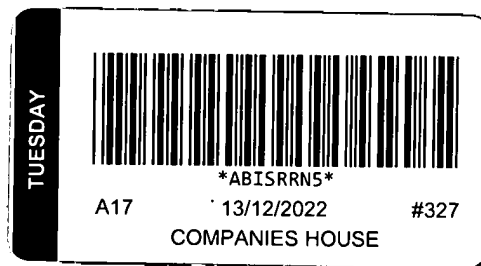


Charity Registration No. 1116773

Company Registration No. 05822301 (England and Wales)

**HALOW PROJECT**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**



# HALOW PROJECT

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

Mr J Stevens  
Mr M Day  
Ms S Hill  
Mr M McArthur  
Mr R Meins  
Mr T Oliver  
Mr C Evans

**Secretary**

Mr R Meins

**Non-statutory Director**

Mr G O'Connor

Director of halow project services

**Charity number**

1116773

**Company number**

05822301

**Registered office**

Carroll House  
11 Quarry Street  
Guildford  
Surrey  
United Kingdom  
GU1 3UY

**Auditor**

Azets Audit Services  
Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
United Kingdom  
GU7 1LQ

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# HALOW PROJECT

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# HALOW PROJECT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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The Trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1.1 to the financial statements and comply with the charity's memorandum and articles of association, the Companies Act 2006 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 2019)".

### Objectives and activities

The principal activity of the charity in the year under review was to provide benefit to young people with learning disability in Surrey and the surrounds.

**halow project** is a registered charity dedicated to creating opportunities and supporting young people aged 16+ with a learning disability so that they are able to live independent, meaningful, fulfilled lives and become more involved in their local community.

The young people we work with want the opportunity to:

- Build relationships
- Become part of the community
- Find meaningful employment
- Have a home of their own

**halow project** provides access to social activities, community-based learning and work-like experiences funded through a mixed model of fees, fundraising and enterprise.

From April 2021 to March 2022, **halow project** supported 169 individuals across our services, with many young people using several services:

- Social Activities (127)
- A Reason to Get Up (42)
- Building Futures (40)
- Buddy Service (37)
- Supported Living (11)

In total, **halow project** delivered 5,430 hours of social and learning activities over the year to 141 individuals and flexibly provided 32,165 hours of care to 50 individuals in their homes and/ or communities. Delivery across the organisation has increased.

# HALOW PROJECT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### **halow Project Business Priorities for 2021-22**

Despite good results in 2020-21, especially with the impact of COVID-19 on charities, we maintained the belief that there are still many more young people with learning disabilities who could benefit from **halow's** unique blend of services and support. The Trustees and Senior Leadership Team remained committed to grow **halow's** reach and impact, and this has resulted in a restructure of the organisation. We have returned to one Director, but provided more resource into teams beneath the role - most notably more senior roles / increased experience in the roles of Head of Care Services, Head of Fundraising and Communications, and Finance Manager; and with further resourcing within departments to better meet the charity's growing needs. We have also been supported through this change by a part time executive consultant, and a closer relationship between the Board of Trustees and those on the payroll.

In terms of growth, the focus was on organic and risk assessed growth. Our Building Futures programme has secured an expansion to Woking from September 2022. Only 7 miles away, the financial risk here is vastly reduced by an increased fee for each learner. We have also delivered more service in both the 'A Reason To Get Up Programme' and 'Social Activities', reflecting the growth on referrals and interest here.

Although **halow** have a great reputation in all services and with all stakeholders, our other main area of work has been focusing further on quality, and a clearer strand that runs through the organisation. At governance level this has led to the development of a Quality and Innovation subcommittee. This has board and other stakeholder representation and ensures all of our services are reviewed in detail at least annually; feeding back to the Board of Trustees. From the bottom up; we have increased the quality of training from point of entry, supported by a new dedicated training role; significantly increased monitoring visits and support in our Care services, and provided greater recognition to staff members with increased pay bandings, multiple employees of the month across teams, and quality and innovation commendations for stand-out pieces of work. What quality looks like at **halow** is far clearer.

#### **Our Mission**

To develop innovative and responsive services, led by a skilled, supported and committed workforce, to meet the needs of young people with a learning disability to live, learn, socialise and work in the community.

#### **Our business objectives for 2021-22 were:**

1. Continue to deliver high quality, innovative, and person-centred services and to exceed expectations of the young people themselves, families, commissioners and the local community.
2. Continue the implementation of our Exceptional Person-Centred Care (EPC) strategy, a root and branch approach to reposition our teams to deliver this.
3. Ensure the smooth transition of staff into the expanded charity and further strengthen the values-based approach to recruitment, training and delivery.
4. Launch a new pathway of the Building Futures programme, funded through local authority SEND route, rather than Adult Social Care resulting in 2 separate year A groups and 5 concurrent year groups overall- some of which will be based in the neighbouring town of Woking.
5. To increase our fundraising and communications operations.
6. To modernise our financial procedures and bring the department more in line with operational need.
7. Continue to respond effectively to the Covid-19 pandemic.
8. Investigate and introduce new central technology solutions to further aid efficiency and growth.
9. Review and make appropriate changes at governance level- with a focus on appropriate subcommittees, external representation, and the make-up of the Board of Trustees.

# HALOW PROJECT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### Achievements and Performance

Each year this report is a chance to reflect on the many achievements that our young people and the company have achieved in that time. We are grateful to all those who have been a part of this organisation and we hope you will continue to join us in meeting the ongoing challenges of nurturing and enabling independence in young people with a learning disability in Surrey and surrounding districts. Feedback from young people and families on **halow** staff continues to be good, remarking on the positive relationships formed, the progress made towards their goals and the safety and happiness of young people accessing **halow** services.

The Trustees (Company Directors) are pleased to report progress in all areas identified in 2021-2022 and it is a credit to our teams that, despite the huge challenges to our operations as a result of the ongoing impact of COVID-19, we were able to deliver services for more young people than in previous years, have invested further in the quality of our services, have made real and sustainable change to further secure the charities priorities and future, and end the year in a healthy financial position.

Everyone at **halow** wishes to thank all our young people, families, staff, volunteers, commissioners, funders and supporters for your support for our work this year and we would particularly like to thank Surrey County Council for their engaging and committed approach in continuing to support us.

### Our 2021-22 Plans and Achievements:

#### **1. Continue to deliver high quality, innovative, and person-centred services and to exceed expectations of the young people themselves, families, commissioners and the local community.**

Aim: To continue to raise the bar in all our services.

#### **2021-22 Achievements**

Our Services have all maintained their strong reputations with all stakeholders, which can be evidenced through our regular surveys, person centred reviews, and tracking of both compliments and complaints.

Our Building Futures, A Reason To Get Up and Social Activities services have all delivered an increased amount of service this year- a clear follow on from our departmental reviews, stakeholder connections, quality and innovation focus, and related recruitment.

ARTGU has delivered an extra 'cook and grow' session on Monday to compliment our existing delivery. Building Futures expanded to an extra year group in Sept 2021 and will again in Sept 2022 and be based in Woking. Social Activities is delivering a greater number and variety of sessions than ever before. In Supported Living and our outreach service the focus has been on further increase of quality, rather than growth, and we have opted not to expand in some areas for this reason.

Our plans for 2022-23 include:

- Impact analysis to be further imbedded in all departments and to aid the release of annual impact report.
- A further new ARTGU service, in either Woking or Guildford.
- A further Building Futures Year group, taking us to a full programme of 3 year groups in Guildford and a full programme of 3 year groups in Woking.
- A review of our supported living strategy, looking at how we can deliver more service in different ways - bearing in mind our model is more person-centred and thus less financially efficient than others in the marketplace.

# HALOW PROJECT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### **2. Continue the implementation of our Exceptional Person-Centred Care (EPC) strategy, a root and branch approach to reposition our teams to deliver this.**

Aim: Provide a better structure both internally and at a governance level to allow our teams to implement our EPC aims for our service users.

#### **2021-22 Achievements**

We have further resourced our training, with a dedicated 2.5 days per week role; and a new fulltime role to focus on recruitment and volunteering. We secured funding for the development of these roles. They have delivered our first bespoke development days for frontline workers (covering numerous training needs), and have been a big success.

Our restructure has led to the more senior role of Head of Care Services, and a better resourced team of office-based roles, and senior buddies in houses. Early improvements in the time were already evident by the end of April 2022.

Our governance has increased across the charity - with managers visiting services more, and board members reviewing quality regularly.

Towards the end of the year a new recruitment campaign for supported living roles also started to bear fruit, which is a promising sign. The new fulltime communications role has had a clear impact on this too.

The on-call function has also been further improved - most notably with the increased care team filling more of the rota (reasonably), especially at the key time of weekends, thus providing better support to our service users.

Our plans for 2022-2023 include:

- Increasing our volunteers significantly, to enable us to provide more support and do new things.
- Continue to develop the staff training package to include increased EPC development days, and a focus on bespoke (rather than 'off the peg') person centred training at induction.
- A better connection between training and Care, catalysed by the new HoCS role.
- Develop junior managers in Care team - deputy, coordinator, and seniors.

# HALOW PROJECT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### **3. Ensure the smooth transition of staff into the expanded charity and further strengthen the values-based approach to recruitment, training and delivery.**

Aim: To ensure our recruitment is efficient in a challenging market, most notably in terms of not losing candidates. New staff should feel part of one inclusive and dynamic team whose main goal is to enhance the lives of young people with learning disabilities.

#### **2021-2022 Achievements**

- Embedding of recruitment and volunteer coordinator role- immediate efficiencies making us a better and more efficient recruiter, in a challenging market.
- Return to face-to-face induction following COVID-19 reduction.
- Increased pay for buddies for April 2022, above increased real living wage, local levels in our industry and retail starting salaries.
- Increased face to face training through internal development days.
- A more agile position based on recruitment and HR key performance indicators, which are also shared at a governance level.
- Successful new Care recruitment campaign, started in Q4.
- Very successful and robust recruitment to new, more senior management roles.
- During the year we continued to recruit fantastic values-based candidates across the organisation.
- An HR professional joining the board on a trial basis, in Q4.

Our plans for 2022-2023 include:

- Remain as agile as possible on pay rates, recognising the impact of inflation.
- Instigate development plans for office-based workers now that we have significantly increased training for frontline roles.
- Further development of care recruitment campaign, with extra resource now embedded.
- Further develop and implement a volunteer strategy for the organisation.



# HALOW PROJECT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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**4. Launch a new pathway of the Building Futures programme, funded through local authority SEND route, rather than Adult Social Care resulting in 2 separate year A groups and 5 concurrent year groups overall- some of which will be based in the neighbouring town of Woking.**

Aim: To continue to work closely with Surrey County Council's SEND (Special Educational Needs and Disabilities) team to introduce the planned new year group for September 2021, and September 2022; whilst supporting the drive for referrals internally.

### **2021-22 Achievements**

Programme awarded 'Highly Commended' at national 2021 'Children And Young People Now Awards'.

Building Futures is mainly funded by local authority commissions but also relies on grants and awards from generous trust funders. We maintained an excellent working relationship with the SEND team through regular communication and briefings, and fundraising to the programme has also performed reasonably well despite the ongoing impact of COVID-19.

- From September 2022 we have significantly increased the SEND fee for the programme, making the expansion financially viable for the future (i.e. less reliant on fundraising income).
- Excellent recruitment, including embedding of new manager.
- Further work to foster referrals for Sept 2022 and Sept 2023 has already taken place.
- Set up key areas in Woking has gone well- most notably community-based partnership venues.

Our plans for 2022-23 include:

- Continue expansion to 6 concurrent year groups in Guildford and Woking for Sept 2022.
- Successful related recruitment. A second assistant manager, new year leader, and new learning support workers.
- Continue to prioritise promotion of the programme through existing contacts, local authority teams.
- Foster relationship with SEND, and new commissioner.
- Produce updated promotional materials, including a video about the programme.

# HALOW PROJECT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 5. To increase our fundraising and communications operations.

Aim: following a department review, increase operations recognising the need for change, and especially following the impact of COVID-19.

#### 2021-22 Achievements

- Team of 2 replaced by entirely new team of 4 and led by a new and experienced Head of Fundraising and Communications following robust recruitment.
- Dedicated and experienced fulltime communications officer, supporting fundraising but also wider aims of halow.
- Dedicated and experienced fundraising officer added.
- Trusts and grants now done internally rather than by a consultant, so also reduced spend.
- Previous consultant added to the board of trustees, ensuring better governance of fundraising.
- Increased income since new team started.

#### Our plans for 2022-2023

- Invest in underused streams of fundraising; including legacies, increased individual / major donors, new events, and our communities in Guildford, and now Woking.
- Review fundraising income regularly, utilising developments in Finance team.
- Further develop the Donorfy database as a key resource.
- Increase the income to the charity.
- Produce halow's first proper annual impact report, early 2023.
- Increase comms through frequency of Spotlight magazine, increased social media, etc.
- A new website, with our new provider.
- Develop a new event to replace the halow250 cycle ride, which will end after 10 events in May 2023.

### 6. To modernise our financial procedures and bring the department more in line with operational need.

Aim: Enhance finance operations.

#### 2021-22 Achievements

- Recruited a new and experienced Finance Manager
- Secured existing team member in a new role.
- External Consultant support, and took on the role of Treasurer
- Embedding of 'Xero' accountancy software
- Clear reporting.
- Improved budgeting.
- Payroll efficiencies.
- Improved internal links, especially to HR.

#### Our plans for 2022-2023

- Quarterly budget reports, likely to lead to the reforecasting of Building Futures (September academic year start) and Fundraising (new streams and events added).
- Separate finance subcommittee (was joined with fundraising) to recognise so much has moved on and that reporting can be relied upon.

# HALOW PROJECT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 7. Continue to respond effectively to the COVID-19 pandemic.

Aim: To keep young people at the heart of the decisions we make whilst ensuring the ongoing health of the business and the welfare of staff.

#### 2021-22 Achievements

- We have continued to adapt well, keeping our young people at the centre of decisions.
- We have maintained good quality service, whilst following ever changing guidelines.
- We have secured PPE and local authority payments to support us.
- It is possible to work more flexibly, especially with investment in laptops, and clear work from home guidelines that suit our operation.

Our plans for 2022-2023

With the pandemic now hopefully endemic, this will not form a separate aim going forward.

### 8. Investigate and introduce new central technology solutions to further aid efficiency and growth.

Aim: To continue to move forward digitally to enable more mobility, have better record keeping/reduced paper-based systems, improve efficiency, and reduce duplication of information generally.

#### 2021-2022 Achievements

- Embedding of Rotacloud and OnCare in our Care services- efficiencies clear.
- Embedding and better use of Xero financially, with more previous years to work from.
- Refining use of Hireful and their Applicant Tracking System through the new recruitment and volunteering coordinator role.

Our plans for 2022-2023 include:

- Explore possibilities for better HR software.
- Explore possibilities for better Care recording software.
- Transfer server data to cloud storage.
- Make live Buddy rota information available to service users and their families.

### 9. Review and make appropriate changes at governance level- with a focus on appropriate subcommittees, external representation, and the make-up of the Board of Trustees.

Aim: To strengthen our governance in line with best practice to ensure that the organisation continues to be run in the best possible way; attracts new talent onto the Board; is more agile in its decision-making; and remains attractive to funders.

#### 2021-2022 Achievements

- Founding Board members are now much closer to the organisation, facilitating change.
- Subcommittees have been embedded and functioning well: Finance & Fundraising, HR, Staff and Welfare, and Quality & Innovation. There have also been efficiencies.
- Review of responsibilities through The Charity Commission, leading to some amendments to standing agenda within subcommittees and Board meetings.
- External Care trustee joined on a trial basis in Autumn of 2021. Unfortunately, they joined the great refresh and moved to a different area of the country. The role is now readvertised.
- In Q4, two new external trustees were identified with required specialisms in HR and Fundraising.

Our plans for 2022-23 include:

- Embed 2 external trustees and source a third with Care specialism. Update Charity Commission when confirmed.
- Board training to be identified for new and existing posts.
- With teams now more established, Finance & Fundraising Subcommittees to split out, to ensure adequate focus on each.

# HALOW PROJECT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### Statement of compliance with Charity Commission guidance

The Trustees have paid due regard to guidance issued by the Charity Commission's guidance on public benefit and what activities they should undertake.

### Use of volunteers

**halow** is supported by a small group of dedicated regular volunteers who enable more young people to take part in the daytime activity and learning programmes, and support **halow** at fundraising events. Volunteers are supported with training, complete DBS checks, and undertake weekly COVID-19 testing.

### Fundraising standards

**halow** subscribes to the Fundraising Regulator's Fundraising Promise. In addition to this, we are developing our own promise to supporters which includes the following:

- We will keep you updated on the wonderful difference you make to young adults with a learning disability.
- We will follow the highest standards of fundraising, going beyond the industry and regulatory requirements for fundraising practices.
- We will always keep your personal information safe.
- We will always give you the power to decide how you would like us to contact you.
- We will never coerce you or use guilt to persuade you to make a donation or grant.

Honesty, transparency and accountability are key values for us and we encourage and support all staff to uphold these values in the work they do. For our fundraising team this involves:

- Ensuring that donors and funders understand where their support is being channelled to e.g., whether a grant or donations is restricted to a specific project or is unrestricted.
- Informing a funder if we have received additional funding for a specific project and offering to return any surplus funds.
- Being accountable to each other and to the charity's management team and trustees in everything we do. We raise these funds from one-off donations, regular giving (via direct debit), applications to grant-making trusts, corporate fundraising activities, and fundraising events.

Our fundraising activities are undertaken by a dedicated team of in-house staff:

- Head of Fundraising and Communications
- Communications Officer
- Fundraising Officer
- Part-time Grants Officer

Their work is reviewed by the Director, who is also involved in fundraising activity, and by a fundraising specialist on our Board of Trustees.

We do not engage any other external agencies to fundraise or engage with donors on our behalf. Over the past year we received no complaints about our fundraising. We define a complaint as an expression of dissatisfaction from a supporter or funder. No complaint is ever disregarded, and all complaints are passed on to colleagues and managers and we seek always to learn from these and to use this learning to inform future fundraising practice.

As a charity that supports some of our community's most vulnerable young people, we have strict guidelines with regard to soliciting funds from anyone who may be classed as vulnerable (through reduced mental capacity, poverty or ill health). Although many of our young people are keen to support our fundraising through sponsored events, attending our carol service or helping on the stand at a community fundraising event, we never ask our young people to make a donation to the charity either face to face or through a fundraising appeal. All staff and contractors are trained and supervised to ensure that when we are aware of a person's vulnerability, it is not appropriate to solicit funds from them. Where a frail or elderly individual expresses interest in leaving a gift in their will, we always encourage them to speak to their family first to ensure that we do not influence their decision.

# HALOW PROJECT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### Financial review

The financial accounts for the year to 31 March 2022 show a net deficit of £98,427 as shown on the Statement of Financial Activities on page 15.

The cash flow statement shows a decrease in cash and cash equivalents of £32,939 during the year.

Income overall decreased by 16% over the year. This was essentially a reflection of the inability to organise many of the face-to-face fundraising activities due to COVID-19. This included **halow's** annual bike ride, events at Goodwood and the Ace car quiz all of which, circumstances permitting, will reappear as soon as is possible.

### Reserves Policy

At the end of the year, total income funds held were £248,983 (2021: £347,410).

This sum includes restricted funds, which are subjected to specific conditions by donors as to how they may be used, at a total of £8,792 (2021: £1,411).

The unrestricted funds held at the end of the year were £240,191 (2021: £345,999) of which a total of £12,983 (2021: £42,829) was committed for expenditure within 2022/23.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months' expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

### Structure, governance and management

#### Governing document

The charity is a company limited by guarantee, incorporated on 19 May 2006 and registered as a charity. The company was established under a Memorandum of Association which defined the objects and powers of the charitable company and is governed under its Articles of Association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J Stevens  
Mr M Day  
Ms S Hill  
Mr M McArthur  
Mr R Meins  
Mr T Oliver  
Mr C Evans

#### Recruitment and appointment of new trustees

Current Trustees are already familiar with the practical work of the charity. Prior to the appointment as a new Trustee, the candidate is met by individual Trustees and officers of the charity to ensure that he/she is fully aware of the requirements and the statutory duties of a Trustee, and to ensure that the person is suitable to hold such an appointment.

**halow project** has a Board that met every two months in 2021-22. It is responsible for the strategic direction and policy of the charity. At present the Board has 6 members from a variety of professional backgrounds relevant to the work of the charity. A number of sub-committees and a scheme of delegation is in place and day to day responsibility rests with the Directors (Chief Executive) and the senior leadership team.

No new trustees have permanently joined halow this year, but we expect new people to join in 2022-2023, as raised.

# HALOW PROJECT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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Pay scales have been set for all levels of staff through benchmarking and regular review of the employment market. If financially viable, progression up a job-related pay scale is decided after considering the achievements of individuals and teams during the year.

halow project is committed to paying all staff at least the Real living Wage.

Trustees do not receive remuneration for their services to the charity.

### Statement of Trustees responsibilities

The Trustees, who are also the directors of halow Project for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

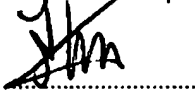
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets 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 charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by the Board of Trustees.



Mr J Stevens

Dated: ....

6/12/22

# HALOW PROJECT

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HALOW PROJECT

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### Opinion

We have audited the financial statements of halow Project (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2022 and of its incoming resources and application of resources, 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 Companies Act 2006.

### 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

In auditing the financial statements, we have concluded that the Trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees report has been prepared in accordance with applicable legal requirements.

# HALOW PROJECT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF HALOW PROJECT

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees report and from the requirement to prepare a strategic report.

#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 charity'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**

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



# HALOW PROJECT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF HALOW PROJECT

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Azets Audit Services*

**Robert Southey (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services**  
**Chartered Accountants**  
**Statutory Auditor**

8 December 2022

Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
United Kingdom  
GU7 1LQ

# HALOW PROJECT

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

### Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<b>Income from:</b>					
Donations and legacies	2	105,075	16,599	121,674	123,068
<u>Charitable activities</u>					
Building Futures	3	332,912	33,256	366,168	309,512
Social Activities	3	22,985	1,700	24,685	1,450
A Reason To Get Up	3	37,133	5,500	42,633	32,578
Buddy Support Services	3	251,207	-	251,207	111,903
Supported Living	3	774,097	-	774,097	768,470
SCC Infection Control & Workforce Capacity	3	55,359	-	55,359	23,287
Fundraising activities	4	166,509	-	166,509	188,111
<b>Total income</b>		<b>1,745,277</b>	<b>57,055</b>	<b>1,802,332</b>	<b>1,558,379</b>
<u>Expenditure on:</u>					
Raising funds	5	133,150	11,478	144,628	130,151
<u>Charitable activities</u>					
Building Futures	6	484,573	30,096	514,669	461,366
A Reason To Get Up	6	136,532	6,000	142,532	118,921
Social Activities	6	88,199	2,100	90,299	103,185
Information and Awareness Raising	6	75,082	-	75,082	101,189
Buddy Support Services	6	269,910	-	269,910	103,711
Supported Living	6	663,639	-	663,639	551,193
<b>Total charitable expenditure</b>		<b>1,717,935</b>	<b>38,196</b>	<b>1,756,131</b>	<b>1,439,565</b>
<b>Total resources expended</b>		<b>1,851,085</b>	<b>49,674</b>	<b>1,900,759</b>	<b>1,569,716</b>
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(105,808)</b>	<b>7,381</b>	<b>(98,427)</b>	<b>(11,337)</b>
Fund balances at 1 April 2021		345,999	1,411	347,410	358,747
<b>Fund balances at 31 March 2022</b>		<b>240,191</b>	<b>8,792</b>	<b>248,983</b>	<b>347,410</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# HALOW PROJECT

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

### Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
<b>Income from:</b>				
Donations and legacies	2	119,768	3,300	123,068
<u>Charitable activities</u>				
Building Futures	3	309,512	-	309,512
Social Activities	3	1,450	-	1,450
A Reason To Get Up	3	32,578	-	32,578
Buddy Support Services	3	111,903	-	111,903
Supported Living	3	768,470	-	768,470
SCC Infection Control & Workforce Capacity	3	4,287	19,000	23,287
Fundraising activities	4	98,266	89,845	188,111
<b>Total income</b>		<b>1,446,234</b>	<b>112,145</b>	<b>1,558,379</b>
<b>Expenditure on:</b>				
Raising funds	5	130,151	-	130,151
<u>Charitable activities</u>				
Building Futures	6	364,386	96,980	461,366
A Reason To Get Up	6	111,421	7,500	118,921
Social Activities	6	101,035	2,150	103,185
Information and Awareness Raising	6	101,189	-	101,189
Buddy Support Services	6	103,711	-	103,711
Supported Living	6	551,193	-	551,193
<b>Total charitable expenditure</b>		<b>1,332,935</b>	<b>106,630</b>	<b>1,439,565</b>
<b>Total resources expended</b>		<b>1,463,086</b>	<b>106,630</b>	<b>1,569,716</b>
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(16,852)</b>	<b>5,515</b>	<b>(11,337)</b>
Gross transfers between funds		4,104	(4,104)	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(12,748)</b>	<b>1,411</b>	<b>(11,337)</b>
Fund balances at 1 April 2020		358,747	-	358,747
<b>Fund balances at 31 March 2021</b>		<b>345,999</b>	<b>1,411</b>	<b>347,410</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# HALOW PROJECT

## BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12		26,679		26,617
<b>Current assets</b>					
Debtors	13	135,460		145,343	
Cash at bank and in hand		305,252		338,191	
		440,712		483,534	
<b>Creditors: amounts falling due within one year</b>	14	(218,408)		(162,741)	
<b>Net current assets</b>			222,304		320,793
<b>Total assets less current liabilities</b>			248,983		347,410
<b>Income funds</b>					
Restricted funds			8,792		1,411
Unrestricted funds			240,191		345,999
			248,983		347,410

The financial statements were approved by the Trustees on .....

6/12/22

  
Mr J Stevens  
Trustee

Company Registration No. 05822301

# HALOW PROJECT

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	23		(21,536)		87,104
<b>Investing activities</b>					
Purchase of tangible fixed assets		(11,403)		(20,116)	
<b>Net cash used in investing activities</b>			(11,403)		(20,116)
<b>Net (decrease)/increase in cash and cash equivalents</b>			(32,939)		66,988
Cash and cash equivalents at beginning of year			338,191		271,203
<b>Cash and cash equivalents at end of year</b>			305,252		338,191

# HALOW PROJECT

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### Charity information

**halow project** is a private company limited by guarantee incorporated in England and Wales. The registered office is Carroll House, 11 Quarry Street, Guildford, Surrey, GU1 3UY, United Kingdom.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 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 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

The charity has been impacted by the coronavirus pandemic during the year due to being forced to forgo many fundraising activities. However, despite this, the charity has remained in a surplus at the year end and therefore at the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Buddy Support Services and Supported Living income is included in the financial statements as it becomes receivable.

The charity receives government grants in respect of projects aimed at vulnerable young people. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

In addition, the charity received Coronavirus Job Retention Scheme (CJRS) funding during the year which is recognised in the Statement of Financial Activities on an accruals basis.

# HALOW PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

(Continued)

##### 1.5 Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure is inclusive of VAT.

Costs of generating funds comprise the costs associated with attracting donations and legacies and the cost of trading for fundraising purposes.

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Support costs are allocated between charitable activities on the basis of the proportion of staff working on each activity, with the exception of Information and Awareness Raising which is allocated on the basis that it represents 35% of the fundraising function.

##### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. There is a minimum threshold of £250 for capitalising fixed assets.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

##### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# HALOW PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 1 Accounting policies

(Continued)

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	75,552	16,599	92,151	43,998	3,300	47,298
Grants receivable	29,523	-	29,523	75,770	-	75,770
	<u>105,075</u>	<u>16,599</u>	<u>121,674</u>	<u>119,768</u>	<u>3,300</u>	<u>123,068</u>



## HALOW PROJECT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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

**(Continued)**

##### **Donations and gifts**

Donations	37,793	-	37,793	19,347	-	19,347
Corporate donations	27,481	16,599	44,080	20,097	3,300	23,397
Gift aid	10,278	-	10,278	4,296	-	4,296
Other	-	-	-	258	-	258
	<u>75,552</u>	<u>16,599</u>	<u>92,151</u>	<u>43,998</u>	<u>3,300</u>	<u>47,298</u>

## HALOW PROJECT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 3 Charitable activities

	Building Futures	Social Activities	A Reason To Get Up	Buddy Support Services	Supported Living	SCC Infection Control & Workforce Capacity	Total 2022	Total 2021
	2022 £	2022 £	2022 £	2022 £	2022 £	2022 £	£	£
Income from charitable activities	366,168	24,685	42,633	251,207	774,097	55,359	1,514,149	1,247,200
Analysis by fund								
Unrestricted funds	332,912	22,985	37,133	251,207	774,097	55,359	1,473,693	1,228,200
Restricted funds	33,256	1,700	5,500	-	-	-	40,456	19,000
	366,168	24,685	42,633	251,207	774,097	55,359	1,514,149	1,247,200

## HALOW PROJECT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 3 Charitable activities

(Continued)

For the year ended 31 March 2021

	Building Futures	Social Activities	A Reason To Get Up	Buddy Support Services	Supported Living	SCC Infection Control & Workforce Capacity	Total 2021
	£	£	£	£	£	£	£
Income from charitable activities	309,512	1,450	32,578	111,903	768,470	23,287	1,247,200
Analysis by fund							
Unrestricted funds	309,512	1,450	32,578	111,903	768,470	4,287	1,228,200
Restricted funds	-	-	-	-	-	19,000	19,000
	309,512	1,450	32,578	111,903	768,470	23,287	1,247,200

# HALOW PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 4 Fundraising activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Volunteer-led fundraising	91,489	85,949	-	85,949
Fundraising events	74,199	11,990	89,845	101,835
Trading	821	327	-	327
Fundraising activities	166,509	98,266	89,845	188,111

### 5 Raising funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £
Fundraising costs				
Fundraising activities	41,667	4,599	46,266	27,115
Fundraising events	3,105	-	3,105	1,065
Staff costs	26,612	6,879	33,491	38,480
Support costs	57,504	-	57,504	61,291
Fundraising costs	128,888	11,478	140,366	127,951
<u>Trading costs</u>				
Trading	329	-	329	-
Support costs	3,933	-	3,933	2,200
Trading costs	4,262	-	4,262	2,200
	133,150	11,478	144,628	130,151

## HALOW PROJECT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 6 Charitable activities

	Building Futures	A Reason To Get Up	Social Activities	Information and Awareness Raising	Buddy Support Services	Supported Living	Total	Total
	2022 £	2022 £	2022 £	2022 £	2022 £	2022 £	2022 £	2021 £
Staff costs	224,133	59,366	42,535	18,034	213,684	592,476	1,150,228	903,885
Direct costs	101,498	21,728	19,408	19,240	18,418	14,454	194,746	110,779
	325,631	81,094	61,943	37,274	232,102	606,930	1,344,974	1,014,664
Share of support costs (see note 7)	176,935	57,504	26,541	35,387	35,387	53,079	384,833	410,177
Share of governance costs (see note 7)	12,103	3,934	1,815	2,421	2,421	3,630	26,324	14,724
	514,669	142,532	90,299	75,082	269,910	663,639	1,756,131	1,439,565
<b>Analysis by fund</b>								
Unrestricted funds	484,573	136,532	88,199	75,082	269,910	663,639	1,717,935	1,332,935
Restricted funds	30,096	6,000	2,100	-	-	-	38,196	106,630
	514,669	142,532	90,299	75,082	269,910	663,639	1,756,131	1,439,565

## HALOW PROJECT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 6 Charitable activities

(Continued)

For the year ended 31 March 2021

	Building Futures £	A Reason To Get Up £	Social Activities £	Information and Awareness Raising £	Buddy Support Services £	Supported Living £	Total 2021 £
Staff costs	212,484	52,579	41,914	20,720	72,175	504,013	903,885
Direct costs	58,410	7,735	2,664	16,978	12,000	12,992	110,779
	<u>270,894</u>	<u>60,314</u>	<u>44,578</u>	<u>37,698</u>	<u>84,175</u>	<u>517,005</u>	<u>1,014,664</u>
Share of support costs (see note 7)	183,872	56,576	56,576	61,291	18,859	33,003	410,177
Share of governance costs (see note 7)	6,600	2,031	2,031	2,200	677	1,185	14,724
	<u>461,366</u>	<u>118,921</u>	<u>103,185</u>	<u>101,189</u>	<u>103,711</u>	<u>551,193</u>	<u>1,439,565</u>
<b>Analysis by fund</b>							
Unrestricted funds	364,386	111,421	101,035	101,189	103,711	551,193	1,332,935
Restricted funds	96,980	7,500	2,150	-	-	-	106,630
	<u>461,366</u>	<u>118,921</u>	<u>103,185</u>	<u>101,189</u>	<u>103,711</u>	<u>551,193</u>	<u>1,439,565</u>

# HALOW PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 7 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Staff costs	294,906	-	294,906	327,148	327,148
Depreciation	11,341	-	11,341	11,612	11,612
Operating lease charges	38,250	-	38,250	37,800	37,800
Premises costs	43,669	-	43,669	44,639	44,639
Computer costs	18,276	-	18,276	16,629	16,629
Printing, postage and telephone	11,463	-	11,463	10,524	10,524
Staff welfare and expenses	20,309	-	20,309	16,293	16,293
Sundry expenses	2,986	-	2,986	6,046	6,046
Bank charges	238	-	238	217	217
Bad debts	899	-	899	560	560
Accountancy fees	-	13,767	13,767	-	11,985
Legal and professional	-	11,548	11,548	-	-
HR consultancy	-	4,942	4,942	-	4,939
	<u>442,337</u>	<u>30,257</u>	<u>472,594</u>	<u>471,468</u>	<u>488,392</u>
Analysed between					
Fundraising	57,504	-	57,504	61,291	61,291
Trading	-	3,933	3,933	-	2,200
Charitable activities	384,833	26,324	411,157	410,177	424,901
	<u>442,337</u>	<u>30,257</u>	<u>472,594</u>	<u>471,468</u>	<u>488,392</u>

### 8 Net movement in funds

	2022 £	2021 £
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	11,341	11,612
Operating lease charges	<u>38,250</u>	<u>37,800</u>

# HALOW PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

<b>Fees payable to the charity's auditor and associates:</b>	<b>2022 £</b>	<b>2021 £</b>
Audit of the charity's annual accounts	10,500	10,500
<b>Other services to the group</b> - the audit of the charity's subsidiaries	3,267	-
<b>Total audit fees</b>	<b>13,767</b>	<b>11,985</b>

### 10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 11 Employees

#### Number of employees

The average monthly number of employees during the year was:

	<b>2022 Number</b>	<b>2021 Number</b>
Administrative	7	10
Fundraising	2	2
Operational	72	59
Management	1	1
	<b>82</b>	<b>72</b>

#### Employment costs

	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	1,334,761	1,142,219
Social security costs	107,942	94,926
Other pension costs	35,922	32,368
	<b>1,478,625</b>	<b>1,269,513</b>

The number of employees whose annual remuneration was £60,000 or more were:

	<b>2022 Number</b>	<b>2021 Number</b>
£60,000 - £70,000	1	-



# HALOW PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 12 Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
At 1 April 2021	79,931
Additions	11,403
	<u>91,334</u>
At 31 March 2022	<u>91,334</u>
<b>Depreciation and impairment</b>	
At 1 April 2021	53,314
Depreciation charged in the year	11,341
	<u>64,655</u>
At 31 March 2022	<u>64,655</u>
<b>Carrying amount</b>	
At 31 March 2022	<u>26,679</u>
At 31 March 2021	<u>26,617</u>

### 13 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	28,650	42,355
Other debtors	-	3,457
Prepayments and accrued income	106,810	99,531
	<u>135,460</u>	<u>145,343</u>

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

	2022 £	2021 £
	Notes	
Other taxation and social security	26,249	21,367
Deferred income	15 67,966	32,878
Trade creditors	10,189	14,112
Other creditors	100,207	83,855
Accruals	13,797	10,529
	<u>218,408</u>	<u>162,741</u>

# HALOW PROJECT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 15 Deferred income

	2022 £	2021 £
Arising from Deferred income	67,966	32,878

Deferred income is included in the financial statements in relation to services invoiced in advance.

#### 16 Retirement benefit schemes

##### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £35,922 (2021 - £32,368).

#### 17 Movement in Funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

##### Current year

	Balance at 1 April 2021 £	Movement in funds		Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	
The Edward Gosling Foundation: IT	511	-	-	511
Community Foundation for Surrey	-	17,000	(11,879)	5,121
Hedley Foundation	-	4,000	(4,000)	-
Guildford Poyle Charity	-	4,599	(4,599)	-
The Coleman Charitable Trust	-	1,000	(1,000)	-
Percy Bilton Charity	400	-	(400)	-
Douglas Arter Foundation	500	-	(500)	-
AXA XL grant	-	15,256	(15,256)	-
No Fear Bridge	-	10,000	(10,000)	-
SCC Send	-	4,000	(840)	3,160
Co-op Local Community Fundraising	-	200	(200)	-
YFM Private Equity	-	1,000	(1,000)	-
<b>Total Restricted Funds</b>	<b>1,411</b>	<b>57,055</b>	<b>(49,674)</b>	<b>8,792</b>

# HALOW PROJECT

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 17 Movement in Funds

(Continued)

##### **Edward Gosling Foundation**

Funding was provided for the purchase of five laptops and reading mats.

##### **Community Foundation for Surrey**

Funds received to go towards the costs to expand and develop volunteering programmes.

##### **Hedley Foundation**

Funds received to provide introductory construction skills training and qualification for young people with learning disabilities.

##### **Guildford Poyle Charity**

Funds provided to facilitate remote services provided in lieu of face to face sessions.

##### **The Coleman Charitable Trust**

Funds provided to enhance remote support services.

##### **Percy Bilton Charity**

Funds provided for the purchase of musical instruments.

##### **Douglas Arter Foundation**

Funds provided for the purchase of specific ARTGU project items.

##### **COVID-19 funding**

Various grants were provided to support the charity during the pandemic, which included some core costs in respect of changing operations from face to face to remote and the purchase of specific equipment to enable remote services. All of this funding was spent in the year.

##### **AXA XL grant**

Funds received to be spent on running costs of the BFG project.

##### **No Fear Bridge**

Funds received to be spent on running costs of the BFG project.

##### **YFM Private Equity**

Funds received via a private equity donation, for the provision of ARTGU and Social Activities.

# HALOW PROJECT

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 17 Movement in Funds

(Continued)

##### Prior year

	Movement in funds				
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£
The Edward Gosling Foundation: IT	-	4,615	-	(4,104)	511
Gardening for DISA	-	1,000	(1,000)	-	-
W S Limited	-	3,300	(3,300)	-	-
Guildford Poyle Charity	-	5,000	(5,000)	-	-
The Coleman Charitable Trust	-	2,500	(2,500)	-	-
Percy Bilton Charity	-	400	-	-	400
Douglas Arter Foundation	-	500	-	-	500
COVID-19 Funding	-	94,380	(94,380)	-	-
<b>Total Restricted Funds</b>	<b>-</b>	<b>111,695</b>	<b>(106,180)</b>	<b>(4,104)</b>	<b>1,411</b>

#### 18 Analysis of net assets between funds

	Unrestricted funds 2022	Restricted funds 2022	Total 2022	Unrestricted funds 2021	Restricted funds 2021	Total 2021
	£	£	£	£	£	£
Fund balances at 31 March 2022 are represented by:						
Tangible assets	26,679	-	26,679	26,617	-	26,617
Current assets/(liabilities)	213,512	8,792	222,304	319,382	1,411	320,793
	<b>240,191</b>	<b>8,792</b>	<b>248,983</b>	<b>345,999</b>	<b>1,411</b>	<b>347,410</b>

# HALOW PROJECT

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	12,983	42,829
Between two and five years	287	26,525
	<u>13,270</u>	<u>69,354</u>

#### 20 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>68,967</u>	<u>114,765</u>

#### 21 Company limited by guarantee

**halow project** is a company limited by guarantee and accordingly does not have any share capital. Each director has pledged to contribute £1 in the case the charitable company becomes insolvent.

#### 22 Charges held

A charge is held by Property Investment Holdings Limited for the sum of £8,519 (and such other sums as may be deposited by the company from time to time pursuant to the terms of the said deed) the interest from time to time accrued and any sums from time to time deposited in respect of value added tax.

# HALOW PROJECT

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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<b>23</b>	<b>Cash generated from operations</b>	<b>2022 £</b>	<b>2021 £</b>
	Deficit for the year	(98,427)	(11,337)
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	11,341	11,612
	Movements in working capital:		
	Decrease in debtors	9,883	84
	Increase in creditors	20,579	70,043
	Increase in deferred income	35,088	16,702
	<b>Cash (absorbed by)/generated from operations</b>	<b>(21,536)</b>	<b>87,104</b>
<b>24</b>	<b>Analysis of changes in net funds</b>		
	The charity had no debt during the year.		