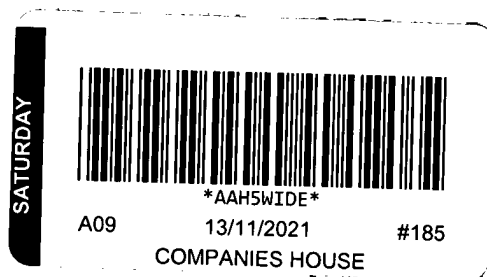


Charity Registration No. 1116773

Company Registration No. 05822301 (England and Wales)

HALOW PROJECT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



HALOW PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

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 Directors	Mr C Livingston	Director of Business Services and halow care (resigned 5 October 2021)
	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	

HALOW PROJECT

CONTENTS

	Page
Trustees report	1 - 17
Independent auditor's report	18 - 20
Statement of financial activities	21 - 23
Balance sheet	24
Statement of cash flows	25
Notes to the financial statements	26 - 42

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 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 a 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 2020 to March 2021, **halow project** supported 142 individuals across our services, with many young people using several services:

- Social Activities (119)
- A Reason to Get Up (33)
- Building Futures (40)
- Buddy Service (39)
- Supported Living (11)

In total, **halow project** delivered 4,252 hours of social and learning activities over the year to 131 individuals and flexibly provided 32,165 hours of care to 50 individuals in their homes &/or communities. Delivery across the organisation was slightly reduced compared to the previous year due to the impact of Covid lockdowns.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Halow Project Business Priorities for 2020-21

Despite our excellent results in 2019-20, there were 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 were determined to grow halow's reach and impact and the appointment of a second senior executive (the two working as joint CEOs) in January 2020 started the process of reviewing every aspect of the organisation to ready itself for the next phase in its development. In addition, at the end of 2019-20, it was decided to merge halow care CIC with its charitable sister company halow project. All halow care staff and services were transferred to halow project on 1 April 2020. The financial year 2020-21 therefore saw a number of changes in priorities in readiness for the future growth of the charity.

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 2020-21 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. Build the foundations to implement our Exceptional Person-Centred Care (EPC) strategy.
3. Ensure the smooth transition of staff into the expanded charity and further strengthen the values-based approach to recruitment, training and delivery.
4. Continue to grow all daytime group services - Building Futures, Social Activities, A Reason To Get Up - by delivering to more young people and through increased service variety and enrichment.
5. Thoroughly review all areas of the business to maximise efficiency and effectiveness and look at further development opportunities.
6. 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 4 concurrent year groups overall.
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 halow's governance arrangements to begin alignment with the Charity Governance Code.

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 2020-21 and it is a credit to our teams that, despite the huge challenges of the global pandemic, we were able to deliver services for more young people than in previous years, have invested further in the quality of our services, 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 during the pandemic.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Our 2020-21 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.

2020-21 Achievements

COVID 19 meant that we had to introduce numerous new / adapted services quickly. These services involved regular feedback and resulting changes to delivery, maintaining their value to our clients at such a difficult time. Our Social Activities 'Youth Committee' reverted to an online offer. This proved a benefit, as the group were able to have more productive discussion on the activities / content they would like to do as well as keeping in contact with friends during lockdown restrictions. This session has remained online.

A key document for **halow** is our support assessment, aiming to identify everything about a young person's ambitions and support needs. We reviewed and updated this document and the processes required internally to ensure quality. We also put this online so that young people and their families could start completing the form when they wanted to, speeding up the whole process. This has resulted in a better standard of information at referral to a service and ensured that services can then push on with helping young people meet their goals.

ARTGU has instigated regular person-centred review meetings for participants, similar to those done on our Building Futures programme. This has enabled ARTGU to ensure that sessions are meeting the needs of their young people. The continued use of these practices in Building Futures were a key element of our response to the mental health challenges raised by Covid.

Our plans for 2021-22 include:

- Every user of **halow's** Building Futures, ARTGU and Supported Living services to have a person-centred plan for their further development.
- Impact analysis to be further imbedded on ARTGU and introduced to Social Activities in a bespoke form.
- Survey of young people's **halow** service experiences, particularly under COVID restrictions.
- Reaffirming young people's and families' expectations of Supported Living and developing **halow**-wide solutions to provide unique, bespoke experiences.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2. Build the foundations to implement our Exceptional Person-Centred Care (EPC) strategy.

Aim: To develop new, individual person-centred plans, and introduce into them ambitious outcomes across 7 areas: Health & Wellbeing; Independent Living Skills; Relationships; Personal Hygiene; Education / Employment / Occupation; Community & Social; and Citizenship / Rights & Responsibilities. To do this we need to first build capacity and knowledge within the staff team.

2020-21 Achievements

An experienced part-time Recruitment and Training Coordinator was recruited (started September 2020). We recruited 2 additional Senior Buddies in Q1 and commenced a new Senior Buddy training programme from Q2 onwards. Regular training and meetings helped provide a more cohesive service and allowed the Lead/Seniors to support the development of certain EPC areas.

Buddy headcount increased over the course of the year to record numbers by December 2020. However, the impact of Covid (some infection but mainly the need to self-isolate) meant that the service was stretched for long periods in late Q3 and through Q4.

The Lead Buddy and 1 Senior Buddy became part of the on-call rota in December 2020 which strengthened this part of the service. The on-call function was further improved in January 2021 to reduce the demands on the Care management team.

We identified suitable funding sources to support EPC delivery and set a specific budget for 2021-22.

Our plans for 2021-22 include:

- Continue to develop the staff training package to include regular EPC development days and further refining of the online package.
- Secure long-term funding for the Recruitment & Training Coordinator role.
- Implement EPC at pace and scale.
- Continue to invest in the development of Senior Buddies.
- The objective will be adjusted to become "Embed the structure and culture to take the implementation of our Exceptional Person-Centred Care (EPC) strategy to the next level."

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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 existing staff from the two formerly separate organisations, plus new staff recruited during the year, feel part of one inclusive and dynamic team whose main goal is to enhance the lives of young people with learning disabilities.

2020-21 Achievements

All **halow** Care CIC staff were successfully transferred (TUPE) into the charity on 1 April 2020. We implemented the recommendations of the Government's Good Work Plan which improved all Buddies' terms and conditions. To aid staff transition and to help ensure everyone was kept up to date during the various lockdowns, the Directors initiated monthly all-staff briefings which were well received. These will continue going forward.

In March 2021 we completed a successful consultation with Buddies that resulted in enhanced pay rates for 2021-22, ensuring that all **halow** staff would be earning at least the Real Living Wage. Staff satisfaction surveys were conducted in August 2020 and March 2021 to help inform senior management on the focus for further development work.

During the year we continued to recruit fantastic candidates who shared our values. We introduced a new recruitment campaign which attracted dozens of new Buddies, as well as expending a number of other teams, particularly Building Futures. In January 2021, we launched new online training system (Atlas) which enabled remote learning could be completed at times to suit staff, plus instant monitoring of training course compliance/completion.

During the autumn, we undertook a mapping exercise of all staff members' completed and outstanding training, researched the best training to deliver the EPC aspirations, and developed a proposal for trustees on the best ways to implement EPC through staff training. Based on their roles and training history, all members of staff were allocated specific mandatory and recommended Atlas modules to complete. Further training opportunities were limited by Covid-related issues but will be implemented in 2021-22.

Our plans for 2021-22 include:

- Undertake further training needs analysis (TNA) of each staff member, volunteer and trustee so that each person has a clear development plan in place.
- Continue to build and refine our online presence to attract staff with the right values and ethos.
- Focus on Buddy retention by further developing inductions, initial training / shadowing and supervisions.
- Develop and implement a volunteer strategy for the organisation.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4. Continue to grow all daytime group services - Building Futures, Social Activities, A Reason To Get Up - by delivering to more young people and through increased service variety and enrichment.

Aim: To offer a further enriched variety of programming through all three services, and begin to fulfil expansion in each service, despite the COVID-19 pandemic.

2020-21 Achievements

Having always been a completely face-to-face service, the sustained periods of lockdown forced halow to change almost overnight to online delivery. From a standing start, the staff managed to implement high quality sessions accessed by the vast majority of service users this providing a lifeline for vulnerable young people at the most critical time. The learning from this experience will give us extra flexibility and possibilities in the future.

With the continued help from Surrey County Council, Building Futures was able to expand to 4 year groups in October 2020. Many of the new participants joined via SEND transition referrals which opens up a new cohort of young people for halow to support.

ARTGU was fully subscribed with some sessions having a waiting list. Initial work was completed on how ARTGU could be further expanded in the coming years. Young people now have Person Centred Plan (PCP) review meetings (similar to Building Futures) and are being supported to explore moving on from this transitional programme into activities in their communities.

Despite lockdown restrictions, 119 young people managed to engage in Social Activities this year. Online delivery was embedded - with art groups, discos, a reading and discussion group, and a chat group particularly successful, all of which will continue.

This relationship was based around face-to-face delivery, which was not possible, so the relationship was paused. However, contact was maintained, and remote support given, throughout 2020 /21 which was very much appreciated by Think18. Both parties would like to resume the relationship when possible.

Our plans for 2021-22 include:

- A coordinated approach to regular school and college visits, local authority events, and related halow led information sessions across our daytime group services, leading to increased referrals.
- Continue expansion to 5 concurrent Building Futures year groups in Guildford for September 2021.
- ARTGU to increase service and quality in the 'Cook and Grow' group. A second concurrent group will be introduced, and the group will finally be able to do more cooking with new venue partnerships (a key deficit in recent years). Numbers aimed to increase by at least 50%.
- ARTGU to plan and then deliver further extra service in quarter 4 – following presentation to the Quality & Improvement subcommittee.
- Social Activities to maintain some online delivery, reintroduce popular sessions, and look to further new ways of working with young people.
- Social Activities to reintroduce and reimagine our Guildford based youth club as a feeder to the wider organisation. Client feedback will be the driver for this service.
- Enable Social Activities to become a more efficient service - the result being at least 10% more opportunities being offered to young people.
- Pick up the relationship with Sussex based charity 'Think18', supporting them to deliver further monthly youth clubs in their area.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5. Thoroughly review all areas of the business to maximise efficiency and effectiveness and look at further development opportunities.

Aim: To free up staff administration time through greater use of technology, better definition/separation of staff roles and responsibilities, and better coordinated trustee-staff interaction.

2020-21 Achievements

A swathe of new software and hardware (see KPI 8) was purchased and implemented during the year which has helped **halow** make huge strides forward technologically.

Reviews of each department took place over the second half of the year. Care, Building Futures and Fundraising all had intensive reviews with clearly defined, costed action plans produced. The HR and Finance had interim reviews with some immediate changes actioned. ARTGU and Social Activities had initial reviews with some minor changes made.

A new Year Lead and Project Worker joined the Building Futures team in summer 2020 to support the programme's expansion. A Building Futures Manager was recruited in Q4 to aid the department's continued plan growth. A Recruitment & Training Coordinator helped deliver net gains in staffing numbers and launched a new online training platform. Several changes to the Care team were implemented to share the workload more evenly across more staff.

All roles were grouped into new pay bandings to provide greater clarity and to support future recruitment. A new Buddy pay structure was consulted on and agreed by staff for April 2021.

Each department developed a detailed action plan which allowed greater planning and reporting to be implemented despite staff working remotely. Each of the 168 objectives were monitored monthly and RAG ratings were shared with the Board at each meeting to identify areas of progress and risk.

The new **halow** committee structure (see KPI 9) allowed greater communication between operational staff and trustees thus improving understanding and oversight.

Our plans for 2021-22 include:

- Fundraising will work to a new strategy with new fundraising streams and clearly defined roles. We will carefully remove reliance on external consultants. We will begin to see more diversification of income in fundraising, better protecting the charity.
- The Director of **halow** project services will take a more active role with the fundraising team (following recruitment of a Building Futures Manager), presenting **halow** to prospective funders on numerous platforms.
- Further embed the subcommittee structure into our governance, with this to include more regular service visits from trustees and invited representatives on subcommittees.
- This objective will adjusted to become "Continue the ongoing review and implementation of **halow's** functions to maximise efficiency and effectiveness and look at further development opportunities."

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6. 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 4 concurrent year groups overall.

Aim: 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.

2020-21 Achievements

Building Futures is mainly funded by local authority commissions but also relies on grants and awards from generous trust funders. Because of the lack of lead in time to approach funders, the new SEND year group required local authority start-up funding which was achieved. We maintained an excellent working relationship with the SEND team through regular communication and briefings.

Despite the uncertainties caused by Covid, whereby some potential participants stayed in existing settings, the minimum number of 7 young people was achieved.

Successfully recruited 1 new Year Lead and 1 new Project Worker in July 2020. Successfully recruited an experienced manager in March 2021.

Further work to foster referrals for Sept 2021 and Sept 2022 has already taken place.

Original plans were to expand to delivery in Woking for September 2021 but it has been agreed to move this back to September 2022, due to the impact of COVID-19.

Our plans for 2021-22 include:

- Continue expansion to 5 concurrent year groups in Guildford for September 2021.
- Carefully manage referrals in line with movement between year groups and leavers, due to COVID-19 impact. Many young people are staying in current educational placements, and there is a clear pathway for some of our young people to do the same, in their best interests.
- Continue to prioritise promotion of the programme through existing contacts, local authority teams, and with a new focus on the more independent local schools and colleges.
- Produce updated promotional materials, including a video about the programme.
- Explore, with ARTGU, the opportunities in Woking - particularly around partnerships, venues, and referral streams.
- To enter the programme in the 2021 Children and Young People Now awards. We were finalists in 2019 and did not apply in 2020. The programme is now also SEND funded and has gone from strength to strength.
- This objective will be adjusted to become "Launch a further new pathway of the Building Futures programme, funded through local authority SEND route, resulting in 2 separate year A and B groups and 5 concurrent year groups overall."

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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.

2020-21 Achievements

The sudden restrictions on people's movement and social interaction were a shock to everyone and most keenly felt by young adults with learning disabilities struggling to understand what was happening and why.

A **halow** counselling service was started and then quickly extended under the first COVID lockdown, with up to 6 young people having weekly appointments at any one time. A number of young people used this invaluable service ensuring they did not have to endure long waits to access services through other routes.

The employee helpline also saw an understandable increase in use, and **halow** also utilised the kind offer from a former colleague, and now student counsellor, who offered employees free counselling sessions. Both services were well received with those that used them having found them extremely useful.

Keeping in touch regularly with furloughed or remote staff /YP. This was a key part of our early response to the COVID new ways of working. New meetings were introduced to help support working from home, regular communiques to all staff were well received and line managers would regularly contact furloughed workers. This was a largely successful operation, with minimal reports of any discontent.

Account balances were monitored through increased frequency of Finance subcommittee meetings in the first part of 2020/21. Although all main events could not take place, this funding was largely replaced by increased fee income from SCC, an injection of £41,500 for the expansion of Building Futures, and significant savings from the furlough scheme and adapted delivery in key services (most notably supported living and Building Futures).

halow had to move quickly away from relying on desktop computers, with an urgent need for an increased number of laptops. Some of these were funded internally, and circa £5,000 was supplied by a specific trusts grant. COVID accelerated the need for this modernisation of our IT. Furthermore, some staff either borrowed equipment from the office, or purchased specific items they needed for home (remaining **halow** property).

Our learning programmes moved to online delivery on the announcement of lockdown 1, with no break in service. Many were able to physically access sessions (i.e., had computer and internet access) but some lacked either the skills or application, and this took significantly more person-centred work in each case-particularly in Building Futures and ARTGU. Engagement in our sessions remained strong, ensuring payment from SCC. Interestingly, some young people were more comfortable online than in person.

Building Futures were delivering some face-to-face programmes again by June 2020 and ran some of the first DofE expeditions in the county. Academic content was extended through the usual activity period in July and August, with huge credit to the expanded delivery team. ARTGU were also delivering some face-to-face sessions by August 2020 and have maintained high service levels. Social Activities have offered new and innovative sessions and followed guidelines to deliver face to face sessions like group sports.

Government financial support was received via our partners, Surrey County Council, which allowed us to pay for staff to be on standby to restrict movement of staff between settings, run a weekly Covid testing service, pay staff in full when sick or requiring to isolate, and get vaccinated. Free Personal Protective Equipment (PPE) was also supplied by the Government, with all frontline staff requiring to be protected at all times. Facemasks were also worn by all office-based staff. The use of anti-viral cleaning materials across our services was significantly increased, the cost of which was borne by **halow**.

All staff that could work from home did so – once able to return to the office, strict infection control measures were in place, with limits on numbers, social distancing, increased ventilation and cleaning, plus weekly testing in place. The return to face-to-face in daytime group services was carefully managed with clear communications, PPE, temperature checks for young people on arrival, and access to testing when it became available.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Thanks to Government infection control funding we were able to support staff isolate (when required) on full pay, helping to keep our service users and other colleagues safe from possible infection. In addition, the funding allowed staff to be paid to be vaccinated and test themselves for Covid. We implemented mandatory weekly testing for all staff and volunteers which enabled us to rapidly respond to positive results when required.

Whilst essential supported living sessions continued to require face-to-face staffing support, and some services continued online, many services were mothballed and users of our Buddy Service paused their support, meaning many staff were without their normal work patterns. By utilising the Government's Coronavirus Job Retention Scheme (CJRS), commonly known as furlough, we were able to ensure staff without work were paid in full for the first few months of the pandemic.

As the CJRS changed we were able to welcome staff back part-time and/or undertake extensive training whilst still receiving financial support. The training increased staff skills and quality for when they returned to normal working patterns. We also utilised opportunities to focus people's time on key objectives. Examples included getting the CRM up and running as a database and fundraising tool, updating the system and process for halow support assessments, and implementing a new HR management system.

Our plans for 2021-22 include:

- Whilst we will continue to react, respond and learn from the pandemic, this will not be an ongoing standalone objective for 2021 /2022.

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

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

2020-21 Achievements

At the start of the year we started using a new finance/accounting system – Xero. The initial set up was done at exactly the time of the first lockdown, which made matters much more complicated, but it has proved to be more efficient over time.

Buddy rota setting and payment became much easier in Q3 with the introduction of RotaCloud. Now instead of planning and reporting using excel or paper-based systems, RotaCloud enables real time shifts to be published, updated and changed – and for staff and clients to be informed immediately – and staff to clock their hours in real time. The whole process is now smoother and has reduced duplication and errors significantly.

Atlas was introduced in December 2020 allowing consolidation of all electronic and paper-based HR records into one easy-to-use system. The platform also contains a wealth of online training resources which allowed all staff to access both mandatory and recommended modules relevant to their role. Attendance can be monitored remotely, and reports completed much more quickly.

Donorfy became operational in September 2020 allowing all key contacts to be stored in one place. Training for department leads took place and the CRM is starting to be embedded in the way we work. Reports for funders have instantly become easier to complete.

Having worked with advisers from Hireful during Q3 to improve our recruitment profile and processes, January 2021 saw the start of our new Applicant Tracking System. The portal creates easier processes for both applicants and hiring managers alike. Shortlisting and other administration tasks are now much smoother, and data is more secure.

All day services – Building Futures, ARTGU and Social Activities - have adapted to online delivery. This is most appropriate to continue in some form in social activities, and these activities have become further embedded into the timetable as a result. Support assessments are now available online for completion, speeding up the process for prospective clients. Following our values, they are always followed up in person to ensure we have the right information. The use of telephone card payments increased, and we purchased additional equipment to help facilitate this, which will also be used when taking payments at fundraising events.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Through new trust grants, we have invested in dozens of new laptops for office staff, project leaders and senior buddies, with new laptops soon on order for each S/L house. Staff can now work wherever they need to.

Our plans for 2021-22 include:

- Develop an online bookings system.
- Source a more automated payroll system.
- Purchase a system to automate the changeover of On Call phones.
- Transfer server data to cloud storage.
- Continue website improvements.
- Make live Buddy rota information available to service users and their families.
- Continue to increase the breadth and scope of the CRM as fundraising tool, whilst ensuring its continued use as halow's live database.

9. Review halow's governance arrangements to begin alignment with the Charity Governance Code.

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.

2020-21 Achievements

A new Chair, Chris Evans, was appointed from within the Board in January 2021.

A skills analysis matrix was developed in Q4 but its implementation was delayed until 2021-22 due to Covid-related pressures.

This was completed in Q4 with three committees to be up and running from Q1 of next year with a mix of trustees and staff members:

Finance & Fundraising Committee:

- Financial reporting and budgeting.
- Internal controls.
- Internal and external audit.
- Fundraising.

Human Resources & Staff Welfare Committee:

- HR policies.
- Employment contracts.
- Audit of practices.
- Assurance of staff well-being, personal development opportunities, equality and diversity.

Quality & Innovation Committee:

- Monitoring and improving the quality of services.
- Maintaining CQC compliance.
- Overseeing the implementation of Exceptional Person-Centred Care.
- Bringing innovation into the halow entertainment, education and work experience offers.

Our plans for 2021-22 include:

- Complete a skills analysis of existing Trustees and use the results to recruit new Trustees if skills gaps need filled.
- Refresh the Memorandum of Understanding & the Articles of Association and create new Terms of Reference for the Board, its Committees and the Trustees.
- Develop a Board/Committee timetable and improve meeting packs.
- Develop a new Board training programme.
- Thoroughly review the Charity Governance Code with the potential to sign up to the charter.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Statement of compliance with Charity Commission guidance

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity 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 testing.

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 2020-21 and it is a credit to our teams that, despite the huge challenges of the global pandemic, we were able to deliver services for more young people than in previous years, have invested further in the quality of our services, 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 during the pandemic.

Financial review

The financial accounts for the year to March 2021 show a net deficit of £11,337 as shown on the Statement of Financial Activities on Page 22.

The cash flow statement shows an increase in cash and cash equivalents of £66,988 during the year.

Income overall decreased pro rata by 32% over the year on existing activities. This was essentially a reflection of the inability to organise many of the face to face fundraising activities due to Covid. This included halow's annual bike ride, events at Goodwood and the Ace car quiz all of which, circumstances permit will reappear as soon as is possible.

The inclusion of the previous Care activities resulted in an increase of £903,660 of revenue in this year in Project.

Reserves Policy

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. This level of reserves has been maintained throughout the year.

Restricted funds amounted to £1,411 at the year end.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Financial effect of significant events

Covid significantly affected fundraising income (down £177,982 from 2020) and donations from legacies (down £109,882 from 2020). Special funding from Surrey County Council and the furlough scheme both enabled halow to exit the year and the enter the New Year with no major impact on its ability to maintain services and staff into the next trading year.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The Board regularly discusses the major risks to which the charity is exposed. Systems and procedures have been established to mitigate the risks the charity faces. The annual fundraising plan focuses on diversity of funding and activities to mitigate these risks, should they occur. This plan is regularly reviewed and updated in line with targets, performance and external climate. Internal cost control risks are minimised by the implementation of procedures for overseeing and authorising major transactions and projects. Safeguarding, quality control and regulatory compliance are also assured through the implementation of effective procedures and checks.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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 2020-21. It is responsible for the strategic direction and policy of the charity. At present the Board has 7 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 two Directors (joint Chief Executives). The joint CEOs are responsible for ensuring that the charity delivers the services specified and have responsibility for day-to-day operational management.

No new trustees joined halow this year. No training was delivered due to Covid restrictions.

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.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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.

Auditor

Azets Audit Services were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

HALOW PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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 receive over 20% (62% in 2020 excluding Care) of our income from the generous support of individuals, charitable trusts and companies. We raise these funds from one-off donations, regular giving (via direct debit), applications to grant-making trusts, corporate fundraising activities and legacy promotion to encourage supporters to consider leaving a gift to halow in their will.

Our fundraising activities are undertaken by a small team of in-house staff (one part-time Fundraising Manager and one part-time Fundraising Assistant). Our charitable trusts fundraising is delivered by a professional fundraising company, working on a 2 day per week basis. Their work is closely monitored to ensure that it is of the highest standard and to ensure that funders receive the very best experience with us. This monitoring includes: weekly meetings with the inhouse team; regular liaison with service delivery managers; monthly supervisions with the relevant Director; quarterly written reports to the board and attendance at some board and committee meetings; and reviews of fundraising applications, reports and correspondence with funders, all of which is now fully captured on the new Donorfy database. Like us, our professional fundraiser adheres strictly to the Fundraising Regular's Code of Fundraising Practice and relevant Chartered Institute of Fundraising guidance for best practice in fundraising.

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 2021

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:

4/11/21

HALOW PROJECT

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HALOW PROJECT

Opinion

We have audited the financial statements of halow Project (the 'charity') for the year ended 31 March 2021 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 2021 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

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

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

11 November 2021

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 2021

Current financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes				
<u>Income from:</u>					
Donations and legacies	2	119,768	3,300	123,068	232,950
<u>Charitable activities</u>					
Building Futures	3	309,512	-	309,512	285,245
Social activities	3	1,450	-	1,450	32,209
A Reason To Get Up	3	32,578	-	32,578	45,533
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	366,093
Total income		1,446,234	112,145	1,558,379	962,030
<u>Expenditure on:</u>					
Raising funds	5	130,151	-	130,151	175,674
<u>Charitable activities</u>					
Building Futures	6	364,386	96,980	461,366	327,900
A Reason To Get Up	6	111,421	7,500	118,921	100,839
Social Activities	6	101,035	2,150	103,185	90,855
Information and Awareness Raising	6	101,189	-	101,189	99,248
Buddy Support Services	6	103,711	-	103,711	-
Supported Living	6	551,193	-	551,193	-
Total charitable expenditure		1,332,935	106,630	1,439,565	618,842
Total resources expended		1,463,086	106,630	1,569,716	794,516

HALOW PROJECT

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

FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Notes				
Net (outgoing)/incoming resources before transfers	(16,852)	5,515	(11,337)	167,514
Gross transfers between funds	4,104	(4,104)	-	-
Net (expenditure)/income for the year/ Net movement in funds	(12,748)	1,411	(11,337)	167,514
Fund balances at 1 April 2020	358,747	-	358,747	191,233
Fund balances at 31 March 2021	345,999	1,411	347,410	358,747

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 2021

Prior financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes			
<u>Income from:</u>				
Donations and legacies	2	120,309	112,641	232,950
<u>Charitable activities</u>				
Building Futures	3	285,245	-	285,245
Social activities	3	32,209	-	32,209
A Reason To Get Up	3	45,533	-	45,533
Fundraising activities	4	365,593	500	366,093
Total income		848,889	113,141	962,030
<u>Expenditure on:</u>				
Raising funds	5	175,674	-	175,674
<u>Charitable activities</u>				
Building Futures	6	261,460	66,440	327,900
A Reason To Get Up	6	78,331	22,508	100,839
Social Activities	6	66,662	24,193	90,855
Information and Awareness Raising	6	99,248	-	99,248
Total charitable expenditure		505,701	113,141	618,842
Total resources expended		681,375	113,141	794,516
Net (outgoing)/incoming resources before transfers		167,514	-	167,514
Net (expenditure)/income for the year/ Net movement in funds		167,514	-	167,514
Fund balances at 1 January 2019		191,233	-	191,233
Fund balances at 31 March 2020		358,747	-	358,747

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 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		26,617		18,113
Current assets					
Debtors	13	145,343		145,427	
Cash at bank and in hand		338,191		271,203	
		<u>483,534</u>		<u>416,630</u>	
Creditors: amounts falling due within one year	14	<u>(162,741)</u>		<u>(75,996)</u>	
Net current assets			320,793		340,634
Total assets less current liabilities			<u>347,410</u>		<u>358,747</u>
Income funds					
Restricted funds			1,411		-
Unrestricted funds			345,999		358,747
			<u>347,410</u>		<u>358,747</u>

The financial statements were approved by the Trustees on 4 November 2021


Mr J Stevens
Trustee

Company Registration No. 05822301

HALOW PROJECT

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	23		87,104		111,066
Investing activities					
Purchase of tangible fixed assets		(20,116)		(12,053)	
Net cash used in investing activities			(20,116)		(12,053)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			66,988		99,013
Cash and cash equivalents at beginning of year			271,203		172,190
Cash and cash equivalents at end of year			338,191		271,203

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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.

The financial statements have been prepared for the year ended 31 March 2021. As a result the comparative amounts presented in the financial statements for the 15 month period to 31 March 2020 are not entirely comparable.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

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.

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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.

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.

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.

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.

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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.

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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	43,998	3,300	47,298	76,502	2,200	78,702
Grants receivable	75,770	-	75,770	43,807	110,441	154,248
	<u>119,768</u>	<u>3,300</u>	<u>123,068</u>	<u>120,309</u>	<u>112,641</u>	<u>232,950</u>
Donations and gifts						
Donations	19,347	-	19,347	7,664	2,200	9,864
Corporate donations	20,097	3,300	23,397	48,961	-	48,961
Gift aid	4,296	-	4,296	19,877	-	19,877
Other	258	-	258	-	-	-
	<u>43,998</u>	<u>3,300</u>	<u>47,298</u>	<u>76,502</u>	<u>2,200</u>	<u>78,702</u>

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Charitable activities

	Building Futures	Social activities	A Reason To Get Up	Buddy Support Services	Supported Living	SCC Infection Control & Workforce Capacity	Total 2021	Total 2020
	2021 £	2021 £	2021 £	2021 £	2021 £	2021 £	£	£
Income from charitable activities	309,512	1,450	32,578	111,903	768,470	23,287	1,247,200	362,987
Analysis by fund								
Unrestricted funds	309,512	1,450	32,578	111,903	768,470	4,287	1,228,200	362,987
Restricted funds	-	-	-	-	-	19,000	19,000	-
	309,512	1,450	32,578	111,903	768,470	23,287	1,247,200	362,987

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3 Charitable activities (Continued)

For the year ended 31 March 2020

	Building Futures £	Social activities £	A Reason To Get Up £	Total 2020 £
Income from charitable activities	285,245	32,209	45,533	362,987
Analysis by fund				
Unrestricted funds	285,245	32,209	45,533	362,987

4 Fundraising activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Volunteer-led fundraising	85,949	-	85,949	259,201	500	259,701
Fundraising events	11,990	89,845	101,835	104,300	-	104,300
Trading	327	-	327	2,092	-	2,092
Fundraising activities	98,266	89,845	188,111	365,593	500	366,093

5 Raising funds

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Fundraising costs</u>		
Fundraising activities	27,115	51,585
Fundraising events	1,065	36,468
Staff costs	38,480	39,055
Support costs	61,291	44,671
Fundraising costs	127,951	171,779

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Raising funds

(Continued)

Trading costs

Trading

- 2,161

Support costs

2,200 1,734

Trading costs

2,200 3,895

130,151 175,674

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

	Building Futures	A Reason To Get Up	Social Activities	Information and Awareness Raising	Buddy Support Services	Supported Living	Total	Total
	2021 £	2021 £	2021 £	2021 £	2021 £	2021 £	2021 £	2020 £
Staff costs	212,484	52,579	41,914	20,720	72,175	504,013	903,885	311,869
Direct costs	58,410	7,735	2,664	16,978	12,000	12,992	110,779	142,447
	<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>	<u>454,316</u>
Share of support costs (see note 7)	183,872	56,576	56,576	61,291	18,859	33,003	410,177	158,379
Share of governance costs (see note 7)	6,600	2,031	2,031	2,200	677	1,185	14,724	6,147
	<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>	<u>618,842</u>
Analysis by fund								
Unrestricted funds	364,386	111,421	101,035	101,189	103,711	551,193	1,332,935	505,701
Restricted funds	96,980	7,500	2,150	-	-	-	106,630	113,141
	<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>	<u>618,842</u>

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

(Continued)

For the year ended 31 March 2020

	Building Futures	A Reason To Get Up	Social Activities	Information and Awareness Raising	Total 2020
	£	£	£	£	£
Staff costs	181,959	58,806	50,075	21,029	311,869
Direct costs	74,225	16,721	19,687	31,814	142,447
	<u>256,184</u>	<u>75,527</u>	<u>69,762</u>	<u>52,843</u>	<u>454,316</u>
Share of support costs (see note 7)	69,037	24,366	20,305	44,671	158,379
Share of governance costs (see note 7)	2,679	946	788	1,734	6,147
	<u>327,900</u>	<u>100,839</u>	<u>90,855</u>	<u>99,248</u>	<u>618,842</u>
Analysis by fund					
Unrestricted funds	261,460	78,331	66,662	99,248	505,701
Restricted funds	66,440	22,508	24,193	-	113,141
	<u>327,900</u>	<u>100,839</u>	<u>90,855</u>	<u>99,248</u>	<u>618,842</u>

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	327,148	-	327,148	112,293	-	112,293
Depreciation	11,612	-	11,612	13,540	-	13,540
Operating lease charges	37,800	-	37,800	21,434	-	21,434
Premises costs	44,639	-	44,639	18,441	-	18,441
Computer costs	16,629	-	16,629	10,968	-	10,968
Printing, postage and telephone	10,524	-	10,524	8,840	-	8,840
Staff welfare and expenses	16,293	-	16,293	12,296	-	12,296
Insurance	-	-	-	2,818	-	2,818
Sundry expenses	6,046	-	6,046	2,295	-	2,295
Bank charges	217	-	217	125	-	125
Bad debts	560	-	560	-	-	-
Accountancy fees	-	11,985	11,985	-	3,162	3,162
Legal and professional	-	-	-	-	191	191
HR consultancy	-	4,939	4,939	-	4,528	4,528
	<u>471,468</u>	<u>16,924</u>	<u>488,392</u>	<u>203,050</u>	<u>7,881</u>	<u>210,931</u>
Analysed between						
Fundraising	61,291	-	61,291	44,671	-	44,671
Trading	-	2,200	2,200	-	1,734	1,734
Charitable activities	410,177	14,724	424,901	158,379	6,147	164,526
	<u>471,468</u>	<u>16,924</u>	<u>488,392</u>	<u>203,050</u>	<u>7,881</u>	<u>210,931</u>

Support costs are all apportioned on the basis of staff headcount.

8 Net movement in funds

	2021	2020
	£	£
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	11,612	13,540
Operating lease charges	<u>37,800</u>	<u>21,434</u>

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the charity's auditor and associates:	2021 £	2020 £
Audit of the charity's annual accounts	10,500	-
Non-audit services		
Independent examination	-	3,162

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:

	2021 Number	2020 Number
Administrative	10	2
Fundraising	2	3
Operational	59	11
Management	1	1
	<u>72</u>	<u>17</u>

Employment costs

	2021 £	2020 £
Wages and salaries	1,142,219	416,874
Social security costs	94,926	35,554
Other pension costs	32,368	10,789
	<u>1,269,513</u>	<u>463,217</u>

There were no employees whose annual remuneration was £60,000 or more.

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2020	59,815
Additions	20,116
At 31 March 2021	79,931
Depreciation and impairment	
At 1 April 2020	41,702
Depreciation charged in the year	11,612
At 31 March 2021	53,314
Carrying amount	
At 31 March 2021	26,617
At 31 March 2020	18,113

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	42,355	23,119
Amounts owed by associate undertakings	-	94,029
Other debtors	3,457	6,674
Prepayments and accrued income	99,531	21,605
	145,343	145,427

14 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Other taxation and social security		21,367	10,232
Deferred income	15	32,878	16,176
Trade creditors		14,112	10,557
Other creditors		83,855	31,606
Accruals		10,529	7,425
		162,741	75,996

HALOW PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Deferred income

	2021 £	2020 £
Arising from Deferred income	32,878	16,176

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 £32,368 (2020 - £10,789).

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 2020 £	Movement in funds			Balance at 31 March 2021 £
		Incoming resources £	Resources expended £	Transfers £	
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	-	94,830	94,830	-	-
Total Restricted Funds	-	112,145	(106,630)	(4,104)	1,411

HALOW PROJECT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

17 Movement in Funds

(Continued)

Edward Gosling Foundation

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

Gardening for DISA

Funds provided for materials for ARG TU and BFG projects

WS Limited

Funds provided for the provision of Spirit Journey project, which included listening and responding to music, enquiry, self-reflection and making connections

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 ARG TU 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.

HALOW PROJECT

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Movement in Funds

(Continued)

Prior year

	Movement in funds				Balance at 31 March 2020
	Balance at 1 January 2019	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Sexual Health: Community Foundation for Surrey	-	9,158	(9,158)	-	-
Get Healthy: UNUM	-	9,560	(9,560)	-	-
Get Healthy: Community Foundation for Surrey	-	6,000	(6,000)	-	-
Get Ready: Guildford Borough Council	-	5,000	(5,000)	-	-
Get Ready: Baily Thomas Charitable Trust	-	15,000	(15,000)	-	-
Building Futures: No Fear Bridge	-	20,000	(20,000)	-	-
Building Futures: Borrows Charitable Trust	-	2,500	(2,500)	-	-
Building Futures: Hedley Foundation	-	3,000	(3,000)	-	-
Building Futures: Surrey County Council members' allocation	-	340	(340)	-	-
A Reason to Get Up: Borrows Charitable Trust	-	2,500	(2,500)	-	-
A Reason to Get Up: Surrey County Council members' allocation	-	660	(660)	-	-
A Reason to Get Up: Hayman Solicitors	-	100	(100)	-	-
Total Restricted Funds	-	73,818	(73,818)	-	-

18 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:						
Tangible assets	26,617	-	26,617	18,113	-	18,113
Current assets/ (liabilities)	319,382	1,411	320,793	340,634	-	340,634
	345,999	1,411	347,410	358,747	-	358,747

19 Operating lease commitments

HALOW PROJECT

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

19 Operating lease commitments

(Continued)

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:

	2021 £	2020 £
Within one year	42,829	42,829
Between two and five years	26,525	32,369
	<u>69,354</u>	<u>75,198</u>

20 Related party transactions

Transactions with related parties

At the balance sheet date the charity was owed £nil (2020: £94,029) from **halow care CIC**. The charity also incurred expenditure of £nil (2020: £228,255) on behalf of **halow care CIC** during the period.

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 2021

23	Cash generated from operations	2021 £	2020 £
	(Deficit)/surplus for the year	(11,337)	167,514
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	11,612	13,540
	Movements in working capital:		
	Decrease/(increase) in debtors	84	(85,425)
	Increase/(decrease) in creditors	70,043	(739)
	Increase in deferred income	16,702	16,176
	Cash generated from operations	87,104	111,066
		<hr/>	<hr/>
24	Analysis of changes in net funds		
	The charity had no debt during the year.		