Charity Registration No. 1111157

Company Registration No. 05379021 (England and Wales)

CHILDREN FIRST DERBY
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

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COMPANIES HOUSE

CHILDREN FIRST DERBY
LEGAL AND ADMINISTRATIVE INFORMATION

Directors/Trustees	W Hall – Chair D A K Ball – Treasurer P Dixon L C Sanders D Simsey A T Bruch (appointed 8 June 2015) A J Jacques A Fatemah- Razak (appointed 19 October 2015) D.J.Royston-Webb (appointed 27 June 2016)
Secretary	A Fatemah- Razak
Chief executive	D Smith
Charity number	1111157
Company number	05379021
Registered office	13 Leopold Street Derby Derbyshire DE1 2HE
Independent examiner	R J Matthews FCA Baldwins (Derby) Limited 10-11 St James Court Friar Gate Derby DE1 1BT

CHILDREN FIRST DERBY

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CHILDREN FIRST DERBY

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2016

The trustees present their report and accounts for the year ended 31 March 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply 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 2015)"

Objectives and activities

To relieve the distress and suffering experienced by families and children in particular who have suffered from and/or are likely to suffer from violence or maltreatment in their homes: in particular by:

- Responding to the needs of children where stress within the home may adversely affect their welfare or development
- Providing support for children who are regarded as vulnerable and who may be at risk of social exclusion
- Delivering community services designed to foster the general wellbeing of families with children
- Providing services for parents which will enable them to better respond to the personal needs and financial support of their children

Charity aims

The Charity aims to meet its objects through a mixture of contracts and service level agreements with the statutory authorities, grants and through its own fund raising.

Charitable income is used to add value to the above services both in terms of the quality of the rooms, playthings and equipment available at Leopold Street, and outings and other events held for the benefit of families receiving befriending support.

Public Benefit

Children First Derby is a highly respected local charity which concentrates on providing relevant, practical support for families in Derby with an emphasis on the fact that children must come first.

It is an accepted truism that by investing in children we invest in the future and that every child matters. It is our duty to ensure that children are protected from serious harm, that their intellectual and practical abilities are developed so they achieve emotional well-being. The goal is that children nurtured in a positive environment ultimately become adults that contribute positively to the community and to the society which they inherit.

Achievements and performance

This section is a digest taken from the minutes of our monthly Board meetings and the Chief Executive's reports presented to those meetings from April 2015 to March 2016.

Supervised Contact Service

- This service began in 2003 and continued to be managed by Anne Marie Macken throughout 2015/16. The service delivered 644 contacts sessions in the year
- After winning the 2015/16 contract to deliver a revised supervised contact service for Derby Council we implemented a new staffing structure and changes to our working systems from April 2015
- Regular review meetings with Local Authority staff were very constructive and led to further improvements to the service for the families that we support
- Since the Local Authority were very happy with the quality of our service they exercised their option to extend the contract into 2016/17 without the need to put it out to tender again
- We were able to re-negotiate some of the financial arrangements relating to this contract extension in the light of the experience of having run it throughout 2015/16
- Feedback from service users for the year was, again, overwhelmingly positive and the service secured a further 3 years of enhanced accreditation from the National Association of Child Contact Centres

Family Support Service

- Our Family Support Service opened at the start of 2014/15 with Fiona Rogers as Coordinator
- Throughout 2015/16 the service operated with Fiona working no more than 20 hours per week and continued to be funded mostly through fundraising and donations
- During the year, over 15 new volunteers were recruited, trained, matched and then supervised to support up to 30 families with over 70 children between them
- Demand for this service greatly outstrips what we can supply and Fiona has had to create a waiting list
- The feedback from service users continued to be very positive with over 80% reporting improvement against their agreed targets for support
- We remain part of the Local Authority framework for the provision of Integrated Early Help for Families, this provides us with opportunities to bid for individual family support contracts. However, because selection is currently based solely on cost, we did not secure any of these contracts in 2015/16

Mentoring Service

- This service commenced in June 2013, funded by a 3 year grant from BBC Children in Need and continued to be coordinated by Debra Ibbitson throughout 2015/16
- During the year over 15 new volunteers were recruited, trained, matched and then supervised to support more than 37 young people
- Demand for this service greatly outstripped what we can supply and Debra had to create a waiting list of up to 15 young people
- Feedback from service users continued to be very positive and a successful progress review by Children in Need in October 2015 resulted in confirmation of the third and final year's funding for an expanded service

We remain part of the Local Authority framework for the provision of Integrated Early Help for Families, this provides us with opportunities to bid for individual mentoring contracts. However, because selection is currently based solely on cost, we did not secure any of these contracts in 2015/16

Achievements and performance (continued)

Funding and Fundraising

- We implemented our Funding and Fundraising Plan for 2015/16 which clearly identified strategies, targets and activities for the year. This was regularly updated and shared with Trustees, staff and our Fundraising Team
- Our Fundraising Team, led by Gina Repton, organised a wide variety of successful events including a Fashion Show, a Garden Party, Ladies Lunches and Quiz Nights
- The total of £29744 raised through fundraising activities and donations in 2015/16 compares very favourably with the £17965 raised in 2014/15 which was itself a record figure!
- During 2015/16 we broadened our very productive 'nominated charity ' relationships with a number of businesses including Sainsbury's Intu branch, the Las Iguanas restaurant and Shakin'It
- The quality of our Fundraising Team was, quite rightly, recognised by the award of a Community Action Derby 'Shining Stars Award' in May

Organisational

- Following a consultation exercise with staff, Trustees and volunteers in 2014 we produced a Development Plan for 2015/16. This identified our priorities for the year, the planned actions and the criteria for success. The Chief Executive reported on the plan's progress regularly to our Trustees and staff and produced a quarterly update throughout the year
- During the year we welcomed two new Trustees, Adam Bruch and Fatimah Razak, to our Board bringing our numbers up to a healthy eight
- Gina Repton (our Fundraising and Administration Coordinator) continued to lead on developing our very good links with local media and this resulted in many excellent newspaper and magazine articles being published, several radio interviews being broadcast and improved publicity material.
- With professional support, we reviewed and improved our website and our use of social media
- Staff and Trustee training sessions were provided in Equality; Diversity; Confidentiality & Data Protection
- Regular supervision meetings for all staff and bi-monthly staff meetings continued throughout the year
- We introduced a rolling programme of policy review, updating and circulating information to all staff and Trustees during the year
- Working with Community Action Derby we developed an Excel-based impact assessment tool for both our Mentoring and Family Support Services that will enable us to demonstrate the effectiveness of those services
- We recruited two ,very capable, new members of staff this year (Kerreene Davidson and Heather Peers) as SCS Contact Workers

Achievements and performance (continued)

Looking Forward - The Year Ahead

All Third Sector organisations continue to face significant challenges brought about by the ongoing reduction in public service budgets and competition for the finite amount of grant funding available from charitable Trusts and Foundations. The potential impact of Brexit on the sector is still unclear. We, at Children First, are in a more secure position than many charities.

Our Supervised Contact Service is going well and we have built positive relationships with the local authority. We have secured an extension, with more favourable financial terms, for 2016/17. We will need to tender for a new contract for 2017/18, this may be a larger contract incorporating pre-court as well as all the current post-court contacts. Preparing for this will present both a major opportunity and a major challenge during 2016/17.

Led by Anne Marie Macken (our Supervised Contact Service Manager) we have formalised and expanded our provision of private supervised contacts. This new service is developing well and demand for it is growing as our good reputation spreads.

The original 3-year BBC Children in Need funding for our Mentoring Service finished in September 2016. However, thanks to the very positive impact Debra Ibbitson (our Mentoring Coordinator) has been able to demonstrate we have secured another 3 years of funding, at a higher level, from Children in Need that will enable us to both maintain and expand this service to meet the demand for it. Debra has now moved on to a senior post with Barnado's but we have an excellent replacement, Kerreene Davidson, starting this month who we are sure will do a great job for our charity.

We are also delighted to have secured 3-year funding from the Henry Smith Charity for our Family Support Service, which has been kept going mainly by our fundraising activities for the last two years. This has allowed us to increase our Coordinator's (Fiona Rogers) hours to full time and will mean that we can both consolidate and grow this much-needed service.

We need to continue to develop our already very good range of fundraising activities, our recruitment of volunteers, our public relations and marketing, our relationships with local retailers and maintain our success in applying for grant funding. Part of our search for the 'Holy Grail' of sustainable funding will be promoting the growth of our Advantage Club scheme, our e-bay business account and our 'nominated charity' status with even more businesses.

We reviewed our 2015/16 Development Plan at an event in May and now have in place a challenging Plan for 2016/17. We are sure that with our excellent staff, our very competent Board of Trustees and our growing group of committed and generous volunteers and supporters we can look forward with great confidence to the future. We want to thank all of these for their wonderful support and effort on behalf of our charity during the past year.

Financial review and reserves policy

Not for the first time, I wish to start my review by acknowledging the tremendous success of our fundraising team. The net income from their many activities, together with donations, was £23,405. Over the past three years over £40,000 has been raised, representing a sum critical to the continuing stability of the charity.

Fundraising events during the year were many, varied and too numerous to list individually, but included a garden party, a buffet lunch, a fashion show, entertainment evening - and a poker night!. Our fundraising committee of staff and volunteers continues to work extremely hard and imaginatively; everyone involved is to be heartily congratulated and thanked for their time and commitment. Their work has continued in the 2016/17 year and crucial funds are being raised.

Donations received were also too many to list in detail, but mention should be made of Sainsbury's who nominated us as their "charity of the year" and whose support generated almost £3,000, and the Derby INTU Centre, who nominated us as the charity for their students' open evening, an event that raised the amazing sum of £6,300. Other donors, amongst many, included Derby College Students' Union, Derby Mercia and Etwall & Hilton Rotary Clubs, Shakin'it, St. Nicholas Players, the Derby Mayor's Charity Fund, Derby Taverners' Football Club, and many more. Sincere and grateful thanks are due to each and every contributor.

Also to be mentioned is the £1,000 received from the Lloyds TSB "Unsung Hero" fund in recognition of the thirty-six years hard work that Pat Dixon, one of our trustees, has devoted to the charity.

The crucial nature of this fundraising success is clear when you note that, despite the fundraising success, there was a deficit for the year on unrestricted funds of £(32,649). The two key factors behind this deficit were:

- Lower than anticipated income from the provision to Derby City Council of supervised contact sessions. The number of sessions finally required by the Council was considerably lower than the maximum specified in their 2015/16 tender documentation. The tender parameters were complex and included a cap on the contract price. For the current year (2016/17), a change to the pricing structure of the contract has been agreed to better reflect the likely number of contact sessions required.

- Our continued self-funding of a substantial portion of the Family Support Service (FSS). Important grants towards the service were received from the Charles Hayward Foundation and the Woodruffe Benton Foundation, but the balance of service cost was borne by the charity. I am pleased to report that the importance of this service has been recognised by the Henry Smith Foundation which in April 2016 agreed to a three-year grant to help fund the service. Other grants have been received since 31 March 2016 and are referred to below.

The Restricted Funds net expenditure of £(1,861) represents the difference between the balance of grants at 31 March 2015 plus grants received in 2015/16, less the utilisation of those grants in 2015/16. At 31 March 2016 the cumulative restricted funds balance comprised £17,402 *(last year £17,552)* for the Mentoring Service (Children In Need) and £967 *(last year £2,678)* for the Family Support Service (Toyota and the Charles Hayward Foundation).

Note 7 of the accounts analyses expenditure for the year and the following points should be noted. Staff costs were higher due to a mix of (a) new and departing staff, (b) salary increases, (c) changes to staff hours, (d) provision of more hours for non-Derby City Council contact sessions, and (e) higher national insurance. The increase in the cost of staff training and expenses was mainly due to the Mentoring Service, a cost financed by BBC Children In Need.

The year-end net assets totalled £235,241, comprising the Leopold Street property at £180,000 and net current assets of £55,241 *(see note 15)*. Of the latter figure, £18,369 comprised the Restricted Funds referred to above and £36,872 were Unrestricted Assets.

As there was a net expenditure on unrestricted funds of £(32,649) for the year, the opening designated funds of £38,000 have been transferred to the general reserve to reflect the liquidity of the closing net assets, which were lower than the previous year *(see note 14)*.

Financial review and reserves policy (continued)

With the funding pressure arising from the Derby City Council contract and the difficulty of obtaining funding contributions to our core costs, any significant increase in the level of the general reserve will occur only slowly over the next few years. An initial objective is a level of liquid reserves of not less than £50,000, to be achieved over the next three years.

For the year to 31 March 2017 we have funding from Derby City Council via our contract for the Supervised Contact Service, from BBC Children In Need for the Mentoring Service, and for the Family Support Service we have funding from the Henry Smith Foundation, the Kelly Family Trust and the Wallbrook Fund. We have also received a grant of £8,100 from the VINCI UK Foundation and potential other funding opportunities are being pursued energetically, especially for contributions to cover our central core costs. Another source of income being actively pursued is the provision of private supervised contact sessions requested by individuals or by bodies other than Derby City Council. We will be participating in the Derby City Council tendering process for provision of their supervised contact service for the year commencing 1 April 2017 and we have every hope of success given our excellent working relationship with the Council over many years. Fundraising since 31 March 2016 has continued to be very successful and represents a major contribution to meeting costs not covered by grants. Success in these various opportunities continues to be crucial to maintaining the charity in its present form.

Structure, governance and management

Governing document

Children First Derby is based at 13 Leopold Street, Derby, Derbyshire which is the company's registered office and the principal address of the charity. Children First Derby is a company limited by guarantee and not having a share capital (company registration No. 5379021) and Registered Charity (No. 1111157). The charity was incorporated on 1 March 2005 and the governing document is the Memorandum and Articles of Association dated 1 March 2005. The charitable company acquired all the assets and undertakings of the unincorporated Children First Derby on 1 April 2005.

The directors who served during the year were:

W Hall - chair
D A K Ball - Treasurer
P Dixon
L C Sanders
D Simsey
A T Bruch (appointed 8 June 2015)
A J Jacques
A Fatemah- Razak (appointed 19 October 2015)
D.J.Royston-Webb (appointed 27 June 2016)

Induction and training of trustees
Trustees may be recommended by other Trustees, or may be recruited through the local Volunteer Bureau or through the national charity REACH. Volunteers are also encouraged to consider board membership. The aim is to have a cross-section of experience of relevance to the work of the Charity e.g. social work, childcare, finance, fundraising, legal and general management. Applicants are invited to visit Leopold Street to learn about the work of the Charity and attend one or more of the Committee meetings as observers. Discussion then takes place between the applicant and the Chair of the Trustees to finalise their suitability and willingness to stand for election.

Risk management
As a Charity involved with vulnerable children and their families the highest priority is given to ensuring the suitability of staff members and volunteers undertaking mentoring and family support tasks. All staff and volunteers are subject to enhanced criminal records checks and two character references prior to contact with service users and are trained in the Charity's child protection policies.

The Charity has in place policies to ensure compliance with health and safety legislation, employment law, data protection and the signposting of clients requiring legal advice.

A comprehensive risk assessment of the Leopold Street premises was undertaken in October 2004 and is kept under regular review.

All staff receive training in the above policies and are positively encouraged to bring matters which need addressing to the Charity's Chief Executive. Matters which can't be dealt with immediately are referred to the Management Committee for appropriate action.

Independent examiner
Mr R J Matthews FCA of Baldwins (Derby) Limited offers himself for re-appointment as independent examiner to the charity.

This report is prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The Trustees' annual report was approved by the Board of Directors.

W S Hall

W Hall – Chair of Trustees

13 Leopold Street
Derby
Derbyshire
DE1 2HE

Dated: 21-11-2016

CHILDREN FIRST DERBY

INDEPENDENT EXAMINER'S REPORT

TO THE MEMBERS OF CHILDREN FIRST DERBY

Independent Examiner's Report to the Trustees of Children First Derby

I report on the accounts of the company for the year ended 31 March 2016 which are set out on pages 10 to 21.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to an audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

CHILDREN FIRST DERBY

INDEPENDENT EXAMINER'S REPORT (CONTINUED)

TO THE MEMBERS OF CHILDREN FIRST DERBY

Independent examiner's statement

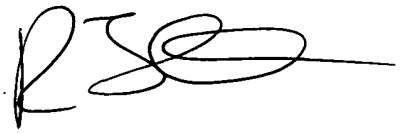
In connection with my examination, no matter has come to my attention:

1 which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Richard Matthews FCA

Baldwins (Derby) Limited
Accountants

21/11/16

10-11 St James Court
Friar Gate
Derby
DE1 1BT

CHILDREN FIRST DERBY

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Unrestricted funds	Restricted funds	Total 2016	Total 2015
		£	£	£	£
Income from:					
Donations	3	29,744	-	29,744	17,965
Charitable activities	4	113,785	34,793	148,578	188,997
Other income	5	4,241	-	4,241	383
Investments	6	115	-	115	187
Total income		147,885	34,793	182,678	207,532
Expenditure on:					
Raising funds		6,339	-	6,339	6,773
Charitable activities	7	174,195	36,654	210,849	189,799
Total expenditure		180,534	36,654	217,188	196,572
Net (expenditure)/ income		(32,649)	(1,861)	(34,510)	10,960
Gross transfers between funds		-	-	-	-
Net movement in funds		(32,649)	(1,861)	(34,510)	10,960
Fund balances at 1 April 2015		249,521	20,230	269,751	258,791
Fund balances at 31 March 2016		216,872	18,369	235,241	269,751

The company had no new or discontinued activities during the year.

CHILDREN FIRST DERBY

BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	**11**		180,000		180,000
Current assets					
Debtors	**12**	3,813		3,890	
Cash at bank and in hand		56,490		92,957	
		60,303		96,847	
Creditors: amounts falling due within one year	**13**	5,062		7,096	
Net current assets			55,241		89,751
Total assets less current liabilities			235,241		269,751
Net assets			235,241		269,751
The funds of the charity	**14**				
Restricted funds			18,369		20,230
Unrestricted funds - designated funds		-		38,000	
- revaluation reserve		145,000		145,000	
- general reserve		71,872		66,521	
Total unrestricted funds			216,872		249,521
Charity funds			235,241		269,751

For the year ended 31 March 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

(i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
(ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements were approved by the board of directors and authorised for issue on 21/11/16 and are signed on its behalf by:

W S Hall

W Hall – Chair of Trustees

Company Registration No. 05379021

CHILDREN FIRST DERBY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	£	2016 £	£	2015 £
Cash flow from operating activities					
Cash absorbed by operations	**17**		(36,582)		(23,127)
Cash flow from investing activities					
Interest received		115		187	
Net cash flow from investing activities			115		187
Net (decrease) in cash and cash equivalents			(36,467)		(22,940)
Cash and cash equivalents at beginning of year			92,957		115,897
Cash and cash equivalents at end of year			56,490		92,957
Cash and cash equivalents comprise:					
Cash at bank and in hand			56,490		92,957

1 Accounting policies

Company information

Children First Derby is a company limited by guarantee not having a share capital. The company's registered office is 13 Leopold Street, Derby, Derbyshire, DE1 2HE. At the end of the year there were 9 Trustees, each of whom, under the terms of the Memorandum and Articles of Association, had undertaken to contribute the sum not exceeding £1 in the event of a winding up of the company.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost convention apart from freehold property that is carried at market value.. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 March 2016 are the first accounts of Children First Derby prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2014. The impact on the reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the accounts, the directors 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 accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

The revaluation reserve relates to the revaluation surplus on freehold properties carried at market value.

1.4 Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Gifts in kind have been included at market value of gifts received and in assets acquired. No amounts are included in the financial statements for services donated by volunteers.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in the support of the charitable activities.

1.6 Debtors

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

1.7 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.

1.8 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Derecognition of financial liabilities

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

1.10 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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

1.12 Depreciation

Freehold property is not depreciated as the trustees consider that it the depreciation charge is not material. An impairment review is undertaken and the trustees do not consider that the deemed cost has been impaired.

2 Change in accounting policy

In accordance with the transitional provisions of section 35 of FRS102, the charity has elected to adopt the previous GAAP valuation of freehold property as its deemed cost at the revaluation date.

2a Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations

	Unrestricted funds	Restricted funds general	Total 2016	Total 2015
	£	£	£	£
Donations and fundraising	29,744	-	29,744	17,965
For the year ended 31 March 2015	17,965	-		17,965

4 Charitable activities

	2016	2015
	£	£
Derby City Council	113,785	135,835
Lloyds TSB	-	10,500
BBC Children in Need	30,043	29,342
Trusthouse Charitable Foundation	-	10,000
Derbyshire Community foundation	-	1,820
Toyota	-	1,500
Charles Hayward Foundation	4,000	-
Woodruffe Benton Foundation	750	-
Total	148,578	188,997
Analysis by fund		
Unrestricted funds	113,785	135,835
Restricted funds	34,793	53,162
	148,578	188,997

5 Other income

	Unrestricted funds 2016	Unrestricted funds 2015
	£	£
Room hire	651	383
Private contact sessions	3,590	-
Other income	4,241	383

6 Investments

	Unrestricted funds 2016	Unrestricted funds 2015
	£	£
Interest receivable	115	187

7 Analysis of expenditure on charitable activities

	2016	2015
	£	£
Staff costs	162,009	141,917
Recruitment costs	-	1,121
Insurances and utility costs	6,420	6,828
Repairs and maintenance	4,854	6,723
Telephone	6,668	6,731
Office and other costs	9,197	8,261
Staff training and expenses	11,326	8,966
Professional fees	4,330	3,161
Computer equipment and software	835	677
Service provision	1,425	2,624
Outings, parties, toys and equipment	1,205	779
Miscellaneous expenses	2,580	2,011
Total	210,849	189,799

Expenditure on charitable activities was £210,849 (2015: £189,799) of which £174,195 was unrestricted (2015: £151,264) and £36,654 was restricted (2015: £38,535).

8 Net (expenditure)/income

	2016	2015
	£	£
Net (expenditure)/income for the year is stated after charging/(crediting):		
Fees payable to the company's auditors for the independent examination of the company's annual accounts	1,600	1,575

9 Directors and key management personnel

During the year 2 trustees (2015: no trustees) were reimbursed for out of pocket expenses totalling £8 (2015 £nil).

The trustees did not receive any remuneration during the year.

The key management personnel of the charity consist of the trustees, the Chief Executive Officer and the other members of the senior management team. The total employment benefits of the key management personnel were £83,138 (2015: £71,958).

10 Employees

Number of employees

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

	2016	2015
	Number	Number
Charitable activities	9	9
	9	9

Employment costs

	2016	2015
	£	£
Wages and salaries	152,742	134,386
Social security costs	9,267	7,531
	162,009	141,917

No employees received remuneration over £60,000

11 Tangible fixed assets

	Freehold property	Total
	£	£
Deemed cost		
At 1 April 2015 and at 31 March 2016	180,000	180,000
Depreciation		
At 1 April 2015 and at 31 March 2016	-	-
Carrying amount		
At 31 March 2016	180,000	180,000
At 31 March 2015	180,000	180,000

The freehold property at 13 Leopold Street, Derby has been included at deemed cost based on a previous valuation on 4 April 2014 by Innes England, Chartered Surveyors, at an open market value of £180,000 using the RICS Valuation Standards.

In respect of the freehold property stated at deemed cost, the comparable historical cost and depreciation values are as follows:

	2016	2015
	£	£
Carrying amount at end of year	180,000	180,000
Historical cost		
At 31 March	35,000	35,000
Depreciation		
At 31 March	-	-
Net historical cost		
At 31 March	35,000	35,000

12 Debtors

	2016	2015
Amounts falling due within one year:	£	£
Prepayments and accrued income	3,813	3,890

13 Creditors: amounts falling due within one year

	2016	2015
	£	£
Accruals and deferred income	1,699	3,634
Taxation and social security	3,363	3,462
	5,062	7,096

Deferred income of £nil (2015: £33,954) from the previous year has been released to income during the year. Additional deferred income received in the year amounted to £nil (2015: £nil).

14 Charitable funds

Unrestricted funds

	Balance at 1 April 2015	Movement in funds: Incoming resources	Resources expended	Transfers	Balance at 31 March 2016
	£	£	£	£	£
Designated funds					
Redundancy fund	28,000	-	-	(28,000)	-
Contingency fund	10,000	-	-	(10,000)	-
	38,000	-	-	(38,000)	-
Revaluation reserve	145,000	-	-	-	145,000
General reserve	66,521	147,885	(180,534)	38,000	71,872
	211,521	147,885	(180,534)	38,000	216,872
Unrestricted funds	249,521	147,885	(180,534)	-	216,872

Designated reserve:
Redundancy fund was set up to meet potential costs arising from the withdrawal of contracts, grants, or the unlikely closure of the charity.

The Contingency fund was setup to meet the cost of unexpected major events.

As the net expenditure for the year on unrestricted funds was £32,649, the opening designated funds have been transferred to the general reserve, thereby reflecting the liquidity of the closing net assets.

Revaluation reserve: The revaluation reserve relates to the revaluation surplus on freehold properties carried at market value.

General reserve: General reserves represent the funds of the Charity which are not designated for a particular purpose.

Restricted funds

	Balance at 1 April 2015	Incoming resources	Resources expended	Transfers	Balance at 31 March 2016
	£	£	£	£	£
Mentoring	17,552	30,043	(30,193)	-	17,402
Other	2,678	4,750	(6,461)	-	967
Restricted funds	20,230	34,793	(36,654)	-	18,369

15 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 March 2016 are represented by:			
Net current assets	36,872	18,369	55,241
Tangible fixed assets	180,000	-	180,000
	216,872	18,369	235,241

16 Related party transactions

There were no related party transactions in either year.

17 Cash generated from operations	2016	2015
	£	£
Net (expenses)/ income	(34,510)	10,960
Adjustments for:		
Investment income recognised in income/expenditure	(115)	(187)
Movements in working capital:		
Decrease/(increase) in debtors	77	(946)
Decrease in creditors	(2,034)	(32,954)
Cash absorbed by operations	(36,582)	(23,127)