

Charity registration number: 1192263

# Project 67

(A charitable incorporated organisation)

Annual Report and Financial Statements

for the Year Ended 30 April 2023

McKellens Limited  
11 Riverview  
The Embankment Business Park  
Vale Road  
Heaton Mersey  
Stockport  
SK4 3GN

## **Project 67**

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## **Project 67**

### **Reference and Administrative Details**

<b>Trustees</b>	D Campsall
	E P Curtis
	J Hunter
	F Myles (resigned Feb 23)
<b>Charity Registration Number</b>	1192263
<b>Registered Office</b>	19 Liverpool Street
	Salford
	M5 4LY
<b>Independent Examiner</b>	McKellens Limited
	11 Riverview
	The Embankment Business Park
	Vale Road
	Heaton Mersey
	Stockport
<b>Bankers</b>	SK4 3GN
	NatWest Bank Plc
	182 Deansgate
	Manchester
	M3 3LY

## **Project 67**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 April 2023.

#### **Objectives and activities**

##### ***Objects and aims***

The promotion and protection of good health and the relief and rehabilitation of men and women whose lives have been affected by drug and alcohol addiction by providing:

- a sober living environment that is safe and structured
- the opportunity to participate in a 12 month programme enabling individuals to build independence, maintain an addiction free lifestyle and take back control of their lives
- a range of activities, personal development workshops and training sessions, contributing to improving their emotional, physical, psychological and spiritual wellbeing
- continuous support through appropriate and safe therapeutic interventions enabling individuals to reconnect and restore relationships with their families
- training, workshops and volunteering opportunities to encourage and support individuals back into education or employment and successful reintegration back into society
- support for individuals to secure permanent housing.

## **Project 67**

### **Trustees' Report**

#### ***Objectives, strategies and activities***

The men and women of our Sober Living facility experience a daily routine including regular teachings, learning programs, training days and fitness activities. Residents of both the men and women's homes also attend the Fixed conference in Bolton where they participate in seminars to help with their addiction recovery.

We have weekly sessions with a speciality learning life skill.

We have weekly sessions of teachings where the residents are encouraged to study the Bible and give testimonies of their progress in the program. This is where they develop public speaking and confidence.

The women residents participate in the Code Red Project, where we visit those in hostels suffering from domestic violence giving encouragement and gifts. This was an opportunity to learn about helping others, and we were still able to achieve this within Government restrictions.

Residents participated in our online VETI training helping them to earn recognised credits towards entry to Bible college.

During Covid it was difficult to help residents to participate in external events, but as restrictions eased, residents got involved in other church events in person and on zoom helping them to develop a support network and meet new people in a safe environment.

#### **Key achievements in 2022-23**

We have seen 15 men and women successfully drug free for at least 6 months.

We have seen a number of men completing the programme and going on to enlist on college courses or gain employment.

We are now fully up and running with the women's home and are taking females on the programme.

We have been successful in multiple funding applications including a match funding application for the improvement of the men's home.

#### ***Public benefit***

The Charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided in the Trustees' report.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Financial review**

During the year, income of £74,348 (2022: £103,132) was received. Expenditure during the year was £74,446 (£2022: £102,029).

#### ***Principal funding sources***

The charity relies on rental income from residents as its principal source of funding. Income from charitable activities amounted to £61,430 (£2022: £64,290).

## **Project 67**

### **Trustees' Report**

#### ***Policy on reserves***

The Trustees have considered the level of reserves they wish to retain appropriate to the charity's needs. This is based on the Charity's size and the level of financial commitments held. The Trustees aim to ensure the Charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Trustees will endeavour not to set aside funds unnecessarily.

#### **Structure, governance and management**

##### ***Organisational structure***

There is a Board of Trustees who meet regularly to make strategic decisions. The Trustees have delegated the responsibility of overseeing the day-to-day operations of the charity to the charity's management team. As the charity grows, capacity is being enlarged with experts in finance and administration.

#### **Statement of trustees' responsibilities**

The trustees (who are also the directors of Project 67 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

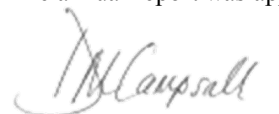
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The annual report was approved by the trustees of the charity on 4 March 2024 and signed on its behalf by:



D Campsall  
Trustee

## **Project 67**

### **Independent Examiner's Report to the trustees of Project 67 ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 April 2023.

#### **Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

#### **Independent examiner's statement**

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:

1. accounting records were not kept in respect of Project 67 as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

.....  
Paul Roper  
McKellens Limited

11 Riverview  
The Embankment Business Park  
Vale Road  
Heaton Mersey  
Stockport  
SK4 3GN

Date:.....

## Project 67

### Statement of Financial Activities for the Year Ended 30 April 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	6,598	6,320	12,918
Charitable activities	4	61,430	-	61,430
Total income		68,028	6,320	74,348
<b>Expenditure on:</b>				
Raising funds	5	(4,652)	-	(4,652)
Charitable activities	6	(65,690)	(4,104)	(69,794)
Total expenditure		(70,342)	(4,104)	(74,446)
Net (expenditure)/income		(2,314)	2,216	(98)
Transfers between funds		(584)	584	-
Net movement in funds		(2,898)	2,800	(98)
<b>Reconciliation of funds</b>				
Total funds brought forward		172	-	172
Total funds carried forward	15	(2,726)	2,800	74
	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	32,940	3,000	35,940
Charitable activities	4	64,290	-	64,290
Other income		2,902	-	2,902
Total income		100,132	3,000	103,132
<b>Expenditure on:</b>				
Raising funds	5	(931)	-	(931)
Charitable activities	6	(99,029)	(3,000)	(102,029)
Total expenditure		(99,960)	(3,000)	(102,960)
Net income		172	-	172
Net movement in funds		172	-	172
<b>Reconciliation of funds</b>				
Total funds carried forward	15	172	-	172

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2022 is shown in note 15.

The notes on pages 8 to 17 form an integral part of these financial statements.



## Project 67

### (Registration number: ) Balance Sheet as at 30 April 2023

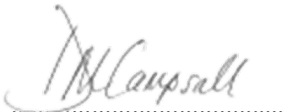
	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	11	595	3,098
<b>Current assets</b>			
Debtors	12	5,254	5,504
Cash at bank and in hand	13	3,051	711
		8,305	6,215
<b>Creditors: Amounts falling due within one year</b>	14	(8,826)	(9,141)
<b>Net current liabilities</b>		(521)	(2,926)
<b>Net assets</b>		74	172
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		2,800	-
<b>Unrestricted income funds</b>			
Unrestricted funds		(2,726)	172
<b>Total funds</b>	15	74	172

For the financial year ending 30 April 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 6 to 17 were approved by the trustees, and authorised for issue on 4 March 2024 and signed on their behalf by:



D Campsall  
Trustee

.....  
E P Curtis  
Trustee

The notes on pages 8 to 17 form an integral part of these financial statements.

## **Project 67**

### **Notes to the Financial Statements for the Year Ended 30 April 2023**

#### **1 Charity status**

The charity is a charitable incorporated organisation.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

Project 67 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 notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Exemption from preparing a cash flow statement**

The charity has adopted Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

##### **Income and endowments**

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 the income receivable can be measured reliably.

##### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity, and it is probable that these conditions will be fulfilled in the reporting period.

##### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

## Project 67

### Notes to the Financial Statements for the Year Ended 30 April 2023

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings, they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Fixtures and fittings	10% straight line
Motor vehicles	25% straight line

## **Project 67**

### **Notes to the Financial Statements for the Year Ended 30 April 2023**

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## Project 67

### Notes to the Financial Statements for the Year Ended 30 April 2023

#### 3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and legacies;				
Donations from individuals	6,598	320	6,918	24,040
Grants, including capital grants;				
Grants from other charities	-	6,000	6,000	11,900
	<u>6,598</u>	<u>6,320</u>	<u>12,918</u>	<u>35,940</u>

#### 4 Income from charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Rent Received	49,890	49,890	53,895
Communal Contributions	11,540	11,540	10,395
	<u>61,430</u>	<u>61,430</u>	<u>64,290</u>

#### 5 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Donations	<u>4,652</u>	<u>4,652</u>	<u>931</u>

## Project 67

### Notes to the Financial Statements for the Year Ended 30 April 2023

#### 6 Expenditure on charitable activities

		Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
	Note				
Direct charitable expenditure		35,678	527	36,205	54,106
Staff costs		13,795	3,000	16,795	22,160
Allocated support costs	7	14,711	577	15,288	22,643
Governance costs	7	1,506	-	1,506	3,120
		65,690	4,104	69,794	102,029

#### 7 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Independent examiner fees			
Examination of the financial statements	810	810	800
Legal fees	696	696	2,320
	1,506	1,506	3,120

#### 8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

## Project 67

### Notes to the Financial Statements for the Year Ended 30 April 2023

#### 9 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
<b>Staff costs during the year were:</b>		
Wages and salaries	16,288	21,557
Social security costs	252	378
Pension costs	168	225
Other staff costs	87	-
	<u>16,795</u>	<u>22,160</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Raising funds and charitable activities	2	2
Others - support	1	2
	<u>3</u>	<u>4</u>

1 (2022 - 2) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £168 (2022 - £225).

No employee received emoluments of more than £60,000 during the year.

## Project 67

### Notes to the Financial Statements for the Year Ended 30 April 2023

#### 10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 11 Tangible fixed assets

	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 May 2022	1,099	4,650	5,749
Disposals	-	(4,650)	(4,650)
At 30 April 2023	1,099	-	1,099
<b>Depreciation</b>			
At 1 May 2022	229	2,422	2,651
Charge for the year	275	1,066	1,341
Eliminated on disposals	-	(3,488)	(3,488)
At 30 April 2023	504	-	504
<b>Net book value</b>			
At 30 April 2023	595	-	595
At 30 April 2022	870	2,228	3,098

#### 12 Debtors

	2023 £	2022 £
Trade debtors	-	633
Prepayments	5,254	4,871
	5,254	5,504

#### 13 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	9	24
Cash at bank	3,042	687
	3,051	711



## Project 67

### Notes to the Financial Statements for the Year Ended 30 April 2023

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

	2023 £	2022 £
Trade creditors	4,920	4,231
Other creditors	6	958
Accruals	3,900	3,952
	<u>8,826</u>	<u>9,141</u>

#### 15 Funds

	Balance at 1 May 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 April 2023 £
<b>Unrestricted funds</b>					
General	<u>172</u>	<u>68,028</u>	<u>(70,342)</u>	<u>(584)</u>	<u>(2,726)</u>
<b>Restricted Funds</b>					
Mental health & addiction monitoring	-	3,000	(3,000)	-	-
Restricted Funds (Other)	-	140	(327)	187	-
Refurbishment of homes	-	3,000	(200)	-	2,800
Code Red	<u>-</u>	<u>180</u>	<u>(577)</u>	<u>397</u>	<u>-</u>
<b>Total Restricted funds</b>	<u>-</u>	<u>6,320</u>	<u>(4,104)</u>	<u>584</u>	<u>2,800</u>
<b>Total funds</b>	<u><u>172</u></u>	<u><u>74,348</u></u>	<u><u>(74,446)</u></u>	<u><u>-</u></u>	<u><u>74</u></u>
		Incoming resources £	Resources expended £	Balance at 30 April 2022 £	
<b>Unrestricted funds</b>					
General		100,132	(99,960)	172	
<b>Restricted Funds</b>					
Mental health & addiction monitoring		<u>3,000</u>	<u>(3,000)</u>	<u>-</u>	
<b>Total funds</b>		<u><u>103,132</u></u>	<u><u>(102,960)</u></u>	<u><u>172</u></u>	

## Project 67

### Notes to the Financial Statements for the Year Ended 30 April 2023

The specific purposes for which the funds are to be applied are as follows:

The charity received funds in the current and prior year with a restriction that the funds must be used for mental health and addiction mentoring.

During the current year, funds were received to be used for the refurbishment of the sober living homes.

Funds were donated to the charity for 'Code Red' to meet travel expenses.

Other restricted funds were received to pay for a Christmas Meal.

#### 16 Analysis of net assets between funds

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 30 April 2023 £</b>
Tangible fixed assets	595	-	595
Current assets	5,505	2,800	8,305
Current liabilities	<u>(8,826)</u>	<u>-</u>	<u>(8,826)</u>
Total net assets	<u><u>(2,726)</u></u>	<u><u>2,800</u></u>	<u><u>74</u></u>

	<b>Unrestricted funds General £</b>	<b>Total funds at 30 April 2022 £</b>
Tangible fixed assets	3,098	3,098
Current assets	6,215	6,215
Current liabilities	<u>(9,141)</u>	<u>(9,141)</u>
Total net assets	<u><u>172</u></u>	<u><u>172</u></u>

## **Project 67**

### **Notes to the Financial Statements for the Year Ended 30 April 2023**

#### **17 Related party transactions**

During the year the charity made the following related party transactions:

##### **Victory Outreach Manchester**

In November 2020, this Charitable Incorporated Organisation (CIO) was registered which took on the responsibilities of the homes (Sober Living Facilities) from Victory Outreach Manchester (Reg Charity No 1167670) with all assets and liabilities relating to the homes transferred to the charity. E Curtis, a trustee of this charity, is employed by Victory Outreach Manchester.

During the year, Victory Outreach Manchester gave a donation of £3,505 (2022: £14,927) towards the running costs of the charity during that period.

During the year, Project 67 paid £809 rent to Victory Outreach Manchester. Rent for the remainder of the year was waived. Victory Outreach Manchester has paid costs on behalf of Project 67, including utility and telephone bills, bookkeeping fees and wages. The charity has reimbursed Victory Outreach Manchester for some of these costs. At the balance sheet date the amount due to/from to Victory Outreach Manchester was £Nil (2022 - £923).