

REGISTERED COMPANY NUMBER: 1194641 (England and Wales)
REGISTERED CHARITY NUMBER: 1194641



**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022
FOR
AZALEA HIGH WYCOMBE**

AZALEA HIGH WYCOMBE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2022. The trustees have adopted the provisions of 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 charitable company was incorporated on 1 June 2021 and its operations commenced in September 2021 with the transfer of assets, liabilities and activities from The King's Church, High Wycombe.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Azalea High Wycombe was established by a constitution dated 31 March 2021 to take over and develop a local outreach launched during 2020 by King's Church, High Wycombe. This outreach works in partnership with Azalea, based in Luton, which has been carrying out pioneer work in the area of commercial sexual exploitation since 2007.

The objectives of Azalea High Wycombe as set out in the constitution are:

- The relief of poverty and advancement of the welfare of people who are involved in the sex trade by the provision of support services that meet physical, emotional and spiritual needs, for the public benefit.
- The protection and preservation of health and the advancement of education of people involved in the sex trade by the provision of counselling and advice from a Christian perspective.
- The advancement of Christianity, for the public benefit, particularly, but not exclusively, by promoting hospitality, prayer and service toward people involved in the sex trade, within Christian communities.

The objectives are delivered through a set of aims:

- To empower women to access support in all aspects of their lives including but not limited to: education, employment and benefit support, personal health and hygiene, finances, housing, and increasing the number of opportunities open to them.
- To equip volunteers and churches to offer holistic support and access to a wider community that is hospitable and counters the social exclusion and abuse that is endemic for women who are involved in the sex trade.
- To run a sustainable and financially sound organisation,

In setting our objectives and planning our activities our trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

STRATEGIC REPORT

Achievement and performance

Charitable activities

Azalea High Wycombe strives to provide holistic support to women in High Wycombe who experience sex trafficking. This means offering practical, emotional and spiritual support to some of the most vulnerable in society, whose lives are blighted by violence, poverty and substance abuse,

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The main ways this was delivered in 2021--2022 was by

- An Outreach Team with its regular street outreach when the trained volunteers walk around the 'working areas' and make contact with vulnerable women. This commenced as a fortnightly outreach in October 2020 and became weekly by the beginning of this financial year. The volunteers offer the women homemade cakes and practical items to bless them – for example, umbrellas, woolly hats, hairbrushes and perfume in the winter; water, deodorant and sun cream in the summer.
- A Drop-In using a hall provided by King's Church, High Wycombe which commenced in March 2021 on Tuesday evenings, at the same time as the street outreach. From Spring 2022 the Drop-In was extended to opening on Wednesday lunchtimes. This is a warm, safe and welcoming space where the women can come for a break from the streets and enjoy refreshments, clothes and shower facilities, a listening ear and prayer. Ultimately, we would envisage the Drop-In being a place where exit and recovery programmes can be run.

During its first year of operations Azalea High Wycombe employed 2 part-time staff and increased the total number of its volunteers who come from several churches in the area to 25. These includes 12 female front line volunteers, all of whom have completed a 3 day training programme and were interviewed before being accepted onto the team. There are also 3 men who serve as back up for the front-line volunteers and 10 behind the scenes volunteers who support the team in various ways, including by baking cakes for the street outreach.

Azalea High Wycombe has developed relationships directly or through its volunteers with 11 local churches and other community groups and works closely with local statutory services as well as other agencies and charities such as Women's Aid, Terrence Higgins Trust and One Recovery Bucks.

Financial review

The operations of Azalea High Wycombe commenced as an independent CIO on 1 September 2021 with the transfer of net assets of £84,278 from The King's Church, High Wycombe which continued to provide monthly financial support totalling £21,922 during 2021-2022 under an annual relationship agreement.

During the year the donor base which included individuals, churches and institutions doubled in number from 19 to 38 and total donations for the year together with their related gift aid amounted to £27,305.

Total expenditure for the year amounted to £36,333 with the largest components being employment costs of £26,394 and licence fees of £4,800 paid to Azalea in Luton under a franchise type agreement.

Excluding the transfer of net assets on 1 September 2021, a positive net income of £12,894 was recorded for the year.

Reserves policy

The reserves policy is based on contractual commitments particularly in respect of employees. As most staff are on 3-month contracts, the policy is targeted at 3 months of total employment cost. This is currently around £10,000. Any surplus in reserves will mainly be held for future capital projects or for additional staff.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The Trustees are empowered to appoint and discharge trustees by resolution at a meeting. The Trustees who served throughout the year were:

Kathryn Lodge (Chair)
Dawn Hazell
David Townsend
Michael Wilkinson

During 2021-2022 the Trustees met monthly and responsibilities for the day-to-day management of Azalea High Wycombe were delegated to Joanna McDonald, Operations Manager.

Risk management

The major risk to which the charity is exposed relates to the street outreach, for which a risk register has been established and procedures put in place to mitigate the risks the charity faces. Safeguarding and other policies have also been put in place during the first year of operations, with additional policies under development.

The trustees have ensured that sufficient insurance is in place to cover its risks including public liability.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions. The risk of fraud is addressed by the issue of monthly income and expenditure reports.

Related Parties

Azalea High Wycombe was established in April 2020, under the auspices of King's Church, High Wycombe and achieved independent Charitable Incorporated Organisation (CIO) status on 2 June 2021. On 1 September 2021 the assets, liabilities and activities were transferred to the CIO by King's Church.

Although Azalea High Wycombe has become independent it received monthly financial support during 2021-2022 from King's Church under a relationship agreement which has been extended until 31 August 2023. It has also been operating its Drop-In from the Church's West End Hall, although eventually it still anticipates moving to its own premises.

Azalea High Wycombe has a license agreement with Azalea in Luton which has carried out pioneer work since 2007 and thereby acquired substantial expertise in offering and delivering practical, emotional and spiritual support to those involved in or formerly involved in prostitution.

Under this agreement Azalea High Wycombe is granted permission to use the trade name, Azalea and to utilise the specialised model and written resources developed by Azalea in Luton. In addition, Azalea provides training for front line volunteers, guidance and personalised mentoring for the services that are being delivered in High Wycombe.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

1194641 (England and Wales)

Registered Charity number

1194641

Registered office

The King's Centre
Desborough Road
High Wycombe
Buckinghamshire
HP11 2PU

Bankers

HSBC
1 Corn Market
High Wycombe
Buckinghamshire
HP11 2AY

Independent Examiner

Anthony Bates, CIMA
2 Paice Green
Wokingham
RG40 1YN

AZALEA HIGH WYCOMBE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Azalea High Wycombe for the purposes of company law) are responsible for preparing the Report of the Trustees 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 which 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 the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.


.....
Kathryn Lodge – Chair of Trustees

Independent examiner's report to the trustees of Azalea High Wycombe ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2022.

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 confirm that I am qualified to undertake the examination as a CIMA qualified accountant.

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 the Company 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.

Signed: Anthony Bates
Name: Anthony Bates
Address: 2 Paice Green, Wokingham, RG40 1YN
Date: 29 December 2022

A handwritten signature in black ink, appearing to be 'AB', with a long horizontal stroke extending to the right.

AZALEA HIGH WYCOMBE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

| | Unrestricted Funds £ | Restricted Funds £ | 31.8.22 Total Funds £ |
|---|-------------------------------------|-----------------------------------|--|
| INCOME | | | |
| Donations | 7,464 | - | 7,464 |
| Gift aided donations | 15,825 | - | 15,825 |
| Gift aid recovered | 4,016 | - | 4,016 |
| Support from King's Church, High Wycombe | 21,922 | - | 21,922 |
| | ----- | ----- | ----- |
| | 49,227 | - | 49,227 |
| Transfer from King's Church, High Wycombe | 54,611 | 29,667 | 84,278 |
| | ----- | ----- | ----- |
| Total Income | 103,838 | 29,667 | 133,505 |
| | ----- | ----- | ----- |
| EXPENDITURE | | | |
| Employment costs | 18,087 | 8,307 | 26,394 |
| Travel | 63 | - | 63 |
| Telephone | 86 | 85 | 171 |
| Training | - | 60 | 60 |
| Stationery and printing | 54 | 53 | 107 |
| Hospitality | - | 432 | 432 |
| Gifts | - | 320 | 320 |
| IT support and equipment | 235 | 799 | 1034 |
| Equipment and furniture | - | 259 | 259 |
| Refurbishment | - | 447 | 447 |
| Insurance | 370 | - | 370 |
| Licence Fees | 4,800 | - | 4,800 |
| Legal and professional | 1,468 | 275 | 1,743 |
| Bank charges | 96 | - | 96 |
| Miscellaneous | 37 | - | 37 |
| | ----- | ----- | ----- |
| Total Expenditure | 25,296 | 11,037 | 36,333 |
| NET INCOME | 78,542 | 18,630 | 97,172 |
| Total funds brought forward | - | - | - |
| | ----- | ----- | ----- |
| TOTAL FUNDS CARRIED FORWARD | 78,542 | 18,630 | 97,172 |
| | ===== | ===== | ===== |

AZALEA HIGH WYCOMBE


**BALANCE SHEET
31 AUGUST 2022**

| | Unrestricted Funds £ | Restricted Funds £ | 31.8.22 Total Funds £ |
|-----------------------------------|----------------------------|--------------------------|--------------------------------|
| FIXED ASSETS | - | - | - |
| CURRENT ASSETS | | | |
| Debtors | 868 | - | 868 |
| Cash at bank and in hand | 77,812 | 18,630 | 96,442 |
| | <u>78,680</u> | <u>18,630</u> | <u>97,310</u> |
| CREDITORS | | | |
| Amounts falling due within 1 year | 138 | - | 138 |
| | <u>138</u> | <u>-</u> | <u>138</u> |
| NET CURRENT ASSETS | 78,542 | 18,630 | 97,172 |
| | <u>78,542</u> | <u>18,630</u> | <u>97,172</u> |
| NET ASSETS | 78,542 | 18,630 | 97,172 |
| | <u>78,542</u> | <u>18,630</u> | <u>97,172</u> |
| FUNDS | | | |
| Unrestricted Funds | | | 78,542 |
| Restricted Funds | | | 18,630 |
| TOTAL FUNDS | | | <u>97,172</u> |
| | | | <u>97,172</u> |

The financial statements were approved by the Board of Trustees and authorised for issue on 29 December 2022 and were signed on its behalf by:



Kathryn Lodge, Chair of Trustees



Michael Wilkinson, Trustee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. ACCOUNTING POLICIES

Basis of preparing the Financial Statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention.

The trustees have reviewed the fundraising possibilities and the capital resources available and consider that the charity has adequate resources in place to continue operations for the next twelve months.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fund accounting

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

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

2. RESTRICTED FUNDS

The restricted funds represent an amount received from a grant making body to fund the employment of an outreach worker and the related costs of the outreach work of Azalea High Wycombe

AZALEA HIGH WYCOMBE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

3. DEBTORS

| | 2021/22 |
|-------------|---------|
| | £ |
| Tax | 828 |
| Prepayments | 40 |
| | ----- |
| | 868 |
| | ===== |

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2022.

Trustees' expenses

During the year ended 31 August 2022 two trustees incurred charitable expenses that were reimbursed by the charity totalling £554

5. STAFF COSTS

| | 2021/22 |
|-----------------------|---------|
| | £ |
| Salaries and wages | 25,116 |
| Social security costs | 0 |
| Pension costs | 1,278 |
| | ----- |
| | 26,394 |
| | ===== |

The average monthly number of employees during the year was 2.

No employees received emoluments in excess of £60,000.

6. PENSIONS

The charity contributes to the employees' pension schemes, the pension cost charge represents contributions payable by the charity to the fund and amounted to £1,278.

At the balance sheet date £132 was outstanding to pay across to the pension scheme provider.