

Charity registration number 1185667

**NUMBER SEVEN**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

## **NUMBER SEVEN**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

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**Trustees**

David Williams  
Frank Field  
Andrew Forsey  
Moira McLaughlin

**Charity number**

1185667

**Principal address**

7 Princes Pavement  
Grange Precinct  
Birkenhead  
Wirral  
CH41 2XY

**Independent examiner**

McEwan Wallace Ltd  
6 Abbots Quay  
Monks Ferry  
Birkenhead  
Wirral  
CH41 5LH

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## **NUMBER SEVEN**

### **TRUSTEES' REPORT**

#### ***FOR THE YEAR ENDED 31 MARCH 2022***

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The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

Number Seven served a membership of 1,100 households on low incomes, of whom several hundred visited at least once a week. Members saved a collective total of £500,000 on food and other essentials (including nutritious meals which are cooked in the on-site community cafe and can then be heated up at home), and the project utilised 30,000kg of food which would otherwise have gone to waste. The project, along with the broader network of social supermarkets operating within the Feeding Birkenhead Supporting Wirral programme, has helped to prevent at least some of the need for food banks and other forms of crisis provision.

Number Seven has created long-term employment for five members of staff, who are supported by our excellent volunteering programme. Since opening, Number Seven has engaged many volunteers and a significant number have progressed to paid employment, further education, or higher education. Moreover, every morning, Number Seven opened early to support the local homeless and vulnerably housed community, offering them a free packed lunch, hot meal and a hot or cold drink, as a takeaway service. On average, this service was provided to 55 people per day, six days a week. In addition, local advice agencies regularly came to Number Seven and engaged with people to understand how they may be able to help with their current position, with some initial success in resolving difficulties.

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## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### Financial review

April 2021 to March 2022 is the first full reporting period for Number Seven as Charitable Incorporated Organisation, registered with the Charity Commission for England and Wales. In the period, Number Seven received £127,011 in income (£82,880 from two separate performance related grants, £42,713 in café and market sales and £1,418 from public donations). Total charitable expenditures for the period were £158,662 resulting in a net deficit for the period of £31,651.

Prior to registering as a separate charity in October 2019, Number Seven had operated under the Feeding Britain network from 2018. From 2018 to the end of this reporting period Feeding Britain raised funds to support the ongoing and future operations of Number Seven. As of the 31<sup>st</sup> of March 2022, Feeding Britain held £187,948 in funds, restricted for Number Seven's continuing operations.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year once the restricted fund of £187,948 held in Feeding Britain is taken into consideration.

#### Plans for future periods

Subsequent to the 31<sup>st</sup> of March 2022, Number Seven has undergone a significant expansion, virtually doubling the size of the market and café as well as the number of members that can be supported. The expansion was completed in November 2022 at a cost of approximately £85,700, funded through the reserve funds held by Feeding Britain.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr David Williams

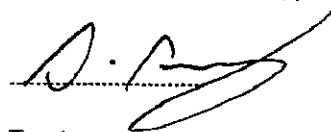
Frank Field

Mr Andrew Forsey

Moirá McLaughlin

Number Seven is a Charitable Incorporated Organisation (CIO), and governed by Constitution. As per the constitution, the original charity trustees have been appointed for a period of 5 years. Additional trustees must be appointed by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

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



Trustee

Date: 25.1.2023

# NUMBER SEVEN

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF NUMBER SEVEN

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I report to the trustees on my examination of the financial statements of Number Seven (the charity) for the year ended 31 March 2022.

### Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

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

### Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Dated: 30.1.22

Alastair Gould FCA  
McEwan Wallace Ltd  
6 Abbots Quay  
Monks Ferry  
Birkenhead  
Wirral  
CH41 5LH

## NUMBER SEVEN

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<b><u>Income from:</u></b>				
Donations and legacies	3	1,418	-	1,418
Charitable activities	4	2,660	82,880	85,540
Other trading activities	5	40,053	-	40,053
<b>Total income</b>		<u>44,131</u>	<u>82,880</u>	<u>127,011</u>
<b><u>Expenditure on:</u></b>				
Charitable activities	6	<u>75,782</u>	<u>82,880</u>	<u>158,662</u>
<b>Net expenditure for the year/ Net movement in funds</b>		(31,651)	-	(31,651)
Fund balances at 1 April 2021		-	-	-
<b>Fund balances at 31 March 2022</b>		<u>(31,651)</u>	<u>-</u>	<u>(31,651)</u>

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

All income and expenditure derive from continuing activities.

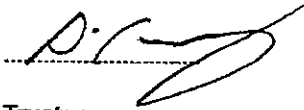
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### BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£
Current assets		-	
Creditors: amounts falling due within one year	10	(31,651)	
Net current liabilities			(31,651)
Income funds			
Unrestricted funds			(31,651)
			(31,651)

The financial statements were approved by the Trustees on 25.1.2023



Trustee



## NUMBER SEVEN

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

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#### 1 Accounting policies

##### Charity information

Number Seven is a Charitable Incorporated Organisation, registered with the Charities Commission

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

Prior to registering as a separate charity in October 2019, Number Seven had operated under the Feeding Britain network from 2018. From 2018 to the end of this reporting period Feeding Britain raised funds to support the ongoing and future operations of Number Seven. As of the 31<sup>st</sup> of March 2022, Feeding Britain held £187,948 in funds, restricted for Number Seven's continuing operations.

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

#### 1.3 Charitable funds

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

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

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

## NUMBER SEVEN

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

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#### 1 Accounting policies

(Continued)

##### 1.4 Income

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

Trading income from Café sales are recognised immediately

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

##### 1.5 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. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

##### 1.6 Cash and cash equivalents

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

##### *Basic financial assets*

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

##### *Basic financial liabilities*

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

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

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

##### *Derecognition of financial liabilities*

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

## NUMBER SEVEN

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

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#### 1 Accounting policies

(Continued)

##### 1.7 Employee benefits

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

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

##### 1.8 Retirement benefits

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

#### 2 Critical accounting estimates and judgements

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

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

#### 3 Donations and legacies

	Unrestricted funds
	2022
	£
Donations and gifts	1,418

## NUMBER SEVEN

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

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#### 4 Charitable activities

	2022 £
Sales within charitable activities	2,660
Performance related grants	82,880
	<u>85,540</u>
Analysis by fund	
Unrestricted funds	2,660
Restricted funds	82,880
	<u>85,540</u>
Performance related grants	
Wirral Borough Council	73,296
Steve Morgan Foundation	9,584
	<u>82,880</u>

Steve Morgan Foundation - Contribution towards the salaries for 3 core project staff (A General Manager, Cafe Manager and Assistant Manager)  
Wirral Council - Covid Local support fund to help vulnerable households

#### 5 Other trading activities

	Unrestricted funds
	2022 £
Cafe Income	40,053
	<u>40,053</u>

## NUMBER SEVEN

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

#### 6 Charitable activities

	2022 £
Staff costs	82,880
Cafe equipment	11,173
Travel	9,245
Food supplies	20,701
Light & heat	26,281
Telephone costs	357
Insurance	1,129
Professional fees	2,535
Accountancy fees	2,400
Sundry	1,730
Advertising	231
	<hr/> 158,662
	<hr/> <hr/> 158,662
<b>Analysis by fund</b>	
Unrestricted funds	75,782
Restricted funds	82,880
	<hr/> 158,662

#### 7 Independent Examiner remuneration

	2022 £
Independent examination of the charity's annual accounts	<hr/> 2,400

Accountancy fees are included in charitable activities costs but they also meet the definition of governance costs and should be considered as such

#### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

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

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#### 9 Employees

The average monthly number of employees during the year was:

	2022 Number
Cafe	3
Admin	2
Total	<u>5</u>

#### Employment costs

	2022 £
Wages and salaries	78,149
Social security costs	2,230
Other pension costs	2,501
	<u>82,880</u>

#### Support costs

	2022 £
Charitable Activities - Staff Costs	83,026
Charitable Activities - Other Costs	75,636
	<u>158,662</u>

There were no employees whose annual remuneration was more than £60,000.

#### 10 Creditors: amounts falling due within one year

	2022 £
Other creditors	29,551
Accruals and deferred income	2,100
	<u>31,651</u>

## NUMBER SEVEN

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

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#### 11 Related party transactions

Included in creditors is an amount of £29,551 due to Feeding Britain which is a related party within which Number Seven operates as a café.

12 Cash generated from operations	2022 £
Deficit for the year	(31,651)
Movements in working capital: Increase in creditors	31,651
Cash absorbed by operations	-