
Paper Cup Project

**INDEPENDENTLY EXAMINED ACCOUNTS
FOR THE YEAR ENDED 31/03/2025**

Prepared By:

Harvey Guinan LLP
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**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31/03/2025**

TRUSTEES

Patrick Smith
Kevin Keith
Paul Polhill
Adam Settle
Robyn Callander
Michael Rick

REGISTERED OFFICE

Paper Cup Coffee
Queen Square
Liverpool
Merseyside
L1 1RH

CHARITY NUMBER

1181449

BANKERS

Santander; Co-operative Bank

INDEPENDENT EXAMINER Julie Guinan FCCA

Harvey Guinan LLP
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**ACCOUNTS
FOR THE YEAR ENDED 31/03/2025**

CONTENTS

	Page
Report of the Trustees	3
Independent Examiner's Statement	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Accounts	11 to 16
Detailed Statement of Financial Activities	17

TRUSTEES' REPORT
FOR THE YEAR ENDED 31/03/2025

The trustees present their report and accounts for the period ended 31/03/2025 .

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 Chief Executive. 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 board members are: Paul Polhill, Patrick Smith, Adam Settle, Michael Rick, Robyn Callander, and Kevin Keith. 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. We are pleased to have a board with a wide range of valuable skills, including hospitality, the charity commission, fundraising and lived experience. Skill 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.

- Key Personnel:

The Charity's key personnel are: Michelle Langan, Chief Executive.

The remuneration of key personnel is benchmarked with Charities of a similar size and activity to ensure that the remuneration is set fairly and in line with that generally paid for similar roles.

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 Paper Cup Coffee, including the provision of clothing, food and drinks, information, advice, guidance and signposting to statutory and other voluntary agencies and the offer of training so that each person can find a route out of homelessness.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31/03/2025

CHAIRS REPORT

As I begin this year's report, the vestiges of New Year's snow have turned to ice. Amid school closures and public transport disruption, the past summer - when temperatures exceeded 30°C - already feels like a distant memory. With Storm Goretti on the way, we can expect more of the same.

For those of us fortunate enough to have safe and stable housing, this backdrop of extreme weather should prompt us to reflect on the realities faced by people experiencing homelessness. In doing so, the vital work of - and, sadly, the continuing need for - Paper Cup is reaffirmed.

Paper Cup has once again supported the homeless community with several thousand pay-it-forward drinks and meals, even during period when donations have slowed. The cafe has continued to be a refuge during icy weather, a place to shade during blisteringly hot days, and so much more.

Adding to this roster, Paper Cup has become a place to produce art, as part of a continuing mediative arts class hosted in the cafe by local artist Marcus G Cotton. The charity also provided paid work experience to a formerly homeless customer who frequented the cafe, supporting skills development, confidence building, and progression towards more sustained employment.

As a cafe with a conscience, as I heard it described this past year, this has all been achieved in the normalcy of a cafe environment, where those requiring the charity's support are afforded the same dignity and customary Scouse hospitality as any paying customer.

These achievements are all the more remarkable considering, like last year, the charity has been buffeted by compounding challenges facing the hospitality and third sectors. Ever-increasing operating costs, alongside customers who are understandably more conscious of their spending, have continued to shape the context in which we operate.

It is only through the hard work of charity CEO, Michelle Langan; its permanent staff; committed volunteers; generous patrons - one of whom, Andrew Lancel, recently launched our Christmas campaign - and my fellow board members that the charity has been able to continue delivering its mission.

A testament to this determined spirit, Michelle was nominated for The Guide Liverpool's Business Hero of the Year and, more recently, in the Downtown Women in Business Awards for her work with Paper Cup. Michelle has nurtured relationships with local and national organisations, as well as local MPs and key individuals working to end homelessness, driving the charity's renown and securing funding to ensure its ongoing functions. (In that vein, keep an eye out for an upcoming ITV drama where our cafe features!) The board and I remain very proud of, and grateful to Michelle for her indefatigable and unerring spirit.

Finally, I would like to send my sincerest thanks to cafe customers. Every purchase, every word-of-mouth recommendation, every online donation sustains the charity and creates meaningful impact. Our loyal customers should take particular pride in knowing their custom has allowed Paper Cup to endure despite financial pressures, and their ongoing support will see the charity through the next twelve months.

Adam Settle.

Chair.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31/03/2025

ACHIEVEMENTS AND PERFORMANCE

We were proud to see through another year, despite the external pressure of running costs increasing across the board in hospitality. I'm proud of the team and the board of trustees for continuing to keep the doors open and the help available, in such a difficult time.

We have sadly seen numbers of people experiencing homelessness and coming to the shop increasing (which is consistent with local authority figures) and are proud to be a place that our homeless customers feel safe and enjoy coming to. Having a space where people who are homeless feel not just welcome, but the same as everyone else around them, is something which can't be under estimated. The effect on someone's self-worth and self-esteem is extremely important. A hot drink may seem like a small thing, but it can make a big difference.

Across the period, one of our homeless friends passed a note to the shop, where he thanked us for being there for him. 'To some a cup of tea is just a hot drink, but to someone who is homeless, it's love.'

We continue to offer hot drinks and food, even when the numbers of pay it forward drinks has dropped, largely due to people being worried about their own finances. Our customers have been a great source of support and loyalty, and we are proud to have regular customers who return. Customers have told us that they enjoy coming in for coffee, knowing that their money is going towards helping those who need it. Our coffee shop offers a space that challenges stereotypes and a chance for people from different walks of life to encounter each other, enhancing the lives of all who come in.

During this period, we also offered paid employment to one of our formerly homeless customers. We were able to do this thanks to a donation from UKH Foundation.

The shop was used as a location for an upcoming ITV drama series, which we were very excited about, and look forward to seeing on screen, and also we benefitted from another local TV production filming close by. The Cage crew were very supportive to our shop, with continual custom and support. It was a great addition to the local square, and we are excited to see the show when it comes to television.

Thanks to funding from the Community Impact Foundation, we were able to put on weekly art therapy classes with local artist Marcus G Cotton. The classes are continual, once a week, and involve drawing, clay modelling and painting. The sessions have been well enjoyed by some of our homeless customers, and a couple of times, other customers have also participated. A great example of social cohesion through art.

I was successful in obtaining a place on the school for social entrepreneurs trading up course, and completed that across the year, alongside a cohort of people running social enterprises in the North West. The course was to identify ways in which we could trade for the coffee shop.

We were pleased to attend an event at The House of Lords, hosted by Homeless Link, and attended by many charities from across the country, along with cross party MPs and the Minister for Homelessness. It was a great opportunity to hear what the governmental plans are to tackle homelessness, and to raise awareness of our Liverpool charity.

Paper Cup Project is very grateful to those who supported us across the year with grants or fundraising support across the year, including Liverpool University, LCVS, The Community Foundation, Red and Blue Restaurants, MLA Restaurants, Gallaghers, local Rotary Clubs, UKH Foundation, the band Enter Shikari, Souter Trust, North West Housing Community Trust, Hill Dickinson, Yorkshire Building Society, Merseyrail, Voluntary Aid Club, Steve Rotheram & Andy Burnham and numerous individuals who have undertaken personal challenges to raise funds to keep us going.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31/03/2025

To continue with our work in the current difficult climate is a credit to our funders and supporters, the customers who buy a drink or some lunch with us, our staff and our board of trustees. We are deeply thankful to all who help us to continue our important work. If you would like to support the work we do to help end homelessness and to tackle stigma, we have a range of ways you can get involved. Please do get in touch. Small things can have big impact.

PUBLIC BENEFIT

How our activities deliver public benefit:

Our 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, supporting them by providing food and drink and access to support 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 March 2025 are shown in the attached financial statements. Total incoming resources were £142,857 (2024 £157,005) and total resources expended were £148,099 (2024 £153,758) resulting in net outgoing resources for the period of £5,242 (2024 net incoming resources £3,247) - net outgoing resources on the unrestricted funds of £2,742 (2024 net incoming resources £747) and net outgoing resources on the restricted funds of £2,500 (2024 net incoming resources of £2,500). At 31 March 2025 the balance on the unrestricted funds was £18,473 (2024 £21,215) and the balance on the restricted fund £nil (2024 £2,500) giving total funds of £18,473 (2024 £23,715).

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 March 2025 our reserves stood at £18,473 of which £18,473 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. Our volunteers come from a wide range of backgrounds, and we encourage diversity.

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

TRUSTEES' REPORT
FOR THE YEAR ENDED 31/03/2025

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;
- 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 23/01/2026 .



Adam Settle
Trustee

INDEPENDENT EXAMINER'S STATEMENT

FOR THE YEAR ENDED 31/03/2025

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

I report on the accounts of the charity for the period ended 31/03/2025 .

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).

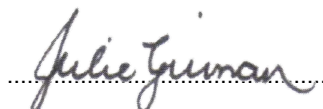
I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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.

 Independent Examiner Julie Guinan FCCA

Date: 23/01/2026

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**Statement of Financial Activities
for the year ended 31/03/2025**

			2025	2024
	Unrestricted funds	Restricted funds	Total	Total
	£	£	£	£
Income				
Income from generated funds				
Income from charitable activities	139,556	3,301	142,857	157,005
Total Income	139,556	3,301	142,857	157,005
Expenses				
Costs of generating funds				
Expenditure on Charitable activities	142,298	5,801	148,099	153,758
Total Expenses	142,298	5,801	148,099	153,758
Net Income	(2,742)	(2,500)	(5,242)	3,247
Net movement in funds:				
Net income for the year	(2,742)	(2,500)	(5,242)	3,247
Total funds brought forward	21,215	2,500	23,715	20,468
Net funds carried forward	18,473	-	18,473	23,715

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 31/03/2025

	Notes	2025 £	2024 £
FIXED ASSETS			
Tangible assets	4	-	-
CURRENT ASSETS			
Cash at bank and in hand		<u>24,700</u>	<u>30,967</u>
		24,700	30,967
CREDITORS: Amounts falling due within one year	5	<u>6,227</u>	<u>7,252</u>
NET CURRENT ASSETS		<u>18,473</u>	<u>23,715</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>18,473</u>	<u>23,715</u>
RESERVES			
Unrestricted funds	6		
General fund		18,473	21,215
Restricted funds	7	<u>-</u>	<u>2,500</u>
		<u>18,473</u>	<u>23,715</u>

Approved by the board of trustees on 23/01/2026 and signed on their behalf by



Adam Settle
Trustee

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31/03/2025**

1. ACCOUNTING POLICIES

1n. 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.

1g. Pension Costs

The company operates a defined contribution pension scheme. The pension charge represents the amounts payable by the company to the fund in respect of the year.

1h. Turnover

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

1i. 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.

1j. 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.

1k. 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.

1l. 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.

1m. 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.

1n. Basis Of Accounting

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

2. DIRECTORS AND EMPLOYEES

Particulars of employees (including directors) are shown below:

Employee costs during the year amounted to:	2025	2024
	£	£
Wages and salaries	89,612	93,174
Social security costs	1,326	943
Pension costs	1,715	1,383
	<u>92,653</u>	<u>95,500</u>

The Trustees do not receive remuneration for their services as trustees. The Charity had 4 permanent staff and 7 part-time employees during the year. The aggregate remuneration of key personnel was £41,773 (before employment allowance). There were no other employees whose remuneration was £60,000 or more.

3. PENSION CONTRIBUTIONS

	2025	2024
	£	£
Pension contributions	1,715	1,383
	<u>1,715</u>	<u>1,383</u>

Paper Cup Project

4. TANGIBLE FIXED ASSETS

	Equipment £	Total £
Cost		
At 01/04/2024	1,299	1,299
At 31/03/2025	1,299	1,299
Depreciation		
At 01/04/2024	1,299	1,299
At 31/03/2025	1,299	1,299
Net Book Amounts		
At 31/03/2025	-	-

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Taxation and social security	1,557	2,259
Other creditors	4,670	4,993
	<u>6,227</u>	<u>7,252</u>

6. UNRESTRICTED FUNDS

	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
General fund	21,215	139,556	(142,298)	-	18,473
	<u>21,215</u>	<u>139,556</u>	<u>(142,298)</u>	<u>-</u>	<u>18,473</u>

Paper Cup Project

7. RESTRICTED FUNDS

	Brought forward	Incoming resources	Outgoing resources	Transfers	Carried forward
	£	£	£	£	£
Community Foundation for Merseyside	-	2,271	(2,271)	-	-
B&Q Foundation	2,500	-	(2,500)	-	-
Rotary Club of Liverpool	-	530	(530)	-	-
Liverpool City Council	-	500	(500)	-	-
	<u>2,500</u>	<u>3,301</u>	<u>(5,801)</u>	<u>-</u>	<u>-</u>

Community Foundation for Merseyside

Funding for art classes

B&Q Foundation

Funding for shop equipment

Rotary Club of Liverpool

Funding for shop equipment

Liverpool City Council

Funding for utilities

8. INCOMING RESOURCES

	2025	2024
Restricted Funds		
Restricted Project Grants	-	663
Liverpool City Council	500	1,000
Community Foundation for Merseyside	2,271	-
John Moores Foundation	-	6,750
B&Q Foundation	-	2,500
Rotary Club of Liverpool	530	-
	<u>3,301</u>	<u>10,913</u>
General Unrestricted Funds		
Donations	63,877	46,473
Merseyrail	766	11,450
Cafe Sales	74,377	83,674
Sundry income	536	4,495
	<u>139,556</u>	<u>146,092</u>
Total Incoming Resources	<u><u>142,857</u></u>	<u><u>157,005</u></u>

9. RESOURCES EXPENDED

	2025	2024
Salaries	92,653	95,500
Independent Examination	2,000	1,270
Accountancy	500	512
Equipment costs	-	2,203
Consumable Supplies and Provisions	14,840	21,044
IT and Website	975	944
Health, Safety, Security and Sanitation	1,451	2,094
Refurbishment and Repairs	3,151	1,709
Premises and Administration Costs	32,029	28,482
	<u>148,099</u>	<u>153,758</u>

10. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the company's accounting policies, which are described in note 1, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. There are no critical accounting estimates or judgements in these accounts.

11. 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 Paper Cup Coffee, Queen Square, Liverpool, Merseyside, L1 1RH. The accounts are stated in sterling the functional currency of the Charity.

12. TAXATION

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

Paper Cup Project

13. NET ASSETS BY FUND

Net Assets by Fund

	Unrestricted Funds	Restricted Funds	Total Funds
Tangible Fixed Assets	-	-	-
Net Current Assets	18,473	-	18,473
	<u>18,473</u>	<u>-</u>	<u>18,473</u>