

# FAMILIES FIRST (NORTH EAST)

England & Wales · Charity number 1183964

## Details

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Other names	DURHAM FAMILIES FIRST, HARTLEPOOL FAMILIES FIRST, STOCKTON FAMILIES FIRST
Status	Registered
Legal form	Charitable company
Company number	<a href="#">12051397</a>
Registered	2019-06-19
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	175-177 York Road Hartlepool TS26 9EQ
Phone	01429812950
Email	<a href="mailto:teamawesome@familiesfirstne.co.uk">teamawesome@familiesfirstne.co.uk</a>
Website	<a href="http://www.familiesfirstne.co.uk">www.familiesfirstne.co.uk</a>

## Activities

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**Objects:** 1)THE RELIEF AND EDUCATION OF ALL CHILDREN, PARTICULARLY THOSE WITH ADDITIONAL AND SPECIAL NEEDS THROUGH THE PROVISION OF SOCIAL, PHYSICAL AND EMOTIONAL SUPPORT ACTIVITIES AND THERAPEUTIC, EDUCATIONAL AND STIMULATING TOYS AND EQUIPMENT. 2)THE PRESERVATION AND PROTECTION OF HEALTH WITHIN ALL RESIDENTS, INCLUDING THE PROMOTION OF A POSITIVE AND HEALTHY LIFESTYLE.3) THE ADVANCEMENT OF VOCATIONAL EDUCATION FOR THE PUBLIC BENEFIT OF RESIDENTS OF ALL AGES THROUGHOUT THE NORTH EAST OF ENGLAND.4) TO PROMOTE SUCH OTHER CHARITABLE PURPOSES AS MAY FROM TIME TO TIME BE DETERMINED, WHICH SUPPORT AND PROMOTE THE HEALTH, EDUCATION AND PROSPERITY OF RESIDENTS OF ALL AGES THROUGHOUT THE NORTH EAST OF ENGLAND.

**Activities:** Provision of services for children, young people and their families, of those with additional needs, disabilities and autism

## Classification

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- **How:** Provides Services
- **What:** General Charitable Purposes, Disability, Other Charitable Purposes
- **Who:** Children/young People

## Geography

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- Hartlepool
- Middlesbrough
- Stockton-on-tees

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,766,667	£1,782,829	£803,320	53
2024-03-31	£1,626,125	£1,665,011	£819,482	80
2023-03-31	£1,538,493	£1,507,829	£858,368	53
2022-03-31	£1,380,264	£1,321,529	£827,704	79
2021-03-31	£1,327,235	£1,234,415	£768,969	77

## Trustees

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Name	Role	Appointed
<b>PAMELA HARGREAVES</b>	Chair	2018-01-01
Claire Hubbert		2018-01-01
Martin Scarborough		2025-03-11
Sian Lamplough		2018-01-01
Sue Harrison		2019-08-01
Tracy Liveras		2026-05-28

**FAMILIES FIRST (NORTH EAST)**

England & Wales - Charity number 1183964

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# Accounts

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Registered number: 12051397  
Charity number: 1183964

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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	J Brash (resigned 9 July 2024) P Hargreaves S Harrison C Hubbert S Lamplough
<b>Company registered number</b>	12051397
<b>Charity registered number</b>	1183964
<b>Registered office</b>	175 York Road Hartlepool TS26 9EQ
<b>Company secretary</b>	P Thompson
<b>Patron</b>	Stephen Miller MBE
<b>Patron</b>	Jonathon Brash

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2025. These financial statements comply with the Charities Act 2011 and the 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 (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

The name of the Charity as it appears in the Register of Charities is Families First (North East) and the Charity's main working name is the same as its legal name. The Charity has also registered the working names of Hartlepool Families First, Durham Families First and Stockton Families First which are all legacy names of the former Charity.

The Trustees serving during the year are listed on page 1. Stephen Miller MBE and Jonathan Brash are the charity's patrons. The charity is governed by a Board of Directors and its executive members (the trustees) are elected on an annual basis. There are no lifetime or custodial trustees and no sub-committees.

Other administrative details are listed on page 1.

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

##### **● Constitution**

Families First (North East) is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The organisation is a Charitable Company meaning it is registered with both Companies House and the Charity Commission. The Charity was registered with the Charity Commission on 19 June 2019.

Families First North East is a successor Charity. The original Charity originated in March 1988 and was a registered Charity, however the Trustees agreed in 2019 that the more appropriate legal structure was to convert the organisation to an incorporated Charitable Company – i.e. registered with both Companies House and the Charity Commission.

##### **● Methods of appointment or election of Trustees**

Trustees, who are required under the governing constitution to serve as members of the charity, are elected at a full trustees' meeting and are required to satisfy specified criteria of eligibility, competence, skills and locality.

New trustees are fully inducted into the charity's working environment, its policies and procedures. Due to the organisation's registration with the Care Quality Commission and Ofsted, all trustees are required to complete an annual Fit and Proper Person's Declaration and Safeguarding Self Declaration.

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**Organisational structure and decision-making policies**

Trustees meet regularly to determine the general policy of the charity and to review its overall management and control to ensure that their legal responsibilities are appropriately discharged.

Trustees carry out assessments of risks facing the charity. External risks from funding are mitigated by seeking diversification, where necessary and appropriate, to secure activities. Internal risks are minimised by maintaining sufficient procedures to appropriately authorise projects and underlying transactions to maintain the quality of delivery from all charitable operations.

The organisation has a robust Risk Register which is monitored quarterly and an annual action plan is in place for improvements.

**The organisation's current structure reflects the following :**

<b>Board of Directors / Charitable Trustees</b>				
<b>Chief Executive</b>				
<b>Finance Manager</b>	<b>Section Head for Children and Young People</b>	<b>Deputy Chief Executive</b>	<b>Catering and Facilities Manager</b>	<b>Lorne House Manager</b>
Book keeping Invoicing out Purchase ledger Credit Control Payroll Budgets, reports and financial projections	SNIPS STREET Special Needs Toy Loan Service Active Kids SocialEyes	Management of Melbourne House Hand in Hand Evolve Project Supporting / adhoc Policy Review Health and Safety	One77 Training Bistro Room Hires and Function Venue 3Fs project Stocks and Supplies Vehicles Maintenance	Management and operation of Lorne House

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

● **Pay policy for key management personnel**

The pay of senior staff is benchmarked against similar organisations and paid at a market rate.

There is an annual performance review of the Chief Executive and performance against this is checked at six monthly intervals.

**OBJECTIVES AND ACTIVITIES**

● **Policies and objectives**

The legal objects of the Charity are:

- (i) the relief and education of all local children, particularly those with additional and special needs through the provision of social, physical and emotional support activities and therapeutic, educational and stimulating toys and equipment; and,
- (ii) the preservation and protection of health within all residents, including the promotion of a positive and healthy lifestyle; and,
- (iii) the advancement of vocational education for the public benefit of residents of all ages throughout the North East of England; and,
- (iv) To promote such other charitable purposes as may from time to time be determined, which support and promote the health, education and prosperity of residents of all ages throughout the North East of England.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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**Over the course of the 12 months of this financial report, we have provided the following services:**

**SNIPS (Special Needs Inclusion Project)**

We operate an Ofsted registered after-school club and holiday Playscheme for children with profound and often multiple disabilities.

The idea behind the project is to give these children the same play opportunities that other able bodied children are afforded. The project is varied and the activities are influenced by the children themselves.



We are based in our own centre at One77, 175-177 York Road, Hartlepool. We often visit other places such as : Down at The Farm (Houghton Le Spring) , Wagon Woods (Hope Town), The new 14m giant play tower at Hardwick Park (Stockton on Tees), Seaburn Sensory Play Area (Seaburn) and Rockpooling (Hartlepool and various other seaside towns).

We attempt to meet all needs of the children whilst promoting learning through play in activities which are of the child's choice. We provide the children on our afterschool club with a tea-time snack and refreshments. We also provide transport from school and to home with our accompanied escorts.



The project is staffed by a team of well trained individuals who specialise in working with children who have a disability as well as a strong team of dedicated volunteers. Every member of the team is DBS checked, first aid trained, food hygiene qualified and trained in a multitude of other areas such as feeding, toileting issues and hygiene matters.

Many of our children who attend the after-school and holiday programme cannot access any other scheme due to their complex needs and in some cases their need for 1:1 or 2:1 support.



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**Hand In Hand**

Hand In Hand is our project to provide support for young adults and children with a range of additional needs, including autism and behavioural issues.

It is a personalised support service that is tailored for each individual client.

For the vast majority of clients, it is providing 1-to-1 support (2-to-1 and 1-to-2 also available) to enable them to do the things that they enjoy socially and within the local community.

However, we offer support in the home also to offer respite to parents / carers or additional support at times of crisis.

Support offered can include:

- Employment and education support
- Personal care
- Social activities
- Short Break respite for parents and carers
- Overnight care either at home or away from home
- Supported holidays / short break
- Emergency and last minute supports
- Independent living and transport training
- School holiday cover

The service provides individual support to children and young people with additional needs so that they may fulfil their social care ambitions and participate in physical activities. The service is flexible and is bespoke to each individual client. The service is funded from Direct Payments, Individual Support Funds and Personalised Budgets.



**Special Needs Toy Loan Service**

This project was the original foundation that Families First (North East) was built upon. It started as a small group offering a toy library based within St Paul's Church Hall, Murray Street in the first year.

It is a dedicated service for parents/carers, childminders and other settings who care for children with special or additional support needs.

The library was set up to give children and young people with special and additional needs an opportunity to loan suitable toys and specialist equipment to use in their home. As a group we know how difficult and expensive it is to purchase such items.

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**FAMILIES FIRST (NORTH EAST)**  
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What the Toy Library offers:

- We have weekly Family sessions held at One77
- We deliver, install and demonstrate equipment.
- You can come along to our premises and try out toys before deciding if it is suitable.
- We can source a toy for you to purchase.

We offer a dedicated Special Needs Home Support Officer to promote the development of play within the family environment. The officer has the additional responsibility of offering support and advice to parents of children with a profound physical / learning disability. Our officer offers stimulating, fun and safe toys and specialist play equipment, including adapted bikes, operating through a loan scheme and working alongside school nurses / play therapists.



As part of this work, we support parents / carers via home visits and peer support. We give families the opportunity to browse specialist catalogues to provide ideas of play and shape the future provision of the service. These sessions also provide an opportunity to network with other parents with similar issues and look to identify solutions and a sympathetic ear.

The equipment is chosen by children and parents to meet their needs. Regular outreach and parental demonstration sessions will be held in order for families to get the best out of the resource. Equipment out on long term hire will receive regular safety inspections.

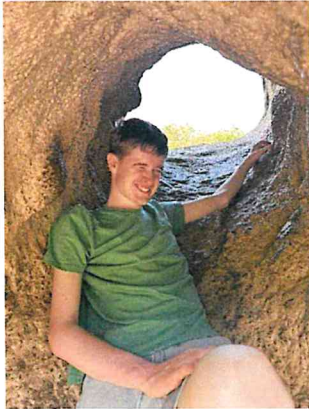


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**STREET Seniors and STREET Juniors**



The STREET project is a befriending service held at the One77 facility on York Road on 3 evenings a week. It is a safe social environment for individuals often with special needs and requirements to interact and socialise.

We aim to give young people the essential support and encouragement to help them overcome issues with social skills, self esteem and emotional trauma. Everyone at STREET is understanding and supportive of each others situation.

With the help of our highly skilled support workers and volunteers we try to build on friendship, social skills, and confidence. We do this by encouraging the young people to participate in numerous fun activities including; quizzes, team games, cooking and discos, amongst other activities. In an effort to restore their confidence and guide them on to the

right path.

**SocialEyes**

SocialEyes is an innovative approach to facilitating social skills and social understanding with people on the autism spectrum. Launched by The National Autistic Society in 2010, this learning resource has been developed with people with autism and Asperger syndrome, along with leading professionals in the field. All SocialEyes resources have been extensively piloted and re-piloted with ongoing development and research since 2005.

SocialEyes does not ask people on the autism spectrum to change 'inappropriate' social behaviour, or to acquire social skills by copying the 'typical' behaviour of others. Instead, it gives people the option of learning social interaction skills or alternative social strategies. SocialEyes focuses on eight social skills that people on the autism spectrum can have difficulty with, including starting a conversation, eye contact and personal space.

**One77**

A bistro situated in the heart of town. One77 is a social enterprise based in Hartlepool that exists to provide opportunities that engage and inspire young people. Based in a vibrant, recently refurbished space at number 177 York Road, we offer a range of social, practical teaching and learning activities for young people.

All of our opportunities are open to any young person aged between 13 and 24 years but many of our activities are designed especially for disadvantaged young people to help them get a real start in life.

The young people accessing the project are from all backgrounds, but mainly with low levels of educational attainment and less affluent families. The Bistro is available for private functions and provides outside catering, therefore offering alternative training experiences. There are often opportunities for older volunteers / trainees to participate.

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**Active Kidz**

Active Kidz is the name given to all of our work with children and young people with additional needs where physical activity and adventure is the focus.

A significant element of this are our sessions take place every Saturday between 11.00am and 1.00pm at Brierton Sports Centre. Those attending are offered training in football, basketball, tennis and lots of other types of indoor sports. Transport to and from the centre can be provided (subject to availability) and snack and refreshments are also provided.



During school holidays, in particular during those holidays when the weather is warmer, more adventurous sessions take place such as canoeing, orienteering, den building and swimming.

Occasionally we run additional taster days on weekends for the entire family.



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**The 3Fs Project**

A growing and thriving part of our work now which seeks to provide support for those adults over the age of 55 or who may be identified in the early stages of dementia, recently discharged from hospital or who are socially isolated. 3Fs (Fun, Food and Friendship), sees older people come together over food to meet new people and enjoy each other's company, therefore promoting positive mental health. Sessions also include regular speakers and health improvement / self-care messages.



**The Evolve Project**



'An alternative to education' for those with additional needs aged 16 -25 years. The project provides 1 -1 support at all times and offers a diverse range of enjoyable activities. In order for the young people to feel more settled and know what to expect each day, a timetable has been produced which mimics that of a school timetable but without the pressure of formal education.

The programme of activities includes: IT sessions, sensory activities, social and communication skills, arts and crafts, independent and safety skills, music, cookery, physical activities, gardening and practical visits in the local community to develop life skills. This may alter from time to time to reflect the nature and needs of the young people attending.

The project operates over 39 weeks between the hours 9am to 3pm Monday to Friday. The Service is fully inclusive of transport, (pick up's will generally be about 8.30am each day and return home around 3.30pm) activities, a healthy meal, outings and trips. Our team can also cater for specific diets.

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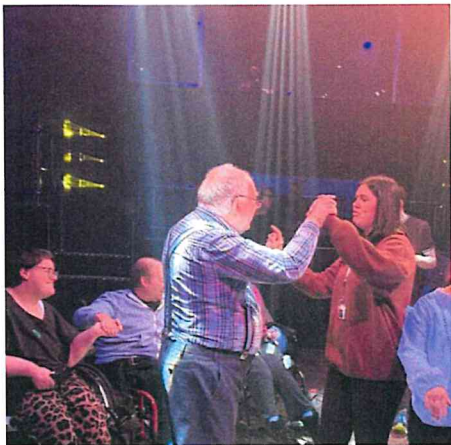
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**Lorne House Residential Home**

Lorne House is a large residential home registered with the Care Quality Commission to provide care up to 13 adults with Learning Disabilities. The service is long stay care, dependent on continual funding and appropriate placement to meet the individual's needs. A place in Lorne House may be funded from social care, health funds or privately. At present, there are 12 permanent residents living at Lorne House.

Lorne House was inspected by the CQC during the 2022/23 year and was graded as a 'good' provider of care and aspires to be 'outstanding' within three years.



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### **Melbourne House**

Melbourne House is a short breaks residential home for children and young people with additional needs, learning difficulties and autism aged ten to eighteen years of age. Every person has a right to a life which respects the independence of the individual, safeguards privacy, offering real choices and the opportunity to enjoy and contribute to society, in which their personal, social and cultural needs are met.

We believe in a user led service where all are seen as individuals, acknowledging and respecting other's merits and skills and valuing diversity. The service evolves around partnerships between staff, children and young people, carers and the wider professional team.

We believe children and young people should be encouraged to make their own choices in order to enjoy their life to its full potential in an open, safe, living and working environment. Children's rights are actively promoted.

### **The Oasis**

The Oasis is the latest of our growing services and is split into two parts and located at 110 Whitby Street South, Hartlepool :

- A 6m x 3m Hydro pool
- A Sensory, play and relaxation space

#### **The Hydro Pool**

With 6 private changing rooms, a shower, colour changing underwater light and built in sound system, the Oasis has everything needed for those wishing to enjoy water activities.

The pool is both available for private hire as well as attendance at sessions that we will be holding and promoting in the very near future.



#### **The Sensory, play and relaxation space**

This space is accessible to both children and adults and boasts :

- A Sensory Space with giant projection wall, sound affected / mood changing ceiling lights, hidden with white fluffy clouds, a sensory wall with 7 texture panels, several tunnels, tents for hiding, a large roller / squeeze machine for those who like sensory compression, peanut balls and beanbags and other sensory / projection lights.
- A Play Space with various play equipment for younger children and stimulating toys for babies.
- A Quiet Room with a range of books aimed at children of all ages, beanbags for comfort and 2 children's 'egg chairs', with privacy shades.
- General Area with an accessible toilet with changing bed and a space for parents to meet / have a catchup over a coffee.
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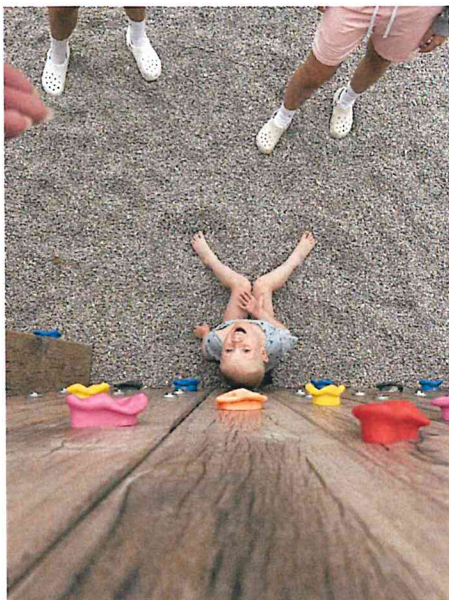
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**Other work during the year**

Families First (North East) manages the Short Break Contract for Hartlepool Borough Council which brings together and funds a number of our services and partners, including Hartlepool Special Needs Support Group's Summer and Holiday programme, The Fun Club, Friends Fun and Youth Group.

Families First works in close association with Hartlepool Deaf Centre who are based within our Head Office, One77. There are a number of joint services held throughout the week to support the Deaf, Deafened and Hard of Hearing community.



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**FAMILIES FIRST (NORTH EAST)**  
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**Achievements and Performance**

**Main achievements of the Charity and Key performance indicators**

During the period of the report, the organisation continued to exceed funder expectations. Highlights included :

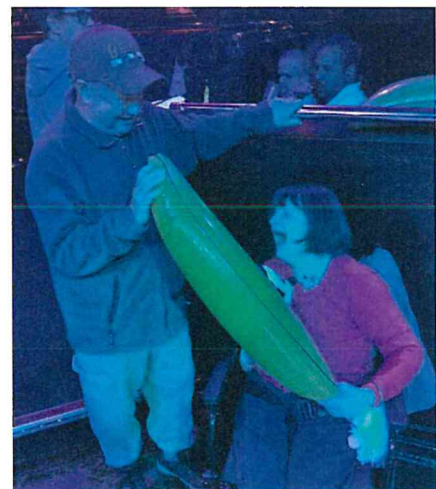
- 2,687 attendances to our after-school service, equating to 6,717.5 hours of activity.
- 1,025 attendances to our holiday programme, representing a further 4.6% increase on the previous year.
- Over 1670 attendances to our STREET Projects, equating to 3,167.5 hours of activity.
- Lorne House, Melbourne House and One77 all received further investment and modernisation during the year – including £7,500 invested into creating a Games Zone in One77 open to members of the public at no cost. This was possible thanks to the support of Tanglewood Games, Hartlepool.
- 767 attendances to our Saturday Active Kids sessions.
- Over 1,000 meals provided to vulnerable adults through our 3Fs luncheon club.
- Managed over 8,000 attendances across the short break programme, delivering an incredible 22,956.5 hours of activity.
- Held our very first “Lorne-Fest” musical festival in the grounds of Lorne House
- Attendances to Evolve increased by almost 50%
- Launched our monthly Starlight Social Club for adults with additional needs
- Successfully applied for almost £10,000 of funding from the Red Gap Trust to provide specialised SEN equipment across our sites and to add additional resources to our SEN Toy Library.
- Acknowledged the value and importance that our team play in our day-to-day achievements by launching our Star of The Month awards.



**Plans for future periods**

The immediate priorities of the organisation include:

- Further develop Melbourne House into an Ofsted Registered Short Break Centre for children and young adults with learning disabilities.
- Explore further energy reduction opportunities such as PIR activated lighting through all three sites in order to reduce operational costs and improve sustainability and our impact upon the environment.
- Develop and implement an action plan to promote Lorne House to an acknowledged ‘Outstanding’ provider of care.
- Work with funders to secure the medium-term future of our services for children and young people.



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**FAMILIES FIRST (NORTH EAST)**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**OBJECTIVES AND ACTIVITIES (continued)**

● **Fundraising activities and income generation**

The Charity raises funds through the Bistro, the Oasis and the events and membership services it provides. Other fundraising is minimal, such as participating in the Great North Run, and no external participator is used. There have been no complaints about the fundraising practices in the year

**FINANCIAL REVIEW**

● **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

● **Reserves policy**

The Trustees have examined the requirements of the charity for reserves having taken into account the main risks. Trustees have established a policy which deals with unrestricted funds not committed or invested in tangible fixed assets held by the charity. The reserves are needed to meet working capital requirements and the committee is satisfied that a target of between 3 and 6 months unrestricted budgeted expenditure can be held so that current activities would be continued in the event of a significant drop in that particular funding. At the current levels of expenditure, this would be between £118k and £236k and so this is met by current free reserves.

● **Principal risks and uncertainties**

Trustees carry out assessments of risks facing the Charity. External risks from funding are mitigated by seeking diversification, where necessary and appropriate, to secure activities. Internal risks are minimised by maintaining sufficient procedures to appropriately authorise projects and underlying transactions to maintain the quality of delivery from all charitable operations.

The organisation has a robust Risk Register which is monitored quarterly and an annual action plan is in place for improvements.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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• **Principal funding**

The Statement of Financial Activities for the year is set out on page 21. More detailed information on the particular services we provide are given in our Charity's Annual Return which is supplied to all our supporters and is freely available to any organisation or individual wishing to add their support. Further copies are available from the Charity's principal office which is listed on page 1.

Income from charitable activities was £1,767k and this includes income from sessions and activities as well as income from the new residential property.

At the year end the Charity had total reserves of £803k, of this £470k was restricted. Unrestricted free reserves were £238k.

We thank all of our dedicated volunteers and staff who have continued to offer their services. It has been a very busy year and our highly skilled workforce has been an integral part of that success.

Fixed asset expenditure during the year is set out in note 14 of these financial statements.

**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 Companies Act 2006. 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.

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

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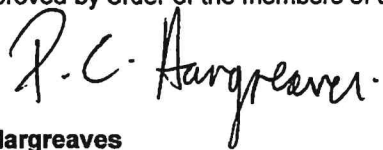
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**Auditors**

The auditors, Waltons Business Advisers, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**P Hargreaves**  
(Chair of Trustees)

Date: 16<sup>th</sup> October 2025.

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**FAMILIES FIRST (NORTH EAST)**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAMILIES FIRST (NORTH EAST)**

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**UNQUALIFIED OPINION**

We have audited the financial statements of Families First (North East) (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**OTHER INFORMATION**

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the area in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We identified that the greatest potential for fraud in the following areas: recognition and completeness of income and posting of unusual journals. We discussed these risks with management and designed audit procedures to test the recognition and completeness of revenue. We reviewed journals posted around the year end to look for potential "window dressing".

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**USE OF OUR REPORT**

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Waltons Business Advisers**  
Chartered Accountants  
Statutory Auditor  
Maritime House

22 October 2025

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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Waltons Business Advisers are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
<b>INCOME FROM:</b>					
Donations and grants	3	2,282	901	3,183	5,267
Charitable activities	4	1,243,145	507,773	1,750,918	1,606,374
Other trading activities	5	9,697	-	9,697	9,791
Investments	6	2,869	-	2,869	4,693
<b>TOTAL INCOME</b>		<b>1,257,993</b>	<b>508,674</b>	<b>1,766,667</b>	<b>1,626,125</b>
<b>EXPENDITURE ON:</b>					
Raising funds	7	8,985	-	8,985	10,481
Charitable activities	8	1,309,995	463,849	1,773,844	1,654,530
<b>TOTAL EXPENDITURE</b>		<b>1,318,980</b>	<b>463,849</b>	<b>1,782,829</b>	<b>1,665,011</b>
<b>NET (EXPENDITURE)/INCOME</b>		<b>(60,987)</b>	<b>44,825</b>	<b>(16,162)</b>	<b>(38,886)</b>
Transfers between funds	18	34,002	(34,002)	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(26,985)</b>	<b>10,823</b>	<b>(16,162)</b>	<b>(38,886)</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		360,764	458,718	819,482	858,368
Net movement in funds		(26,985)	10,823	(16,162)	(38,886)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>333,779</b>	<b>469,541</b>	<b>803,320</b>	<b>819,482</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 42 form part of these financial statements.

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 12051397**

**BALANCE SHEET**  
**AS AT 31 MARCH 2025**

	Note	2025 £	2024 £
<b>FIXED ASSETS</b>			
Tangible assets	14	635,144	670,952
		635,144	670,952
<b>CURRENT ASSETS</b>			
Debtors	15	174,458	59,637
Cash at bank and in hand		155,597	300,619
		330,055	360,256
<b>CURRENT LIABILITIES</b>			
Creditors: amounts falling due within one year	16	(103,654)	(110,038)
<b>NET CURRENT ASSETS</b>		<b>226,401</b>	<b>250,218</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>861,545</b>	<b>921,170</b>
Creditors: amounts falling due after more than one year	17	(58,225)	(101,688)
<b>TOTAL NET ASSETS</b>		<b>803,320</b>	<b>819,482</b>
<b>CHARITY FUNDS</b>			
Restricted funds	18	469,541	458,718
Unrestricted funds	18	333,779	360,764
<b>TOTAL FUNDS</b>		<b>803,320</b>	<b>819,482</b>

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

*P. C. Hargreaves*  
**P Hargreaves**  
 (Chair of Trustees)  
 Date: 16 October 2025

The notes on pages 25 to 42 form part of these financial statements.

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net cash used in operating activities	<b>(99,510)</b>	25,028
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest	<b>2,869</b>	4,693
Proceeds from the sale of tangible fixed assets	-	1,000
Purchase of tangible fixed assets	-	(51,673)
<b>NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES</b>	<b>2,869</b>	(45,980)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of borrowing	<b>(40,937)</b>	(38,560)
Bank loan interest paid	<b>(7,444)</b>	(9,823)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(48,381)</b>	(48,383)
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>	<b>(145,022)</b>	(69,335)
Cash and cash equivalents at the beginning of the year	<b>300,619</b>	369,954
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>155,597</b>	300,619

The notes on pages 25 to 42 form part of these financial statements

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**1. GENERAL INFORMATION**

The Charity is a company incorporated in England and Wales and limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered address is:

175 York Road  
Hartlepool  
TS26 9EQ

**2. ACCOUNTING POLICIES**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Families First (North East) 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.

**2.2 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**2.3 Going concern**

The Trustees, having made due and careful enquiry and preparing forecasts, are of the opinion that the Charity has adequate working capital to execute its operations over the next 12 months. The Trustees, therefore, have made an informed judgement at the time of approving the financial statements, that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. As a result the Trustees have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.4 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities. This also includes income from provision of charitable services and activities.

**2.5 Expenditure**

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

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**2. ACCOUNTING POLICIES (CONTINUED)**

**2.6 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years straight line
Property improvements	- 10 years straight line
Motor vehicles	- 4 years straight line
Fixtures and fittings	- 4 years straight line

**2.7 Cash at bank and in hand**

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

**2.8 Pensions**

The Charity contributes to a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**3. INCOME FROM DONATIONS AND GRANTS**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Donations	2,282	901	3,183	3,767
Grants	-	-	-	1,500
	<u>2,282</u>	<u>901</u>	<u>3,183</u>	<u>5,267</u>
<i>Total 2024</i>	<u>4,965</u>	<u>302</u>	<u>5,267</u>	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Working with Children	138,790	123,986	262,776	240,731
Preservation and Protection of Health	2,378	383,787	386,165	375,799
Vocational Education	49,813	-	49,813	35,160
Residential Property	1,052,164	-	1,052,164	954,684
	<u>1,243,145</u>	<u>507,773</u>	<u>1,750,918</u>	<u>1,606,374</u>
<i>Total 2024</i>	<u>1,025,398</u>	<u>580,976</u>	<u>1,606,374</u>	

**5. FUNDRAISING INCOME**

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Meeting room hire	6,150	6,150	9,420
Events	1,922	1,922	371
Other fundraising	1,625	1,625	-
	<u>9,697</u>	<u>9,697</u>	<u>9,791</u>
<i>Total 2024</i>	<u>9,791</u>	<u>9,791</u>	

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**6. INVESTMENT INCOME**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Bank interest	2,869	<b>2,869</b>	4,693
	<hr/>	<hr/>	<hr/>
<i>Total 2024</i>	4,693	4,693	
	<hr/>	<hr/>	

**7. EXPENDITURE ON RAISING FUNDS**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Costs of raising voluntary income	1,541	<b>1,541</b>	658
Bank loan interest	7,444	<b>7,444</b>	9,823
	<hr/>	<hr/>	<hr/>
	8,985	<b>8,985</b>	10,481
	<hr/>	<hr/>	<hr/>
<i>Total 2024</i>	10,481	10,481	
	<hr/>	<hr/>	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

**Summary by fund type**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Working with Children	45,796	178,259	224,055	228,451
Preservation and Protection of Health	86,372	285,590	371,962	368,437
Vocational Education	45,217	-	45,217	43,320
Residential Property	1,132,610	-	1,132,610	1,014,322
	<u>1,309,995</u>	<u>463,849</u>	<u>1,773,844</u>	<u>1,654,530</u>
<i>Total 2024</i>	<u>1,190,478</u>	<u>464,052</u>	<u>1,654,530</u>	

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Working with Children	187,814	36,241	224,055	228,451
Preservation and Protection of Health	285,590	86,372	371,962	368,437
Vocational Education	41,820	3,397	45,217	43,320
Residential Property	907,435	225,175	1,132,610	1,014,322
	<u>1,422,659</u>	<u>351,185</u>	<u>1,773,844</u>	<u>1,654,530</u>
<i>Total 2024</i>	<u>1,319,001</u>	<u>335,529</u>	<u>1,654,530</u>	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF DIRECT COSTS**

	Working with Children 2025 £	Preservation and Protection of Health 2025 £	Vocational Education 2025 £	Residential Property 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	117,186	275,691	11,379	746,568	1,150,824	1,080,971
Bistro costs	-	-	23,169	-	23,169	21,014
Activity costs	34,263	8,545	-	24,913	67,721	55,999
Travel costs	3,088	898	-	2,848	6,834	10,442
Repairs & maintenance	7,234	-	725	49,671	57,630	26,358
Telephone & internet	1,067	392	50	1,659	3,168	2,945
Cleaning	1,417	-	249	9,644	11,310	7,999
Printing, postage & stationery	-	-	-	6	6	246
Advertising & promotion	61	-	-	1,410	1,471	1,106
Volunteer costs	210	4	365	207	786	416
Premises costs	20,888	-	3,000	39,232	63,120	78,507
Sundries	547	47	308	4,795	5,697	7,622
Subscriptions	1,072	-	2,575	15,437	19,084	15,142
Staff Insurance & CRB Check	-	13	-	118	131	-
Rates & refuse	781	-	-	10,391	11,172	10,234
Legal & Professional Fees	-	-	-	536	536	-
	<u>187,814</u>	<u>285,590</u>	<u>41,820</u>	<u>907,435</u>	<u>1,422,659</u>	<u>1,319,001</u>
<i>Total 2024</i>	<u>191,817</u>	<u>281,956</u>	<u>40,044</u>	<u>805,184</u>	<u>1,319,001</u>	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS**

	Working with Children 2025 £	Preservation and Protection of Health 2025 £	Vocational Education 2025 £	Residential Property 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	22,236	52,992	2,084	138,151	215,463	215,716
Depreciation	3,695	8,807	347	22,959	35,808	40,297
Activity Costs	1,292	3,084	122	8,039	12,537	586
Travel Costs	309	734	29	1,916	2,988	3,179
Repairs & Maintenance	1,147	2,736	108	7,134	11,125	7,014
Telephone & Internet	165	392	15	1,023	1,595	1,808
Cleaning	421	1,001	39	2,611	4,072	3,281
Printing Posting Stationery	145	346	14	903	1,408	1,911
Advertising & Promotion	5	14	1	37	57	58
Volunteer Costs	55	130	5	339	529	747
Premises Costs	1,995	4,758	188	12,404	19,345	21,516
Sundries	817	1,946	75	5,070	7,908	7,866
Subscriptions	1,134	2,703	106	7,046	10,989	12,069
Staff Insurance & CRB Check	1,502	3,578	140	9,327	14,547	13,396
Rates & Refuse	144	340	13	887	1,384	(4,642)
Governance Costs	1,179	2,811	111	7,329	11,430	10,727
	<u>36,241</u>	<u>86,372</u>	<u>3,397</u>	<u>225,175</u>	<u>351,185</u>	<u>335,529</u>
<i>Total 2024</i>	<u>36,634</u>	<u>86,481</u>	<u>3,276</u>	<u>209,138</u>	<u>335,529</u>	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**10. GOVERNANCE COSTS**

	2025 £	2024 £
Accountancy fees	372	335
Auditors' remuneration	11,430	10,392
	11,802	10,727
	11,802	10,727

**11. AUDITORS' REMUNERATION**

The auditors' remuneration amounts to an auditor fee of £9,525 (2024 - £8,660), and preparation of corporation tax returns and consultancy of £310 (2024 - £280).

**12. STAFF COSTS**

	2025 £	2024 £
Wages and salaries	1,257,675	1,199,048
Social security costs	87,273	77,240
Contribution to defined contribution pension schemes	21,339	20,399
	1,366,287	1,296,687
	1,366,287	1,296,687

The average number of persons employed by the Charity during the year was as follows:

	2025 No.	2024 No.
Working with Children	35	32
Preservation and protection of health	5	10
Vocational Education	1	1
Residential Property	33	31
Core	6	6
	80	80
	80	80

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**12. STAFF COSTS (CONTINUED)**

The average headcount expressed as full-time equivalents was:

	<b>2025</b>	<i>2024</i>
	<b>No.</b>	<i>No.</i>
Working with Children	<b>13</b>	<i>15</i>
Preservation and protection of health	<b>4</b>	<i>5</i>
Vocational Education	<b>1</b>	<i>-</i>
Residential Property	<b>30</b>	<i>24</i>
Core	<b>5</b>	<i>6</i>
	<hr/> <b>53</b> <hr/>	<hr/> <i>50</i> <hr/>

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration paid to key management personnel (including national insurance and pension contributions) was £246,382 (2024: £246,027).

**13. TRUSTEES' REMUNERATION AND EXPENSES**

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £NIL).

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Property improvements £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost</b>					
At 1 April 2024	602,235	106,957	44,887	61,938	816,017
At 31 March 2025	<u>602,235</u>	<u>106,957</u>	<u>44,887</u>	<u>61,938</u>	<u>816,017</u>
<b>Depreciation</b>					
At 1 April 2024	50,859	28,906	16,946	48,354	145,065
Charge for the year	12,045	10,696	7,785	5,282	35,808
At 31 March 2025	<u>62,904</u>	<u>39,602</u>	<u>24,731</u>	<u>53,636</u>	<u>180,873</u>
<b>Net book value</b>					
At 31 March 2025	<u><u>539,331</u></u>	<u><u>67,355</u></u>	<u><u>20,156</u></u>	<u><u>8,302</u></u>	<u><u>635,144</u></u>
At 31 March 2024	<u><u>551,376</u></u>	<u><u>78,051</u></u>	<u><u>27,941</u></u>	<u><u>13,584</u></u>	<u><u>670,952</u></u>

**15. DEBTORS**

	2025 £	2024 £
<b>Due within one year</b>		
Trade debtors	166,100	51,134
Other debtors	8,358	8,503
	<u><u>174,458</u></u>	<u><u>59,637</u></u>

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2025 £	2024 £
Bank loans	43,463	40,938
Trade creditors	9,158	8,371
Other taxation and social security	2,268	19,330
Other creditors	24,242	17,271
Accruals & deferred income	24,523	24,128
	<b>103,654</b>	<b>110,038</b>
	<b>103,654</b>	<b>110,038</b>
	2025 £	2024 £
Deferred income at 1 April 2024	13,567	19,656
Resources deferred during the year	13,093	13,567
Amounts released from previous periods	(13,567)	(19,656)
<b>Deferred income at 31 March 2024</b>	<b>13,093</b>	<b>13,567</b>
	<b>13,093</b>	<b>13,567</b>

Deferred income relates to Lorne House residents fees received in advance.

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2025 £	2024 £
Bank loans	58,225	101,688
	<b>58,225</b>	<b>101,688</b>

The above loan is repayable in monthly instalments ending June 2027. Interest is charged at 6% per annum

The bank loan is secured by a fixed charge over the freehold property known as Melbourne House.

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**18. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
<b>Unrestricted funds</b>					
General Funds	148,418	165,946	(367,024)	206,961	154,301
One77	-	49,813	(42,170)	(7,643)	-
Lorne House	211,522	878,000	(777,044)	(133,000)	179,478
Melbourne House	824	164,234	(132,742)	(32,316)	-
	<u>360,764</u>	<u>1,257,993</u>	<u>(1,318,980)</u>	<u>34,002</u>	<u>333,779</u>
<b>Restricted funds</b>					
Land & Buildings	452,955	-	(12,045)	28,250	469,160
SNIPS	-	43,642	(81,037)	37,395	-
STREET	139	3,940	(16,780)	12,701	-
Toy Library	5	602	(13,043)	12,452	16
ActiveKidz	56	10,380	(7,229)	(3,200)	7
Hand in Hand	5,563	373,407	(278,361)	(100,400)	209
Evolve	-	38,367	(23,408)	(14,810)	149
Oasis	-	38,336	(31,946)	(6,390)	-
	<u>458,718</u>	<u>508,674</u>	<u>(463,849)</u>	<u>(34,002)</u>	<u>469,541</u>
<b>Total of funds</b>	<u><u>819,482</u></u>	<u><u>1,766,667</u></u>	<u><u>(1,782,829)</u></u>	<u><u>-</u></u>	<u><u>803,320</u></u>

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**18. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 April 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2024</i>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General Funds	214,549	54,621	(352,629)	231,877	148,418
One77	-	35,410	(40,044)	4,634	-
Lorne House	193,378	821,637	(697,354)	(106,139)	211,522
Melbourne House	2,907	133,179	(110,932)	(24,330)	824
	<u>410,834</u>	<u>1,044,847</u>	<u>(1,200,959)</u>	<u>106,042</u>	<u>360,764</u>
<b>Restricted funds</b>					
Land & Buildings	438,391	-	(12,045)	26,609	452,955
SNIPS	195	81,318	(69,543)	(11,970)	-
STREET	107	31,814	(16,432)	(15,350)	139
Toy Library	216	22,743	(13,229)	(9,725)	5
ActiveKidz	51	13,078	(4,323)	(8,750)	56
Hand in Hand	8,371	360,574	(277,633)	(85,749)	5,563
Evolve	89	35,623	(26,963)	(8,749)	-
Social Eyes	23	3,490	-	(3,513)	-
Autism Awareness	91	1,891	(1,285)	(697)	-
Oasis	-	30,747	(42,599)	11,852	-
	<u>447,534</u>	<u>581,278</u>	<u>(464,052)</u>	<u>(106,042)</u>	<u>458,718</u>
<b>Total of funds</b>	<u><u>858,368</u></u>	<u><u>1,626,125</u></u>	<u><u>(1,665,011)</u></u>	<u><u>-</u></u>	<u><u>819,482</u></u>

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**18. STATEMENT OF FUNDS (CONTINUED)**

**UNRESTRICTED FUNDS**

General funds

The main management and administration function of the services, including section heads. This is partly funded from transfers from restricted funds and the residential properties to represent the core time spent on those projects.

Melbourne House

The property value & associated loan is held in restricted funds with other land and buildings. The element of the loan which was not directly required for the purchase is held here in unrestricted. Other income and expenditure on this fund represents the running of Melbourne House residential home. A management charge transfer was made to reflect the costs of running this service included within core.

Lorne House

Income and expenditure on this fund represents the running of Lorne House residential home and there is a balance carried forward on this. A management charge transfer was made to reflect the costs of running this service included within core.

**Vocational Education**

One77

A training bistro operated by young people. The bistro's profits may be spent freely on the activities of the charity.

**RESTRICTED FUNDS**

**Working with Children**

SNIPS

An after-school and holiday playscheme specifically for children with profound learning disabilities and challenging needs.

STREET

The service is principally supported youth provision for young people with additional needs across Hartlepool. This fund is part Street Juniors and part Street Seniors.

Toy Library

A facility for parents that have, or organisations that work with, a child with a disability or additional support needs and who require specialist play and educational equipment. Includes our home support work.

Evolve

'An alternative to education' for those with additional needs aged 16 -25 years.

Oasis

The oasis is a hydro pool available for private hire and attendance at sessions. There is also a sensory space which is available for children and young people.

**Preservation & Protection of health**

ActiveKidz

Physical activities for children with additional needs.

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**18. STATEMENT OF FUNDS (CONTINUED)**

Hand In Hand

The service provides individual support to children and young people with additional needs so that they may fulfil their social care ambitions and participate in physical activities.

**Core**

Land and Buildings

The land and buildings are held within this fund and depreciation is charged to the fund annually.

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	95,813	539,331	635,144
Current assets	324,709	5,346	330,055
Creditors due within one year	(68,697)	(34,957)	(103,654)
Creditors due in more than one year	(18,046)	(40,179)	(58,225)
<b>Total</b>	<b>333,779</b>	<b>469,541</b>	<b>803,320</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	452,955	217,997	670,952
Current assets	-	5,763	354,493	360,256
Creditors due within one year	-	-	(110,038)	(110,038)
Creditors due in more than one year	-	-	(101,688)	(101,688)
<b>Total</b>	<b>-</b>	<b>458,718</b>	<b>360,764</b>	<b>819,482</b>

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2025 £	2024 £
Net expenditure for the year (as per Statement of Financial Activities)	<b>(16,162)</b>	<b>(38,886)</b>
<b>Adjustments for:</b>		
Depreciation charges	35,808	40,297
Interest	(2,869)	(4,693)
Profit on the sale of fixed assets	-	(279)
Increase in debtors	(114,821)	(10)
Increase/(decrease) in creditors	(8,910)	18,776
Bank loan interest paid	7,444	9,823
<b>Net cash provided by/(used in) operating activities</b>	<b>(99,510)</b>	<b>25,028</b>

**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2025 £	2024 £
Cash in hand	155,597	300,619
<b>Total cash and cash equivalents</b>	<b>155,597</b>	<b>300,619</b>

**22. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	300,619	(145,022)	155,597
Debt due within 1 year	(40,938)	(2,525)	(43,463)
Debt due after 1 year	(101,688)	43,463	(58,225)
	<b>157,993</b>	<b>(104,084)</b>	<b>53,909</b>

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**23. OPERATING LEASE COMMITMENTS**

At 31 March 2025 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	<b>3,816</b>	3,816
Later than 1 year and not later than 5 years	<b>8,586</b>	12,402
	<u><b>12,402</b></u>	<u>16,218</u>

**24. RELATED PARTY TRANSACTIONS**

The Charity has received £9,333 of income (2024: £4,160) from an organisation in which a Trustee has an interest.

At the year end £1,860 was owed to the Charity from an organisation in which a Trustee has an interest.

**25. CONTINGENT LIABILITY**

There is a contingent liability of £8,382 in respect of a grant from the SME Energy Efficiency Scheme (funded from the European Regional Development Fund). This grant is repayable if the Charity disposes of any asset purchased with the grant within five years of the grant date (ie before December 2027).

**FAMILIES FIRST (NORTH EAST)**

England & Wales - Charity number 1183964

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# Accounts

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Registered number: 12051397  
Charity number: 1183964

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2024**

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<b>Trustees</b>	J Atkinson (resigned 22 January 2024) J Brash (resigned 9 July 2024) P Hargreaves S Harrison C Hubbert S Lamplough
<b>Company registered number</b>	12051397
<b>Charity registered number</b>	1183964
<b>Registered office</b>	175 York Road Hartlepool TS26 9EQ
<b>Company secretary</b>	P Thompson
<b>President</b>	Lord Peter Mandelson
<b>Patron</b>	Stephen Miller MBE
<b>Patron</b>	Jonathon Brash

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**FAMILIES FIRST (NORTH EAST)**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2024. These financial statements comply with the Charities Act 2011 and the 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 (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Reference and administrative details**

The name of the Charity as it appears in the Register of Charities is Families First (North East) and the Charity's main working name is the same as its legal name. The Charity has also registered the working names of Hartlepool Families First, Durham Families First and Stockton Families First which are all legacy names of the former Charity.

The Trustees serving during the year are listed on page 1. Lord Peter Mandelson is the president and Stephen Miller MBE and Jonathon Brash are the Charity's patrons. The Charity is governed by a Board of Directors and its executive members (the Trustees) are elected on an annual basis. There are no lifetime or custodial Trustees and no sub-committees.

Other administrative details are listed on page 1.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

● **Constitution**

Families First (North East) is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The organisation is a Charitable Company meaning it is registered with both Companies House and the Charity Commission. The Charity was registered with the Charity Commission on 19 June 2019.

Families First North East is a successor Charity. The original Charity originated in March 1988 and was a registered Charity, however the Trustees agreed in 2019 that the more appropriate legal structure was to convert the organisation to an incorporated Charitable Company – i.e. registered with both Companies House and the Charity Commission.

**FAMILIES FIRST (NORTH EAST)**  
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**Methods of appointment or election of Trustees.**

Trustees, who are required under the governing constitution to serve as members of the charity, are elected at a full trustees' meeting and are required to satisfy specified criteria of eligibility, competence, skills and locality.

New trustees are fully inducted into the Charity's working environment, its policies and procedures. Due to the organisation's registration with the Care Quality Commission and Ofsted, all trustees are required to complete an annual Fit and Proper Person's Declaration and Safeguarding Self Declaration.

**Organisational structure and decision-making policies**

Trustees meet regularly to determine the general policy of the Charity and to review its overall management and control to ensure that their legal responsibilities are appropriately discharged.

Trustees carry out assessments of risks facing the Charity. External risks from funding are mitigated by seeking diversification, where necessary and appropriate, to secure activities. Internal risks are minimised by maintaining sufficient procedures to appropriately authorise projects and underlying transactions to maintain the quality of delivery from all charitable operations.

The organisation has a robust Risk Register which is monitored quarterly and an annual action plan is in place for improvements.

**The organisation's current structure reflects the following :**

<b>Board of Directors / Charitable Trustees</b>				
<b>Chief Executive</b>				
<b>Finance Manager</b>	<b>Section Head for Children and Young People</b>	<b>Deputy Chief Executive</b>	<b>Catering and Facilities Manager</b>	<b>Lorne House Manager</b>
Book keeping Invoicing out Purchase ledger Credit Control Payroll Budgets, reports and financial projections	SNIPS STREET Special Needs Toy Loan Service Active Kids SocialEyes	Management of Melbourne House Hand in Hand Evolve Project Supporting / adhoc Policy Review Health and Safety	One77 Training Bistro Room Hires and Function Venue 3Fs project Stocks and Supplies Vehicles Maintenance	Management and operation of Lorne House

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**FAMILIES FIRST (NORTH EAST)**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

● **Pay policy for key management personnel**

The pay of senior staff is benchmarked against similar organisations and paid at a market rate.

There is an annual performance review of the Chief Executive and performance against this is checked at six monthly intervals.

**OBJECTIVES AND ACTIVITIES**

● **Policies and objectives**

The legal objects of the Charity are:

- (i) the relief and education of all local children, particularly those with additional and special needs through the provision of social, physical and emotional support activities and therapeutic, educational and stimulating toys and equipment; and,
- (ii) the preservation and protection of health within all residents, including the promotion of a positive and healthy lifestyle; and,
- (iii) the advancement of vocational education for the public benefit of residents of all ages throughout the North East of England; and,
- (iv) To promote such other charitable purposes as may from time to time be determined, which support and promote the health, education and prosperity of residents of all ages throughout the North East of England.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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**FAMILIES FIRST (NORTH EAST)**  
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**Strategies for achieving objectives**

In order to meet the above legal objects, the Charity provides events and activities for children, young people and adults throughout the area to meet, learn and develop. These are described in more detail below.

**Over the course of the 12 months of this financial report, we have provided the following services:**

**SNIPS (Special Needs Inclusion Project)**

We operate an Ofsted registered after-school club and holiday Playscheme for children with profound and often multiple disabilities.

The idea behind the project is to give these children the same play opportunities that other able bodied children are afforded. The project is varied and the activities are influenced by the children themselves.

We are based in our own centre at One77, 175-177 York Road, Hartlepool. We often visit other places such as : Tweddle Farm (Blackhall) , Wynyard Woodland Country Park (Thorpe Thewles), Velocity Trampoline Park (Billingham), and Preston Farm (Stockton)



We attempt to meet all needs of the children whilst promoting learning through play in activities which are of the child's choice. We provide the children on our afterschool club with a tea-time snack and refreshments. We also provide transport from school and to home with our accompanied escorts.

The project is staffed by a team of well trained individuals who specialise in working with children who have a disability as well as a strong team of dedicated volunteers. Every member of the team is DBS checked, first aid trained, food hygiene qualified and trained in a multitude of other areas such as feeding, toileting issues and hygiene matters.

Children are referred on to the project by either their School, Parents and Carers, Children's Services, a Health Professional or another agency.

Many of our children who attend the after-school and holiday programme cannot access any other scheme due to their complex needs and in some cases their need for 1:1 or 2:1 support.

**Hand In Hand**

Hand In Hand is our project to provide support for young adults and children with a range of additional needs, including autism and behavioural issues.

It is a personalised support service that is tailored for each individual client.

For the vast majority of clients, it is providing 1-to-1 support (2-to-1 and 1-to-2 also available) to enable them to do the things that they enjoy socially and within the local community.

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**FAMILIES FIRST (NORTH EAST)**  
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However, we offer support in the home also to offer respite to parents / carers or additional support at times of crisis.

Support offered can include:

- Employment and education support
- Personal care
- Social activities
- Short Break respite for parents and carers
- Overnight care either at home or away from home
- Supported holidays / short break
- Emergency and last minute supports
- Independent living and transport training
- School holiday cover

The service provides individual support to children and young people with additional needs so that they may fulfil their social care ambitions and participate in physical activities. The service is flexible and is bespoke to each individual client. The service is funded from Direct Payments, Individual Support Funds and Personalised Budgets.



### **Special Needs Toy Loan Service**

This project was the original foundation that Families First (North East) was built upon. It started as a small group offering a toy library based within St Paul's Church Hall, Murray Street in the first year.

It is a dedicated service for parents/carers, childminders and other settings who care for children with special or additional support needs.

The library was set up to give children and young people with special and additional needs an opportunity to loan suitable toys and specialist equipment to use in their home. As a group we know how difficult and expensive it is to purchase such items.



What the Toy Library offers:

- We have weekly Family sessions held at One77
- We deliver, install and demonstrate equipment.
- You can come along to our premises and try out toys before deciding if it is suitable.
- We can source a toy for you to purchase.

We offer a dedicated Special Needs Home Support Officer to promote the development of play within the family environment. The officer has the additional responsibility of offering support and advice to parents of children with a profound physical / learning disability. Our officer offers stimulating, fun and safe toys and specialist play equipment, including adapted bikes, operating through a loan scheme and working alongside school nurses / play therapists.



As part of this work, we support parents / carers via home visits and peer support. We give families the opportunity to browse specialist catalogues to provide ideas of play and shape the future provision of the service. These sessions also provide an opportunity to network with other parents with similar issues and look to identify solutions and a sympathetic ear.

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**FAMILIES FIRST (NORTH EAST)**  
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The equipment is chosen by children and parents to meet their needs. Regular outreach and parental demonstration sessions will be held in order for families to get the best out of the resource. Equipment out on long term hire will receive regular safety inspections.

### **STREET Seniors and STREET Juniors**



The STREET project is a befriending service held at the One77 facility on York Road on 3 evenings a week. It is a safe social environment for individuals often with special needs and requirements to interact and socialise.

We aim to give young people the essential support and encouragement to help them overcome issues with social skills, self esteem and emotional trauma. Everyone at STREET is understanding and supportive of each others situation.

With the help of our highly skilled support workers and volunteers we try to build on friendship, social skills, and confidence. We do this by encouraging the young people to participate in numerous fun activities including; quizzes, team games, cooking and discos, amongst other activities. In an effort to restore their confidence and guide them on to the right path.

### **SocialEyes**

SocialEyes is a new and innovative approach to facilitating social skills and social understanding with people on the autism spectrum. Launched by The National Autistic Society in 2010, this learning resource has been developed with people with autism and Asperger syndrome, along with leading professionals in the field. All SocialEyes resources have been extensively piloted and re-piloted with ongoing development and research since 2005.

SocialEyes does not ask people on the autism spectrum to change 'inappropriate' social behaviour, or to acquire social skills by copying the 'typical' behaviour of others. Instead, it gives people the option of learning social interaction skills or alternative social strategies. SocialEyes focuses on eight social skills that people on the autism spectrum can have difficulty with, including starting a conversation, eye contact and personal space.

### **One77**

A bistro situated in the heart of town. One77 is a social enterprise based in Hartlepool that exists to provide opportunities that engage and inspire young people. Based in a vibrant, recently refurbished space at number 177 York Road, we offer a range of social, practical teaching and learning activities for young people.

All of our opportunities are open to any young person aged between 13 and 24 years but many of our activities are designed especially for disadvantaged young people to help them get a real start in life.

The young people accessing the project are from all backgrounds, but mainly with low levels of educational attainment and less affluent families. The Bistro is available for private functions and provides outside catering, therefore offering alternative training experiences. There are often opportunities for older volunteers / trainees to participate.

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**Active Kidz**

Active Kidz is the name given to all of our work with children and young people with additional needs where physical activity and adventure is the focus.

A significant element of this are our sessions take place every Saturday between 11.00am and 1.00pm at Brierton Sports Centre. Those attending are offered training in football, basketball, tennis and lots of other types of indoor sports. Transport to and

from the centre can be provided (subject to availability) and snack and refreshments are also provided.

During school holidays, in particular during those holidays when the weather is warmer, more adventurous sessions take place such as canoeing, orienteering, den building and swimming.

Occasionally we run additional taster days on weekends for the entire family.



**The 3Fs Project**

A growing and thriving part of our work now which seeks to provide support for those adults over the age of 55 or who may be identified in the early stages of dementia, recently discharged from hospital or who are socially isolated. 3Fs (Fun, Food and Friendship), sees older people come together over food to meet new people and enjoy each other's company, therefore promoting positive mental health. Sessions also include regular speakers and health improvement / self-care messages.

**The Evolve Project**



'An alternative to education' for those with additional needs aged 16 -25 years. The project provides 1 -1 support at all times and offers a diverse range of enjoyable activities. In order for the young people to feel more settled and know what to expect each day, a timetable has been produced which mimics that of a school timetable but without the pressure of formal education.

The programme of activities includes: IT sessions, sensory activities, social and communication skills, arts and crafts, independent and safety skills, music, cookery, physical activities, gardening and practical visits in the local community to develop life skills. This may alter from time to time to reflect the nature and needs of the young people attending.

The project operates over 39 weeks between the hours 9am to 3pm Monday to Friday.

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The Service is fully inclusive of transport, (pick up's will generally be about 8.30am each day and return home around 3.30pm) activities, a healthy meal, outings and trips. Our team can also cater for specific diets.

**Lorne House Residential Home**

Lorne House is a large residential home registered with the Care Quality Commission to provide care for 13 adults with Learning Disabilities. The service is long stay care, dependent on continual funding and appropriate placement to meet the individual's needs. A place in Lorne House may be funded from social care, health funds or privately. At present, there are 11 permanent residents living at Lorne House.



Lorne House was inspected by the CQC during the 2022/23 year and was graded as a 'good' provider of care and aspires to be 'outstanding' within three years.



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### **Melbourne House**

Melbourne House is a short breaks residential home for children and young people with additional needs, learning difficulties and autism aged ten to eighteen years of age.

Every person has a right to a life which respects the independence of the individual, safeguards privacy, offering real choices and the opportunity to enjoy and contribute to society, in which their personal, social and cultural needs are met.

We believe in a user led service where all are seen as individuals, acknowledging and respecting other's merits and skills and valuing diversity. The service evolves around partnerships between staff, children and young people, carers and the wider professional team.

We believe children and young people should be encouraged to make their own choices in order to enjoy their life to its full potential in an open, safe, living and working environment. Children's rights are actively promoted.



### **The Oasis**

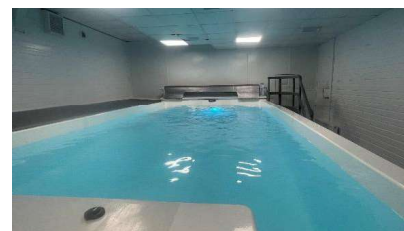
The Oasis is the latest of our growing services and is split into two parts and located at 110 Whitby Street South, Hartlepool :

- A 6m x 3m Hydropool
- A Sensory, play and relaxation space

#### **The Hydro Pool**

With 6 private changing rooms, a shower, colour changing underwater light and built in sound system, the Oasis has everything needed for those wishing to enjoy water activities.

The pool is both available for private hire as well as attendance at sessions that we will be holding and promoting in the very near future.



#### **The Sensory, play and relaxation space**

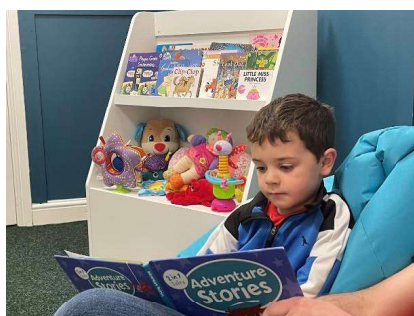
This space is accessible to both children and adults, and boasts :

- A Sensory Space with giant projection wall, sound affected / mood changing ceiling lights, hidden with white fluffy clouds, a sensory wall with 7 texture panels, several tunnels, tents for hiding, a large roller / squeeze machine for those who like sensory compression, peanut balls and beanbags and other sensory / projection lights.
- A Play Space with various play equipment for younger children and stimulating toys for babies.
- A Quiet Room with a range of books aimed at children of all ages, beanbags for comfort and 2 children's 'egg chairs', with privacy shades.
- General Area with an accessible toilet with changing bed and a space for parents to meet / have a catchup over a coffee.

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**Other work during the year**

Families First (North East) manages the Short Break Contract for Hartlepool Borough Council which brings together and funds a number of our services and partners, including Hartlepool Special Needs Support Group's Summer and Holiday programme, The Fun Club, Friends Fun and Youth Group.

Families First works in close association with Hartlepool Deaf Centre who are based within our Head Office, One77. There are a number of joint services held throughout the week to support the Deaf, Deafened and Hard of Hearing community.



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**FAMILIES FIRST (NORTH EAST)**  
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## **Achievements and Performance**

### **Main achievements of the Charity and Key performance indicators**

During the period of the report, the organisation continued to exceed funder expectations. Highlights included :

- 2818 attendances to our after-school service, equating to 7045 hours of activity. This is an increase of a further 5.15% from our previous year.
- 979 attendances to our holiday programme
- Over 1730 attendances to our STREET Projects, equating to over 3,300 hours of activity.
- Lorne House, Melbourne House and One77 all received further investment and modernisation during the year.
- Launch of the Oasis Sensory and Play Space.
- 851 attendances to our Saturday Active Kids sessions.
- Over 1000 meals provided to vulnerable adults through our 3Fs luncheon club.
- Attendances to Evolve increased by almost 50%
- A whopping 7358 sessions and 36,256 hours of activity were delivered by the Hand in Hand Team



### **Plans for future periods**



The immediate priorities of the organisation include:

- Further develop Melbourne House into an Ofsted Registered Short Break Centre for children and young adults with learning disabilities.
- Build upon our recent successes in renewable energies, mainly solar power, on One77 and Lorne House in order to reduce operational costs and improve sustainability and our impact upon the environment.
- Explore further energy reduction opportunities such as PIR activated lighting through all three sites.
- Develop and implement an action plan to promote Lorne House to an acknowledged 'Outstanding' provider of care.
- Work with funders to secure the medium-term future of our services for children and young people.

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**FAMILIES FIRST (NORTH EAST)**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**OBJECTIVES AND ACTIVITIES (continued)**

- **Fundraising activities and income generation**

The Charity raises funds through the Bistro and the events and membership services it provides. Other fundraising is minimal, and no external participator is used. There have been no complaints about the fundraising practices in the year.

**FINANCIAL REVIEW**

- **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

- **Reserves policy**

The Trustees have examined the requirements of the charity for reserves having taken into account the main risks. Trustees have established a policy which deals with unrestricted funds not committed or invested in tangible fixed assets held by the charity. The reserves are needed to meet working capital requirements and the committee is satisfied that a target of between 3 and 6 months unrestricted budgeted expenditure can be held so that current activities would be continued in the event of a significant drop in that particular funding. At the current levels of expenditure, this would be between £102k and £205k and so this is met by current free reserves.

- **Principal risks and uncertainties**

Trustees carry out assessments of risks facing the Charity. External risks from funding are mitigated by seeking diversification, where necessary and appropriate, to secure activities. Internal risks are minimised by maintaining sufficient procedures to appropriately authorise projects and underlying transactions to maintain the quality of delivery from all charitable operations.

The organisation has a robust Risk Register which is monitored quarterly and an annual action plan is in place for improvements.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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● **Principal funding**

The Statement of Financial Activities for the year is set out on page 20. More detailed information on the particular services we provide are given in our Charity's Annual Return which is supplied to all our supporters and is freely available to any organisation or individual wishing to add their support. Further copies are available from the Charity's principal office which is listed on page 1.

Income from charitable activities was £1,606k and this includes income from sessions and activities as well as income from the new residential property.

At the year end the Charity had total reserves of £819k, of this £459k was restricted. Unrestricted free reserves were £361k.

We thank all of our dedicated volunteers and staff who have continued to offer their services. It has been a very busy year and our highly skilled workforce has been an integral part of that success.

Fixed asset expenditure during the year is set out in note 14 of these financial statements.

**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 Companies Act 2006. 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.

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**Auditors**

The auditors, Waltons Business Advisers, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**P Hargreaves**  
(Chair of Trustees)  
Date: 1 October 2024

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAMILIES FIRST (NORTH EAST)**

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**UNQUALIFIED OPINION**

We have audited the financial statements of Families First (North East) (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**OTHER INFORMATION**

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the area in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We identified that the greatest potential for fraud in the following areas: recognition and completeness of income and posting of unusual journals. We discussed these risks with management and designed audit procedures to test the recognition and completeness of revenue. We reviewed journals posted around the year end to look for potential "window dressing".

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**USE OF OUR REPORT**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Heather O'Driscoll FCA (senior statutory auditor)**

for and on behalf of

**Waltons Business Advisers**

Chartered Accountants

Statutory Auditor

Maritime House

2 October 2024

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>INCOME FROM:</b>					
Donations and grants	3	302	4,965	5,267	12,669
Charitable activities	4	580,976	1,025,398	1,606,374	1,509,223
Other trading activities	5	-	9,791	9,791	15,110
Investments	6	-	4,693	4,693	1,491
<b>TOTAL INCOME</b>		<b>581,278</b>	<b>1,044,847</b>	<b>1,626,125</b>	<b>1,538,493</b>
<b>EXPENDITURE ON:</b>					
Raising funds	7	-	10,481	10,481	12,242
Charitable activities	8	464,052	1,190,478	1,654,530	1,495,587
<b>TOTAL EXPENDITURE</b>		<b>464,052</b>	<b>1,200,959</b>	<b>1,665,011</b>	<b>1,507,829</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>117,226</b>	<b>(156,112)</b>	<b>(38,886)</b>	<b>30,664</b>
Transfers between funds	18	(106,042)	106,042	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>11,184</b>	<b>(50,070)</b>	<b>(38,886)</b>	<b>30,664</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		447,534	410,834	858,368	827,704
Net movement in funds		11,184	(50,070)	(38,886)	30,664
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>458,718</b>	<b>360,764</b>	<b>819,482</b>	<b>858,368</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 41 form part of these financial statements.

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 12051397**

**BALANCE SHEET**  
**AS AT 31 MARCH 2024**

	Note	2024 £	2023 £
<b>FIXED ASSETS</b>			
Tangible assets	14	<b>670,952</b>	660,297
		<u>670,952</u>	<u>660,297</u>
<b>CURRENT ASSETS</b>			
Debtors	15	<b>59,637</b>	59,627
Cash at bank and in hand		<b>300,619</b>	369,954
		<u>360,256</u>	<u>429,581</u>
Creditors: amounts falling due within one year	16	<b>(110,038)</b>	(88,884)
		<u>250,218</u>	<u>340,697</u>
<b>NET CURRENT ASSETS</b>		<b>250,218</b>	340,697
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>921,170</u>	<u>1,000,994</u>
Creditors: amounts falling due after more than one year	17	<b>(101,688)</b>	(142,626)
<b>TOTAL NET ASSETS</b>		<u><b>819,482</b></u>	<u>858,368</u>
<b>CHARITY FUNDS</b>			
Restricted funds	18	<b>458,718</b>	447,534
Unrestricted funds	18	<b>360,764</b>	410,834
<b>TOTAL FUNDS</b>		<u><b>819,482</b></u>	<u>858,368</u>

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**P Hargreaves**  
 (Chair of Trustees)  
 Date: 1 October 2024

The notes on pages 23 to 41 form part of these financial statements.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net cash used in operating activities	<b>25,028</b>	<b>224,531</b>
	<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest	<b>4,693</b>	<b>1,491</b>
Proceeds from the sale of tangible fixed assets	<b>1,000</b>	<b>-</b>
Purchase of tangible fixed assets	<b>(51,673)</b>	<b>(48,356)</b>
	<hr/>	<hr/>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(45,980)</b>	<b>(46,865)</b>
	<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of borrowing	<b>(38,560)</b>	<b>(36,320)</b>
Bank loan interest paid	<b>(9,823)</b>	<b>(12,062)</b>
	<hr/>	<hr/>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(48,383)</b>	<b>(48,382)</b>
	<hr/>	<hr/>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>	<b>(69,335)</b>	<b>129,284</b>
Cash and cash equivalents at the beginning of the year	<b>369,954</b>	<b>240,670</b>
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>300,619</b>	<b>369,954</b>
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 23 to 41 form part of these financial statements

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**1. GENERAL INFORMATION**

The Charity is a company incorporated in England and Wales and limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered address is:

175 York Road  
Hartlepool  
TS26 9EQ

**2. ACCOUNTING POLICIES**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Families First (North East) 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.

**2.2 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**2.3 Going concern**

The Trustees, having made due and careful enquiry and preparing forecasts, are of the opinion that the Charity has adequate working capital to execute its operations over the next 12 months. The Trustees, therefore, have made an informed judgement at the time of approving the financial statements, that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. As a result the Trustees have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.4 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities. This also includes income from provision of charitable services and activities.

**2.5 Expenditure**

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

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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**FAMILIES FIRST (NORTH EAST)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.6 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years straight line
Property improvements	- 10 years straight line
Motor vehicles	- 4 years straight line
Fixtures and fittings	- 4 years straight line

**2.7 Pensions**

The Charity contributes to a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**3. INCOME FROM DONATIONS AND GRANTS**

	<b>Restricted funds 2024 £</b>	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Donations	302	3,465	3,767	2,755
Grants	-	1,500	1,500	9,914
	<u>302</u>	<u>4,965</u>	<u>5,267</u>	<u>12,669</u>
<i>Total 2023</i>	<u>8,441</u>	<u>4,228</u>	<u>12,669</u>	

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**4. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Restricted funds 2024 £</b>	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Working with Children	207,324	33,407	240,731	205,882
Preservation and Protection of Health	373,652	2,147	375,799	342,101
Vocational Education	-	35,160	35,160	37,506
Residential Property	-	954,684	954,684	923,734
	<u>580,976</u>	<u>1,025,398</u>	<u>1,606,374</u>	<u>1,509,223</u>
<i>Total 2023</i>	<u>500,207</u>	<u>1,009,016</u>	<u>1,509,223</u>	

**5. FUNDRAISING INCOME**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Meeting room hire	9,420	9,420	12,000
Events	371	371	3,110
	<u>9,791</u>	<u>9,791</u>	<u>15,110</u>
<i>Total 2023</i>	<u>15,110</u>	<u>15,110</u>	

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**6. INVESTMENT INCOME**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Bank interest	<b>4,693</b>	<b>4,693</b>	<i>1,491</i>
	<b>=====</b>	<b>=====</b>	
<i>Total 2023</i>	<i>1,491</i>	<i>1,491</i>	
	<b>=====</b>	<b>=====</b>	

**7. EXPENDITURE ON RAISING FUNDS**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Costs of raising voluntary income	<b>658</b>	<b>658</b>	<i>180</i>
Bank loan interest	<b>9,823</b>	<b>9,823</b>	<i>12,062</i>
	<b>=====</b>	<b>=====</b>	
	<b>10,481</b>	<b>10,481</b>	<i>12,242</i>
	<b>=====</b>	<b>=====</b>	
<i>Total 2023</i>	<i>12,242</i>	<i>12,242</i>	
	<b>=====</b>	<b>=====</b>	

**FAMILIES FIRST (NORTH EAST)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

**Summary by fund type**

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
Working with Children	171,367	57,084	228,451	186,684
Preservation and Protection of Health	285,060	83,377	368,437	342,470
Vocational Education	117	43,203	43,320	48,328
Residential Property	7,508	1,006,814	1,014,322	918,105
	<u>464,052</u>	<u>1,190,478</u>	<u>1,654,530</u>	<u>1,495,587</u>
<i>Total 2023</i>	<u>390,669</u>	<u>1,104,918</u>	<u>1,495,587</u>	

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Working with Children	191,817	36,634	228,451	186,684
Preservation and Protection of Health	281,956	86,481	368,437	342,470
Vocational Education	40,044	3,276	43,320	48,328
Residential Property	805,184	209,138	1,014,322	918,105
	<u>1,319,001</u>	<u>335,529</u>	<u>1,654,530</u>	<u>1,495,587</u>
<i>Total 2023</i>	<u>1,173,812</u>	<u>321,775</u>	<u>1,495,587</u>	

**FAMILIES FIRST (NORTH EAST)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)**

**ANALYSIS OF DIRECT COSTS**

	<b>Working with Children 2024 £</b>	<b>Preservatio n and Protection of Health 2024 £</b>	<b>Vocational Education 2024 £</b>	<b>Residential Property 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Staff costs	116,960	271,528	10,801	681,682	1,080,971	985,144
Bistro costs	-	-	21,014	-	21,014	17,626
Activity costs	26,095	8,746	-	21,158	55,999	54,604
Travel costs	5,322	948	-	4,172	10,442	8,249
Repairs & maintenance	10,282	-	1,685	14,391	26,358	27,004
Telephone & internet	1,153	383	151	1,258	2,945	2,091
Cleaning	1,969	-	255	5,775	7,999	9,400
Printing, postage & stationery	-	-	-	246	246	71
Advertising & promotion	8	-	26	1,072	1,106	2,288
Volunteer costs	34	-	382	-	416	544
Premises costs	26,695	-	3,000	48,812	78,507	40,313
Sundries	1,882	351	232	5,157	7,622	6,183
Subscriptions	389	-	2,498	12,255	15,142	14,412
Rates & refuse	1,028	-	-	9,206	10,234	5,883
	<u>191,817</u>	<u>281,956</u>	<u>40,044</u>	<u>805,184</u>	<u>1,319,001</u>	<u>1,173,812</u>
<i>Total 2023</i>	<u>151,799</u>	<u>259,150</u>	<u>41,902</u>	<u>720,961</u>	<u>1,173,812</u>	

**FAMILIES FIRST (NORTH EAST)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)**

**ANALYSIS OF SUPPORT COSTS**

	Working with Children 2024 £	Preservatio n and Protection of Health 2024 £	Vocational Education 2024 £	Residential Property 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Staff costs	23,556	55,599	2,106	134,455	215,716	198,180
Depreciation	4,401	10,386	393	25,117	40,297	37,104
Activity Costs	64	151	5	366	586	1,407
Travel Costs	346	820	31	1,982	3,179	5,877
Repairs & Maintenance	765	1,808	69	4,372	7,014	19,045
Telephone & Internet	197	466	18	1,127	1,808	3,202
Cleaning	358	846	32	2,045	3,281	2,856
Printing Posting Stationery	208	493	19	1,191	1,911	1,617
Advertising & Promotion	6	15	1	36	58	81
Volunteer Costs	81	193	7	466	747	396
Premises Costs	2,350	5,545	210	13,411	21,516	14,088
Sundries	857	2,028	77	4,904	7,866	4,185
Subscriptions	1,317	3,111	118	7,523	12,069	6,917
Staff Insurance & CRB Check	1,463	3,452	131	8,350	13,396	10,048
Rates & Refuse	(508)	(1,196)	(45)	(2,893)	(4,642)	5,238
Governance Costs	1,173	2,764	104	6,686	10,727	11,534
	<u>36,634</u>	<u>86,481</u>	<u>3,276</u>	<u>209,138</u>	<u>335,529</u>	<u>321,775</u>
<i>Total 2023</i>	<u>34,885</u>	<u>83,320</u>	<u>6,426</u>	<u>197,144</u>	<u>321,775</u>	

**FAMILIES FIRST (NORTH EAST)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**10. GOVERNANCE COSTS**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Business Development costs	-	1,634
Accountancy fees	<b>335</b>	-
Auditors' remuneration	<b>10,392</b>	9,900
	<b>10,727</b>	11,534

**11. AUDITORS' REMUNERATION**

The auditors' remuneration amounts to an auditor fee of £8,660 (2023 - £8,250), and preparation of corporation tax returns and consultancy of £280 (2023 - £ -).

**12. STAFF COSTS**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>1,199,048</b>	1,088,801
Social security costs	<b>77,240</b>	74,669
Contribution to defined contribution pension schemes	<b>20,399</b>	19,854
	<b>1,296,687</b>	1,183,324

The average number of persons employed by the Charity during the year was as follows:

	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
Working with Children	<b>32</b>	16
Preservation and protection of health	<b>10</b>	27
Vocational Education	<b>1</b>	1
Residential Property	<b>31</b>	40
Core	<b>6</b>	7
	<b>80</b>	91

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**FAMILIES FIRST (NORTH EAST)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**12. STAFF COSTS (continued)**

The average headcount expressed as full-time equivalents was:

	<b>2024</b>	<i>2023</i>
	<b>No.</b>	<i>No.</i>
Working with Children	<b>15</b>	<i>4</i>
Preservation and protection of health	<b>5</b>	<i>12</i>
Vocational Education	<b>-</b>	<i>1</i>
Residential Property	<b>24</b>	<i>30</i>
Core	<b>6</b>	<i>6</i>
	<hr/> <b>50</b> <hr/>	<hr/> <i>53</i> <hr/>

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration paid to key management personnel (including national insurance and pension contributions) was £246,027 (2023: £248,329).

**13. TRUSTEES' REMUNERATION AND EXPENSES**

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

**FAMILIES FIRST (NORTH EAST)**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Property improvements £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost</b>					
At 1 April 2023	602,235	93,316	22,406	55,044	773,001
Additions	-	13,641	31,138	6,894	51,673
Disposals	-	-	(8,657)	-	(8,657)
At 31 March 2024	<u>602,235</u>	<u>106,957</u>	<u>44,887</u>	<u>61,938</u>	<u>816,017</u>
<b>Depreciation</b>					
At 1 April 2023	38,814	19,347	18,536	36,007	112,704
Charge for the year	12,045	9,559	6,346	12,347	40,297
On disposals	-	-	(7,936)	-	(7,936)
At 31 March 2024	<u>50,859</u>	<u>28,906</u>	<u>16,946</u>	<u>48,354</u>	<u>145,065</u>
<b>Net book value</b>					
At 31 March 2024	<u><u>551,376</u></u>	<u><u>78,051</u></u>	<u><u>27,941</u></u>	<u><u>13,584</u></u>	<u><u>670,952</u></u>
At 31 March 2023	<u><u>563,421</u></u>	<u><u>73,969</u></u>	<u><u>3,870</u></u>	<u><u>19,037</u></u>	<u><u>660,297</u></u>

**15. DEBTORS**

	2024 £	2023 £
<b>Due within one year</b>		
Trade debtors	51,134	55,015
Other debtors	8,503	4,612
	<u><u>59,637</u></u>	<u><u>59,627</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024	2023
	£	£
Bank loans	40,938	38,559
Trade creditors	8,371	6,071
Other taxation and social security	19,330	-
Other creditors	17,271	13,322
Accruals & deferred income	24,128	30,932
	<b>110,038</b>	<b>88,884</b>
	<b>110,038</b>	<b>88,884</b>
	2024	2023
	£	£
Deferred income at 1 April 2023	19,656	13,611
Resources deferred during the year	13,567	19,656
Amounts released from previous periods	(19,656)	(13,611)
<b>Deferred income at 31 March 2024</b>	<b>13,567</b>	<b>19,656</b>
	<b>13,567</b>	<b>19,656</b>

Deferred income relates to Lorne House residents fees received in advance.

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2024	2023
	£	£
Bank loans	101,688	142,626
	<b>101,688</b>	<b>142,626</b>

The above loan is repayable in monthly instalments ending June 2027. Interest is charged at 6% per annum

The bank loan is secured by a fixed charge over the freehold property known as Melbourne Hotel.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**18. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>					
General Funds	214,549	54,621	(352,629)	231,877	148,418
One77	-	35,410	(40,044)	4,634	-
Lorne House	193,378	821,637	(697,354)	(106,139)	211,522
Melbourne House	2,907	133,179	(110,932)	(24,330)	824
	<u>410,834</u>	<u>1,044,847</u>	<u>(1,200,959)</u>	<u>106,042</u>	<u>360,764</u>
<b>Restricted funds</b>					
Land & Buildings	438,391	-	(12,045)	26,609	452,955
SNIPS	195	81,318	(69,543)	(11,970)	-
STREET	107	31,814	(16,432)	(15,350)	139
Toy Library	216	22,743	(13,229)	(9,725)	5
ActiveKidz	51	13,078	(4,323)	(8,750)	56
Hand in Hand	8,371	360,574	(277,633)	(85,749)	5,563
Evolve	89	35,623	(26,963)	(8,749)	-
Social Eyes	23	3,490	-	(3,513)	-
Autism Awareness	91	1,891	(1,285)	(697)	-
Oasis	-	30,747	(42,599)	11,852	-
	<u>447,534</u>	<u>581,278</u>	<u>(464,052)</u>	<u>(106,042)</u>	<u>458,718</u>
<b>Total of funds</b>	<u><u>858,368</u></u>	<u><u>1,626,125</u></u>	<u><u>(1,665,011)</u></u>	<u><u>-</u></u>	<u><u>819,482</u></u>

**FAMILIES FIRST (NORTH EAST)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**18. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General Funds	83,919	68,622	(342,289)	404,297	214,549
One77	611	37,506	(42,102)	3,985	-
Lorne House	271,960	781,073	(609,655)	(250,000)	193,378
Melbourne House	6,117	142,644	(123,114)	(22,740)	2,907
	<u>362,607</u>	<u>1,029,845</u>	<u>(1,117,160)</u>	<u>135,542</u>	<u>410,834</u>
<b>Restricted funds</b>					
Land & Buildings	425,371	-	-	13,020	438,391
SNIPS	36,193	62,214	(68,882)	(29,330)	195
STREET	1,369	35,718	(14,980)	(22,000)	107
Toy Library	1,178	21,444	(12,681)	(9,725)	216
ActiveKidz	345	14,220	(3,214)	(11,300)	51
Hand in Hand	219	325,288	(255,936)	(61,200)	8,371
Evolve	286	30,716	(20,491)	(10,422)	89
Social Eyes	-	4,650	-	(4,627)	23
Autism Awareness	90	2,592	(591)	(2,000)	91
Clients personal allowance	46	17	(254)	191	-
Big Lottery	-	-	(1,440)	1,440	-
Oasis	-	3,375	(12,200)	8,825	-
Solar panels	-	8,414	-	(8,414)	-
	<u>465,097</u>	<u>508,648</u>	<u>(390,669)</u>	<u>(135,542)</u>	<u>447,534</u>
<b>Total of funds</b>	<u><u>827,704</u></u>	<u><u>1,538,493</u></u>	<u><u>(1,507,829)</u></u>	<u><u>-</u></u>	<u><u>858,368</u></u>

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**FAMILIES FIRST (NORTH EAST)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**18. STATEMENT OF FUNDS (CONTINUED)**

**UNRESTRICTED FUNDS**

General funds

The main management and administration function of the services, including section heads. This is partly funded from transfers from restricted funds and the residential properties to represent the core time spent on those projects.

Melbourne House

The property value & associated loan is held in restricted funds with other land and buildings. The element of the loan which was not directly required for the purchase is held here in unrestricted. Other income and expenditure on this fund represents the running of Melbourne House residential home. A management charge transfer was made to reflect the costs of running this service included within core.

Lorne House

Income and expenditure on this fund represents the running of Lorne House residential home and there is a balance carried forward on this. A management charge transfer was made to reflect the costs of running this service included within core.

**Vocational Education**

One77

A training bistro operated by young people. The bistro's profits may be spent freely on the activities of the charity.

**RESTRICTED FUNDS**

**Working with Children**

SNIPS

An after-school and holiday playscheme specifically for children with profound learning disabilities and challenging needs.

STREET

The service is principally supported youth provision for young people with additional needs across Hartlepool. This fund is part Street Juniors and part Street Seniors.

Toy Library

A facility for parents that have, or organisations that work with, a child with a disability or additional support needs and who require specialist play and educational equipment. Includes our home support work.

Social Eyes

Social Eyes is an innovative approach to facilitating social skills and social understanding with people on the autism spectrum.

Evolve

'An alternative to education' for those with additional needs aged 16 -25 years.

Autism Awareness

Fund to appoint an Autism specialist to support, advise and train both staff and parents.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**18. STATEMENT OF FUNDS (CONTINUED)**

Oasis

The oasis is a hydro pool available for private hire and attendance at sessions. There is also a sensory space which is available for children and young people.

**Preservation & Protection of health**

ActiveKidz

Physical activities for children with additional needs.

Hand In Hand

The service provides individual support to children and young people with additional needs so that they may fulfil their social care ambitions and participate in physical activities.

**Core**

Land and Buildings

The land and buildings are held within this fund and depreciation is charged to the fund annually.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD**

	<b>Restricted funds 2024 £</b>	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Tangible fixed assets	452,955	217,997	670,952
Current assets	5,763	354,493	360,256
Creditors due within one year	-	(110,038)	(110,038)
Creditors due in more than one year	-	(101,688)	(101,688)
<b>Total</b>	<b>458,718</b>	<b>360,764</b>	<b>819,482</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD**

	<i>Restricted funds 2023 £</i>	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	563,422	96,875	660,297
Current assets	9,143	420,438	429,581
Creditors due within one year	(26,609)	(62,275)	(88,884)
Creditors due in more than one year	(98,422)	(44,204)	(142,626)
<b>Total</b>	<b>447,534</b>	<b>410,834</b>	<b>858,368</b>

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(38,886)	30,664
<b>Adjustments for:</b>		
Depreciation charges	40,297	37,104
Interest	(4,693)	(1,491)
Profit on the sale of fixed assets	(279)	-
Decrease/(increase) in debtors	(10)	157,190
Increase/(decrease) in creditors	18,776	(10,998)
Bank loan interest paid	9,823	12,062
<b>Net cash provided by operating activities</b>	<b>25,028</b>	<b>224,531</b>

**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2024 £	2023 £
Cash in hand	300,619	369,954
<b>Total cash and cash equivalents</b>	<b>300,619</b>	<b>369,954</b>

**22. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	369,954	(69,335)	300,619
Debt due within 1 year	(38,559)	(2,379)	(40,938)
Debt due after 1 year	(142,626)	40,938	(101,688)
	<b>188,769</b>	<b>(30,776)</b>	<b>157,993</b>

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**FAMILIES FIRST (NORTH EAST)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**23. OPERATING LEASE COMMITMENTS**

At 31 March 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	<b>3,816</b>	2,268
Later than 1 year and not later than 5 years	<b>12,402</b>	-
	<b>16,218</b>	2,268

**24. RELATED PARTY TRANSACTIONS**

The Charity has received £4,160 of income (2023: £260) from an organisation in which a Trustee has an interest and made purchases of £Nil (2023: £1,138) to a company in which a Trustees is a director. At the year end £760 was owed to the Charity from an organisation in which a Trustee has an interest.

**25. CONTINGENT LIABILITY**

There is a contingent liability of £8,382 in respect of a grant from the SME Energy Efficiency Scheme (funded from the European Regional Development Fund). This grant is repayable if the Charity disposes of any asset purchased with the grant within five years of the grant date (ie before December 2027).

**FAMILIES FIRST (NORTH EAST)**

England & Wales - Charity number 1183964

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# Accounts

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**Registered number: 12051397**  
**Charity number: 1183964**

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**FAMILIES FIRST (NORTH EAST)**  
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**FAMILIES FIRST (NORTH EAST)**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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<b>Trustees</b>	J Atkinson J Brash P Hargreaves S Harrison C Hubbert S Lamplough J Laws (resigned 24 August 2022)
<b>Company registered number</b>	12051397
<b>Charity registered number</b>	1183964
<b>Registered office</b>	175 York Road Hartlepool TS26 9EQ
<b>Company secretary</b>	P Thompson
<b>President</b>	Lord Peter Mandelson
<b>Patron</b>	Stephen Miller MBE

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**FAMILIES FIRST (NORTH EAST)**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2022 to 31 March 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Reference and administrative details**

The name of the Charity as it appears in the Register of Charities is Families First (North East) and the Charity's main working name is the same as its legal name. The Charity has also registered the working names of Hartlepool Families First, Durham Families First and Stockton Families First which are all legacy names of the former Charity.

The Trustees serving during the year are listed on page 1. Lord Peter Mandelson is the president and Stephen Miller MBE is the Charity's patron. The Charity is governed by a Board of Directors and its executive members (the Trustees) are elected on an annual basis. There are no lifetime or custodial Trustees and no sub-committees.

Other administrative details are listed on page 1.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

● **Constitution**

Families First (North East) is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The organisation is a Charitable Company meaning it is registered with both Companies House and the Charity Commission. The charity was registered with the Charity Commission on 19 June 2019.

Families First North East is a successor charity. The original Charity originated in March 1988 and was a registered Charity, however the Trustees agreed in 2019 that the more appropriate legal structure was to convert the organisation to an incorporated Charitable Company – i.e. registered with both Companies House and the Charity Commission.

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**Methods of appointment or election of Trustees**

Trustees, who are required under the governing constitution to serve as members of the charity, are elected at a full trustees' meeting and are required to satisfy specified criteria of eligibility, competence, skills and locality.

New trustees are fully inducted into the charity's working environment, its policies and procedures. Due to the organisation's registration with the Care Quality Commission and Ofsted, all trustees are required to complete an annual Fit and Proper Person's Declaration.

**Organisational structure and decision-making policies**

Trustees meet regularly to determine the general policy of the charity and to review its overall management and control to ensure that their legal responsibilities are appropriately discharged.

Trustees carry out assessments of risks facing the charity. External risks from funding are mitigated by seeking diversification, where necessary and appropriate, to secure activities. Internal risks are minimised by maintaining sufficient procedures to appropriately authorise projects and underlying transactions to maintain the quality of delivery from all charitable operations.

The organisation has a robust Risk Register which is monitored quarterly and an annual action plan is in place for improvements.

**The organisation's current structure reflects the following :**

Job Title	Finance Manager	Section Head for Children and Young People	Section Head for Extended Services	Catering and Facilities Manager	Lorne House Manager
Summary of main areas of responsibility	Book keeping Invoicing out Purchase ledger Credit Control Payroll Budgets, reports and financial projections	SNIPS STREET Special Needs Toy Loan Service Active Kids SocialEyes	Management of Melbourne House Hand in Hand Evolve Project Supporting / adhoc Policy Review Health and Safety	One77 Training Bistro Room Hires and Function Venue 3Fs project	Management and operation of Lorne House
Additional areas of responsibility across the organisation	n/a	n/a	Deputy Chief Executive	Stocks and Supplies Vehicles Maintenance	n/a

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**FAMILIES FIRST (NORTH EAST)**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

● **Pay policy for key management personnel**

The pay of senior staff is benchmarked against similar organisations and paid at a market rate.

There is an annual performance review of the Chief Executive and performance against this is checked as six monthly intervals.

**OBJECTIVES AND ACTIVITIES**

● **Policies and objectives**

The legal objects of the Charity are:

- (i) the relief and education of all local children, particularly those with additional and special needs through the provision of social, physical and emotional support activities and therapeutic, educational and stimulating toys and equipment; and,
- (ii) the preservation and protection of health within all residents, including the promotion of a positive and healthy lifestyle; and,
- (iii) the advancement of vocational education for the public benefit of residents of all ages throughout the North East of England; and,
- (iv) To promote such other charitable purposes as may from time to time be determined, which support and promote the health, education and prosperity of residents of all ages throughout the North East of England.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**Strategies for achieving objectives**

In order to meet the above legal objects, the Charity provides events and activities for children, young people and adults throughout the area to meet, learn and develop. These are described in more detail below.

**Over the course of the 12 months of this financial report, we have provided the following services:**

**SNIPS (Special Needs Inclusion Project)**



Our after-school and holiday playscheme specifically for children with profound learning disabilities and challenging needs (the only service in Hartlepool offering such respite for parents/carers). Many of our children who attend the after-school and holiday programme cannot access any other scheme due to their complex needs and in some cases their need for 1:1 or 2:1 support.

**Hand In Hand**

The service provides individual support to children and young people with additional needs so that they may fulfil their social care ambitions and participate in physical activities. The service is flexible and is bespoke to each individual client. The service is funded from Direct Payments and Personalised Budgets.

**Special Needs Toy Loan Service**

A facility for parents that have or organisations that work with a child with a disability / additional support need. It offers toys and play equipment that can be used on either a short term or long term hire.

The equipment is chosen by children and parents to meet their needs. Regular outreach and parental demonstration sessions will be held in order for families to get the best out of the resource. Equipment out on long term hire will receive regular safety inspections.

The project sessions every week where parents and children can attend, use equipment and offer each other peer support.

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**FAMILIES FIRST (NORTH EAST)**  
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**STREET Seniors, STREET Juniors and STREET ASD**



The service is principally supported youth provision for young people with additional needs across Hartlepool. Those attending are wide ranging including those who have low confidence, self-esteem or social skills, young people with learning and physical disabilities, those with autism and some who have suffered some form of emotional trauma in their lives.

The project prides itself on using modern techniques to engage young people with challenging issues and additional support needs.

The service initially launched specifically for those aged 13-19, but now successfully operates over 6 nights a week offering sessions targeted at Juniors and Seniors as well as a holistic family session and a much smaller group aimed at children with ASD.

**SocialEyes**

SocialEyes is an innovative approach to facilitating social skills and social understanding with people on the autism spectrum. Launched by The National Autistic Society in

2010, this learning resource has been developed with people with autism and Asperger syndrome, along with leading professionals in the field. All SocialEyes resources have been extensively piloted and re-piloted with ongoing development and research since 2005.

SocialEyes does not ask people on the autism spectrum to change 'inappropriate' social behaviour, or to acquire social skills by copying the 'typical' behaviour of others. Instead, it gives people the option of learning social interaction skills or alternative social strategies. SocialEyes focuses on eight social skills that people on the autism spectrum can have difficulty with, including starting a conversation, eye contact and personal space.

**One77**

A facility in the heart of Hartlepool for children and young people aged 0 to 25. The centre is a base and inspiration for young people's creativity, health and enterprise. The activities within the centre reflect this ethos. This primarily takes the form of a healthy bistro that is entirely operated and managed by young people from all walks of life, with the support of a team member.

The young people accessing the project are from all backgrounds, but mainly with low levels of educational attainment and less affluent families. The Bistro is available for private functions and provides outside catering, therefore offering alternative training experiences. There are often opportunities for older volunteers / trainees to participate.

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**FAMILIES FIRST (NORTH EAST)**  
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**Active Kidz**

We operate a number of physical activity projects aimed at children and young people with additional needs under the name of Active Kidz. It includes the following:

- dance sessions
- a football groups
- outdoor activities (forestry skills, orienteering, den building, archery)
- adventure activities (canoeing, abseiling, water sports)

Some of this activity happens weekly, some only during summer months due to the outdoor nature of the activities.

**The 3Fs Project**

A growing and thriving part of our work now which seeks to provide support for those adults over the age of 55 or who may be identified in the early stages of dementia, recently discharged from hospital or who are socially isolated. 3Fs (Fun, Food and Friendship), sees older people come together over food to meet new people and enjoy each other's company, therefore promoting positive mental health. Sessions also include regular speakers and health improvement / self-care messages.

**The Evolve Project**

'An alternative to education' for those with additional needs aged 16 -25 years. The project provides 1 - 1 support at all times and offers a diverse range of enjoyable activities. In order for the young people to feel more settled and know what to expect each day, a timetable has been produced which mimic's that of a school timetable but without the pressure of formal education.

The programme of activities includes: IT sessions, sensory activities, social and communication skills, arts and crafts, independent and safety skills, music, cookery, physical activities, gardening and practical visits in the local community to develop life skills. This may alter from time to time to reflect the nature and needs of the young people attending.

**Lorne House Residential Home**

Lorne House is a large residential home registered with the Care Quality Commission to provide care for 13 adults with Learning Disabilities. The service is long stay care, dependent on continual funding and appropriate placement to meet the individual's needs. A place in Lorne House may be funded from social care, health funds or privately.

Lorne House was inspected by the CQC during the year and was graded as a 'good' provider of care and aspires to be 'outstanding' within three years.



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**FAMILIES FIRST (NORTH EAST)**  
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**Melbourne House**

Melbourne House is an enabling co-living and learning environment where young people can live, learn and flourish in an innovative setting capable of responding to each young person in their own right. Coproduction is at the heart of this project – from design through to delivery.

Further, it offers short break respite for young people aged 11-18 with additional needs.



**The Oasis**

Towards the end of the year, we launched a new service called The Oasis. This is our new centre which has a self-contained private Hydropool. It's open to members of the public to hire and we are specifically targeting those with additional needs, autism, poor mental health, chronic pain and lifelong illnesses and body confidence issues. We are also currently developing a public use sensory room within the Oasis and hope to launch that very soon.



**Other work during the year**

Families First (North East) manages the Short Break Contract for Hartlepool Borough Council which brings together and funds a number of our services and partners, including Hartlepool Special Needs Support Group's Summer and Holiday programme, The Fun Club, Friends Fun and Youth Group.

Families First works in close association with Hartlepool Deaf Centre who are based within our Head Office, One77. There are a number of joint services held throughout the week to support the Deaf, Deafened and Hard of Hearing community.

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**FAMILIES FIRST (NORTH EAST)**  
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## **Achievements and Performance**

### **Main achievements of the Charity and Key performance indicators**

During the period of the report, the organisation continued to exceed funder expectations. Highlights included :

- 2680 attendances to our after-school service, equating to exactly 6700 hours of activity.
- 1080 attendances to our holiday programme
- Over 1600 attendances to our STREET Projects, equating to over 3,200 hours of activity.
- Lorne House, Melbourne House and One77 all received further investment and modernisation during the year.
- New Care Planning and Medication Software rolled out in Lorne House.
- 850 attendances to our Saturday Active Kids sessions.
- Over 1000 meals provided to vulnerable adults through our 3Fs luncheon club.
- Solar Panels fitted to Lorne House and One77, helping the organisation become more sustainable.
- Attendances to Evolve increased by almost 50%
- A whopping 8223 sessions and 44,700 hours of activity were delivered by the Hand in Hand Team

### **Plans for future periods**

The immediate priorities of the organisation include:

- Further develop Melbourne House into an Ofsted Registered Short Break Centre for children and young adults with learning disabilities.
- Further develop The Oasis and launch a new sensory centre.
- Build upon our recent successes in renewable energies, mainly solar power, on One77 and Lorne House in order to reduce operational costs and improve sustainability and our impact upon the environment.
- Explore further energy reduction opportunities such as PIR activated lighting through all three sites.
- Develop and implement an action plan to promote Lorne House to an acknowledged 'Outstanding' provider of care.
- Work with funders to secure the medium-term future of our services for children and young people.



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**FAMILIES FIRST (NORTH EAST)**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**OBJECTIVES AND ACTIVITIES (continued)**

● **Fundraising activities and income generation**

The Charity raises funds through the Bistro and the events and membership services it provides. Other fundraising is minimal, and no external participator is used. There have been no complaints about the fundraising practices in the year. The Charity is registered with the fundraising regulator.

**FINANCIAL REVIEW**

● **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

● **Reserves policy**

The Trustees have examined the requirements of the charity for reserves having taken into account the main risks. Trustees have established a policy which deals with unrestricted funds not committed or invested in tangible fixed assets held by the charity. The reserves are needed to meet working capital requirements and the committee is satisfied that a target of between 3 and 6 months unrestricted budgeted expenditure can be held so that current activities would be continued in the event of a significant drop in that particular funding. At the current levels of expenditure, this would be between £102k and £205k and so this is met by current free reserves.

● **Principal risks and uncertainties**

Trustees carry out assessments of risks facing the Charity. External risks from funding are mitigated by seeking diversification, where necessary and appropriate, to secure activities. Internal risks are minimised by maintaining sufficient procedures to appropriately authorise projects and underlying transactions to maintain the quality of delivery from all charitable operations.

The organisation has a robust Risk Register which is monitored quarterly and an annual action plan is in place for improvements.

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**FAMILIES FIRST (NORTH EAST)**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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• **Principal funding**

The Statement of Financial Activities for the year is set out on page 16. More detailed information on the particular services we provide are given in our Charity's Annual Return which is supplied to all our supporters and is freely available to any organisation or individual wishing to add their support. Further copies are available from the Charity's principal office which is listed on page 1.

Income from charitable activities was £1,509k and this includes income from sessions and activities as well as income from the new residential property.

At the year end the Charity had total reserves of £858k, of this £455k was restricted. Unrestricted free reserves were £306k.

We thank all of our dedicated volunteers and staff who have continued to offer their services. It has been a very busy year and our highly skilled workforce has been an integral part of that success.

Fixed asset expenditure during the year is set out in note 12 of these financial statements.

**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 Companies Act 2006. 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.

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**Auditors**

The auditors, Waltons Business Advisers, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**P Hargreaves**  
(Chair of Trustees)

Date: 3 October 2023

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAMILIES FIRST (NORTH EAST)**

---

**Opinion**

We have audited the financial statements of Families First (North East) (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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**FAMILIES FIRST (NORTH EAST)**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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**FAMILIES FIRST (NORTH EAST)**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the area in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We identified that the greatest potential for fraud in the following areas: recognition and completeness of income and posting of unusual journals. We discussed these risks with management and designed audit procedures to test the recognition and completeness of revenue. We reviewed journals posted around the year end to look for potential "window dressing".

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Heather O'Driscoll FCA (senior statutory auditor)**

for and on behalf of

**Waltons Business Advisers**

Chartered Accountants

Statutory Auditor

Maritime House

Date: 6 October 2023

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>INCOME FROM:</b>					
Donations and grants	3	8,441	4,228	12,669	44,146
Charitable activities	4	500,207	1,009,016	1,509,223	1,317,949
Other trading activities	5	-	15,110	15,110	18,111
Investments	6	-	1,491	1,491	58
<b>TOTAL INCOME</b>		<b>508,648</b>	<b>1,029,845</b>	<b>1,538,493</b>	<b>1,380,264</b>
<b>EXPENDITURE ON:</b>					
Raising funds	7	-	12,242	12,242	20,101
Charitable activities	8	390,669	1,104,918	1,495,587	1,301,428
<b>TOTAL EXPENDITURE</b>		<b>390,669</b>	<b>1,117,160</b>	<b>1,507,829</b>	<b>1,321,529</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>117,979</b>	<b>(87,315)</b>	<b>30,664</b>	<b>58,735</b>
Transfers between funds	18	(135,542)	135,542	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(17,563)</b>	<b>48,227</b>	<b>30,664</b>	<b>58,735</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		465,097	362,607	827,704	768,969
Net movement in funds		(17,563)	48,227	30,664	58,735
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>447,534</b>	<b>410,834</b>	<b>858,368</b>	<b>827,704</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 37 form part of these financial statements.

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 12051397**


**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible assets	14	660,297	649,045
		<u>660,297</u>	<u>649,045</u>
<b>CURRENT ASSETS</b>			
Debtors	15	59,627	216,817
Cash at bank and in hand		369,954	240,670
		<u>429,581</u>	<u>457,487</u>
Creditors: amounts falling due within one year	16	(88,884)	(97,643)
		<u>340,697</u>	<u>359,844</u>
<b>NET CURRENT ASSETS</b>			
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,000,994</u>	<u>1,008,889</u>
Creditors: amounts falling due after more than one year	17	(142,626)	(181,185)
		<u>858,368</u>	<u>827,704</u>
<b>TOTAL NET ASSETS</b>		<u><u>858,368</u></u>	<u><u>827,704</u></u>
<b>CHARITY FUNDS</b>			
Restricted funds	18	447,534	465,097
Unrestricted funds	18	410,834	362,607
		<u>858,368</u>	<u>827,704</u>
<b>TOTAL FUNDS</b>		<u><u>858,368</u></u>	<u><u>827,704</u></u>

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

  
**P Hargreaves**  
 (Chair of Trustees)  
 Date: 3 October 2023

The notes on pages 20 to 37 form part of these financial statements.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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	2023 £	2022 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net cash used in operating activities	<b>224,531</b>	<b>(14,550)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest	1,491	58
Purchase of tangible fixed assets	<b>(48,356)</b>	-
<b>NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES</b>	<b>(46,865)</b>	58
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of borrowing	<b>(36,320)</b>	<b>(33,100)</b>
Bank loan interest paid	<b>(12,062)</b>	<b>(15,282)</b>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(48,382)</b>	<b>(48,382)</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>	<b>129,284</b>	<b>(62,874)</b>
Cash and cash equivalents at the beginning of the year	<b>240,670</b>	<b>303,544</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>369,954</b>	<b>240,670</b>

The notes on pages 20 to 37 form part of these financial statements

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**1. GENERAL INFORMATION**

The Charity is a company incorporated in England and Wales and limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered address is:

175 York Road  
Hartlepool  
TS26 9EQ

**2. ACCOUNTING POLICIES**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Families First (North East) 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.

**2.2 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**2.3 Going concern**

The Trustees, having made due and careful enquiry and preparing forecasts, are of the opinion that the Charity has adequate working capital to execute its operations over the next 12 months. The Trustees, therefore, have made an informed judgement at the time of approving the financial statements, that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. As a result the Trustees have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.4 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities. This also includes income from provision of charitable services and activities.

**2.5 Expenditure**

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

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.6 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years straight line
Property improvements	- 10 years straight line
Motor vehicles	- 4 years straight line
Fixtures and fittings	- 4 years straight line

**2.7 Pensions**

The Charity contributes to a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**3. INCOME FROM DONATIONS AND GRANTS**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Donations	27	2,728	2,755	3,791
Grants	8,414	1,500	9,914	14,945
Covid -19 grants	-	-	-	25,410
	<b>8,441</b>	<b>4,228</b>	<b>12,669</b>	<b>44,146</b>
<i>Total 2022</i>	<i>14,945</i>	<i>29,201</i>	<i>44,146</i>	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Working with Children	160,682	45,200	205,882	210,038
Preservation and Protection of Health	339,508	2,593	342,101	248,684
Vocational Education	-	37,506	37,506	28,937
Residential Property	17	923,717	923,734	830,290
	<u>500,207</u>	<u>1,009,016</u>	<u>1,509,223</u>	<u>1,317,949</u>
<i>Total 2022</i>	<u>436,122</u>	<u>881,827</u>	<u>1,317,949</u>	

**5. FUNDRAISING INCOME**

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Meeting room hire	12,000	12,000	10,045
Events	3,110	3,110	5,642
Other fundraising	-	-	2,424
	<u>15,110</u>	<u>15,110</u>	<u>18,111</u>
<i>Total 2022</i>	<u>18,111</u>	<u>18,111</u>	

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**6. INVESTMENT INCOME**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Bank interest	1,491	1,491	58
<i>Total 2022</i>	58	58	

**7. EXPENDITURE ON RAISING FUNDS**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Costs of raising voluntary income	180	180	4,819
Bank loan interest	12,062	12,062	15,282
	12,242	12,242	20,101
<i>Total 2022</i>	20,101	20,101	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

**Summary by fund type**

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £	Total 2022 £
Working with Children	131,265	55,419	186,684	158,898
Preservation and Protection of Health	259,150	83,320	342,470	235,647
Vocational Education	-	48,328	48,328	32,053
Residential Property	254	917,851	918,105	874,830
	<u>390,669</u>	<u>1,104,918</u>	<u>1,495,587</u>	<u>1,301,428</u>
<i>Total 2022</i>	<u>324,846</u>	<u>976,582</u>	<u>1,301,428</u>	

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Working with Children	151,799	34,885	186,684	158,898
Preservation and Protection of Health	259,150	83,320	342,470	235,647
Vocational Education	41,902	6,426	48,328	32,053
Residential Property	720,961	197,144	918,105	874,830
	<u>1,173,812</u>	<u>321,775</u>	<u>1,495,587</u>	<u>1,301,428</u>
<i>Total 2022</i>	<u>1,047,537</u>	<u>253,891</u>	<u>1,301,428</u>	

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)**

**ANALYSIS OF DIRECT COSTS**

	Working with Children 2023 £	Preservatio n and Protection of Health 2023 £	Vocational Education 2023 £	Residential Property 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	105,175	248,804	20,039	611,126	985,144	903,573
Bistro costs	-	-	17,626	-	17,626	10,030
Activity costs	25,902	8,734	-	19,968	54,604	47,859
Freelance & sessional workers	-	-	-	-	-	475
Travel costs	5,385	1,048	-	1,816	8,249	9,811
Repairs & maintenance	8,442	-	642	17,920	27,004	11,609
Telephone & internet	349	349	252	1,141	2,091	1,157
Cleaning	179	-	282	8,939	9,400	8,122
Printing, postage & stationery	-	-	-	71	71	259
Advertising & promotion	732	-	21	1,535	2,288	1,846
Volunteer costs	-	-	410	134	544	332
Premises costs	2,598	-	-	37,715	40,313	31,862
Sundries	2,689	215	91	3,188	6,183	4,585
Subscriptions	348	-	2,539	11,525	14,412	11,047
Rates & refuse	-	-	-	5,883	5,883	4,970
	<u>151,799</u>	<u>259,150</u>	<u>41,902</u>	<u>720,961</u>	<u>1,173,812</u>	<u>1,047,537</u>
<i>Total 2022</i>	<u>131,554</u>	<u>184,767</u>	<u>27,735</u>	<u>703,481</u>	<u>1,047,537</u>	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)**

**ANALYSIS OF SUPPORT COSTS**

	Working with Children 2023 £	Preservation and Protection of Health 2023 £	Vocational Education 2023 £	Residential Property 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	21,869	51,205	3,949	121,157	198,180	153,789
Depreciation	4,023	9,607	741	22,733	37,104	34,630
Activity Costs	153	364	28	862	1,407	67
Travel Costs	637	1,522	117	3,601	5,877	2,881
Repairs & Maintenance	2,063	4,932	381	11,669	19,045	8,298
Telephone & Internet	347	829	64	1,962	3,202	3,230
Cleaning	309	740	57	1,750	2,856	2,120
Printing Posting Stationery	175	419	32	991	1,617	3,081
Advertising & Promotion	8	21	2	50	81	-
Volunteer Costs	45	102	7	242	396	-
Premises Costs	1,527	3,648	282	8,631	14,088	12,594
Sundries	454	1,084	83	2,564	4,185	1,907
Subscriptions	368	1,902	147	4,500	6,917	6,694
Staff Insurance & CRB Check	1,089	2,602	201	6,156	10,048	10,189
Rates & Refuse	568	1,356	105	3,209	5,238	4,028
Governance Costs	1,250	2,987	230	7,067	11,534	10,383
	<b>34,885</b>	<b>83,320</b>	<b>6,426</b>	<b>197,144</b>	<b>321,775</b>	<b>253,891</b>
<i>Total 2022</i>	<i>27,344</i>	<i>50,880</i>	<i>4,318</i>	<i>171,349</i>	<i>253,891</i>	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**10. GOVERNANCE COSTS**

	2023 £	2022 £
Business Development costs	1,634	1,634
Accountancy fees	-	325
Auditors' remuneration	9,900	8,424
	11,534	10,383

**11. AUDITORS' REMUNERATION**

The auditors' remuneration amounts to an auditor fee of £8,250 (2022 - £7,020), and preparation of corporation tax returns and consultancy of £NIL (2022 - £270).

**12. STAFF COSTS**

	2023 £	2022 £
Wages and salaries	1,088,801	973,027
Social security costs	74,669	66,981
Contribution to defined contribution pension schemes	19,854	17,354
	1,183,324	1,057,362

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	2022 No.
Working with Children	16	11
Preservation and protection of health	27	27
Vocational Education	1	1
Residential Property	40	34
Core	7	6
	91	79

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**12. STAFF COSTS (continued)**

The average headcount expressed as full-time equivalents was:

	2023 No.	2022 No.
Working with Children	4	4
Preservation and protection of health	12	12
Vocational Education	1	1
Residential Property	30	31
Core	6	6
	<u>53</u>	<u>54</u>

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration paid to key management personnel (including national insurance and pension contributions) was £248,329 (2022: £231,240).

**13. TRUSTEES' REMUNERATION AND EXPENSES**

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Property improvements £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost</b>					
At 1 April 2022	602,235	53,460	22,406	46,544	724,645
Additions	-	39,856	-	8,500	48,356
At 31 March 2023	<u>602,235</u>	<u>93,316</u>	<u>22,406</u>	<u>55,044</u>	<u>773,001</u>
<b>Depreciation</b>					
At 1 April 2022	26,769	12,411	12,934	23,486	75,600
Charge for the year	12,045	6,936	5,602	12,521	37,104
At 31 March 2023	<u>38,814</u>	<u>19,347</u>	<u>18,536</u>	<u>36,007</u>	<u>112,704</u>
<b>Net book value</b>					
At 31 March 2023	<u><u>563,421</u></u>	<u><u>73,969</u></u>	<u><u>3,870</u></u>	<u><u>19,037</u></u>	<u><u>660,297</u></u>
At 31 March 2022	<u><u>575,466</u></u>	<u><u>41,049</u></u>	<u><u>9,472</u></u>	<u><u>23,058</u></u>	<u><u>649,045</u></u>

**15. DEBTORS**

	2023 £	2022 £
<b>Due within one year</b>		
Trade debtors	55,015	180,530
Other debtors	4,612	36,287
	<u><u>59,627</u></u>	<u><u>216,817</u></u>

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023 £	2022 £
Bank loans	38,559	36,320
Trade creditors	6,071	17,993
Other creditors	13,322	19,320
Accruals	11,276	10,399
Deferred income	19,656	13,611
	88,884	97,643
	2023 £	2022 £
Deferred income at 1 April 2022	13,611	14,761
Resources deferred during the year	19,656	13,611
Amounts released from previous periods	(13,611)	(14,761)
<b>Deferred income at 31 March 2023</b>	<b>19,656</b>	<b>13,611</b>

Deferred income relates to Lorne House residents fees received in advance.

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023 £	2022 £
Bank loans	142,626	181,185
	142,626	181,185

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2023 £	2022 £
Payable or repayable by instalments	-	12,081
	-	12,081

The above loan is repayable in monthly installments ending June 2027. Interest is charged at 6% per annum

The bank loan is secured by a fixed charge over the freehold property known as Melbourne Hotel.

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**18. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
General Funds	83,919	68,622	(342,289)	404,297	214,549
One77	611	37,506	(42,102)	3,985	-
Lorne House	271,960	781,073	(609,655)	(250,000)	193,378
Melbourne House	6,117	142,644	(123,114)	(22,740)	2,907
	<u>362,607</u>	<u>1,029,845</u>	<u>(1,117,160)</u>	<u>135,542</u>	<u>410,834</u>
<b>Restricted funds</b>					
Land & Buildings	425,371	-	-	13,020	438,391
SNIPS	36,193	62,214	(68,882)	(29,330)	195
STREET	1,369	35,718	(14,980)	(22,000)	107
Toy Library	1,178	21,444	(12,681)	(9,725)	216
ActiveKidz	345	14,220	(3,214)	(11,300)	51
Hand in Hand	219	325,288	(255,936)	(61,200)	8,371
Evolve	286	30,716	(20,491)	(10,422)	89
Social Eyes	-	4,650	-	(4,627)	23
Autism Awareness	90	2,592	(591)	(2,000)	91
Clients personal allowance	46	17	(254)	191	-
Big Lottery	-	-	(1,440)	1,440	-
Oasis	-	3,375	(12,200)	8,825	-
Solar panels	-	8,414	-	(8,414)	-
	<u>465,097</u>	<u>508,648</u>	<u>(390,669)</u>	<u>(135,542)</u>	<u>447,534</u>
<b>Total of funds</b>	<u><u>827,704</u></u>	<u><u>1,538,493</u></u>	<u><u>(1,507,829)</u></u>	<u><u>-</u></u>	<u><u>858,368</u></u>

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**18. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2022 £</i>
<b>Unrestricted funds</b>					
General Funds	88,547	56,465	(248,560)	187,467	83,919
One77	-	35,437	(30,726)	(4,100)	611
Lorne House	206,419	640,772	(545,231)	(30,000)	271,960
Melbourne House	-	196,523	(172,166)	(18,240)	6,117
	<u>294,966</u>	<u>929,197</u>	<u>(996,683)</u>	<u>135,127</u>	<u>362,607</u>
<b>Restricted funds</b>					
Land & Buildings	414,574	-	(12,045)	22,842	425,371
SNIPS	42,031	93,095	(71,933)	(27,000)	36,193
STREET	2,611	38,695	(12,337)	(27,600)	1,369
Toy Library	1,471	20,441	(10,734)	(10,000)	1,178
ActiveKidz	11,492	15,187	(13,189)	(13,145)	345
Hand in Hand	-	233,497	(171,578)	(61,700)	219
Evolve	1,616	28,064	(17,319)	(12,075)	286
Social Eyes	79	4,570	-	(4,649)	-
Autism Awareness	74	2,573	(757)	(1,800)	90
Clients personal allowance	55	-	(9)	-	46
Kickstart funding	-	12,945	(12,945)	-	-
Apprentice grant	-	2,000	(2,000)	-	-
	<u>474,003</u>	<u>451,067</u>	<u>(324,846)</u>	<u>(135,127)</u>	<u>465,097</u>
<b>Total of funds</b>	<u><u>768,969</u></u>	<u><u>1,380,264</u></u>	<u><u>(1,321,529)</u></u>	<u><u>-</u></u>	<u><u>827,704</u></u>

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**18. STATEMENT OF FUNDS (CONTINUED)**

**UNRESTRICTED FUNDS**

General funds

The main management and administration function of the services, including Section Heads. This is partly funded from transfers from restricted funds and the residential properties to represent the core time spent on those projects.

Melbourne House

The property value & associated loan is held in restricted funds with other land and buildings. The element of the loan which was not directly required for the purchase is held here in unrestricted. Other income and expenditure on this fund represents the running of Melbourne House residential home. A management charge transfer was made to reflect the costs of running this service included within core.

Lorne House

Income and expenditure on this fund represents the running of Lorne House residential home and there is a balance carried forward on this. A management charge transfer was made to reflect the costs of running this service included within core.

**Vocational Education**

One77

A training bistro operated by young people, The bistro's profits may be spent freely on the activities of the charity.

**RESTRICTED FUNDS**

**Working with Children**

SNIPS

An after-school and holiday playscheme specifically for children with profound learning disabilities and challenging needs. Funding from Children in Need was received and accrued and there is a balance carried forward on this.

STREET

The service is principally supported youth provision for young people with additional needs across Hartlepool. This fund is part Street Juniors and part Street Seniors.

Toy Library

A facility for parents that have, or organisations that work with, a child with a disability or additional support needs and who require specialist play and educational equipment. Includes our home support work.

Social Eyes

Social Eyes is a innovative approach to facilitating social skills and social understanding with people on the autism spectrum.

Evolve

'An alternative to education' for those with additional needs aged 16 -25 years.

Autism Awareness

Fund to appoint an Autism specialist to support, advise and train both staff and parents.

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**18. STATEMENT OF FUNDS (CONTINUED)**

**Preservation & Protection of health**

ActiveKidz

Physical activities for children with additional needs.

Hand In Hand

The service provides individual support to children and young people with additional needs so that they may fulfil their social care ambitions and participate in physical activities.

**Core**

Land and Buildings

The land and buildings are held within this fund and depreciation is charged to the fund annually.

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Tangible fixed assets	563,422	96,875	660,297
Current assets	16,623	412,958	429,581
Creditors due within one year	(26,609)	(62,275)	(88,884)
Creditors due in more than one year	(98,422)	(44,204)	(142,626)
Difference	(7,480)	7,480	-
<b>Total</b>	<b>447,534</b>	<b>410,834</b>	<b>858,368</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	575,466	73,579	649,045
Current assets	39,728	417,759	457,487
Creditors due within one year	(25,065)	(72,578)	(97,643)
Creditors due in more than one year	(125,032)	(56,153)	(181,185)
<b>Total</b>	<b>465,097</b>	<b>362,607</b>	<b>827,704</b>

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	30,664	58,735
<b>Adjustments for:</b>		
Depreciation charges	37,104	34,630
Interest	(1,491)	(58)
Decrease/(increase) in debtors	157,190	(118,000)
Decrease in creditors	(10,998)	(5,139)
Bank loan interest paid	12,062	15,282
<b>Net cash provided by/(used in) operating activities</b>	<b>224,531</b>	<b>(14,550)</b>

**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2023 £	2022 £
Cash in hand	369,954	240,670
<b>Total cash and cash equivalents</b>	<b>369,954</b>	<b>240,670</b>

**22. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	240,670	129,284	369,954
Debt due within 1 year	(36,320)	(2,239)	(38,559)
Debt due after 1 year	(181,185)	38,559	(142,626)
	<b>23,165</b>	<b>165,604</b>	<b>188,769</b>

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**23. OPERATING LEASE COMMITMENTS**

At 31 March 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	<b>2,268</b>	<b>3,014</b>
Later than 1 year and not later than 5 years	<b>-</b>	<b>2,268</b>
	<b>2,268</b>	<b>5,282</b>

**24. RELATED PARTY TRANSACTIONS**

The Charity has received £260 income (2022 :£NIL) from an organisation in which a Trustee has an interest and made purchases of £1,138 (2022: £NIL) to a company in which a Trustees is a director. At the year end £150 was owed to the Charity from an organisation in which a Trustee has an interest.

**25. CONTINGENT LIABILITY**

There is a contingent liability of £8,382 in respect of a grant from the SME Energy Efficiency Scheme (funded from the European Regional Development Fund). This grant is repayable if the Charity disposes of any asset purchased with the grant within five years of the grant date (ie before December 2027).

**FAMILIES FIRST (NORTH EAST)**

England & Wales - Charity number 1183964

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# Accounts

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**Registered number: 12051397**  
**Charity number: 1183964**

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Trustees**

J Atkinson  
J Brash  
P Hargreaves  
S Harrison  
C Hubbert  
S Lamplough  
J Laws (resigned 24 August 2022)  
H Thompson (resigned 22 July 2022)

**Company registered number**

12051397

**Charity registered number**

1183964

**Registered office**

175 York Road, Hartlepool, TS26 9EQ

**Company secretary**

P Thompson

**Independent auditors**

Waltons Business Advisers Limited, Maritime House, Harbour Walk, The Marina, Hartlepool, TS24 0UX

**Bankers**

Yorkshire Bank Plc, 118-120 York Road, Hartlepool, TS26 9DE

**President**

Lord Peter Mandelson

**Patron**

Stephen Miller MBE

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees are pleased to present their report together with the financial statements of the Charity for the year ended 31 March 2022.

These financial statements comply with the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Reference and administrative details**

The name of the Charity as it appears in the Register of Charities is Families First (North East) and the Charity's main working name is the same as its legal name. The Charity has also registered the working names of Hartlepool Families First, Durham Families First and Stockton Families First which are all legacy names of the former Charity.

The Trustees serving during the year are listed on page 1. Lord Peter Mandelson is the president and Stephen Miller MBE is the Charity's patron. The Charity is governed by a Board of Directors and its executive members (the Trustees) are elected on an annual basis. There are no lifetime or custodial Trustees and no sub-committees.

Other administrative details are listed on page 1.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

● **Constitution**

Families First (North East) is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The organisation is a Charitable Company meaning it is registered with both Companies House and the Charity Commission. The charity was registered with the Charity Commission on 19 June 2019.

Families First North East is a successor charity. The original Charity originated in March 1988 and was a registered Charity, however the Trustees agreed in 2019 that the more appropriate legal structure was to convert the organisation to an incorporated Charitable Company – i.e. registered with both Companies House and the Charity Commission.

● **Methods of appointment or election of Trustees**

Trustees, who are required under the governing constitution to serve as members of the Charity, are elected at a full Trustees' meeting and are required to satisfy specified criteria of eligibility, competence, skills and locality.

New Trustees are fully inducted into the Charity's working environment, its policies and procedures.

● **Organisational structure and decision-making policies**

Trustees meet regularly to determine the general policy of the Charity and to review its overall management and control to ensure that their legal responsibilities are appropriately discharged.

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

The organisation's current structure reflects the following :

Job Title	Finance Manager	Section Head for Children and Young People	Section Head for Health and Wellbeing	Section Head for Extended Services	One77 Manager	Lorne House Manager
Summary of main areas of responsibility	Book keeping Invoicing out Purchase ledger Credit Control Payroll Budgets, reports and financial projections	SNIPS STREET Special Needs Toy Loan Service Active Kids SocialEyes	Hand in Hand 3fs Evolve Project	Management of Melbourne House Elements of Hand in Hand Supporting / adhoc Policy Review Health and Safety	One77 Training Bistro Room Hires and Function Venue	Management and operation of Lorne House
Additional areas of responsibility across the organisation	n/a	n/a	Better Health at Work	n/a	Stocks and Supplies Vehicles Maintenance	n/a

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

● **Pay policy for key management personnel**

The pay of senior staff is benchmarked against similar organisations and paid at a market rate.

There is an annual performance review of the Chief Executive and performance against this is checked at six monthly intervals.

**Plans for future periods**

The immediate priorities of the organisation include:

- Further develop Melbourne House into an Ofsted Registered Short Break Centre for children and young adults with learning disabilities.
- Invest in renewable energies, mainly solar power, on One77 and Lorne House in order to reduce operational costs and improve sustainability and our impact upon the environment.
- Explore further energy reduction opportunities such as PIR activated lighting through all three sites.
- Develop and implement an action plan to promote Lorne House to an acknowledged 'Outstanding' provider of care.
- Work with funders to secure the medium term future of our services for children and young people.

**OBJECTIVES AND ACTIVITIES**

● **Policies and objectives**

The legal objects of the Charity are:

- (i) the relief and education of all local children, particularly those with additional and special needs through the provision of social, physical and emotional support activities and therapeutic, educational and stimulating toys and equipment; and,
- (ii) the preservation and protection of health within all residents, including the promotion of a positive and healthy lifestyle; and,
- (iii) the advancement of vocational education for the public benefit of residents of all ages throughout the North East of England; and,
- (iv) To promote such other charitable purposes as may from time to time be determined, which support and promote the health, education and prosperity of residents of all ages throughout the North East of England.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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**FAMILIES FIRST (NORTH EAST)**  
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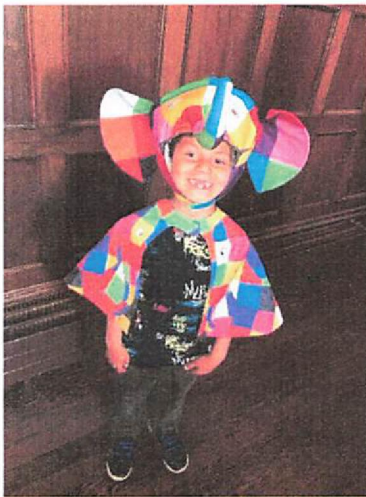
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**Strategies for achieving objectives**

In order to meet the above legal objects the Charity provides events and activities for children, young people and adults throughout the area to meet, learn and develop. These are described in more detail below.

**Over the course of the 12 months of this financial report, we have provided the following services:**

**SNIPS (Special Needs Inclusion Project)**



Our after-school and holiday playscheme specifically for children with profound learning disabilities and challenging needs (the only service in Hartlepool offering such respite for parents/carers). Many of our children who attend the after-school and holiday programme cannot access any other scheme due to their complex needs and in some cases their need for 1:1 or 2:1 support.

**Hand In Hand**

The service provides individual support to children and young people with additional needs so that they may fulfil their social care ambitions and participate in physical activities. The service is flexible and is bespoke to each individual client. The service is funded from Direct Payments and Personalised Budgets.

**Special Needs Toy Loan Service**

A facility for parents that have or organisations that work with a child with a disability / additional support need. It offers toys and play equipment that can be used on either a short term or long term hire.

The equipment is chosen by children and parents to meet their needs. Regular outreach and parental demonstration sessions will be held in order for families to get the best out of the resource. Equipment out on long term hire will receive regular safety inspections.

The project sessions every week where parents and children can attend, use equipment and offer each other peer support.

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**FAMILIES FIRST (NORTH EAST)**  
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**STREET Seniors, STREET Juniors and STREET ASD**



The service is principally supported youth provision for young people with additional needs across Hartlepool. Those attending are wide ranging including those who have low confidence, self-esteem or social skills, young people with learning and physical disabilities, those with autism and some who have suffered some form of emotional trauma in their lives.

The project prides itself on using modern techniques to engage young people with challenging issues and additional support needs.

The service initially launched specifically for those aged 13-19, but now successfully operates over 6 nights a week offering sessions targeted at Juniors and Seniors as well as a holistic family session and a much smaller group aimed at children with ASD.

**SocialEyes**

SocialEyes is an innovative approach to facilitating social skills and social understanding with people on the autism spectrum. Launched by The National Autistic Society in 2010, this learning resource has been developed with people with autism and Asperger syndrome, along with leading professionals in the field. All SocialEyes resources have been extensively piloted and re-piloted with ongoing development and research since 2005.

SocialEyes does not ask people on the autism spectrum to change 'inappropriate' social behaviour, or to acquire social skills by copying the 'typical' behaviour of others. Instead, it gives people the option of learning social interaction skills or alternative social strategies. SocialEyes focuses on eight social skills that people on the autism spectrum can have difficulty with, including starting a conversation, eye contact and personal space.

**One77**

A facility in the heart of Hartlepool for children and young people aged 0 to 25. The centre is a base and inspiration for young people's creativity, health and enterprise. The activities within the centre reflect this ethos. At the hub of this centre is a Young People's Enterprise project. This primarily takes the form of a healthy bistro that is entirely operated and managed by young people from all walks of life, with the support of a team member.

The young people accessing the project are from all backgrounds, but mainly with low levels of educational attainment and less affluent families. The Bistro is available for private functions and provides outside catering, therefore offering alternative training experiences. There are often opportunities for older volunteers / trainees to participate.

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**FAMILIES FIRST (NORTH EAST)**  
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### **Active Kidz**

We operate a number of physical activity projects aimed at children and young people with additional needs under the name of Active Kidz. It includes the following:

- dance sessions
- a football groups
- outdoor activities (forestry skills, orienteering, den building, archery)
- adventure activities (canoeing, abseiling, water sports)

Some of this activity happens weekly, some only during summer months due to the outdoor nature of the activities.



### **The 3Fs Project**

A growing and thriving part of our work now which seeks to provide support for those adults over the age of 55 or who may be identified in the early stages of dementia, recently discharged from hospital or who are socially isolated. 3Fs (Fun, Food and Friendship), sees older people come together over food to meet new people and enjoy each other's company, therefore promoting positive mental health. Sessions also include regular speakers and health improvement / self-care messages.

### **All Things Autism**

We have an autism specialist whose work is to support parents / carers in ensuring they get the best possible advice and engage fully with our services. The officer's work further includes supporting, advising and training our workforce in modern techniques and skills associated with supporting such a diverse client group. Finally, the officer has established new specialist Autism groups.

### **The Evolve Project**

'An alternative to education' for those with additional needs aged 16 -25 years. The project provides 1 - 1 support at all times and offers a diverse range of enjoyable activities. In order for the young people to feel more settled and know what to expect each day, a timetable has been produced which mimics that of a school timetable but without the pressure of formal education.

The programme of activities includes: IT sessions, sensory activities, social and communication skills, arts and crafts, independent and safety skills, music, cookery, physical activities, gardening and practical visits in the local community to develop life skills. This may alter from time to time to reflect the nature and needs of the young people attending.

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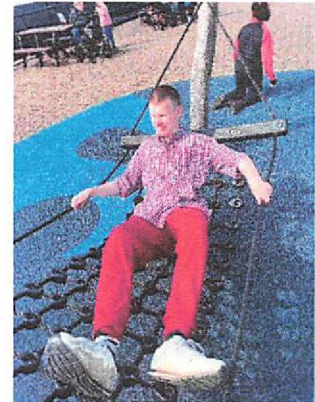
**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

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**Lorne House Residential Home**

Lorne House is a large residential home registered with the Care Quality Commission to provide care for 13 adults with Learning Disabilities. The service is long stay care, dependent on continual funding and appropriate placement to meet the individual's needs. A place in Lorne House may be funded from social care, health funds or privately.

Lorne House is currently graded with the CQC as a 'good' provider of care and aspires to be 'outstanding' within three years.



**Melbourne House**

Melbourne House is an enabling co-living and learning environment where young people can live, learn and flourish in an innovative setting capable of responding to each young person in their own right. Coproduction is at the heart of this project – from design through to delivery.

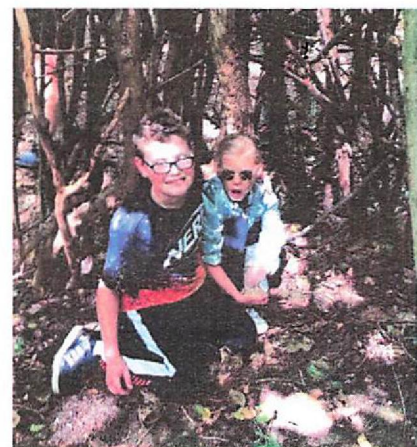


**Other work during the year**

Families First (North East) manages the Short Break Contract for Hartlepool Borough Council which brings together and funds a number of our services and partners, including Hartlepool Special Needs Support Group's Summer and Holiday programme, The Fun Club, Friends Fun and Youth Group.

Families First works in close association with Hartlepool Deaf Centre who are based within our Head Office, One77. There are a number of joint services held throughout the week to support the Deaf, Deafened and Hard of Hearing community.

Likewise, One77 also hosts Hartlepool Blind Welfare Association, now Vision Support Hartlepool. They offer services for Blind and Partially sighted people on a daily basis as well as offering support and advocacy.



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**FAMILIES FIRST (NORTH EAST)**  
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**ACHIEVEMENTS AND PERFORMANCE**

**Main achievements of the Charity and Key performance indicators**

During the period of the report, the organisation continued to exceed funder expectations. Highlights included :

- 2677 attendances to our after-school service, equating to almost 6700 hours of activity.
- 1131 attendances to our holiday programme
- Almost 1500 attendances to our STREET Projects, equating to over 5,000 hours of activity.
- Lorne House, Melbourne House and One77 all received further investment and modernisation during the year.
- 988 attendances to our Saturday Active Kids sessions.
- Over 1000 meals provided to vulnerable adults through our 3Fs luncheon club.



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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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● **Fundraising activities and income generation**

The Charity raises funds through the Bistro and the events and membership services it provides. Other fundraising is minimal and no external participator is used. There have been no complaints about the fundraising practices in the year. The Charity is registered with the fundraising regulator.

**Financial review**

● **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

● **Reserves policy**

The management committee has examined the requirements of the Charity for reserves having taken into account the main risks. The committee has established a policy which deals with unrestricted funds not committed or invested in tangible fixed assets held by the Charity. The reserves are needed to meet working capital requirements and the committee is satisfied that a target of between 3 and 6 months unrestricted budgeted core expenditure can be held so that current activities would be continued in the event of a significant drop in that particular funding. At the current levels of expenditure this would be between £83k and £165k and so this is met by current free reserves.

● **Principal risks and uncertainties**

Trustees carry out assessments of risks facing the Charity. External risks from funding are mitigated by seeking diversification, where necessary and appropriate, to secure activities. Internal risks are minimised by maintaining sufficient procedures to appropriately authorise projects and underlying transactions to maintain the quality of delivery from all charitable operations.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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● **Principal funding**

The Statement of Financial Activities for the year is set out on page 17. More detailed information on the particular services we provide are given in our Charity's Annual Return which is supplied to all our supporters and is freely available to any organisation or individual wishing to add their support. Further copies are available from the Charity's principal office which is listed on page 1.

Income from charitable activities was £1,318k and this includes income from sessions and activities as well as income from the residential properties.

At the year end the Charity had total reserves of £828k, of this £363k was restricted. Unrestricted free reserves were £289k.

We thank all of our dedicated volunteers and staff who have continued to offer their services. It has been a very busy year and our highly skilled workforce has been an integral part of that success.

Fixed asset expenditure during the year is set out in note 14 of these financial statements.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 Companies Act 2006. 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.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

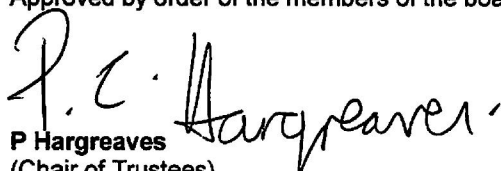
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**AUDITORS**

As a result of a change in auditors' name, from 1 March 2022 Waltons Clark Whitehill Limited became Waltons Business Advisers Limited.

The auditors, Waltons Business Advisers Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

  
**P Hargreaves**  
**(Chair of Trustees)**  
**Date:** 30 November 2022

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FAMILIES FIRST (NORTH EAST)**

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**UNQUALIFIED OPINION**

We have audited the financial statements of Families First (North East) (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**OTHER INFORMATION**

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the area in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We identified that the greatest potential for fraud in the following areas: recognition and completeness of income and posting of unusual journals. We discussed these risks with management and designed audit procedures to test the recognition and completeness of revenue. We reviewed journals posted around the year end to look for potential "window dressing".

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**USE OF OUR REPORT**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Heather O'Driscoll FCA (senior statutory auditor)**

for and on behalf of  
**Waltons Business Advisers Limited**

Chartered Accountants  
Statutory Auditor

**Date:** 2 December 2022

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
<b>INCOME FROM:</b>					
Donations and grants	3	14,945	29,201	44,146	75,194
Charitable activities	4	436,122	881,827	1,317,949	1,238,523
Other trading activities	5	-	18,111	18,111	13,413
Investments	6	-	58	58	105
<b>TOTAL INCOME</b>		<b>451,067</b>	<b>929,197</b>	<b>1,380,264</b>	<b>1,327,235</b>
<b>EXPENDITURE ON:</b>					
Raising funds	7	-	20,101	20,101	14,857
Charitable activities	8	324,846	976,582	1,301,428	1,219,558
<b>TOTAL EXPENDITURE</b>		<b>324,846</b>	<b>996,683</b>	<b>1,321,529</b>	<b>1,234,415</b>
<b>NET INCOME/ (EXPENDITURE)</b>		<b>126,221</b>	<b>(67,486)</b>	<b>58,735</b>	<b>92,820</b>
Transfers between funds	18	(135,127)	135,127	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(8,906)</b>	<b>67,641</b>	<b>58,735</b>	<b>92,820</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		474,003	294,966	768,969	676,149
Net movement in funds		(8,906)	67,641	58,735	92,820
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>465,097</b>	<b>362,607</b>	<b>827,704</b>	<b>768,969</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 37 form part of these financial statements.

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 12051397**

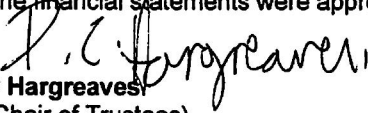
**BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	14	649,045	683,675
		649,045	683,675
<b>CURRENT ASSETS</b>			
Debtors	15	216,817	98,817
Cash at bank and in hand		240,670	303,544
		457,487	402,361
Creditors: amounts falling due within one year	16	(97,643)	(100,741)
<b>NET CURRENT ASSETS</b>		359,844	301,620
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,008,889	985,295
Creditors: amounts falling due after more than one year	17	(181,185)	(216,326)
<b>TOTAL NET ASSETS</b>		827,704	768,969
<b>CHARITY FUNDS</b>			
Restricted funds	18	465,097	474,003
Unrestricted funds	18	362,607	294,966
<b>TOTAL FUNDS</b>		827,704	768,969

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

  
**P Hargreaves**  
 (Chair of Trustees)

Date: 30 November 2022

The notes on pages 20 to 37 form part of these financial statements.

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

		2022 £	2021 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash used in operating activities	20	(14,550)	95,604
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest		58	105
Purchase of tangible fixed assets		-	(233,683)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>			
		<b>58</b>	<b>(233,578)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New secured loans		-	275,000
Repayments of borrowing		(33,100)	(24,395)
Bank loan interest paid		(15,282)	(14,641)
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>			
		<b>(48,382)</b>	<b>235,964</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>			
		<b>(62,874)</b>	<b>97,990</b>
Cash and cash equivalents at the beginning of the year		<b>303,544</b>	<b>205,554</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>			
		<b>240,670</b>	<b>303,544</b>

The notes on pages 20 to 37 form part of these financial statements

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**1. GENERAL INFORMATION**

The Charity is a company incorporated in England and Wales and limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered address is:

175 York Road  
Hartlepool  
TS26 9EQ

**2. ACCOUNTING POLICIES**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Families First (North East) 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.

**2.2 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**2.3 Going concern**

The Trustees, having made due and careful enquiry and preparing forecasts, are of the opinion that the Charity has adequate working capital to execute its operations over the next 12 months. The Trustees, therefore, have made an informed judgement at the time of approving the financial statements, that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. As a result the Trustees have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.4 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities. This also includes income from provision of charitable services and activities.

**2.5 Expenditure**

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

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

**2.6 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are depreciated.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**2. ACCOUNTING POLICIES (CONTINUED)**

**2.6 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years straight line
Property improvements	- 10 years straight line
Motor vehicles	- 4 years straight line
Fixtures and fittings	- 4 years straight line

**2.7 Pensions**

The Charity contributes to a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**3. INCOME FROM DONATIONS AND GRANTS**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Donations</b>				
Other donations	-	3,791	3,791	4,423
<b>Grants</b>				
Other grants	14,945	-	14,945	-
<b>Government grants</b>				
Coronavirus job retention scheme	-	-	-	45,871
Covid-19 grants	-	25,410	25,410	24,900
	<u>14,945</u>	<u>29,201</u>	<u>44,146</u>	<u>75,194</u>
<i>Total 2021</i>	<u>-</u>	<u>75,194</u>	<u>75,194</u>	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Working with Children	187,438	22,600	210,038	269,834
Preservation and Protection of Health	248,684	-	248,684	180,836
Vocational Education	-	28,937	28,937	2,757
Residential Property	-	830,290	830,290	785,096
	<u>436,122</u>	<u>881,827</u>	<u>1,317,949</u>	<u>1,238,523</u>
<i>Total 2021</i>	<u>425,923</u>	<u>812,600</u>	<u>1,238,523</u>	

**5. FUNDRAISING INCOME**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Meeting room hire	-	10,045	10,045	9,600
Events	-	5,642	5,642	340
Other fundraising	-	2,424	2,424	3,473
	<u>-</u>	<u>18,111</u>	<u>18,111</u>	<u>13,413</u>
<i>Total 2021</i>	<u>99</u>	<u>13,314</u>	<u>13,413</u>	

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**6. INVESTMENT INCOME**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Bank interest	<b>58</b>	<b>58</b>	105
	<hr/>	<hr/>	<hr/>
<i>Total 2021</i>	<b>105</b>	<b>105</b>	
	<hr/>	<hr/>	

**7. EXPENDITURE ON RAISING FUNDS**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Costs of raising voluntary income	<b>4,819</b>	<b>4,819</b>	216
Bank loan interest	<b>15,282</b>	<b>15,282</b>	14,641
	<hr/>	<hr/>	<hr/>
	<b>20,101</b>	<b>20,101</b>	<b>14,857</b>
	<hr/>	<hr/>	<hr/>
<i>Total 2021</i>	<b>14,857</b>	<b>14,857</b>	
	<hr/>	<hr/>	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

**Summary by fund type**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Working with Children	140,070	18,828	158,898	145,390
Preservation and Protection of Health	184,767	50,880	235,647	126,729
Vocational Education	9	32,044	32,053	3,782
Residential property	-	874,830	874,830	943,657
	<u>324,846</u>	<u>976,582</u>	<u>1,301,428</u>	<u>1,219,558</u>
<i>Total 2021</i>	<u>241,300</u>	<u>978,258</u>	<u>1,219,558</u>	

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Working with Children	131,554	27,344	158,898	145,390
Preservation and Protection of Health	184,767	50,880	235,647	126,729
Vocational Education	27,735	4,318	32,053	3,782
Residential property	703,481	171,349	874,830	943,657
	<u>1,047,537</u>	<u>253,891</u>	<u>1,301,428</u>	<u>1,219,558</u>
<i>Total 2021</i>	<u>976,860</u>	<u>242,698</u>	<u>1,219,558</u>	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

Analysis of direct costs

	Working with Children 2022 £	Preservation and Protection of Health 2022 £	Vocational Education 2022 £	Residential property 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	96,695	176,978	15,764	614,136	903,573	833,573
Bistro costs	-	-	10,030	-	10,030	1,173
Activity costs	27,100	6,708	-	14,051	47,859	29,657
Freelance & sessional workers	475	-	-	-	475	5,950
Travel costs	6,289	818	-	2,704	9,811	6,962
Repairs & maintenance	398	-	32	11,179	11,609	34,861
Telephone & internet	136	168	15	838	1,157	1,074
Cleaning	51	-	141	7,930	8,122	10,177
Printing postage & stationery	-	-	-	259	259	1,253
Advertising & promotion	296	74	-	1,476	1,846	133
Volunteer costs	-	-	332	-	332	16
Premises costs	-	-	-	31,862	31,862	21,134
Sundries	-	21	1,421	3,143	4,585	9,541
Subscriptions	114	-	-	10,933	11,047	17,848
Rates & refuse	-	-	-	4,970	4,970	3,508
	<b>131,554</b>	<b>184,767</b>	<b>27,735</b>	<b>703,481</b>	<b>1,047,537</b>	<b>976,860</b>
<i>Total 2021</i>	<i>127,330</i>	<i>99,545</i>	<i>3,782</i>	<i>746,203</i>	<i>976,860</i>	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

Analysis of support costs

	Working with Children 2022 £	Preservation and Protection of Health 2022 £	Vocational Education 2022 £	Residential property 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	16,669	31,020	2,633	103,467	153,789	148,952
Depreciation	3,755	6,984	593	23,298	34,630	32,484
Activity costs	8	15	1	43	67	212
Travel costs	312	581	49	1,939	2,881	2,093
Repairs & maintenance	900	1,673	142	5,583	8,298	6,195
Telephone & internet	350	652	55	2,173	3,230	3,345
Cleaning	230	428	36	1,426	2,120	4,901
Printing postage & stationery	334	621	53	2,073	3,081	1,688
Advertising & promotion	-	-	-	-	-	995
Premises costs	1,366	2,540	215	8,473	12,594	8,834
Sundries	205	384	33	1,285	1,907	3,597
Subscriptions	725	1,350	115	4,504	6,694	7,552
Staff insurance & CRB checks	1,105	2,055	174	6,855	10,189	2,642
Rates & refuse	437	812	69	2,710	4,028	2,253
Governance costs	948	1,765	150	7,520	10,383	13,811
Bad debts	-	-	-	-	-	3,144
	<u>27,344</u>	<u>50,880</u>	<u>4,318</u>	<u>171,349</u>	<u>253,891</u>	<u>242,698</u>
<i>Total 2021</i>	<u>18,060</u>	<u>27,184</u>	<u>-</u>	<u>197,454</u>	<u>242,698</u>	

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**10. GOVERNANCE COSTS**

	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Business Development costs	1,634	3,579
Accountancy fees	325	300
Auditors' remuneration	8,424	9,400
<b>Total 2022</b>	<b>10,383</b>	<b>13,279</b>

**11. AUDITORS' REMUNERATION**

The auditors' remuneration amounts to an auditor fee of £7,020 (2021 - £6,750), and preparation of corporation tax returns and consultancy of £270 (2021 - £1,100).

**12. STAFF COSTS**

	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	973,027	907,725
Social security costs	66,981	58,538
Contribution to defined contribution pension schemes	17,354	16,262
	<b>1,057,362</b>	<b>982,525</b>

The average number of persons employed by the Charity during the year was as follows:

	<b>2022 No.</b>	<b>2021 No.</b>
Working with Children	11	9
Preservation and protection of health	27	22
Vocational Education	1	-
Residential property	34	35
Core	6	11
	<b>79</b>	<b>77</b>

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**12. STAFF COSTS (CONTINUED)**

The average headcount expressed as full-time equivalents was:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Working with Children	4	4
Preservation and protection of health	12	6
Vocational Education	1	-
Residential property	31	30
Core	6	6
	<u>54</u>	<u>46</u>

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration paid to key management personnel (including national insurance and pension contributions) was £231,240 (2021: £243,837).

**13. TRUSTEES' REMUNERATION AND EXPENSES**

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Property improvements £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost</b>					
At 1 April 2021	602,235	53,460	22,406	46,544	724,645
At 31 March 2022	<u>602,235</u>	<u>53,460</u>	<u>22,406</u>	<u>46,544</u>	<u>724,645</u>
<b>Depreciation</b>					
At 1 April 2021	14,724	7,065	7,331	11,850	40,970
Charge for the year	12,045	5,346	5,603	11,636	34,630
At 31 March 2022	<u>26,769</u>	<u>12,411</u>	<u>12,934</u>	<u>23,486</u>	<u>75,600</u>
<b>Net book value</b>					
At 31 March 2022	<u>575,466</u>	<u>41,049</u>	<u>9,472</u>	<u>23,058</u>	<u>649,045</u>
At 31 March 2021	<u>587,511</u>	<u>46,395</u>	<u>15,075</u>	<u>34,694</u>	<u>683,675</u>

**15. DEBTORS**

	2022 £	2021 £
Trade debtors	180,530	57,667
Other debtors	36,287	41,150
	<u>216,817</u>	<u>98,817</u>

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Bank loans	36,320	34,279
Trade creditors	17,993	9,122
Other taxation and social security	-	16,290
Other creditors	19,320	14,973
Deferred income	13,611	14,761
Accruals	10,399	11,316
	97,643	100,741
	2022 £	2021 £
Deferred income at 31 March 2020	14,761	17,753
Resources deferred during the year	13,611	14,761
Amounts released from previous periods	(14,761)	(17,753)
	13,611	14,761

Deferred income relates to Lorne House residents fees received in advance.

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2022 £	2021 £
Bank loans	181,185	216,326
	181,185	216,326
The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:		
	2022 £	2021 £
Payable or repayable by instalments	12,081	56,728
	12,081	56,728

The above loan is repayable in monthly instalments ending June 2027. Interest is charged at 6% per annum.

The bank loan is secured by a fixed charge over the freehold property known as Melbourne Hotel.

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**18. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
General funds	88,547	56,465	(248,560)	187,467	83,919
One77	-	35,437	(30,726)	(4,100)	611
Lorne House	206,419	640,772	(545,231)	(30,000)	271,960
Melbourne House	-	196,523	(172,166)	(18,240)	6,117
	<u>294,966</u>	<u>929,197</u>	<u>(996,683)</u>	<u>135,127</u>	<u>362,607</u>
<b>Restricted funds</b>					
Land & Buildings	414,574	-	(12,045)	22,842	425,371
SNIPS	42,031	93,095	(71,933)	(27,000)	36,193
STREET	2,611	38,695	(12,337)	(27,600)	1,369
Toy Library	1,471	20,441	(10,734)	(10,000)	1,178
ActiveKidz	11,492	15,187	(13,189)	(13,145)	345
Hand in Hand	-	233,497	(171,578)	(61,700)	219
Evolve	1,616	28,064	(17,319)	(12,075)	286
Social Eyes	79	4,570	-	(4,649)	-
Autism Awareness	74	2,573	(757)	(1,800)	90
Clients personal allowance	55	-	(9)	-	46
Kickstart funding	-	12,945	(12,945)	-	-
Apprentice grant	-	2,000	(2,000)	-	-
	<u>474,003</u>	<u>451,067</u>	<u>(324,846)</u>	<u>(135,127)</u>	<u>465,097</u>
<b>Total of funds</b>	<u>768,969</u>	<u>1,380,264</u>	<u>(1,321,529)</u>	<u>-</u>	<u>827,704</u>

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**18. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General funds	68,058	121,003	(236,925)	136,411	88,547
One77	-	2,757	(3,782)	1,025	-
Lorne House	194,217	627,250	(591,048)	(24,000)	206,419
Melbourne House	-	150,203	(161,360)	11,157	-
	<u>262,275</u>	<u>901,213</u>	<u>(993,115)</u>	<u>124,593</u>	<u>294,966</u>
<b>Restricted funds</b>					
Land & Buildings	409,152	-	(11,412)	16,834	414,574
SNIPS	-	110,781	(42,350)	(26,400)	42,031
STREET	2,223	21,261	(4,271)	(16,602)	2,611
Toy Library	1,432	20,505	(10,466)	(10,000)	1,471
ActiveKidz	9	27,154	(1,191)	(14,480)	11,492
Hand in Hand	-	153,781	(98,354)	(55,427)	-
Evolve	1,058	28,575	(10,567)	(17,450)	1,616
Social Eyes	-	847	-	(768)	79
Autism Awareness	-	2,548	(2,174)	(300)	74
Clients personal allowance	-	70	(15)	-	55
National Lottery Community Fund	-	60,500	(60,500)	-	-
	<u>413,874</u>	<u>426,022</u>	<u>(241,300)</u>	<u>(124,593)</u>	<u>474,003</u>
<b>Total of funds</b>	<u><u>676,149</u></u>	<u><u>1,327,235</u></u>	<u><u>(1,234,415)</u></u>	<u><u>-</u></u>	<u><u>768,969</u></u>

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Unrestricted Funds**

- **General funds**– The main management and administration function of the services, including Section Heads. This is partly funded from transfers from restricted funds and the residential properties to represent the core time spent on those projects.
- **Melbourne House** - The property value & associated loan is held in restricted funds with other land and buildings. The element of the loan which was not directly required for the purchase is held here in unrestricted. Other income and expenditure on this fund represents the running of Melbourne House residential home. A management charge transfer was made to reflect the costs of running this service included within core.
- **Lorne House** – Income and expenditure on this fund represents the running of Lorne House residential home and there is a balance carried forward on this. A management charge transfer was made to reflect the costs of running this service included within core.

**Vocational Education**

- **One77** – A training bistro operated by young people, The bistro's profits may be spent freely on the activities of the charity.

**Restricted Funds**

**Working with Children**

- **SNIPS** – An after-school and holiday playscheme specifically for children with profound learning disabilities and challenging needs. Funding from Children in Need was received and accrued and there is a balance carried forward on this.
- **STREET** – The service is principally supported youth provision for young people with additional needs across Hartlepool. This fund is part Street Juniors and part Street Seniors.
- **Toy Library** – A facility for parents that have, or organisations that work with, a child with a disability or additional support needs and who require specialist play and educational equipment. Includes our home support work.
- **Social Eyes** – Social Eyes is an innovative approach to facilitating social skills and social understanding with people on the autism spectrum.
- **Evolve** – 'An alternative to education' for those with additional needs aged 16 -25 years.
- **Autism Awareness** – Fund to appoint an Autism specialist to support, advise and train both staff and parents.

**Preservation & Protection of health**

- **ActiveKidz** – Physical activities for children with additional needs.
- **Hand In Hand** – The service provides individual support to children and young people with additional needs so that they may fulfil their social care ambitions and participate in physical activities.

**Core**

- **Land and Buildings** - The land and buildings are held within this fund and depreciation is charged to the fund annually.

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	575,466	73,579	649,045
Current assets	39,728	417,759	457,487
Creditors due within one year	(25,065)	(72,578)	(97,643)
Creditors due in more than one year	(125,032)	(56,153)	(181,185)
<b>Total</b>	<b>465,097</b>	<b>362,607</b>	<b>827,704</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	587,511	96,164	683,675
Current assets	105,741	296,620	402,361
Creditors due within one year	(69,983)	(30,758)	(100,741)
Creditors due in more than one year	(149,266)	(67,060)	(216,326)
<b>Total</b>	<b>474,003</b>	<b>294,966</b>	<b>768,969</b>

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	<u>58,735</u>	<u>92,820</u>
<b>Adjustments for:</b>		
Depreciation charges	34,630	32,484
Interest	(58)	(105)
Increase in debtors	(118,000)	(35,220)
Decrease in creditors	(5,139)	(9,016)
Bank loan interest paid	15,282	14,641
<b>Net cash provided by operating activities</b>	<u><u>(14,550)</u></u>	<u><u>95,604</u></u>

**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2022 £	2021 £
Cash in hand	<u>240,670</u>	<u>303,544</u>
<b>Total cash and cash equivalents</b>	<u><u>240,670</u></u>	<u><u>303,544</u></u>

**22. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	303,544	(62,874)	240,670
Debt due within 1 year	(34,279)	(2,041)	(36,320)
Debt due after 1 year	(216,326)	35,141	(181,185)
	<u><u>52,939</u></u>	<u><u>(29,774)</u></u>	<u><u>23,165</u></u>

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**23. OPERATING LEASE COMMITMENTS**

At 31 March 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2022</b>	<b>2021</b>
	£	£
Not later than 1 year	<b>3,014</b>	<b>4,690</b>
Later than 1 year and not later than 5 years	<b>2,268</b>	<b>5,282</b>
	<u><b>5,282</b></u>	<u><b>9,972</b></u>

**24. RELATED PARTY TRANSACTIONS**

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2022.

**FAMILIES FIRST (NORTH EAST)**

England & Wales - Charity number 1183964

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# Accounts

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**Registered number: 12051397**  
**Charity number: 1183964**

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**Trustees**

J Atkinson  
J Brash  
P Hargreaves  
S Harrison  
C Hubbert  
S Lamplough  
J Laws  
H Thompson

**Company registered number**

12051397

**Charity registered number**

1183964

**Registered office**

175 York Road, Hartlepool, TS26 9EQ

**Company secretary**

P Thompson

**Independent auditors**

Waltons Clark Whitehill Limited, Maritime House, Harbour Walk, The Marina, Hartlepool, TS24 0UX

**Bankers**

Yorkshire Bank Plc, 118-120 York Road, Hartlepool, TS26 9DE

**President**

Lord Peter Mandelson

**Patron**

Stephen Miller MBE

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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The Trustees are pleased to present their report together with the financial statements of the Charity for the year ended 31 March 2021

These financial statements comply with the Charities Act 2011 and the 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 (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Reference and administrative details**

The name of the Charity as it appears in the Register of Charities is Families First (North East) and the Charity's main working name is the same as its legal name. The Charity has also registered the working names of Hartlepool Families First, Durham Families First and Stockton Families First which are all legacy names of the former Charity.

The Trustees serving during the year are listed on page 1. Lord Peter Mandelson is the president and Stephen Miller MBE is the Charity's patron. The Charity is governed by a Board of Directors and its executive members (the Trustees) are elected on an annual basis. There are no lifetime or custodial Trustees and no sub-committees.

Other administrative details are listed on page 1.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

● **Constitution**

Families First (North East) is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The organisation is a Charitable Company meaning it is registered with both Companies House and the Charity Commission. The charity was registered with the Charity Commission on 19 June 2019.

Families First North East is a successor charity. The original Charity originated in March 1988 and was a registered Charity, however the Trustees agreed in 2019 that the more appropriate legal structure was to convert the organisation to an incorporated Charitable Company – i.e. registered with both Companies House and the Charity Commission.

● **Methods of appointment or election of Trustees**

Trustees, who are required under the governing constitution to serve as members of the Charity, are elected at a full Trustees' meeting and are required to satisfy specified criteria of eligibility, competence, skills and locality.

New Trustees are fully inducted into the Charity's working environment, its policies and procedures.

● **Organisational structure and decision-making policies**

Trustees meet regularly to determine the general policy of the Charity and to review its overall management and control to ensure that their legal responsibilities are appropriately discharged.

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**Board of Directors**

**Chief Executive**

Overall responsibility for the strategic development of the organisation and safe operation of its day to day services.

Specific areas include – Marketing of the organisation and its services, staff development and appraisals, contract management and evaluation, external relationships

<b>Job Title</b>	<b>Business Development Officer</b>	<b>Finance Manager</b>	<b>Section Head for Children and Young People</b>	<b>Section Head for Health and Wellbeing</b>	<b>Section Head for Extended Services</b>	<b>One77 Manager</b>	<b>Lorne House Manager</b>
<b>Summary of main areas of responsibility</b>	Diffability Funding for Time Limited / One-off Projects & Capital Works Event fundraising Community Public Relations and Social Media	Book keeping Invoicing out Purchase ledger Credit Control Payroll Budgets, reports and financial projections	SNIPS STREET Special Needs Toy Loan Service Active Kids SocialEyes	Hand in Hand 3fs Evolve Project	Management of Melbourne House Elements of Hand in Hand Supporting / adhoc Policy Review Health and Safety	One77 Training Bistro Room Hires and Function Venue	Management and operation of Lorne House
<b>Additional areas of responsibility across the organisation</b>	Human Resources, training monitoring, recruitment and onboarding	n/a	n/a	Better Health at Work	n/a	Stocks and Supplies Vehicles Maintenance	n/a

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

● **Pay policy for key management personnel**

The pay of senior staff is benchmarked against similar organisations and paid at a market rate.

There is an annual performance review of the Chief Executive and performance against this is checked at six monthly intervals.

**Plans for future periods**

The immediate priorities of the organisation include:

- Fully embedding the operations of Melbourne House and Lorne House into the organisation and ensuring that both are financially sustainable long term.
- Creating a period of 'settling in' given the huge changes within projects and the entire organisation over the last 18 months. Reviewing these changes and learning from them is equally important.
- Aspire for ultimate 'paperless' systems and digitalising the remaining work-processes.

Clearly special attention needs to continue to be given to Covid 19 and its impact on our organisation. As such, we commit to tackling these issues head on, in particular :

- Ensuring that our workforce is supported, physically and emotionally.
- All risks faced by the organisation are regularly reviewed and suggestions immediately acted upon.
- Making tough financial decisions, should they be required, which ensure the longevity of the organisation.
- Supporting our children and families in creative ways, such as online gatherings, telephone support and digital tools, which make our potential physical absence easier to cope with.

**OBJECTIVES AND ACTIVITIES**

● **Policies and objectives**

The legal objects of the Charity are:

- (i) the relief and education of all local children, particularly those with additional and special needs through the provision of social, physical and emotional support activities and therapeutic, educational and stimulating toys and equipment; and,
- (ii) the preservation and protection of health within all residents, including the promotion of a positive and healthy lifestyle; and,
- (iii) the advancement of vocational education for the public benefit of residents of all ages throughout the North East of England; and,
- (iv) To promote such other charitable purposes as may from time to time be determined, which support and promote the health, education and prosperity of residents of all ages throughout the North East of England.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**Strategies for achieving objectives**

In order to meet the above legal objects the Charity provides events and activities for children, young people and adults throughout the area to meet, learn and develop. These are described in more detail below.

**Over the course of the 12 months of this financial report, we have provided the following services:**

**SNIPS (Special Needs Inclusion Project)**

Our after-school and holiday playscheme specifically for children with profound learning disabilities and challenging needs (the only service in Hartlepool offering such respite for parents/carers). Many of our children who attend the after-school and holiday programme cannot access any other scheme due to their complex needs and in some cases their need for 1:1 or 2:1 support.



**Hand In Hand**

The service provides individual support to children and young people with additional needs so that they may fulfil their social care ambitions and participate in physical activities. The service is flexible and is bespoke to each individual client. The service is funded from Direct Payments and Personalised Budgets.

**Special Needs Toy Loan Service**

A facility for parents that have or organisations that work with a child with a disability / additional support need. It offers toys and play equipment that can be used on either a short term or long term hire.

The equipment is chosen by children and parents to meet their needs. Regular outreach and parental demonstration sessions will be held in order for families to get the best out of the resource. Equipment out on long term hire will receive regular safety inspections.

The project sessions every week where parents and children can attend, use equipment and offer each other peer support.

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**FAMILIES FIRST (NORTH EAST)**  
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**STREET Seniors, STREET Juniors and STREET ASD**



The service is principally supported youth provision for young people with additional needs across Hartlepool. Those attending are wide ranging including those who have low confidence, self-esteem or social skills, young people with learning and physical disabilities, those with autism and some who have suffered some form of emotional trauma in their lives.

The project prides itself on using modern techniques to engage young people with challenging issues and additional support needs.

The service initially launched specifically for those aged 13-19, but now successfully operates over 6 nights a week offering sessions targeted at Juniors and Seniors as well as a holistic family session and a much smaller group aimed at children with ASD.

**SocialEyes**

SocialEyes is an innovative approach to facilitating social skills and social understanding with people on the autism spectrum. Launched by The National Autistic Society in 2010, this learning resource has been developed with people with autism and Asperger syndrome, along with leading professionals in the field. All SocialEyes resources have been extensively piloted and re-piloted with ongoing development and research since 2005.

SocialEyes does not ask people on the autism spectrum to change 'inappropriate' social behaviour, or to acquire social skills by copying the 'typical' behaviour of others. Instead, it gives people the option of learning social interaction skills or alternative social strategies. SocialEyes focuses on eight social skills that people on the autism spectrum can have difficulty with, including starting a conversation, eye contact and personal space.

**One77**

A facility in the heart of Hartlepool for children and young people aged 0 to 25. The centre is a base and inspiration for young people's creativity, health and enterprise. The activities within the centre reflect this ethos. At the hub of this centre is a Young People's Enterprise project. This primarily takes the form of a healthy bistro that is entirely operated and managed by young people from all walks of life, with the support of a team member.

The young people accessing the project are from all backgrounds, but mainly with low levels of educational attainment and less affluent families. The Bistro is available for private functions and provides outside catering, therefore offering alternative training experiences. There are often opportunities for older volunteers / trainees to participate.



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### **Active Kidz**



We operate a number of physical activity projects aimed at children and young people with additional needs under the name of Active Kidz. It includes the following:

- dance sessions
- a football groups
- outdoor activities (forestry skills, orienteering, den building, archery)
- adventure activities (canoeing, abseiling, water sports)

Some of this activity happens weekly, some only during summer months due to the outdoor nature of the activities.

### **The 3Fs Project**

A growing and thriving part of our work now which seeks to provide support for those adults over the age of 55 or who may be identified in the early stages of dementia, recently discharged from hospital or who are socially isolated. 3Fs (Fun, Food and Friendship), sees older people come together over food to meet new people and enjoy each other's company, therefore promoting positive mental health. Sessions also include regular speakers and health improvement / self-care messages.

### **All Things Autism**

We have an autism specialist whose work is to support parents / carers in ensuring they get the best possible advice and engage fully with our services. The officer's work further includes supporting, advising and training our workforce in modern techniques and skills associated with supporting such a diverse client group. Finally, the officer has established new specialist Autism groups.

### **The Evolve Project**

'An alternative to education' for those with additional needs aged 16 -25 years. The project provides 1 - 1 support at all times and offers a diverse range of enjoyable activities. In order for the young people to feel more settled and know what to expect each day, a timetable has been produced which mimics that of a school timetable but without the pressure of formal education.

The programme of activities includes: IT sessions, sensory activities, social and communication skills, arts and crafts, independent and safety skills, music, cookery, physical activities, gardening and practical visits in the local community to develop life skills. This may alter from time to time to reflect the nature and needs of the young people attending.

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**Lorne House Residential Home**

Lorne House is a large residential home registered with the Care Quality Commission to provide care for 13 adults with Learning Disabilities. The service is long stay care, dependent on continual funding and appropriate placement to meet the individual's needs. A place in Lorne House may be funded from social care, health funds or privately.

Lorne House is currently graded with the CQC as a 'good' provider of care and aspires to be 'outstanding' within three years.



**Melbourne House**

Melbourne House is an enabling co-living and learning environment where young people can live, learn and flourish in an innovative setting capable of responding to each young person in their own right. Coproduction is at the heart of this project – from design through to delivery.



**Other work during the year**

Families First (North East) manages the Short Break Contract for Hartlepool Borough Council which brings together and funds a number of our services and partners, including Hartlepool Special Needs Support Group's Summer and Holiday programme, The Fun Club, Friends Fun and Youth Group.

Families First works in close association with Hartlepool Deaf Centre who are based within our Head Office, One77. There are a number of joint services held throughout the week to support the Deaf, Deafened and Hard of Hearing community.

Likewise, One77 also hosts Hartlepool Blind Welfare Association, now Vision Support Hartlepool. They offer services for Blind and Partially sighted people on a daily basis as well as offering support and advocacy.



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### **Covid 19 / Coronavirus**

Clearly the impact of Covid 19 upon the organisation meant that we had to be flexible in our approach and, at times, do things differently.

On 23 March 2020, the Prime Minister ordered the entire UK to "Stay at home". Exceptions were few and policy for supporting those with additional needs was non-existent. The nation was assured we would get through this together, but the detail of how was absent.

It was therefore clear to us that we would need to be creative in our approach and ensure that the impact on the most vulnerable was minimised.

Our initial response provided a weekly telephone call to all parents and children / young people. The main purpose was to offer a listening ear, some human contact, practical support (such as grocery shopping and medication collection) and support / ideas on coping at home. Some of these calls were short 'check-ins' and others were substantially longer, over an hour, with parents who were so isolated that this interaction was the only other social contact outside of their own family environment.

As a result, hundreds of regular activity packs were printed & delivered / emailed and equipment from the Toy Loan service distributed. Even laptops / iPads from our centre were put into action. The team worked longer hours, more days of the week to ensure that no family was left alone and unsupported.

Youth group activities established themselves in the online world and staff ensured that social gatherings continued, and friendships blossomed in a safe and supportive environment. Clearly not all young people engaged in this arena but those who did found the experience fun, novel and a suitable, albeit temporary, replacement.



As soon as guidance started to trickle out from government, we made immediate plans to restart face-to-face services, where it was within the spirit of the law, and where we could put safe working practices in place. However, this was not as straightforward as it sounds. With many destinations still closed or not accepting groups larger than 1 family, our range of provision was limited.

Furthermore, given the specific health needs of some of the children and young people, 'shielding' was imperative and the return to group based activities for some has been slower than others due to family anxieties and the necessity to isolate when required to do so by law. Therefore, group attendances during the year have undoubtedly been impacted by the Covid19 Pandemic.

This did not deter us from undertaking our Summer Activities though. A combination of bubbles, additional sanitisation, open spaces, improved hand hygiene, less travelling and social distancing, allowed us to achieve what initially appeared to be the unachievable. Happy children returning to a sense of stability and normality is evident from many of the pictures scattered throughout this report.

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From that point, and ongoing organisational learning, we have continued to restore all activities back to their pre-Covid19 form. Clearly there are ongoing challenges to ensure that the provision remains safe for those who attend. However, the vast majority of families and children / young people have climatised to these new ways of working.

The post-Christmas lockdown was a small set back, but one we were able to take in our stride, given the plans, processes and experiences we had built up over the previous 9 months. Given the much clearer government advice as this point, we were able to continue with a substantial proportion of our activity and again seek to minimise the impact on those with additional needs.

In addition to all of this, and with the financial support of the National Lottery Community Fund, we established a Telephone Support Service which operated 7 days a week, from 7am to Midnight. This operated from July 2020 to March 2021. The team answering these calls were able to provide emotional and practical support at the point they needed it. Furthermore, they also had access to an immediate discretionary fund which could purchase immediate groceries and utility top ups. It removed the immediate stress of finance so that families could concentrate on supporting their children and young people.



With the amount of time invested in children and families and additional outcomes produced during the year, it could be said that much more has been achieved in the past 12 months than has ever been. The group attendance data is only one benchmark of achievement and does not reflect the shopping trips, the collection of medicines, the emotional support and the offer of consistency. The combined team efforts to ensure that normality can be achieved and returned to as soon as possible is applaudable.

Throughout all of this, we continued to invest in the refurbishment and modernisation of Lorne House as well as the initiation and establishment of Melbourne House.

## **ACHIEVEMENTS AND PERFORMANCE**

### **• Main achievements of the Charity & Key performance indicators**

During the period of the report, the organisation continued to exceed funder expectations. Highlights included :

- Over 1280 attendances to our after-school service, equating to almost 3,150 hours of activity.
- 675 attendances to our holiday programme
- A whopping 4778 telephone / welfare calls made to families during the Covid19 Pandemic
- Over 500 activity packs distributed to support families and children at home
- 76 shopping / medicine trips facilitated
- 220 gifts distributed in time for Christmas.
- Lorne House, Melbourne House and One77 all received significant makeovers and investment during the year.

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**FAMILIES FIRST (NORTH EAST)**  
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**We have also received some great feedback from families during the year, including :**



So glad me and my kids started coming here everyone is fantastic, there is lots of activities for the kids to do and they really enjoy it. The playscheme is great my son doesn't normally go anywhere but he loved going on days out with everyone. they have helped me so much when I first started coming here I felt like I was struggling a little bit with certain things but having people who care, listen and give advice if u ask for it has made a massive difference. Thank you xx

*My son attends the youth project and has attended the play schemes during holidays. I honestly couldn't recommend families first enough. My son has made so many friends, the staff are fantastic and he has had the opportunity to take part in activities he would never have gotten to do.*

It's the difference between us coping and not. Absolutely recommend

*I would absolutely recommend and have recommended this service. The staff are brilliant, the service is irreplaceable. I would be lost without Families First.*

Absolutely fantastic team! I recommend to everyone that has children with additional needs.

*It's hard to find places you feel comfortable leaving your child. I am extremely comfortable leaving my child in their care. The staff are truly caring my son has great fun there, I would definitely recommend to a friend*

They are absolutely amazing. Without their continued support my child and family would still be very isolated. My child has the opportunity to experience life in a way that he would never get to, to hear him come home telling me how many goals he has scored at football when all standard football teams couldn't cater for his needs is amazing. Also to see other staff being able to take him out in the community confidently whether via hand in hand or playscheme when he had struggled for so long to leave the house is fantastic, he's like a different child with his confidence and independence. If we ever had an emergency at home we know we could always contact families first for support with our child if needed. We are so lucky and grateful to have the services of families first.

*Staff at families first are always really friendly and nothing is ever a problem. They always try their best to help*

I would definitely recommend families first to a friend because they do a really good job looking after and supporting my daughter who has Adhd, Social and emotional difficulties and learning difficulties. My daughter has come on so much socially since attending families first and it shows in her daily and when we go out places. Its lovely to see my daughter feeling comfortable and part of somewhere that accepts her for who she is and understands her additional needs ❤️ xx

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**FAMILIES FIRST (NORTH EAST)**  
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*My grandsons confidence has grown and with support and the groups Families First North East offers he has grown in to a fabulous young man. Before he attended he was very vulnerable and withdrawn.*

We always recommend families first, it's a fantastic service we would be lost without. We have accessed it not just through my son but also my daughter (non SEN) with playgroup etc over the years.

*Fantastic, friendly, professional and they care about my son.*

When asked where he's been my son says "club" and when asked if he enjoyed it he always says yes, every time, before double checking if he's there again tomorrow!

*He said football is the best, and he has a lot of good friends.*



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**FAMILIES FIRST (NORTH EAST)**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**ACHIEVEMENTS AND PERFORMANCE**

● **Fundraising activities and income generation**

The Charity raises funds through the Bistro and the events and membership services it provides. Other fundraising is minimal and no external participator is used. There have been no complaints about the fundraising practices in the year. The Charity is registered with the fundraising regulator.

**Financial review**

● **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

● **Reserves policy**

The management committee has examined the requirements of the Charity for reserves having taken into account the main risks. The committee has established a policy which deals with unrestricted funds not committed or invested in tangible fixed assets held by the Charity. The reserves are needed to meet working capital requirements and the committee is satisfied that a target of between 3 and 6 months unrestricted budgeted expenditure can be held so that current activities would be continued in the event of a significant drop in that particular funding. At the current levels of expenditure this would be between £86k and £161k and so this is met by current free reserves.

● **Principal risks and uncertainties**

Trustees carry out assessments of risks facing the Charity. External risks from funding are mitigated by seeking diversification, where necessary and appropriate, to secure activities. Internal risks are minimised by maintaining sufficient procedures to appropriately authorise projects and underlying transactions to maintain the quality of delivery from all charitable operations.

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**FAMILIES FIRST (NORTH EAST)**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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• **Principal funding**

The Statement of Financial Activities for the year is set out on page 15. More detailed information on the particular services we provide are given in our Charity's Annual Return which is supplied to all our supporters and is freely available to any organisation or individual wishing to add their support. Further copies are available from the Charity's principal office which is listed on page 1.

Income from charitable activities was £1,239k and this includes income from sessions and activities as well as income from the new residential property.

At the year end the Charity had total reserves of £769k, of this £474k was restricted. Unrestricted free reserves were £199k.

We thank all of our dedicated volunteers and staff who have continued to offer their services. It has been a very busy year and our highly skilled workforce has been an integral part of that success.

Fixed asset expenditure during the year is set out in note 12 of these financial statements.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 Companies Act 2006. 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.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

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**FAMILIES FIRST (NORTH EAST)**  
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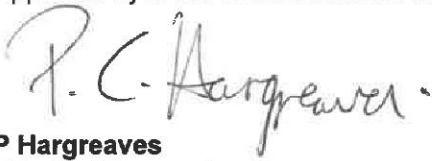
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**AUDITORS**

The auditors, Waltons Clark Whitehill Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**P Hargreaves**  
(Chair of Trustees)

Date: 14 September 2021

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FAMILIES FIRST (NORTH EAST)**

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**UNQUALIFIED OPINION**

We have audited the financial statements of Families First (North East) (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**OTHER INFORMATION**

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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**FAMILIES FIRST (NORTH EAST)**  
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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the area in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We identified that the greatest potential for fraud in the following areas: recognition and completeness of income and posting of unusual journals. We discussed these risks with management and designed audit procedures to test the recognition and completeness of revenue. We reviewed journals posted around the year end to look for potential "window dressing".

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

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**FAMILIES FIRST (NORTH EAST)**  
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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF FAMILIES FIRST (NORTH EAST)**  
**(CONTINUED)**

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**USE OF OUR REPORT**

This report is made solely to the Charity's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



**Heather O'Driscoll FCA (senior statutory auditor)**

for and on behalf of

**Waltons Clark Whitehill Limited**

Chartered Accountants

Statutory Auditor

Maritime House

Harbour Walk

The Marina

Hartlepool

TS24 0UX

Date:

17 September 2021

**FAMILIES FIRST (NORTH EAST)**  
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>INCOME FROM:</b>					
Donations and grants	3	-	75,194	75,194	856,320
Charitable activities	4	425,923	812,600	1,238,523	431,557
Other trading activities	5	99	13,314	13,413	18,778
Investments	6	-	105	105	220
		<u>426,022</u>	<u>901,213</u>	<u>1,327,235</u>	<u>1,306,875</u>
<b>TOTAL INCOME</b>					
<b>EXPENDITURE ON:</b>					
Raising funds	7	-	14,857	14,857	4,777
Charitable activities	8	241,300	978,258	1,219,558	625,949
		<u>241,300</u>	<u>993,115</u>	<u>1,234,415</u>	<u>630,726</u>
<b>TOTAL EXPENDITURE</b>					
<b>NET INCOME/ (EXPENDITURE)</b>					
Transfers between funds	17	184,722 (124,593)	(91,902) 124,593	92,820 -	676,149 -
		<u>60,129</u>	<u>32,691</u>	<u>92,820</u>	<u>676,149</u>
<b>NET MOVEMENT IN FUNDS</b>					
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		413,874	262,275	676,149	-
Net movement in funds		60,129	32,691	92,820	676,149
		<u>474,003</u>	<u>294,966</u>	<u>768,969</u>	<u>676,149</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>					

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 40 form part of these financial statements.

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 12051397**

**BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	13	683,675	482,476
		683,675	482,476
<b>CURRENT ASSETS</b>			
Debtors	14	98,817	63,597
Cash at bank and in hand		303,544	205,554
		402,361	269,151
Creditors: amounts falling due within one year	15	(100,741)	(75,478)
<b>NET CURRENT ASSETS</b>		<b>301,620</b>	<b>193,673</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>985,295</b>	<b>676,149</b>
Creditors: amounts falling due after more than one year	16	(216,326)	-
<b>TOTAL NET ASSETS</b>		<b>768,969</b>	<b>676,149</b>
<b>CHARITY FUNDS</b>			
Restricted funds	17	474,003	413,874
Unrestricted funds	17	294,966	262,275
<b>TOTAL FUNDS</b>		<b>768,969</b>	<b>676,149</b>

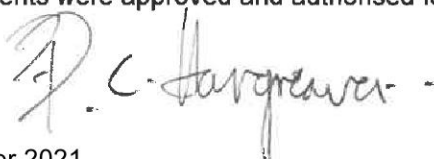
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

**P Hargreaves**  
 (Chair of Trustees)

Date: 14 September 2021



The notes on pages 23 to 40 form part of these financial statements.

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

		2021 £	2020 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash used in operating activities	18	<b>81,068</b>	239,817
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of tangible fixed assets		<b>(233,683)</b>	(34,263)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>			
		<b>(233,683)</b>	(34,263)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New secured loans		<b>275,000</b>	-
Repayments of borrowing		<b>(24,395)</b>	-
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>			
		<b>250,605</b>	-
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR/PERIOD</b>			
		<b>97,990</b>	205,554
Cash and cash equivalents at the beginning of the year		<b>205,554</b>	-
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD</b>			
		<b>303,544</b>	205,554

The notes on pages 23 to 40 form part of these financial statements

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1. GENERAL INFORMATION**

The Charity is a company incorporated in England and Wales and limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered address is:

175 York Road  
Hartlepool  
TS26 9EQ

**2. ACCOUNTING POLICIES**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Families First (North East) 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.

**2.2 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**2.3 Going concern**

The Trustees, having made due and careful enquiry and preparing forecasts, are of the opinion that the Charity has adequate working capital to execute its operations over the next 12 months. The Trustees, therefore, have made an informed judgement at the time of approving the financial statements, that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. As a result the Trustees have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.4 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities. This also includes income from provision of charitable services and activities.

**2.5 Expenditure**

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

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

**2.6 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are depreciated.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**2. ACCOUNTING POLICIES (CONTINUED)**

**2.6 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years straight line
Property improvements	- 10 years straight line
Motor vehicles	- 4 years straight line
Fixtures and fittings	- 4 years straight line

**2.7 Pensions**

The Charity contributes to a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**3. INCOME FROM DONATIONS AND GRANTS**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Donations</b>				
Transfer from Lorne House	-	-	-	482,123
Transfer from predecessor charity	-	-	-	325,335
Other donations	-	4,423	4,423	1,934
<b>Grants</b>				
Other grants	-	-	-	17,500
<b>Government grants</b>				
Coronavirus job retention scheme	-	45,871	45,871	4,428
Covid-19 grants	-	24,900	24,900	25,000
	-	75,194	75,194	856,320
<b>Total 2020</b>	501,918	354,402	856,320	

On the 31 July 2019 all trade and assets from Families First (North East) an unincorporated charity (charity number 1002009) were transferred into Families First (North East).

On the 1 January 2020 all trade and assets from Lorne House Residential Home Trust Limited (company number 03031628) were transferred into Families First (North East).

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**4. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Working with Children	233,017	36,817	269,834	125,327
Preservation and Protection of Health	180,836	-	180,836	132,072
Vocational Education	-	2,757	2,757	36,020
Residential Property	12,070	773,026	785,096	138,138
	<b>425,923</b>	<b>812,600</b>	<b>1,238,523</b>	<b>431,557</b>
<i>Total 2020</i>	<i>198,592</i>	<i>232,965</i>	<i>431,557</i>	

**5. FUNDRAISING INCOME**

	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Meeting room hire	-	9,600	9,600	8,619
Events	-	340	340	8,126
Other fundraising	99	3,374	3,473	2,033
	<b>99</b>	<b>13,314</b>	<b>13,413</b>	<b>18,778</b>
<i>Total 2020</i>	<i>119</i>	<i>18,659</i>	<i>18,778</i>	

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**6. INVESTMENT INCOME**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Bank interest	<b>105</b>	<b>105</b>	220
<i>Total 2020</i>	<u>220</u>	<u>220</u>	

**7. EXPENDITURE ON RAISING FUNDS**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Costs of raising voluntary income	<b>216</b>	<b>216</b>	4,777
Bank loan interest	<b>14,641</b>	<b>14,641</b>	-
	<u>14,857</u>	<u>14,857</u>	<u>4,777</u>
<i>Total 2020</i>	<u>4,777</u>	<u>4,777</u>	

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

**Summary by fund type**

	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Working with Children	129,740	15,650	145,390	175,116
Preservation and Protection of Health	99,545	27,184	126,729	166,819
Vocational Education	-	3,782	3,782	54,079
Residential property	12,015	931,642	943,657	229,935
	<b>241,300</b>	<b>978,258</b>	<b>1,219,558</b>	<b>625,949</b>
<i>Total 2020</i>	<i>239,903</i>	<i>386,046</i>	<i>625,949</i>	

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Working with Children	127,330	18,060	145,390	175,116
Preservation and Protection of Health	99,545	27,184	126,729	166,819
Vocational Education	3,782	-	3,782	54,079
Residential property	746,203	197,454	943,657	229,935
	<b>976,860</b>	<b>242,698</b>	<b>1,219,558</b>	<b>625,949</b>
<i>Total 2020</i>	<i>451,169</i>	<i>174,780</i>	<i>625,949</i>	

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)**

Analysis of direct costs

	<b>Working with Children 2021 £</b>	<b>Preservatio n and Protection of Health 2021 £</b>	<b>Vocational Education 2021 £</b>	<b>Residential property 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Staff costs	111,509	92,340	-	629,724	833,573	344,284
Bistro costs	-	-	1,173	-	1,173	20,165
Activity costs	5,202	4,627	-	19,828	29,657	34,623
Freelance & sessional workers	5,950	-	-	-	5,950	9,700
Travel costs	2,428	160	-	4,374	6,962	8,463
Repairs & maintenance	484	13	915	33,449	34,861	16,207
Telephone & internet	114	149	-	811	1,074	506
Cleaning	-	-	54	10,123	10,177	1,904
Printing postage & stationery	-	-	-	1,253	1,253	112
Advertising & promotion	-	-	118	15	133	126
Volunteer costs	-	-	-	16	16	192
Premises costs	-	-	-	21,134	21,134	7,425
Sundries	1,271	2,256	1,404	4,610	9,541	4,352
Subscriptions	372	-	118	17,358	17,848	3,002
Rates & refuse	-	-	-	3,508	3,508	108
	<b>127,330</b>	<b>99,545</b>	<b>3,782</b>	<b>746,203</b>	<b>976,860</b>	<b>451,169</b>
<i>Total 2020</i>	<i>129,863</i>	<i>113,764</i>	<i>43,630</i>	<i>163,912</i>	<i>451,169</i>	

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)**

Analysis of support costs

	Working with Children 2021 £	Preservatio n and Protection of Health 2021 £	Vocational Education 2021 £	Residential property 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	11,250	16,934	-	120,768	148,952	98,443
Depreciation	2,453	3,693	-	26,338	32,484	8,486
Activity costs	15	25	-	172	212	125
Travel costs	160	237	-	1,696	2,093	2,560
Repairs & maintenance	468	704	-	5,023	6,195	6,172
Telephone & internet	253	380	-	2,712	3,345	1,829
Cleaning	370	557	-	3,974	4,901	1,274
Printing postage & stationery	127	192	-	1,369	1,688	3,124
Advertising & promotion	75	113	-	807	995	20
Premises costs	668	1,004	-	7,162	8,834	22,043
Sundries	271	409	-	2,917	3,597	927
Subscriptions	570	859	-	6,123	7,552	4,721
Staff insurance & CRB checks	199	301	-	2,142	2,642	1,944
Rates & refuse	170	256	-	1,827	2,253	2,703
Legal & professional fees	-	-	-	-	-	2,589
Governance costs	773	1,163	-	11,875	13,811	17,820
Bad debts	238	357	-	2,549	3,144	-
	<b>18,060</b>	<b>27,184</b>	<b>-</b>	<b>197,454</b>	<b>242,698</b>	<b>174,780</b>
<i>Total 2020</i>	<b>45,253</b>	<b>53,055</b>	<b>10,449</b>	<b>66,023</b>	<b>174,780</b>	

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**10. GOVERNANCE COSTS**

	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Business Development costs	<b>3,579</b>	10,120
Consultancy	-	1,200
Accountancy fees	<b>300</b>	-
Auditors' remuneration	<b>9,400</b>	6,500
<b>Total 2021</b>	<b>13,279</b>	<b>17,820</b>

**11. STAFF COSTS**

	<b>2021 £</b>	<i>2020 £</i>
Wages and salaries	<b>907,725</b>	414,615
Social security costs	<b>58,538</b>	21,174
Contribution to defined contribution pension schemes	<b>16,262</b>	6,938
	<b>982,525</b>	<b>442,727</b>

The average number of persons employed by the Charity during the year was as follows:

	<b>2021 No.</b>	<i>2020 No.</i>
Working with Children	<b>9</b>	12
Preservation and protection of health	<b>22</b>	22
Vocational Education	-	2
Residential property	<b>35</b>	27
Core	<b>11</b>	12
	<b>77</b>	<b>75</b>

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**11. STAFF COSTS (continued)**

The average headcount expressed as full-time equivalents was:

	<b>2021</b>	<i>2020</i>
	<b>No.</b>	<i>No.</i>
Working with Children	<b>4</b>	<i>5</i>
Preservation and protection of health	<b>6</b>	<i>6</i>
Vocational Education	<b>-</b>	<i>2</i>
Residential property	<b>30</b>	<i>11</i>
Core	<b>6</b>	<i>7</i>
	<hr/> <b>46</b> <hr/>	<hr/> <i>31</i> <hr/>

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration paid to key management personnel (including national insurance and pension contributions) was £243,837 (2020: £132,941).

**12. TRUSTEES' REMUNERATION AND EXPENSES**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

**FAMILIES FIRST (NORTH EAST)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**13. TANGIBLE FIXED ASSETS**

	Freehold property £	Property improvements £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost</b>					
At 1 April 2020	412,464	43,940	22,406	12,152	490,962
Additions	189,771	9,520	-	34,392	233,683
At 31 March 2021	<u>602,235</u>	<u>53,460</u>	<u>22,406</u>	<u>46,544</u>	<u>724,645</u>
<b>Depreciation</b>					
At 1 April 2020	3,312	1,798	1,729	1,647	8,486
Charge for the year	11,412	5,267	5,602	10,203	32,484
At 31 March 2021	<u>14,724</u>	<u>7,065</u>	<u>7,331</u>	<u>11,850</u>	<u>40,970</u>
<b>Net book value</b>					
At 31 March 2021	<u>587,511</u>	<u>46,395</u>	<u>15,075</u>	<u>34,694</u>	<u>683,675</u>
At 31 March 2020	<u>409,152</u>	<u>42,142</u>	<u>20,677</u>	<u>10,505</u>	<u>482,476</u>

**14. DEBTORS**

	2021 £	2020 £
Trade debtors	57,667	34,097
Other debtors	41,150	29,500
	<u>98,817</u>	<u>63,597</u>

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Bank loans	34,279	-
Trade creditors	9,122	22,730
Other taxation and social security	16,290	12,633
Other creditors	14,973	6,813
Deferred income	14,761	17,753
Accruals	11,316	15,549
	<b>100,741</b>	<b>75,478</b>
	2021 £	2020 £
Deferred income at 31 March 2020	17,753	-
Resources deferred during the year	14,761	17,753
Amounts released from previous periods	(17,753)	-
Deferred income at 31 March 2021	<b>14,761</b>	<b>17,753</b>

Deferred income relates to Lorne House residents fees received in advance.

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021 £	2020 £
Bank loans	216,326	-
	<b>216,326</b>	<b>-</b>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021 £	2020 £
Payable or repayable by instalments	56,728	-
	<b>56,728</b>	<b>-</b>

The above loan is repayable in monthly instalments ending June 2027. Interest is charged at 6% per annum.

The bank loan is secured by a fixed charge over the freehold property known as Melbourne Hotel.

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**17. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
General funds	68,058	121,003	(236,925)	136,411	88,547
One77	-	2,757	(3,782)	1,025	-
Lorne House	194,217	627,250	(591,048)	(24,000)	206,419
Melbourne House	-	150,203	(161,360)	11,157	-
	<u>262,275</u>	<u>901,213</u>	<u>(993,115)</u>	<u>124,593</u>	<u>294,966</u>
<b>Restricted funds</b>					
Land & Buildings	409,152	-	(11,412)	16,834	414,574
SNIPS	-	110,781	(42,350)	(26,400)	42,031
STREET	2,223	21,261	(4,271)	(16,602)	2,611
Toy Library	1,432	20,505	(10,466)	(10,000)	1,471
ActiveKidz	9	27,154	(1,191)	(14,480)	11,492
Hand in Hand	-	153,781	(98,354)	(55,427)	-
Evolve	1,058	28,575	(10,567)	(17,450)	1,616
Social Eyes	-	847	-	(768)	79
Autism Awareness	-	2,548	(2,174)	(300)	74
Clients personal allowance	-	70	(15)	-	55
National Lottery Community Fund	-	60,500	(60,500)	-	-
	<u>413,874</u>	<u>426,022</u>	<u>(241,300)</u>	<u>(124,593)</u>	<u>474,003</u>
<b>Total of funds</b>	<u><u>676,149</u></u>	<u><u>1,327,235</u></u>	<u><u>(1,234,415)</u></u>	<u><u>-</u></u>	<u><u>768,969</u></u>

**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**17. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Balance at</i>
	£	£	<i>in/out</i>	<i>31 March</i>
			£	2020
				£
<b>Unrestricted funds</b>				
General funds	191,677	(188,932)	65,313	68,058
One77	37,823	(43,930)	6,107	-
Lorne House	376,746	(152,749)	(29,780)	194,217
Melbourne House	-	(5,212)	5,212	-
	<u>606,246</u>	<u>(390,823)</u>	<u>46,852</u>	<u>262,275</u>
<b>Restricted funds</b>				
Land & Buildings	396,184	(3,312)	16,280	409,152
SNIPS	56,586	(42,719)	(13,867)	-
STREET	1,881	(13,658)	14,000	2,223
Toy Library	13,238	(7,206)	(4,600)	1,432
ActiveKidz	6,559	(1,444)	(5,106)	9
Hand in Hand	126,842	(112,320)	(14,522)	-
Core grants	17,500	-	(17,500)	-
Evolve	15,860	(9,722)	(5,080)	1,058
Big Lottery	34,749	(30,442)	(4,307)	-
Social Eyes	113	(777)	664	-
Autism Awareness	312	(5,565)	5,253	-
Diffability	19,841	(1,774)	(18,067)	-
Business Development	10,964	(10,964)	-	-
	<u>700,629</u>	<u>(239,903)</u>	<u>(46,852)</u>	<u>413,874</u>
<b>Total of funds</b>	<u><u>1,306,875</u></u>	<u><u>(630,726)</u></u>	<u><u>-</u></u>	<u><u>676,149</u></u>

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**FAMILIES FIRST (NORTH EAST)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Unrestricted Funds**

- General funds– The main management and administration function of the services, including Section Heads. This is partly funded from transfers from restricted funds and the residential properties to represent the core time spent on those projects.
- Melbourne House was purchased during the year. The property value & associated loan is held in restricted funds with other land and buildings. The element of the loan which was not directly required for the purchase is held here in unrestricted. Other income and expenditure on this fund represents the running of Melbourne House residential home. In the current year core funds have been used to subsidise this service.
- Lorne House – Income and expenditure on this fund represents the running of Lorne House residential home and there is a balance carried forward on this. A management charge transfer was made to reflect the costs of running this service included within core.

**Vocational Education**

- One77 – A training bistro operated by young people, The bistro's profits may be spent freely on the activities of the charity. Due to Covid-19 and lockdown restrictions, the bistro was closed for a substantial part of the year.

**Restricted Funds**

**Working with Children**

- SNIPS – An after-school and holiday playscheme specifically for children with profound learning disabilities and challenging needs. Funding from Children in Need was received and accrued and there is a balance carried forward on this.
- STREET – The service is principally supported youth provision for young people with additional needs across Hartlepool. This fund is part Street Juniors and part Street Seniors.
- Toy Library – A facility for parents that have, or organisations that work with, a child with a disability or additional support needs and who require specialist play and educational equipment. Includes our home support work.
- Social Eyes – Social Eyes is a innovative approach to facilitating social skills and social understanding with people on the autism spectrum.
- Evolve – 'An alternative to education' for those with additional needs aged 16 -25 years.
- Autism Awareness – Fund to appoint an Autism specialist to support, advise and train both staff and parents.
- Diffability – Funding from Virgin Money UK was received to develop a kitemark for businesses who take meaningful steps to improve services for all members of the community.

**Preservation & Protection of health**

- Active Kidz – Physical activities for children with additional needs.
- Hand In Hand – The service provides individual support to children and young people with additional needs so that they may fulfil their social care ambitions and participate in physical activities. Additional funding was received in the year towards Covid costs from County Durham Community Foundation.

**Core**

- The National Lottery Community Fund was received to support people through the Covid-19 pandemic. Some of this was allocated to Melbourne House.
- Land and Buildings - The land and buildings are held within this fund and depreciation is charged to the fund annually.

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**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	587,511	96,164	683,675
Current assets	105,741	296,620	402,361
Creditors due within one year	(69,983)	(30,758)	(100,741)
Creditors due in more than one year	(149,266)	(67,060)	(216,326)
<b>Total</b>	<b>474,003</b>	<b>294,966</b>	<b>768,969</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	409,152	73,324	482,476
Current assets	46,995	222,156	269,151
Creditors due within one year	(42,273)	(33,205)	(75,478)
<b>Total</b>	<b>413,874</b>	<b>262,275</b>	<b>676,149</b>

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**19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net income for the year (as per Statement of Financial Activities)	<b>92,820</b>	676,149
<b>Adjustments for:</b>		
Depreciation charges	<b>32,484</b>	8,486
Increase in debtors	<b>(35,220)</b>	(63,597)
Increase/(decrease) in creditors	<b>(9,016)</b>	75,478
Donated fixed assets	<b>-</b>	(456,699)
<b>Net cash provided by operating activities</b>	<b>81,068</b>	<b>239,817</b>

**20. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash in hand	<b>303,544</b>	205,554
<b>Total cash and cash equivalents</b>	<b>303,544</b>	<b>205,554</b>

**21. ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1 April 2020</b>	<b>Cash flows</b>	<b>At 31 March 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>205,554</b>	<b>97,990</b>	<b>303,544</b>
Debt due within 1 year	<b>-</b>	<b>(34,279)</b>	<b>(34,279)</b>
Debt due after 1 year	<b>-</b>	<b>(216,326)</b>	<b>(216,326)</b>
	<b>205,554</b>	<b>(152,615)</b>	<b>52,939</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**22. OPERATING LEASE COMMITMENTS**

At 31 March 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	4,690	3,164
Later than 1 year and not later than 5 years	5,282	7,216
	<u>9,972</u>	<u>10,380</u>

**23. RELATED PARTY TRANSACTIONS**

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2021.

**24. ACCOUNTING PERIOD**

The prior accounting period ran for 9 months from the date of incorporation, 14 June 2019, to 31 March 2020.