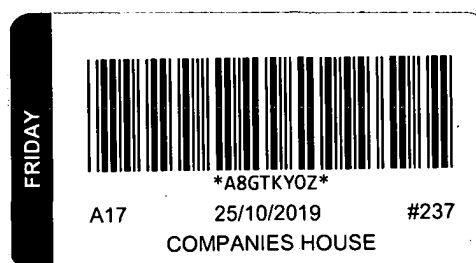

INVOLVE NORTHWEST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019



INVOLVE NORTHWEST
(A company limited by guarantee)

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INVOLVE NORTHWEST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

Trustees

J Calcott
D Cheyne
G Doran
J Fletcher (appointed 25 May 2018)

Company registered number

03212268

Charity registered number

1056777

Registered office

334 New Chester Road, Birkenhead, Wirral, CH42 1LE

Company secretary

J Molyneux

Chief executive officer

J Molyneux

Senior management team

J Molyneux, CEO
L Robinson, Deputy CEO
S Smith, Director of Finance

Independent auditor

Crowe U.K. LLP, 3rd floor, The Lexicon, Mount Street, Manchester, M2 5NT

Bankers

Barclays Bank PLC, 2 Bebington Road, Birkenhead, CH42 6PU

Solicitors

Brabners, Horton House, Exchange Flags, Liverpool, L2 3YL

INVOLVE NORTHWEST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2019 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Chair's report

I am the chair of Involve Northwest, and have been for the past 3 years.

The charity has been through challenges over the past year in terms of securing existing and new income streams for the four strands of work they deliver. I am aware that the senior management team have worked tirelessly to be able to continue the valued work delivered by the organisation.

The 6 key community support services are:

- Reachout – employment support for people who are long-term unemployed.
- Community Connectors – low level mental health support for isolated individuals
- Domestic Abuse – supporting mums & children with practical and emotional domestic abuse support via a 10 week programme called Leapfrog, a local peer mentoring project and Wirral Councils domestic abuse pledge for businesses.
- Welfare Benefits – helping disabled individuals tackling poverty crisis through health related benefit awards and tribunals.
- Debt / Money Management – debt advice and guidance for all Wirral residents.
- Clear Minds – GP referral pathway for practical support for issues affecting mild to moderate mental health.

Involve has secured in 2019 two large grants from Wirral Council Public Health and also European Social Fund which have sustained the organisation into 2019.

Other grants have included annual contracts, smaller funding streams and active income generation for specific events such as a pensioner's party and a Leapfrog party.

Involve's aims are to support the quality of life improvement for each person, family or community it delivers the services to or within and we have focussed our delivery around the above strands and delivered some very impressive results for Wirral people.

In closing, I would like to thank our funders, the staff team, and you, our clients, for your support in making our work possible and as you read our report, remember, what we do is about people, and giving the best possible service we can deliver to make a difference.

To know more visit our website www.involvenorthwest.org.uk or telephone our office on 0151 644 1100.



David Cheyne, Chair

INVOLVE NORTHWEST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Our purposes and activities

The purposes of the charity are:

- To benefit the inhabitants Wirral wide by the promotion of such charitable purposes as the trustees in their absolute discretion may from time to time decide.

The Trustees have currently decided to support the delivery of quality of life interventions for people, families and communities.

The vision for the organisation has always been "people" since its inception in 1991.

The driver for the delivery of the services is about knowing what our clients' needs are by the services and projects delivered and then looking strategically at how to gain the funds to support each service area with a funding stream that can sustain longevity in delivery.

Involve's clients and passionate staff team help support the growth and development of the organisation for the future.

The majority of staff are recruited from the Wirral population and they bring a wealth of experience, qualifications, life resources and the passion to want to make a difference in whatever part of the charity they work within.

The 6 key service areas are:

- Employment
- Social isolation
- Disability Benefits
- Domestic Abuse
- Debt
- Mental Health

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

All services delivered by Involve Northwest are free of charge as we are able to secure grant funding to deliver the key strands and often are able to provide further wrap around support packages.

The strategies employed to achieve the charity's aims and objectives are to:

- Offer free employment support to people who are long-term unemployed on Wirral, also delivering job clubs in accessible venues in the community;
- Provide a service that delivers and supports socially isolated people through a door knocking project;
- Support people on health related benefits maintain or enhance what they receive;
- Provide a domestic abuse service for mums and children, peer mentoring volunteering project and deliver the domestic abuse kite mark for businesses
- Provide advice and guidance for individuals living in debt & financial poverty
- Offer support to individuals with mild to moderate mental health issues

Putting these strategies into action we have supported annually over 8,000 vulnerable people.

Our services we describe as supporting quality of life improvements.

INVOLVE NORTHWEST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Reachout

The Reachout service has been delivered by Involve for the past 13 years and has significantly grown in delivery. The main aim of the service is to support people who are long-term unemployed and inactive to help them find sustainable employment. The service is also delivered across Wirral via local community work clubs and three hub based community venues. Reachout also provides a discretionary fund to help tackle the pre employment barriers that individuals and families face whilst looking for work, this fund helps issues such as interview clothes, training and travel costs.

An employer engagement officer supports the service and is able to find employers on Wirral and beyond to ensure that Reachout is the first place they recruit from with our bank of people looking for work.

Community Connectors

The community connector's contract was won in February 2017 and then extended from 2019 to 2020 due to the excellent delivery and outcomes delivered. The main aims of the project are to go out into the community via a door knocking service and find isolated people to help them gain a place back in the community. The service also helps small voluntary groups with a spark fund to help them to continue to deliver the vital resources in the community such as:

- Knit and natter groups
- IT groups
- Men's mental health
- Toast and talk

Benefits service

The benefits service is one of the longest standing services delivered by Involve and it was actually how the organisation started in 1991! Since then various funders have helped deliver this project to help many thousands of people across Wirral. The main aim of the service is to support people with a health related condition either apply for benefit support, sustain benefit support or make a challenge if that financial support has been removed. The service also offers representation at tribunal level if needed.

Domestic Abuse

The main aspect of the domestic abuse service is a specific programme called Leapfrog which supports mums and children who have experienced domestic abuse with a strong objective of rebuilding the family back together.

In addition to leapfrog, #GTTS (Got The T-Shirt) is a domestic abuse peer mentoring project delivered by volunteers in the community via coffee clubs/mornings.

To support this we offer the delivery of training to front line support staff of other businesses in the domestic abuse sector, which in turn gained Involve a domestic abuse pledge award.

Debt / Money Management

The aim of this project is to help individuals in financial crisis tackle their debts, advocate on their behalf with the lenders and also support individuals and families with bespoke money management plans moving forward.

Mental Health

This project specifically works with individuals who have presented at their GP with anxiety and depression and who are awaiting intensive therapy. The project can intervene at pre and post therapy stage to tackle the identified practical issues to help alleviate the overall mental health pressures and reduce down NHS waiting lists.

Our volunteers

The charity is very involved within the community and relies on voluntary help.

The main area that volunteers are involved is through the domestic abuse service via peer mentoring

INVOLVE NORTHWEST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

(#gotthetshirt). This crucial part of the organisation delivers coffee mornings across Wirral supporting and helping sufferers of domestic abuse.

Achievements and performance

Involve has achieved the following during 2018 – 2019:

- Involve has sustained 62 jobs for Wirral people within the charity
- Involve has maintained all the services and projects into 2019 with no alteration to delivery
- Involve has supported during the past year over 8,000 vulnerable people
- Involve has agreed a development plan for 2019 onwards
- Involve has developed new partnerships that is hoped will help shape the delivery and direction of the charity into the future
- Involves benefit service has managed to reduce over £1million pounds of debt for clients
- Involve has gained IIP Gold status
- Involve has gained ISO
- Involve is in talks to agree a new contract around low level mental health support
- 100% of the staff team feel Involve is a great place to work!

Fundraising

The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Financial review

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

Incoming resources in the year were £2,199,136 (2018: £2,063,921) of which £2,064,867 (2018: £1,924,513) related to project restricted activities. The main funder being Wirral Council who provided £1,300,962 (2018: £1,217,727) in respect of Wirral Worklessness Support and £477,833 (2018: £452,859) for the Community Connectors project.

Resources expended were £2,194,685 (2018: £2,035,078). £1,986,767 (2018: £1,870,562) related to restricted activities. A surplus of £4,451 was made in the year (2018: £28,843 surplus).

Our pricing policy

Our pricing policy reflects our strategy of enabling all within our community, whatever their means, to take part in our activities, thus everything delivered is free.

We price our services competitively so as to enable us to gain the grants and funds to sustain the charity into the future.

Reserves policy and going concern

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The trustees consider that the ideal level of reserves as at 31 March 2019 would be 3 months' worth of turnover which equates to £550,000. Total reserves as at 31 March 2019 were £562,160 (2018: £557,711), £528,947 of these were unrestricted (2018: £448,373), of which £130,347 (2018: £49,309) were designated and £300,300 (2018: £318,640) related to fixed assets, leaving £98,300 (2018: £129,733) as free reserves.

Designated funds account held by the charity covers all the redundancy costs for the full team.

The Trustees will review the reserves policy given the change in operations since the policy was introduced and consider what actions need to be taken to move from actual free reserves of £98,300 to the new, agreed level. The changes include owning Royal Standard House, growth in designated funds and cash holdings.

INVOLVE NORTHWEST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Plans for future periods

The strategic plan envisaged for Involve from 2019 is very exciting and will deliver a new chapter based on the existing needs of our clients.

The next plan is firstly to sustain all existing services for a minimum of three years with the potential to grow into new areas if feasible.

The second plan is to use the building the charity occupies and turn the front part into a community hub. This will involve the removal of walls and the development of a specific front of house area that has the following:

- Reception / greeting space
- Community Hub for local groups
- Tea / coffee and cake area
- Social meeting area
- Clothing and household items area for sale
- Food bank

The area will also be used to establish a space for groups to be able to deliver client sessions / bespoke coffee mornings and individual support areas.

The community hub is due to be completed by October 2019 with a launch of the new area.

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Chair

D Cheyne

Elected trustees:

J Calcott

G Doran

J Fletcher

Structure, Governance and Management

Governing Document

Involve Northwest is a company limited by guarantee governed by its Memorandum and Articles of Association dated 28 September 1950. It is registered as a charity with the Charity Commission.

Appointment of trustees

As set out in the Articles of Association the charity appoints trustees through a recruitment process to join the board. The board will always have a quorum for voting processes as set out in the articles.

The board also retain the right to co-opt board members with specialist skills if needed by the charity.

Trustee induction and training

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction day they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

INVOLVE NORTHWEST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Organisation

The board of trustees, which can have up to 12 members, administers the charity. The board normally meets quarterly with an annual away day. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and strategic development.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

Pay policy for senior staff

The directors consider the board of directors, who are the charity trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give their time freely and no director received remuneration in the year.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other provincial charities of a similar size run on a voluntary basis.

Risk management

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity is compliant to ISO 9001:2015 standards
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review at each board meeting which is discussed with the trustees.

Attention has also been focussed on non-financial risks arising from fire, health and safety such as lone working. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff working in these operational areas.

Trustees' responsibilities in relation to the financial statements

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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;

INVOLVE NORTHWEST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 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 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 charity and the group and hence 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 in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charities auditor is unaware,
- and the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small Company Provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board of trustees


D Cheyne
Chair

23rd OCTOBER 2019

INVOLVE NORTHWEST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVOLVE NORTHWEST

Opinion

We have audited the financial statements of Involve Northwest (the 'charitable company') for the year ended 31 March 2019 set out on pages 12 to 28. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we

INVOLVE NORTHWEST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVOLVE NORTHWEST

are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees, as a body, for our audit work, for this report, or for

INVOLVE NORTHWEST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVOLVE NORTHWEST

the opinions we have formed.


Vicky Szulist (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

3rd floor

The Lexicon

Mount Street

Manchester

M2 5NT

Date:

23rd October 2019

Crowe U.K. LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

INVOLVE NORTHWEST
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	2	7,070	1,150	8,220	3,576
Charitable activities	3	13,972	2,063,717	2,077,689	1,924,513
Investments	4	113,227	-	113,227	135,902
Total income		134,269	2,064,867	2,199,136	2,063,991
Expenditure on:					
Charitable activities		207,918	1,986,767	2,194,685	2,035,148
Total expenditure	7	207,918	1,986,767	2,194,685	2,035,148
Net income / (expenditure) before transfers		(73,649)	78,100	4,451	28,843
Transfers between Funds	14	154,223	(154,223)	-	-
Net income / (expenditure) before other recognised gains and losses		80,574	(76,123)	4,451	28,843
Net movement in funds		80,574	(76,123)	4,451	28,843
Reconciliation of funds:					
Total funds brought forward		448,373	109,336	557,709	528,866
Total funds carried forward		528,947	33,213	562,160	557,709

The notes on pages 15 to 28 form part of these financial statements.

INVOLVE NORTHWEST
(A company limited by guarantee)
REGISTERED NUMBER: 03212268

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	10		300,300		318,640
Current assets					
Debtors	11	159,862		176,840	
Cash at bank and in hand		226,162		184,796	
		<u>386,024</u>		<u>361,636</u>	
Creditors: amounts falling due within one year	12	(124,164)		(122,567)	
Net current assets			261,860		239,069
Net assets			<u>562,160</u>		<u>557,709</u>
Charity Funds					
Restricted funds	14		33,213		109,336
Unrestricted funds	14		528,947		448,373
Total funds			<u>562,160</u>		<u>557,709</u>


The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on **23RD October 2019** and signed on their behalf, by:

The notes on pages 15 to 28 form part of these financial statements.


D CHEYNE

INVOLVE NORTHWEST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash used in operating activities	16	(70,025)	(98,202)
Cash flows from investing activities:			
Rent income		111,391	135,831
Purchase of tangible fixed assets		-	(4,200)
Net cash provided by investing activities		111,391	131,631
Change in cash and cash equivalents in the year		41,366	33,429
Cash and cash equivalents brought forward		184,796	151,367
Cash and cash equivalents carried forward	17	226,162	184,796

The notes on pages 15 to 28 form part of these financial statements.

INVOLVE NORTHWEST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Involve Northwest 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.

1.2 Company status

The charitable company is a private company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

The registered office is listed on the reference and administrative details page. The entity is registered at both Companies House (reg no: 03212268) and the Charity Commission (reg no: 1056777) in England and Wales.

1.3 Going concern

Management monitor current and future funding levels closely, ensuring that staff contracts match secured funding. Contingencies are in place should any funding cease. Management accounts are prepared on a regular basis and funding has been secured for a number of projects for the foreseeable future. On this basis, the trustees consider the charity to be a going concern.

INVOLVE NORTHWEST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. These are allocated on the proportion of income generated by each charitable activity.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

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FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £700 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	5% straight line
Fixtures and fittings	-	25% straight line
Office equipment	-	25% straight line
Property improvements	-	20% straight line

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.11 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.12 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Income from donations and legacies

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Donations	7,070	1,150	8,220	<i>3,576</i>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total 2018</i>	<i>3,576</i>	<i>-</i>	<i>3,576</i>	
	<hr/>	<hr/>	<hr/>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

3. Income from charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Reachout	-	1,300,962	1,300,962	1,217,727
Advice centre	-	145,191	145,191	169,074
Domestic abuse advice service	-	39,666	39,666	84,668
Community connectors	13,972	577,898	591,870	453,044
	<u>13,972</u>	<u>2,063,717</u>	<u>2,077,689</u>	<u>1,924,513</u>
<i>Total 2018</i>	<u>7,811</u>	<u>1,916,702</u>	<u>1,924,513</u>	

4. Investment income

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Rental income	112,919	-	112,919	135,832
Investment income	308	-	308	70
	<u>113,227</u>	<u>-</u>	<u>113,227</u>	<u>135,902</u>
<i>Total 2018</i>	<u>135,902</u>	<u>-</u>	<u>135,902</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Direct costs

	Reachout £	Advice centre £	Domestic abuse advice service £
Partner payments	442,421	-	-
Office costs	53,389	21,837	10,998
Premises costs	23,894	4,510	2,286
Other costs	10,499	866	12,305
Legal and professional	3,160	699	152
Audit fees	2,650	1,200	-
Wages and salaries	589,921	138,016	76,765
National insurance	53,754	10,159	5,273
Pension cost	5,143	1,664	676
	<u>1,184,831</u>	<u>178,951</u>	<u>108,455</u>
<i>Total 2018</i>	<u>1,171,177</u>	<u>188,815</u>	<u>63,770</u>

	Community connectors £	Other community services £	Total 2019 £	Total 2018 £
Partner payments	-	-	442,421	447,705
Office costs	49,027	4,105	139,356	143,519
Premises costs	20,129	-	50,819	22,240
Other costs	15,176	75	38,921	28,542
Legal and professional	5,394	-	9,405	9,986
Audit fees	2,650	-	6,500	6,180
Wages and salaries	383,398	528	1,188,628	1,117,765
National insurance	29,950	-	99,136	89,369
Pension cost	4,098	-	11,581	5,252
	<u>509,822</u>	<u>4,708</u>	<u>1,986,767</u>	<u>1,870,558</u>
<i>Total 2018</i>	<u>428,579</u>	<u>18,217</u>	<u>1,870,558</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

6. Support costs

	Reachout £	Advice centre £	Domestic abuse advice service £
Office costs	17,143	2,270	1,500
Premises costs	52,999	7,017	4,636
Other costs	5,884	779	515
Legal and professional	2,972	393	260
Wages and salaries	28,152	3,728	2,463
National insurance	2,571	341	225
Pension cost	298	39	26
Depreciation	10,644	1,409	931
	<u>120,663</u>	<u>15,976</u>	<u>10,556</u>
<i>Total 2018</i>	<u>104,143</u>	<u>14,460</u>	<u>7,241</u>

	Community connectors £	Other community services £	Total 2019 £	Total 2018 £
Office costs	6,297	2,331	29,541	14,694
Premises costs	19,465	7,205	91,322	54,672
Other costs	2,161	800	10,139	4,016
Legal and professional	1,091	404	5,120	1,418
Wages and salaries	10,340	3,827	48,510	62,619
National insurance	945	350	4,432	8,332
Pension cost	110	41	514	779
Depreciation	3,909	1,447	18,340	18,060
	<u>44,318</u>	<u>16,405</u>	<u>207,918</u>	<u>164,590</u>
<i>Total 2018</i>	<u>38,746</u>	<u>-</u>	<u>164,590</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

7. Analysis of Expenditure by expenditure type

	Staff costs 2019 £	Depreciation 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Reachout	679,839	10,644	615,011	1,305,494	1,281,144
Advice centre	153,947	1,409	39,571	194,927	193,394
Domestic abuse advice service	85,428	931	32,652	119,011	69,475
Community connectors	428,841	3,909	121,390	554,140	469,309
Other community services	4,746	1,447	14,920	21,113	21,756
	<u>1,352,801</u>	<u>18,340</u>	<u>823,544</u>	<u>2,194,685</u>	<u>2,035,078</u>
<i>Total 2018</i>	<u>1,244,502</u>	<u>18,060</u>	<u>772,516</u>	<u>2,035,078</u>	

The 2018 figures have been reallocated following a review by management as to the nature of expenditure. £26,533 was previously allocated to investment management. This has been reclassified to premises costs in the notes to the financial statements.

8. Net income/(expenditure)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned by the charity	18,340	18,060
Auditor's remuneration - audit	7,000	3,700
Auditor's remuneration - other services	1,000	2,480
	<u> </u>	<u> </u>

During the year, no Trustees received any remuneration (2018 - £NIL).

During the year, no Trustees received any benefits in kind (2018 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2018 - £NIL).

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9. Staff costs

Staff costs were as follows:

	2019	2018
	£	£
Wages and salaries	1,237,138	1,145,800
Social security costs	103,568	93,106
Other pension costs	12,095	5,598
	1,352,801	1,244,504

The average number of persons employed by the company during the year was as follows:

	2019	2018
	No.	No.
Charitable	54	52
Management	3	3
	57	55

The number of higher paid employees was:

	2019	2018
	No.	No.
In the band £60,001 - £70,000	0	1
In the band £70,001 - £80,000	1	0

Key management personnel consist of those listed on the admin and reference page. Total remuneration for the year amounted to £171,853 (2018: £164,416).

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Tangible fixed assets

	Freehold property £	Property improvements £	Total £
Cost			
At 1 April 2018 and 31 March 2019	350,000	4,200	354,200
Depreciation			
At 1 April 2018	35,000	560	35,560
Charge for the year	17,500	840	18,340
At 31 March 2019	52,500	1,400	53,900
Net book value			
At 31 March 2019	297,500	2,800	300,300
At 31 March 2018	315,000	3,640	318,640

11. Debtors

	2019 £	2018 £
Trade debtors	113,798	124,989
Prepayments and accrued income	46,064	51,851
	<u>159,862</u>	<u>176,840</u>

12. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	48,223	40,263
Other taxation and social security	26,740	25,248
Other creditors	9,571	12,524
Accruals and deferred income	39,630	44,532
	<u>124,164</u>	<u>122,567</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

12. Creditors: Amounts falling due within one year (continued)

	£
Deferred income	
Deferred income at 1 April 2018	19,011
Resources deferred during the year	18,277
Amounts released from previous years	(19,011)
	<u>18,277</u>
Deferred income at 31 March 2019	<u>18,277</u>

Deferred income relates to rents and grant income provided in advance which relate to the 2019-20 financial year.

13. Financial instruments

	2019 £	2018 £
Financial assets measured at amortised cost	<u>423,747</u>	<u>309,787</u>
Financial liabilities measured at amortised cost	<u>79,146</u>	<u>78,308</u>

Financial assets measured at amortised cost comprise trade debtors and cash.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
Designated funds					
Redundancy costs	<u>46,309</u>	<u>-</u>	<u>-</u>	<u>84,038</u>	<u>130,347</u>
General funds					
General Funds	<u>402,064</u>	<u>134,269</u>	<u>(207,918)</u>	<u>70,185</u>	<u>398,600</u>
Total Unrestricted funds	<u>448,373</u>	<u>134,269</u>	<u>(207,918)</u>	<u>154,223</u>	<u>528,947</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

14. Statement of funds (continued)

Restricted funds

ReachOut	32,695	1,300,962	(1,209,994)	(123,663)	-
Advice Services	13,344	172,263	(164,391)	(14,560)	6,656
Domestic Violence Advice Services	20,881	113,809	(102,457)	(6,000)	26,233
Community Connectors	37,499	477,833	(505,216)	(10,000)	116
Other Community Activities	4,917	-	(4,709)	-	208
	<u>109,336</u>	<u>2,064,867</u>	<u>(1,986,767)</u>	<u>(154,223)</u>	<u>33,213</u>
Total of funds	<u>557,709</u>	<u>2,199,136</u>	<u>(2,194,685)</u>	<u>-</u>	<u>562,160</u>

ReachOut - Employment partnership working with long-term unemployed individuals over the age of 30, including sustainability support for 6 months post returning to the labour market.

Advice Services - Advice and guidance service for people with health conditions up to and including tribunal representation.

Domestic Violence Advice Services - The provision of a two tiered programme to support families in relation to domestic abuse. 10 week programmes of support and interventions for mums and children and 1 to 1 support.

Community Connectors - The service engages the disengaged by setting up a network of new roles in the community to tackle the issue of social isolation and promote active inclusion which will improve and provide health benefits and lead to greater readiness for work.

Other Community Activities - Provision of various community activities to include an annual pensioners party etc.

A transfer has taken place moving £111,318 of Reachout funds to designated funds. This is because 15% of the Reachout income can be applied for general purposes. The Trustees have decided to designate this funding to cover the cost of potential redundancies arising from contract funding coming to an end. Given this, the Trustees have also released £27,280 of previously designated funds to unrestricted general funds.

Statement of funds - prior year

	<i>Balance at 1 April 2017</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2018</i>
	£	£	£	£	£
Redundancy costs	19,029	27,280	-	-	46,309

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

14. Statement of funds (continued)

Restricted funds

ReachOut	(13,854)	1,217,727	(1,171,178)	-	32,695
Advice Services	33,086	169,074	(188,816)	-	13,344
Domestic Violence Advice Services	(18)	84,668	(63,769)	-	20,881
Community Connectors	13,034	453,044	(428,579)	-	37,499
Other Community Activities	23,137	-	(18,220)	-	4,917
	<u>55,385</u>	<u>1,924,513</u>	<u>(1,870,562)</u>	<u>-</u>	<u>109,336</u>

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	300,300	-	300,300
Current assets	352,812	33,213	386,025
Creditors due within one year	(124,165)	-	(124,165)
	<u>528,947</u>	<u>33,213</u>	<u>562,160</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	318,640	-	318,640
Current assets	252,300	109,336	361,636
Creditors due within one year	(122,567)	-	(122,567)
	<u>448,373</u>	<u>109,336</u>	<u>557,709</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	4,451	28,843
Adjustment for:		
Depreciation charges	18,340	18,061
Rent income	(111,391)	(135,832)
Increase in debtors	(70,405)	(17,974)
Increase in creditors	88,980	8,700
Net cash used in operating activities	(70,025)	(98,202)

17. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	226,162	184,796
Total	226,162	184,796

18. Pension commitments

The charity operates a defined contribution pension scheme which is a multi-employer scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension costs charge represents contributions payable by the charity to the fund and amounted to £12,095 (2018: £5,598). No amount was outstanding as at 31 March 2019 (2018: £nil).

19. Operating lease commitments

At 31 March 2019 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts payable:		
Within 1 year	10,782	28,084
Between 1 and 5 years	1,765	2,860
Total	12,547	30,944

20. Related party transactions

There were no related party transactions in the year.