



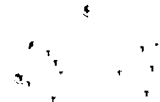
Charity registration number: 1194734

# The Destitution Project

Annual Report and Financial Statements

for the Year Ended 31 March 2023

The Moffatts Partnership LLP  
Suite 1.1, First Floor  
Jackson House  
Sibson Road  
Sale  
M33 7RR



## **The Destitution Project**

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## **The Destitution Project**

### **Reference and Administrative Details**

#### **Trustees**

David Tomlinson, Vice Chairman

Sarah Niamh George

Margaret Simpson

Bernard Pele

Ahmed Mohamed

David Batchelor

#### **Charity Registration Number**

1194734

#### **Principal Office**

Victoria Hall

37 Knowsley Street

Bolton

BL1 2AS

#### **Independent Examiner**

The Moffatts Partnership LLP

Suite 1.1, First Floor

Jackson House

Sibson Road

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## **The Destitution Project**

### **Trustees' Report**

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2023.

#### **Objectives and activities**

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

The objects of the CIO are: The relief of financial hardship and the relief of need amongst persons who are seeking asylum or who are refugees living in Bolton by providing: 1. Information and practical support in particular, but not exclusively, to those with no recourse to public funds; 2. Recreational facilities and other leisure time occupation to advance their physical and mental health and help them to integrate into society.

Seeking to provide a safe environment in Bolton, UK, where asylum seekers and refugees, including those who have become destitute, can find friendship, food and practical help.

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

THE DESTITUTION PROJECT ...otherwise known as DP... is a charity providing support to asylum seekers and refugees living in Bolton.

Our support comes through two avenues of activity:

1. A Drop-in every Wednesday at the Victoria Hall in Bolton (10.00am and 3.00pm) for asylum seekers and refugees.
2. Casework services for asylum seekers living in Bolton, including refused asylum seekers and those who have no recourse to public funds or become destitute.

Our Drop-in provides:

- A social space where they can relax and meet others.
- Tea, coffee and biscuits all day.
- A hot meal cooked on the premises.
- Clothes and bedding.
- Food support, e.g., a week's groceries and toiletries
- Table-top games, such as pool and table tennis.
- English lessons and other classes, such as arts and crafts.
- Access to a free barber.

Everything we offer our service users is provided free of charge. We are known for going 'the extra mile' to help our service users.

During the reporting period we employed 3 part time staff: a Senior Caseworker - Shaheda Mangerah, a Caseworker Admin Assistant - Fiona Lomax and a Drop-In Coordinator - Paul Barnes. Our Drop-in Coordinator resigned as of end of February, 2023. The rest of our team is made up of volunteers.

## **The Destitution Project**

### **Trustees' Report**

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

All of the charity's activities are undertaken for the benefit of the public. All asylum seekers and refugees are classed as vulnerable due to lived experience. Language barriers put them at risk of being exploited and mis-interpreted. Homelessness can place refused asylum seekers at risk of ill-health, crime and social isolation. DP either directly or via signposting to other organisations, provides access to essential needs (food, English classes, emergency funds, health care, counselling, and temporary accommodation). By providing English lessons we help our service users assimilate into UK society. They can then go on to become productive and empowered, find employment, access education and can integrate into UK society. Many then reach out to support new arrivals within their local community. Others donate funds, time and talent to charitable causes in their communities. They become part of a culturally richer community which benefits us all.

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.

#### ***Use of volunteers***

The work of DP would not be possible without the hard work and dedication of our volunteers. Many of our volunteers have been with us for over 5 years and some since the inception of DP as a registered charity in 2014. For the period, DP volunteers provided 948 individual attendances giving an average of 19 per Drop-in session, an estimated 4,350 volunteer hours annually. In addition, our employees also give additional hours over their scheduled timetable if they can. We are particularly grateful for the very generous contribution made by our volunteers to our wide range of provisions. Like many charities, recruiting new volunteers has been challenging since the Covid pandemic, but we are now starting to see increased applications. During the period we had 2 new volunteers join our team, however, 4 volunteers retired or left for other reasons.

#### **Achievements and performance**

##### ***Developments at the DP Drop-in Centre***

The Drop-in has seen a gradual increase in Service User (SU) attendance over the period as we continue to build back from the period of lockdown. During the period there were 2703 attendances by asylum seekers and refugees to the Drop-in, an average of 54 per session. Compared to an average attendance of 32 per session in the year April 21 - March 22, this year's attendance represents a 69% increase.

The Food Room continued to offer food parcels to all asylum seekers despite the cost of living increases, recognising the fact that, of all groups in the community, asylum seekers receive the least support. Although we are receiving fewer donations we thank our loyal supporters from St John's in Bromley Cross, Mount St Joseph, Ladybridge High School and St Michael's Primary who initiated a school 'Grub Tub'. St Michael's also designed and had printed a DP greeting card.

Our provision of clothes and household goods has grown massively over the year. The period of pandemic closure which enabled us to take stock has meant we now have a very well organised display room we can provide items from and an additional room for holding stock; all items donated (apart from occasional purchases for essentials such as shoes) with which we are able to supply new arrivals and those with the greatest level of need. Each week we also put out a well-stocked table with and set of rails to display clothes and household goods which anyone at the Drop-in can access with a limit of 5 items per person. We congratulate all the Clothes Room team on the development of this provision and thank the organisations and individuals whose donations have made this provision possible.

## **The Destitution Project**

### **Trustees' Report**

The demand for English classes is high and class size is limited by the size of the teaching room so both DP teachers have reorganised their schedule into two 2 classes of one hour each. During the period we have invited other professionals into the class to explain and advertise services such as a representative of the BHA (who provide HIV guidance and support) plus arranged trips to the Library encouraging service users to take advantage of local facilities and services, as we used to before the pandemic. It is really encouraging to see the resumption of 'normal' pre-Covid activities. As part of their teaching, they also use the lesson to explain services and procedures in other service areas, which is particularly useful in facilitating communication and preventing misunderstanding.

The Main Hall continues to be the central hub linking all areas and providing a space for table games such as table tennis and snooker; an art table, all-day tea and coffee, a space for our barber to operate from and, also for a representative from BHA who, once a month, sets up a table to give advice and also carry out HIV testing. It is also the space in which we all come together to eat lunch prepared on site and served by Bolton Mutual Aid to whom we give a special thanks - the Drop-in would not be the same without our weekly hot meal. We are very grateful to all the Main Hall team for their hard work in taking the lead in setting up and cleaning up at the end of the day.

In February this year, Paul Barnes resigned as Drop-in Coordinator. During his three years in post, Paul was a reliable presence in the Hall with a kind word for all and a keen eye for Health and Safety. He also advocated for DP out in the community, often working over and above his hours. For the time being the position remains unfilled pending review. We acknowledge the efforts of trustees and the Main Hall Lead in helping to oversee operations in the main hall, ensuring the Wednesday Drop-in remains a calm, safe and welcoming environment.

#### ***Developments in DP's Casework Services***

Demand for services grew steadily during the period due the increased number of asylum decisions by the Home Office (HO) on backlogged asylum claims and fresh claims from the Covid pandemic. Many asylum seekers were dispersed to Bolton while their claim is being considered by HO. During the period under review, we held 143 face-to-face casework appointments, carried out 619 remote support sessions (on telephone) and were able to signpost/support 192 walk-in clients. Through the assessment of specific needs done by DP's Senior Caseworker, £313 worth of emergency cash support and supermarket vouchers valued at £2050 were provided. Due to the increased cost of living, DP decided to extend its food parcel support beyond those who are assessed as being destitute and include any Bolton-based asylum seeker who requested one when attending the weekly Drop-in. As a consequence during the period, food parcels were provided to asylum seekers (1557 parcels) and destitute Asylum Seekers (220 parcels). The level of demand for casework is expected to continue to increase as more asylum claims are refused during the remainder of the calendar year. This will lead to increased levels of long/short term destitution among refused asylum seekers and destitution among refugees when first given Leave to Remain and who find it difficult to access Council housing or privately rented accommodation due to shortages in supply.

Casework continued to work closely with a number of agencies including but not limited to the British Red Cross, Citizens Advice, Bolton Unemployment Advice Services, Serco, the Bolton Council Housing Office, NACCOM, GMIAU, Probation Services, Refugee Action, mental health providers, GPs and immigration solicitors.

The Casework team now benefits from access to professional interpretation and translation services. Specific funding had been secured to help pay for this. During the period the team served persons from 38 countries. Although this service is an additional cost to DP, it has allowed for greater efficiencies and improved communication and understanding between service user client and casework team.

## **The Destitution Project**

### **Trustees' Report**

During the year, regional officers from the Office of the Immigration Services Commissioner (OISC) visited the Casework provision to review operations and better understand key challenges faced. They expressed satisfaction with DP casework operations and systems and commended the team on the excellent work being done.

Development in the casework services including the best means of increasing casework capacity and resilience within operations is part of a strategic review and action planning exercise which DP has commenced towards the end of the reporting period with technical support from the Cranfield Trust.

#### **Policies and Procedures**

Trustees undertake to renew all policies and procedures annually. However, in this period, we have sought additional advice from the HR firm Populo (recommended as a 'trusted supplier' by NCVO, particularly in addressing the requirements of small charities). In addition to providing guidance on how to improve existing policies, they have given recommendations of policies to adopt and provided templates for the same.

DP negotiated and finalised a Working Arrangement with the Bolton Methodist Mission (BMM) aimed improving the working relationship as tenant and proprietor but also as two organisations with many shared social aims. The agreement will extend to partner organisations of both parties where their work is integral to the service delivery of either party. This agreement will sit alongside other relevant policies and procedures, and after its adoption, will be reviewed annually or sooner if necessary.

#### **Training and Capacity Development**

Helen Bolton, District Safeguarding Officer for the Methodist Church serves as Safeguarding Advisor to DP. She delivered 'Safer Spaces' Training to the whole team in January having worked with DP's Safeguarding Lead (Trustee Mags Simpson) to develop a package that, as well as covering generic issues, addressed issues pertinent to DP. There were many useful discussion points and it was very well received.

Individual Team members have undertaken training as and when needed such as: Safeguarding Foundation level, (delivered by CVS), First Aid training and Ladder Safety Awareness. The DP Safeguarding Lead also encouraged and provided the Team with information to access the Action Counters Terrorism (ACT) training, an online package available to the public in general, provided by National Counter Terrorism Security Office (NaCTSO). DP's Safeguarding Lead has undertaken VQSE training (Safeguarding Training for Safeguarding Leads)

As an OISC-registered advisor, the DP Senior Caseworker is required to undertake continued professional development each year. During the period the Caseworker undertook Project 17 - No Recourse to Public Funds training and safeguarding training.

## **The Destitution Project**

### **Trustees' Report**

#### **Health, Safety and Safeguarding**

There were no major Health and Safety or Safeguarding incidents during this period.

The Team followed Health and Safety Procedures such as guiding service users with prams or shopping trolleys around the outside of the building to avoid using the stairs; this is facilitated by communicating with the two-way radio. We use a trolley when taking receipt of a bulk food delivery to convey the heavier items downstairs so avoiding using the stairs. We also observe our Lone Working Policy, ensuring that, at the Drop-in, team members avoid working by themselves and all team members wear a panic alarm. Regarding lone working, outside of the Wednesday Drop-in, we have monitoring and contact procedures in place for any member of the team who needs to work alone at our premises and for members of staff working remotely.

The Safeguarding Advisor worked closely with DP's Safeguarding Lead to conduct our annual Safeguarding Review and develop the Safer Spaces Training session. Service users deemed particularly vulnerable (often because of trauma experienced) are identified and provided with additional attention to ensure the Drop-in is a safe and supportive space for all. These are reviewed on a six-monthly basis.

The DP Safeguarding Lead helped the team work together to produce guidelines on how to deal with challenging situations and produce a 'front of house' statement giving welcome but also setting out expectations for behaviour.

All new volunteers continued to go through a Safer Recruitment Process (providing references, doing a DBS check and an induction which includes Safeguarding and Health and Safety).

#### **Information Sharing and Publicity**

The quarterly Covid Impact Report is now presented as a general Impact Report, acknowledging that, in many ways we have now moved on from Covid but that there are other 'externals' - local, national and global - that impact our service. The Newsletter was published twice yearly with a Spring / Summer issue and an Autumn / Winter issue. Thanks once again to Denis Madden who has helped DP create the newsletters.

As well, thanks to Neil Rickaby of Bolton Web Design for working so effectively on our website and Facebook page at a very economical cost to us.

Last October we participated at the University of Bolton volunteering showcase held during their Freshers Week. Team members have also advocated for DP in the wider community at various events such as those held by - Rotary, Bolton CVS, faith organisations, etc.

Also during the year, DP created its own bespoke T shirt created and funded by a kind anonymous donor. The T-shirts are worn by team members if they wish when they attend events or speak about DP out in the community.



## **The Destitution Project**

### **Trustees' Report**

#### **Financial review**

Incoming resources for the year amounted to £51,977 (2022 - £43,393). Expenditure for the year totalled £82,778 (2022 £65,102).

The overall results for the year are a deficit of £30,801 (2022 - deficit £21,709). The total reserves of the charity at 31 March 2023 are £113,547. (2022 - £144,348).

The unrestricted reserves are £74,704 (2022 - £85,378) and the restricted reserves are £38,843 (2022 - £58,970).

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

The aim of this Reserves Policy is to ensure that the DP holds sufficient level of funds in reserve to enable its essential services and activities to be maintained, taking account of potential risks and contingencies that may arise from time to time. To avoid closure of the DP should funding difficulties arise, the Management Committee has agreed to keep a level of financial reserves such that the main operations of DP can continue for a period of at least 9 months average expenditure. This amount is currently approximately £60,000 to be held in reserve. The policy is reviewed at least annually.

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

Funding consists of donations from individuals, trusts and companies and grants received from other charities.

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

##### ***Nature of governing document***

The charity is governed by CIO - Foundation registered on the 8th June 2021 (Charity Number: 1194734). The charity previously operated as an unincorporated charity (Charity Number: 1109703), governed by a Constitution registered on the 14th May 2015.

##### ***Recruitment and appointment of trustees***

Trustees are appointed to ensure there is an appropriate mix of skills required to manage the charity effectively.

Towards the end of the period, Paul Martin, who served as Chair of Trustees, indicated his intention to retire (this came into effect in April 2023). Trustees, volunteers and employees and DP service users met with Paul at the end of March to thank him for his many years of valued service and wish him well in his retirement.

Two new trustees joined DP in March 2023 - David Batchelor and Ahmed Mohammed. Ahmed has served as a volunteer for several years and lived experience as a refugee. David brings a range of skills and experience having worked in the charity sector for some time.

There are no related bodies that are entitled to appoint trustees to the board.

## The Destitution Project

### Trustees' Report

#### *Induction and training of trustees*

Trustees are given the necessary guidance to enable them to understand how the charity works and their duties and responsibilities and the training necessary for them to be able to carry out these duties and responsibilities. We make use of 'The Essential Trustee' training provided by Bolton CVS as well as organisations such as NCVO which we joined during the period.

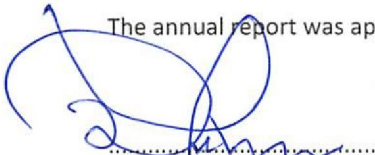
#### *Major risks and management of those risks*

##### *General risks*

The trustees actively review potential risks to the charity on a regular basis and have procedures in place to mitigate any risks the charity may face.

Trustees approached Cranfield Trust to help facilitate a strategic review exercise to include how DP addresses financial and operational sustainability as well as managing risks and supporting the team and service users effectively. This undertaking will be completed in the first half of the next financial year and will feed into recruitment, fundraising and operational approaches.

The annual report was approved by the Trustees of the Charity on 24 July 2023 and signed on its behalf by:



David Tomlinson  
Chairman and Trustee



Sarah Niamh George  
Trustee

## The Destitution Project

### Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity 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 in the Charities 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; and
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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.

Approved by the trustees of the charity on 24 July 2023 and signed on its behalf by:



David Tomlinson  
Chairman and Trustee



Sarah Niamh George  
Trustee

## **The Destitution Project**

### **Independent Examiner's Report to the trustees of The Destitution Project**

I report to the trustees on my examination of the accounts of The Destitution Project for the year ended 31 March 2023.

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

As the charity trustees of The Destitution Project you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

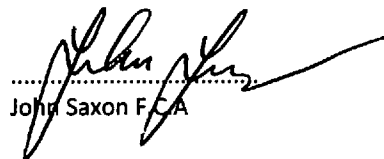
I report in respect of my examination of The Destitution Project's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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

I have completed my examination. I confirm that no material 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 Destitution Project as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



John Saxon FCA

The Moffatts Partnership LLP  
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Sibson Road  
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M33 7RR

24 July 2023

## The Destitution Project

### Statement of Financial Activities for the Year Ended 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Income and Endowments from:</b>					
Donations and legacies	2	13,909	37,523	51,432	43,375
Investment income	3	545	-	545	18
<b>Total income</b>		<b>14,454</b>	<b>37,523</b>	<b>51,977</b>	<b>43,393</b>
<b>Expenditure on:</b>					
Charitable activities	4	(25,128)	(57,650)	(82,778)	(65,102)
<b>Total expenditure</b>		<b>(25,128)</b>	<b>(57,650)</b>	<b>(82,778)</b>	<b>(65,102)</b>
<b>Net expenditure</b>		<b>(10,674)</b>	<b>(20,127)</b>	<b>(30,801)</b>	<b>(21,709)</b>
<b>Net movement in funds</b>		<b>(10,674)</b>	<b>(20,127)</b>	<b>(30,801)</b>	<b>(21,709)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		85,378	58,970	144,348	166,057
Total funds carried forward	16	74,704	38,843	113,547	144,348

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 16.

The notes on pages 13 to 24 form an integral part of these financial statements.

**The Destitution Project**  
**(Registration number: 1194734)**  
**Balance Sheet as at 31 March 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	11	1,154	856
<b>Current assets</b>			
Debtors	12	2,727	2,229
Cash at bank and in hand	13	117,199	143,261
		<u>119,926</u>	<u>145,490</u>
<b>Creditors: Amounts falling due within one year</b>	14	<u>(7,533)</u>	<u>(1,998)</u>
<b>Net current assets</b>		<u>112,393</u>	<u>143,492</u>
<b>Net assets</b>		<u>113,547</u>	<u>144,348</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	16	38,843	58,970
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>74,704</u>	<u>85,378</u>
<b>Total funds</b>	16	<u>113,547</u>	<u>144,348</u>

The financial statements on pages 11 to 24 were approved by the trustees, and authorised for issue on 24 July 2023 and signed on their behalf by:

  
 David Tomlinson  
 Chairman and Trustee

  
 Sarah Niamh George  
 Trustee

## **The Destitution Project**

### **Notes to the Financial Statements for the Year Ended 31 March 2023**

#### **1 Accounting policies**

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

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The Destitution Project meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

##### **Going concern**

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

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

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

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

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

##### ***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.

##### ***Investment income***

Investment income is recognised on a receivable basis.

## **The Destitution Project**

### **Notes to the Financial Statements for the Year Ended 31 March 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.

#### **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.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's 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 £100.00 or more are initially recorded at cost.

#### **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>
Office equipment	20% reducing balance basis
Computer equipment	20% reducing balance basis



## **The Destitution Project**

### **Notes to the Financial Statements for the Year Ended 31 March 2023**

#### **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 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.

These 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.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

## The Destitution Project

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### **Recognition and measurement**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### **2 Income from donations and legacies**

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	2,850	5,000	7,850	4,955
Donations from individuals	6,059	1,040	7,099	8,270
Gift aid reclaimed	-	-	-	2,755
Grants, including capital grants;				
Grants from other charities	5,000	31,483	36,483	27,395
	13,909	37,523	51,432	43,375

In the prior period £34,490 of the above income was attributable to unrestricted funds and £8,885 to restricted funds.

## The Destitution Project

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 3 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	545	545	18

In the prior period all of the above income was attributable to unrestricted funds.

#### 4 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Food, clothing and other client supplies	277	16,364	16,641	7,841
Sleeping bags, rucksacks	-	74	74	1,083
Art	-	29	29	17
Translation costs	44	8,248	8,292	3,321
Salary costs, pensions and training	113	30,228	30,341	31,369
Rent and insurance	11,449	-	11,449	8,449
Printing, postage and stationery	1,335	251	1,586	1,097
Telephone and internet	1,077	-	1,077	1,069
IT Software and consumables and website design	808	102	910	377
Repairs and maintenance and office consumables	42	-	42	506
Cleaning	-	-	-	53
Caseworker expenses	250	911	1,161	786
Staff/volunteer expenses	894	719	1,613	2,191
General expenses	1,034	-	1,034	325
Office equipment and consumables	174	45	219	2,675
Governance costs	7,460	600	8,060	3,925
Depreciation	171	79	250	18
	25,128	57,650	82,778	65,102

In the prior period £24,385 of the above expenditure was attributable to unrestricted funds and £40,717 to restricted funds.

## **The Destitution Project**

### **Notes to the Financial Statements for the Year Ended 31 March 2023**

**5**

Independent examiner fees  
Examination of the financial statements  
Other fees paid to examiners  
Legal fees  
Other governance costs

In the prior period all of the above expenditure, £3,925 was attributable to unrestricted funds.

#### **6 Net incoming/outgoing resources**

Net outgoing resources for the year include:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Depreciation of fixed assets	251	18

#### **7 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.

## The Destitution Project

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 8 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
<b>Staff costs during the year were:</b>		
Wages and salaries	29,869	29,741
Pension costs	359	636
	<u>30,228</u>	<u>30,377</u>

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

	2023 No	2022 No
Caseworker	1	1
Assistant Caseworker	1	1
Drop-in Coordinator	1	1
	<u>3</u>	<u>3</u>

1 (2022 - 1) employee participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £359 (2022 - £636).

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

#### 9 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	<u>1,260</u>	<u>1,200</u>
<b>Other fees to examiners</b>		
All other services	<u>2,160</u>	<u>900</u>

#### 10 Taxation

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

## The Destitution Project

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 11 Tangible fixed assets

	Furniture and equipment £	Total £
<b>Cost</b>		
At 1 April 2022	874	874
Additions	549	549
At 31 March 2023	1,423	1,423
<b>Depreciation</b>		
At 1 April 2022	18	18
Charge for the year	251	251
At 31 March 2023	269	269
<b>Net book value</b>		
At 31 March 2023	1,154	1,154
At 31 March 2022	856	856

#### 12 Debtors

	2023 £	2022 £
Prepayments	2,727	2,229

#### 13 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	401	427
Cash at bank	116,118	141,114
Other cash and cash equivalents	680	1,720
	117,199	143,261

## **The Destitution Project**

### **Notes to the Financial Statements for the Year Ended 31 March 2023**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	4,965	329
Other taxation and social security	150	-
Other creditors	78	64
Accruals	2,340	1,605
	<u>7,533</u>	<u>1,998</u>

#### **15 Pension and other schemes**

##### **Defined contribution pension scheme**

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £359 (2022 - £636).

## The Destitution Project

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 16 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
<i><b>General</b></i>					
General Funds	85,378	14,454	(25,128)	-	74,704
<i><b>Restricted funds</b></i>					
Covid Food/Vouchers	5,418	960	(6,378)	-	-
Food	7,150	5,080	(9,952)	-	2,278
Caseworker	12,930	12,678	(22,073)	-	3,535
Assistant Caseworker	15,312	8,437	(5,221)	-	18,528
Drop-In Coordinator	7,850	-	(6,686)	-	1,164
Building Kitchen	937	-	-	-	937
Client Emergencies	988	-	-	-	988
Sr Barbara's Emergency	3,835	-	-	-	3,835
Website	438	-	-	-	438
Art	210	-	(29)	-	181
Margaret Hayman - Aspen Cards	2,860	-	-	-	2,860
Sleeping Bags, Rucks, Toiletries	1,042	-	(108)	-	934
Interpretation Services	-	10,368	(7,203)	-	3,165
<b>Total restricted funds</b>	<b>58,970</b>	<b>37,523</b>	<b>(57,650)</b>	<b>-</b>	<b>38,843</b>
<b>Total funds</b>	<b>144,348</b>	<b>51,977</b>	<b>(82,778)</b>	<b>-</b>	<b>113,547</b>



## The Destitution Project

### Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>				
<i><b>General</b></i>				
General Funds	75,255	34,508	(24,385)	85,378
<i><b>Restricted</b></i>				
Covid Food/Vouchers	10,918	1,060	(6,560)	5,418
Food	7,013	200	(63)	7,150
Caseworker	29,090	2,500	(18,660)	12,930
Assistant Caseworker	21,410	-	(6,098)	15,312
Drop-In Coordinator	15,054	-	(7,204)	7,850
Building Kitchen	1,156	-	(219)	937
Client Emergencies	1,362	-	(374)	988
Sr Barbara's Emergency	3,934	-	(99)	3,835
Website	638	-	(200)	438
Art	227	-	(17)	210
Margaret Hayman - Aspen Cards	-	3,000	(140)	2,860
Sleeping Bags, Rucks, Toiletries	-	2,125	(1,083)	1,042
<b>Total restricted funds</b>	90,802	8,885	(40,717)	58,970
<b>Total funds</b>	166,057	43,393	(65,102)	144,348

## The Destitution Project

### Notes to the Financial Statements for the Year Ended 31 March 2023

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

Covid Food/Vouchers - donations have been received specifically for the charity to use to provide food during Covid.

Food - donations have been received specifically for the charity to use to provide food.

Caseworker - grants have been received specifically to fund the Caseworker and associated costs.

Assistant Caseworker - grants have been received specifically to fund the Caseworker and associated costs.

Drop-In coordinator - grants have been received specifically to fund the Caseworker and associated costs.

Building Kitchen - Donations have been received that are for the purpose of providing a kitchen.

Client Emergencies - These donations have been received to be used for those clients in need of emergency assistance.

Sr Barbara's Emergency Fund - Donations received to be used for those clients in need of emergency assistance.

Website Fund - donations given only to be used on maintaining the charity website.

Art - Donations received to provide art supplies.

Margaret Hayman -Aspen Cards - donations received that must be used to support SUs who have issues accessing their asylum allowance via their Aspen Cards.

Sleeping Bags/Ruck Sacks - donations received that must be used on providing sleeping bags and rucksacks for clients.

Interpretation Services- grants have been received specifically to fund Interpretation costs.

#### 17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2023 £
<b>March 2023</b>			
Tangible fixed assets	685	469	1,154
Current assets	76,367	43,559	119,926
Current liabilities	(2,348)	(5,185)	(7,533)
<b>Total net assets</b>	<b>74,704</b>	<b>38,843</b>	<b>113,547</b>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2022 £
<b>March 2022</b>			
Tangible fixed assets	856	-	856
Current assets	86,456	59,034	145,490
Current liabilities	(1,934)	(64)	(1,998)
<b>Total net assets</b>	<b>85,378</b>	<b>58,970</b>	<b>144,348</b>