent Examination	600	570
Accountancy	480	-
Legal Fees	500	-
Professional Fees and Consulancy	2,650	2,000
Consumable Supplies and Provisions	528	-
Subscriptions	216	18
IT and Website	170	-
Health and Safety PPE	40	-
Advertising	38	-
Depreciation	433	-
	<hr/> 23,575 <hr/>	<hr/> 3,368 <hr/>

9. GENERAL INFORMATION

Paper Cup Project (Charity Number 1181449) is a Charitable Incorporated Organisation that registered as a Charity 7 January 2019. Its registered office is Amber House, Green Lane, Old Swan Liverpool L13 7GD. The accounts are stated in sterling the functional currency of the Charity.

10. TAXATION

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Paper Cup Project

11. NET ASSETS BY FUND

Net Assets by Fund

	Unrestricted Funds	Restricted Funds	Total Funds
Tangible Fixed Assets	866	-	866
Net Current Assets	40,686	6,681	47,367
	<u>41,552</u>	<u>6,681</u>	<u>48,233</u>