

Charity registration number: 1194750

Services for Empowerment and Advocacy

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Services for Empowerment and Advocacy

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Services for Empowerment and Advocacy

Reference and Administrative Details

Trustees	Dr Milton Nyamtowo
	Ashreen Seethal
	Rachel Hudd
	Sarah Bull
	David Simms
	Mark Weightman
	Julie Ann Ford
	Stuart West
Senior Management Team	Serena Bostock
	James Boulter
Charity Registration Number	1194750
Principal Office	Carers Federation Ltd
	Christopher Cargill House
	21-23 Pelham Road
	Nottingham
	NG5 1AP
Independent Examiner	John O'Brien, employee of
	Community Accounting Plus
	7 Mansfield Road
	Nottingham NG1 3FB

Services for Empowerment and Advocacy

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2022.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Dr Milton Nyamtowo (appointed 1 April 2022)
	Ashreen Seethal (appointed 1 August 2021)
	Rachel Hudd (appointed 1 June 2022)
	Sarah Bull
	David Simms (appointed 1 May 2022)
	Mark Weightman (appointed 20 October 2021)
	Julie Ann Ford
	Stuart West (appointed 1 April 2022)

Objectives and activities

Objects and aims

Provide relief to people who are disadvantaged and in need of housing, care or support through.

- (1) The provision of advocacy services which help disadvantaged people to express their views, provide feedback and make complaints, and uphold their rights.
- (2) The provision of services that help disadvantaged people to develop their capacity and life skills and enable them to participate more fully in society.
- (3) The provision of assistance and support to organisations who deliver services to disadvantaged people to help them to better understand their service user's needs and aspirations.

Public benefit

Help to resolve disputes between health, housing and social care services and their clients.

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.

Services for Empowerment and Advocacy

Trustees' Report

Achievements and performance

Work delivered during 2021-22

- We continued to deliver Advocacy and Participation services to people who use Framework's Housing and Support Services and support Framework with Service User Forum & Service User Advisory Group meetings providing advocacy case studies;
- We have continued our work with the Nottingham Trent University and the University of Nottingham Social Work Departments, offering participation input from those with lived experience into both the recruitment of students and the delivery of course content. We also continued to deliver training to Health and Social Care students at Nottingham Trent University;
- We bid for and won a contract with the Toy Library to provide two part time staff to help with the project. We will provide guidance and support to the Participants to assist them in looking at starting their own small business through enterprise and enabling dialogue;
- We continued to offer a Participation service for participants of the Money Sorted financial inclusion project in Nottingham, organising participant forums and supporting recruitment of participant ambassadors. We also continued to deliver the evaluation of this project through our partnership with ConnectMore Solutions Ltd;
- We have gained a further 3 year contract involving the Rough Sleeper Initiative consisting of a team coordinator and up to 3 lived experience workers which we are recruiting now. We will be required to liaise with current rough sleepers to gain an insight into the issues they face and ways to make services more accessible and work smarter for them;

We have recruited a new SEA Service Manager, Nick Parr, who will commence the role on 28th November 2022.

Services for Empowerment and Advocacy

Trustees' Report

Financial review

During the Year SEA has returned an in year deficit of £42,600, (2021: surplus of £23,379), making the current free reserves position £142,804 (2021: £186,181).

Income in the year has seen a reduction on the previous year of £57,467, principally across unrestricted income, this is due to a delay in the start, and embedding of, one contract; and a significant delay in finalising agreed payment schedules of another. In both cases the issues have been resolved in the following year and income is being realised in line with expectations.

In addition to a reduction in income, SEA has seen an increase in expenditure in the year to £217,557 (2021: £209,045). This represents the work undertaken in preparation for, and in establishing, the aforementioned contract.

At the end of the year SEA has maintained the debtors position, at C.£15K, and every effort has been, and will continue to be made, to minimise debtors. At the same time there has been a reduction in creditors, despite ensuring that the terms are favourable. All efforts will be continued to ensure that terms are favourable to SEA, to ensure the cashflow is maximised.

The current reserves, whilst reduced in the year, remain sufficient to allow SEA to operate effectively in the coming year, and continue to expand its current operations in the coming months and years, to allow it to best serve the communities it supports.

Financial Risks

In the upcoming period SEA face several financial risks that could be considered significant:

□ Increasing cost of living - not only will this impact the running cost of SEA, but the impact of the ongoing financial crisis will have an impact on people's lives in a manner that will increase the need for services provided by SEA, as an indirect outcome, due to the ongoing challenges people face.

In order to minimise the risk to SEA, running costs remain closely monitored and contract values are appropriately costed and negotiated to ensure that they are sustainable throughout the course, ensuring that SEA can continue to meet its obligations under the contract to all its stakeholders;

□ Reduction of available funding for the operations that SEA undertake an addition indirect impact of the increasing cost of living crisis, the strain on public finances has the potential to limit available resources and funding for the activities SEA provide, either directly from the public funds, or indirectly via its partners, such as Framework.

SEA will continue to work closely with all stakeholder to ensure that the services provided best fit the requirements as well as being competitive, whilst remaining sustainable, to ensure that SEA remain a provider of choice for the operations it provides;

□ Loss, or failure to renew, significant contracts – SEA continue to work with all partners to ensure the services it provides are highly valued and sort after, and that it is a contender for all upcoming contracts within its scope.

General Unrestricted Funds of £142,804, are to be used for the ongoing operation of SEA to ensure that it meets its responsibilities under current and future contracts, can maintain its general operations and invest in resources to enable to bid and deliver on upcoming opportunities.

Restricted Funds of £777, are relating to the National Lottery Grant received and the works undertaken as part of that. These funds will be used to further the work of this project.

Services for Empowerment and Advocacy

Trustees' Report

Policy on reserves

The SEA Board of Directors is committed that the funds generated by SEA's activities should be used for the benefit of local people and that SEA should not build up reserves over and above the level needed. However, the Directors acknowledge the need to build up a level of reserves that will ensure that the organisation can meet its legal and statutory responsibilities and ensure the sustainability of the organisation.

It is the intention of the Board to build up reserves to ensure that it can:

- Fund the development of costs of new activities that will add value to the work of SEA
- Respond to anticipated additional expenses e.g. covering long term sickness or parental leave for a member of staff
- Maintain SEA's activities for a period of time if funding is reduced or comes to an end
- Close down in a planned way, meeting all its obligations to staff and creditors

The calculation of the required level of reserves is an integral part of the organisation's planning, budget and forecast cycle. It takes into account:

- Risks associated with each stream of income and expenditure being different from that budgeted
- Planned activity level
- SEA's commitments

Reserves Policy

It is the aim of the SEA Board that the organisation moves to a position that it holds a general reserve equivalent to six months running costs to ensure that the organisation could continue to operate during a period of an unexpected reduction or cut to its funding.

During the financial year 2021-22, the organisation's income was £174,957 and at the end of the year it held a general reserve of £142,804.

Review of the Reserves Policy

Board members will review the Reserves Policy and the funds allocated to reserves annually as part of the business and financial planning cycle.

Structure, governance and management

Nature of governing document

The CIO Foundation is operated under the rules of its constitution adopted 9 June 2021.

Services for Empowerment and Advocacy

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 applicable Charities (Accounts and Reports) Regulations, 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 annual report was approved by the trustees of the charity on ~~16/1/2023~~ and signed on its behalf by:



.....
Rachel Hudd
Trustee

Services for Empowerment and Advocacy

Independent Examiner's Report to the trustees of Services for Empowerment and Advocacy

Independent examiner's report to the trustees of Services for Empowerment and Advocacy

I report to the trustees on my examination of the accounts of Services for Empowerment and Advocacy (the Charity) for the year ended 31 March 2022.

Responsibilities and basis of report

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

I report in respect of my examination of the Charity'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 matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 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 O'Brien MSc, FCCA, FCIE, employee of Community Accounting Plus
Fellow of the Association of Charity Independent Examiners

7 Mansfield Road
Nottingham
NG1 3FB

Date: 16/1/2023

Services for Empowerment and Advocacy

Statement of Financial Activities for the Year Ended 31 March 2022

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Donations and legacies	2	158,703	-	158,703	215,301
Charitable activities	3	14,255	1,967	16,222	17,041
Investment income	4	32	-	32	82
Total Income		<u>172,990</u>	<u>1,967</u>	<u>174,957</u>	<u>232,424</u>
Expenditure on:					
Charitable activities	6	<u>(216,367)</u>	<u>(1,190)</u>	<u>(217,557)</u>	<u>(209,045)</u>
Total Expenditure		<u>(216,367)</u>	<u>(1,190)</u>	<u>(217,557)</u>	<u>(209,045)</u>
Net movement in funds		(43,377)	777	(42,600)	23,379
Reconciliation of funds					
Total funds brought forward		<u>186,181</u>	<u>-</u>	<u>186,181</u>	<u>162,802</u>
Total funds carried forward	12	<u><u>142,804</u></u>	<u><u>777</u></u>	<u><u>143,581</u></u>	<u><u>186,181</u></u>

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

The funds breakdown for the period is shown in note 12.

Services for Empowerment and Advocacy

Statement of Financial Activities for the Year Ended 31 March 2022

These are the figures for the previous accounting period and are included for comparative purposes

	Note	Unrestricted £	Total 2021 £
Income and Endowments from:			
Donations and legacies	2	215,301	215,301
Charitable activities	3	17,041	17,041
Investment income	4	<u>82</u>	<u>82</u>
Total Income		<u>232,424</u>	<u>232,424</u>
Expenditure on:			
Charitable activities	6	<u>(209,045)</u>	<u>(209,045)</u>
Total Expenditure		<u>(209,045)</u>	<u>(209,045)</u>
Net movement in funds		23,379	23,379
Reconciliation of funds			
Total funds brought forward		<u>162,802</u>	<u>162,802</u>
Total funds carried forward	12	<u><u>186,181</u></u>	<u><u>186,181</u></u>

The notes on pages 11 to 19 form an integral part of these financial statements.

Services for Empowerment and Advocacy

(Registration number: 1194750)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Current assets			
Debtors	10	15,782	15,367
Cash at bank and in hand		<u>136,264</u>	<u>184,704</u>
		152,046	200,071
Creditors: Amounts falling due within one year	11	<u>(8,465)</u>	<u>(13,890)</u>
Net assets		<u>143,581</u>	<u>186,181</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	12	777	-
Unrestricted income funds			
Unrestricted funds		<u>142,804</u>	<u>186,181</u>
Total funds	12	<u>143,581</u>	<u>186,181</u>

The financial statements on pages 8 to 19 were approved by the trustees, and authorised for issue on 16/1/2023... and signed on their behalf by:


.....
Sarah Bull
Trustee

Services for Empowerment and Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2022

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

Services for Empowerment and Advocacy 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.

Exemption from preparing a cash flow statement

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

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

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Services for Empowerment and Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2022

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 aggregates 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.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

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.

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 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.

Services for Empowerment and Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2022

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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' 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.

Services for Empowerment and Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2022

2 Income from donations and legacies

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Donations and legacies;			
Donations from companies, trusts and similar proceeds	1,000	1,000	149,162
Grants, including capital grants;			
Government grants	57,703	57,703	66,139
Grants from other charities	100,000	100,000	-
	<u>158,703</u>	<u>158,703</u>	<u>215,301</u>

3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Contracts	14,255	-	14,255	17,041
Grants	-	1,967	1,967	-
	<u>14,255</u>	<u>1,967</u>	<u>16,222</u>	<u>17,041</u>

4 Investment income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Interest receivable and similar income;			
Interest receivable on bank deposits	32	32	82

Services for Empowerment and Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2022

5 Grants and donations

	Unrestricted funds £	Restricted funds £	Total funds £
Framework	100,000	-	100,000
Money Sorted	30,368	-	30,368
Opportunity Nottingham	27,335	-	27,335
National Lottery Fund	-	1,967	1,967
Sundry	1,000	-	1,000
	158,703	1,967	160,670

6 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Advocacy	214	-	214	28
Involvement, steering group & meetings	2,622	-	2,622	-
Equipment	193	186	379	10,596
Bank charges	89	-	89	81
Insurance	4,259	-	4,259	1,941
Legal & professional	15,897	-	15,897	6,152
Marketing	-	-	-	1,826
Membership fees	496	-	496	537
Office expenses	5,311	-	5,311	11,691
Rent and Services	4,680	-	4,680	3,210
Board costs	941	-	941	104
Salaries NI & pension	143,037	1,004	144,041	134,985
Evaluation	34,638	-	34,638	27,380
Staff training	657	-	657	3,739
Staff travel & expenses	859	-	859	1,103
Volunteer expenses	2,253	-	2,253	5,210
Corporation tax	-	-	-	414
Sundry	220	-	220	48
	216,366	1,190	217,556	209,045

Services for Empowerment and Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2022

7 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	132,052	126,036
Social security costs	5,484	3,224
Pension costs	6,505	5,725
	<u>144,041</u>	<u>134,985</u>

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

	2022 No	2021 No
Number of persons employed	<u>7</u>	<u>7</u>

7 (2021 - 7) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £6,505 (2021 - £5,724).

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

8 Independent examiner's fees

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2022 £	2021 £
Independent examination	607	590
Other financial services	1,172	1,161
	<u>1,779</u>	<u>1,751</u>

Services for Empowerment and Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2022

9 Taxation

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

10 Debtors

	2022 £	2021 £
Trade debtors	15,389	7,603
Prepayments	-	7,764
Other debtors	393	-
	<u>15,782</u>	<u>15,367</u>

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	7,445	10,500
Other taxation and social security	-	402
Other creditors	1,020	1,021
Accruals	-	1,967
	<u>8,465</u>	<u>13,890</u>

Services for Empowerment and Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2022

12 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
<i>General</i>				
General	186,181	172,990	(216,367)	142,804
Restricted funds				
National Lottery Fund	-	1,967	(1,190)	777
Total funds	<u>186,181</u>	<u>174,957</u>	<u>(217,557)</u>	<u>143,581</u>
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds				
<i>General</i>				
General	<u>162,802</u>	<u>232,424</u>	<u>(209,045)</u>	<u>186,181</u>

13 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2022 £
Current assets	151,269	777	152,046
Current liabilities	(8,465)	-	(8,465)
Total net assets	142,804	777	143,581

	Unrestricted funds General £	Total funds at 31 March 2021 £
Current assets	200,071	200,071
Current liabilities	(13,890)	(13,890)
Total net assets	186,181	186,181

14 Related party transactions

There were no related party transactions in the year.

Services for Empowerment and Advocacy

Notes to the Financial Statements for the Year Ended 31 March 2022

15 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.