

Liverpool Cares Limited

(A Company Limited by Guarantee)

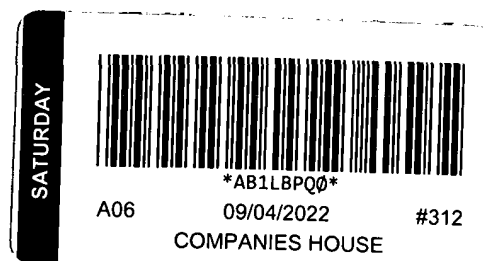
Company No. 11166325

Charity No. 1177749

Report and financial statements

For the year ended

31 August 2021



Liverpool Cares Limited

Report and financial statements

For the year ended 31 August 2021

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Liverpool Cares Limited

Trustees' Annual Report

For the year ended 31 August 2021

Reference and administrative information

Liverpool Cares Limited operating as Liverpool Cares

Trustees:	Benjamin Wilson (Chair) James Lee Polly Balsom Seema Kennedy Iana Vidal (Appointed 25 March 2021) Dermot Finch (Appointed 25 March 2021) David Easton (Resigned 12 October 2020) David Hayman (Resigned 25 March 2021) Victoria Anderton (Resigned 25 March 2021) Naseem Morley (Resigned 28 July 2021)
Chief Executive:	Alex Smith
Company number:	11166325
Charity number:	1177749
Registered office:	Studio D, Baltic Creative 49 Jamaica Street Liverpool L1 0AH
Accountants:	Accountability Europe Ltd Omnibus Workspace 39-41 North Road London N7 9DP
Bank:	The Co-operative Bank 101 Balloon Street Manchester M60 4EP

Liverpool Cares Limited

Trustees' Annual Report

For the year ended 31 August 2021

The trustees, who are also directors under company law, present their report and financial statements for the year ended 31 August 2021. The trustees confirm that the financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

Liverpool Cares Limited ("Liverpool Cares") is a community of younger and older neighbours sharing time and experiences in a rapidly changing city. The objectives of the charity are to:

- Reduce isolation and loneliness amongst older and younger neighbours alike;
- Improve the confidence, skills, connection, belonging, purpose and power of all participants;
- Reduce the gaps across social, generational, digital, cultural and attitudinal divides.

Liverpool Cares achieves these objectives through four core programmes.

Social Clubs are group activities such as film nights, dance parties, new technology workshops, choir sessions, men's cooking classes and 'Desert Island Discs' nights that bring older and younger neighbours together to share time, laughter, new experiences and friendship. Through the pandemic, these activities have predominantly occurred online and on the phone, though some have remained in person where that is safe.

Love Your Neighbour creates one-to-one friendships between younger and older neighbours, helping to bring a little of the outside world in for people who may struggle to get out. During the pandemic, these interactions have occurred predominantly over the phone, though some have remained in person where that is safe.

Outreach helps us identify people at risk of isolation so that they can benefit from our work. During the pandemic, this work has centred on phone outreach and two-way partnership referrals. Our **Community Fundraising** provides another opportunity for older and younger neighbours to share time and camaraderie while also raising funds to support their network.

Volunteers are a vital part of Liverpool Cares' purpose and activity. Their contribution is significant to the charity meeting its objectives. The trustees would like to put on record their appreciation for the time, care, attention and energy of the charity's many volunteers and supporters.

More information can be found at www.liverpoolcares.org.uk.

Public benefit

The trustees confirm that they have read, understood and adhere to the Charity Commission's guidance on public benefit.

Investment and funding

The trustees confirm that all income and expenditure is for the sole purpose of meeting the charity's objectives, and the development of a strategy and team capable of meeting those objectives. In meeting these objectives, some small grants – up to a maximum £100 – may be awarded to individuals to help people stay connected.

Liverpool Cares Limited

Trustees' Annual Report

For the year ended 31 August 2021

Achievements and performance

Between 1 September 2020 and 31 August 2021 Liverpool Cares made a significant impact, especially given the ongoing pandemic and associated restrictions. In autumn 2020 and summer 2021 many of our face-to-face programmes returned briefly, though from November 2020 to Spring 2021, most were delivered remotely. During the course of the year, some 700 older and younger neighbours were active in the charity's programmes. Independent evaluations have shown that this work helps older and younger neighbours alike to feel reduced loneliness and isolation (with stronger results for older neighbours the more intensely they participate); improved understanding across generational lines; a sense of belonging to a community; and an increased connection to self as a result of participating in the charity's programmes.

Financial review and reserves policy

With total **income of £322,908** (2019/20: £199,311) and total **expenditure of £235,529** (2019/20: £188,245), Liverpool Cares Limited had **net income of £87,379** for the year (2019/20: £11,066).

The incoming resources increased by 62% year-on-year. The primary sources of income were **grants** (24% – last year 79%) and **donations** (76% – last year 21%).

Combined with on-hand funds carried forward from the previous year (£19,173) Liverpool Cares Limited has ended the year with **£106,552 in reserves** (£27,473 restricted, £79,079 unrestricted).

The charity has good fundraising prospects for the future based on a proven track record and deepening relationships with funders. The charity is assessed to be in good financial health, with reserves of approximately four months' planned expenditure on account. The charity's policy is to hold between three and six months of planned expenditure as strategic reserves.

Fundraising and investments

All expenditure was focused on meeting the charity's core objectives, hiring and retaining staff to meet those objectives, and raising funds. The percentage of funds spent on charitable activities increased during this financial year, from 81% in 2019/20 to 83% in 2020/21.

The charity's restricted income in 2020/21 was 29% of overall income, with 71% unrestricted. The charity's restricted reserves are at 26% of overall on hand resources (last year 84%), with 74% unrestricted (last year 16%).

Liverpool Cares Limited

Trustees' Annual Report

For the year ended 31 August 2021

Structure, governance and management

Constitution

The organisation is a charitable company limited by guarantee, incorporated on 23 January 2018 and registered as a charity on 28 March 2018. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Liverpool Cares Limited is governed by a board of trustees. The board meets quarterly to discuss progress, strategy, finance and impact. Trustees are appointed after a period of interviews, observation and informal involvement, based on recommendations from partners and the strategic and skills requirements of the charity. Skills audits are undertaken periodically, normally every year. Trustees may be appointed only by unanimous agreement of the sitting board. The executive staff team are appointed through a rigorous process developed over the past ten years, led by the charity's experienced Chief Executive.

Related parties and relationships with other organisations

Liverpool Cares Limited is a wholly independent charity – affiliated by brand, joint trustees, and shared staff members to independent 'sibling' organisations NL Cares Limited (company number 07737818, charity number 1153137), South London Cares (company number 08757344, charity number 1157401), MCR Cares Limited (company number 10893107, charity number 1176902), East London Cares Limited (company number 11809555, charity number 1186012) and The Cares Family Limited (company number 10236615, charity number 1180638), which as independent organisations each report their annual accounts separately. The organisations share learning and some economies of scale, with a shared Chief Executive, Managing Director, Director of Programmes, Director of Projects, Director of Development and Heads of Development working across all branches.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' annual 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 charitable company and of the resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Liverpool Cares Limited

Trustees' Annual Report

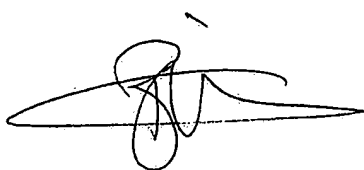
For the year ended 31 August 2021

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

The Trustees' Annual Report has been approved by the trustees on **21 March 2022** and signed on their behalf by:



.....
Mr Benjamin Wilson
Chair



.....
Ms Polly Balsom
Trustee

Liverpool Cares Limited

Independent Examiner's Report to the Trustees of Liverpool Cares Limited

For the year ended 31 August 2021

I report to the charity trustees on my examination of the accounts of the Charitable Company for the year ended 31 August 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000, I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Aamer Shehzad FCCA FCA
Accountability Europe Ltd
Omnibus Workspace
39-41 North Road
London N7 9DP

Date: 30/03/2022

Liverpool Cares Limited

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 August 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations and grants	2	229,116	93,792	322,908	42,766	156,545	199,311
Total income		229,116	93,792	322,908	42,766	156,545	199,311
Expenditure on:							
Raising funds		27,660	11,323	38,983	7,501	27,459	34,960
Charitable activities		125,388	71,158	196,546	32,890	120,395	153,285
Total expenditure	3	153,048	82,481	235,529	40,391	147,854	188,245
Net income for the year	4	76,068	11,311	87,379	2,375	8,691	11,066
Net movement in funds		76,068	11,311	87,379	2,375	8,691	11,066
Reconciliation of funds:	13						
Total funds brought forward		3,011	16,162	19,173	636	7,471	8,107
Total funds carried forward		79,079	27,473	106,552	3,011	16,162	19,173

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.
The attached notes form part of these financial statements.

Liverpool Cares Limited

Balance sheet

Company no. 11166325

As at 31 August 2021

	Note	2021 £	2021 £	2020	2020 £
Fixed assets:					
Tangible assets	9		1,196		2,010
			<u>1,196</u>		<u>2,010</u>
Current assets:					
Debtors	10	90,472		18,055	-
Cash at bank and in hand		<u>38,701</u>		<u>4,510</u>	
		129,173		22,565	
Liabilities:					
Creditors: amounts falling due within one year	11	<u>(23,817)</u>		<u>(5,402)</u>	
Net current assets / (liabilities)			<u>105,356</u>		<u>17,163</u>
Total net assets / (liabilities)			<u>106,552</u>		<u>19,173</u>
The funds of the charity:	13				
Restricted income funds			27,473		16,162
Unrestricted income funds:					
General funds			<u>79,079</u>		<u>3,011</u>
Total charity funds			<u>106,552</u>		<u>19,173</u>

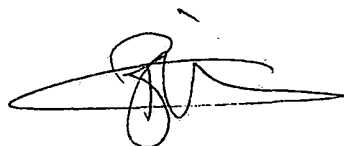
The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 August 2021.

The members have not required the charitable company to obtain an audit of its financial statements for the period ended 31 August 2021 in accordance with Section 476 of the Companies Act 2006.

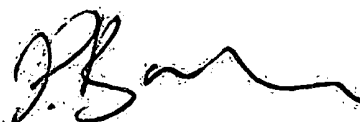
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of accounts.

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

Approved by the trustees on **21 March 2022**
and signed on their behalf by:



Benjamin Wilson
Chair



Polly Balsom
Trustee

Liverpool Cares Limited

Notes to the financial statements

For the year ended 31 August 2021

1 Accounting policies

Charity information

Liverpool Cares Limited is a charity registered in England and Wales. The registered office is Studio D, Baltic Creative, 49 Jamaica Street, Liverpool, L1 0AH.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), and the Companies Act 2006. The charity is exempted from preparing a cash flow statement due to the exemption available to charities with income less than £500,000.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants and donations are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

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

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose and their associated support costs.

Expenditure on charitable activities includes the costs of charitable activities that are undertaken to further the purposes of the charity and their associated support costs.

Liverpool Cares Limited

Notes to the financial statements

For the year ended 31 August 2021

1 Accounting policies (continued)

Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of staff time, of the amount attributable to each activity.

Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rate in use is 25% straight line for all categories of assets.

Debtors

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.

Cash at bank and in hand

Cash at bank and cash in hand includes all bank balances kept in current accounts.

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.

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

2 Income from donations and grants

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Donations	229,116	16,000	245,116	42,766
Grants	-	77,792	77,792	156,545
	<u>229,116</u>	<u>93,792</u>	<u>322,908</u>	<u>199,311</u>

Liverpool Cares Limited

Notes to the financial statements

For the year ended 31 August 2021

3 Analysis of expenditure (current year)

	Raising funds £	Charitable activities £	Support costs £	2021 Total £	2020 Total £
Staff costs (Note 5)	23,803	111,576	6,908	142,287	117,851
Direct costs of raising funds	2,986	-	-	2,986	1,199
Direct costs charitable activities	-	8,758	-	8,758	12,044
Rent	-	-	9,360	9,360	6,822
Insurance	-	-	578	578	578
Advertising and marketing	-	-	-	-	636
Printing, postage and stationery	-	-	451	451	426
Other office expenses	-	-	356	356	995
Staff development	-	-	400	400	533
Travel and subsistence	-	-	29	29	375
Website and IT costs	-	-	-	-	1,001
Consultancy and evaluation	-	-	750	750	2,250
Accountancy fees	-	-	1,080	1,080	2,364
Independent examination fee	-	-	600	600	600
Subscriptions	-	-	2,687	2,687	2,284
Telephone and internet	-	-	968	968	1,766
Management Recharge	-	-	63,425	63,425	35,706
Depreciation	-	-	814	814	815
	26,789	120,334	88,406	235,529	188,245
Support costs allocation	12,194	76,212	(88,406)	-	-
Total expenditure	38,983	196,546	-	235,529	188,245

Of the total expenditure, £153,048 was unrestricted (2020: £40,391) and £82,481 was restricted (2020: £147,854).

Liverpool Cares Limited

Notes to the financial statements

For the year ended 31 August 2021

3 Analysis of expenditure (prior year)

	Raising funds £	Charitable activities £	Support costs £	2020 Total £
Staff costs (Note 5)	21,182	90,087	6,582	117,851
Direct costs of raising funds	1,199	-	-	1,199
Direct costs charitable activities	-	12,044	-	12,044
Rent	-	-	6,822	6,822
Insurance	-	-	578	578
Advertising and marketing	-	-	636	636
Printing, postage and stationery	-	-	426	426
Other office expenses	-	-	995	995
Staff development	-	-	533	533
Travel and subsistence	-	-	375	375
Website and IT costs	-	-	1,001	1,001
Consultancy and evaluation	-	-	2,250	2,250
Accountancy fees	-	-	2,364	2,364
Independent examination fee	-	-	600	600
Subscriptions	-	-	2,284	2,284
Telephone and internet	-	-	1,766	1,766
Management Recharge	-	-	35,706	35,706
Depreciation	-	-	815	815
	22,381	102,131	63,733	188,245
Support costs allocation	12,579	51,154	(63,733)	-
Total expenditure	34,960	153,285	-	188,245

Of the total expenditure £40,391 (2019: £8,444) was unrestricted and £147,854 (2019: £99,029) was restricted.

Liverpool Cares Limited

Notes to the financial statements

For the year ended 31 August 2021

4 Net income for the year

This is stated after charging:

	2021	2020
	£	£
Depreciation	814	815
Independent examination fee (including VAT)	600	600

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	115,895	109,155
Social security costs	22,230	6,223
Employer's contribution to defined contribution pension schemes	4,162	2,473
	142,287	117,851

No employee earned more than £60,000 during the year (2020: £nil).

The total cost of key management personnel including employer NIC and pension contribution was £23,794 (2020: £35,706).

The charity trustees were not paid and did not receive any benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows.

	2021	2020
	No.	No.
Raising funds	0.8	0.8
Charitable activity	3.8	3.1
Support	0.2	0.2
	4.8	4.0

7 Related party transactions

During the year, The Cares Family recharged £63,425 (2020: £8,348) to Liverpool Cares for management salaries and other staff costs of employees who worked on both charities.

At the year-end, Liverpool Cares Ltd was owed £89,167 (2020: £17,875) from The Cares Family Ltd. All the charities are under the same management.

Liverpool Cares Limited

Notes to the financial statements

For the year ended 31 August 2021

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

	Computer and office equipment £	Total £
Cost		
At the start of the year	3,258	3,258
At the end of the year	3,258	3,258
Depreciation		
At the start of the year	1,248	1,248
Charge for the year	814	814
At the end of the year	2,062	2,062
Net book value		
At the end of the year	1,196	1,196
At the start of the year	2,010	2,010

All of the above assets are used for charitable purposes.

10 Debtors

	2021 £	2020 £
Other debtors	90,472	18,055
	90,472	18,055

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	1,316	1,250
Taxation and social security	3,261	2,412
Accruals	1,740	1,740
Deferred income	17,500	-
	23,817	5,402

Deferred income

Deferred income comprises of grants received in advance.

	2021 £	2020 £
Balance at the beginning of the year	-	7,000
Amount released to income in the year	-	(7,000)
Amount deferred in the year	17,500	-
Balance at the end of the year	17,500	-

Liverpool Cares Limited

Notes to the financial statements

For the year ended 31 August 2021

12 Analysis of net assets between funds (current year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	1,196	-	1,196
Net current assets	77,883	27,473	105,356
Net assets at the end of the year	79,079	27,473	106,552

Analysis of net assets between funds (prior year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	2,010	-	2,010
Net current assets	1,001	16,162	17,163
Net assets at the end of the year	3,011	16,162	19,173

13 Movements in funds (current year)

	At the start of the year £	Income £	Expenditure £	At the end of the year £
Restricted funds	16,162	93,792	(82,481)	27,473
Unrestricted funds: General funds	3,011	229,116	(153,048)	79,079
Total funds	19,173	322,908	(235,529)	106,552

Movements in funds (prior year)

	At the start of the year £	Income £	Expenditure £	At the end of the year £
Restricted funds	7,471	156,545	(147,854)	16,162
Unrestricted funds: General funds	636	42,766	(40,391)	3,011
Total funds	8,107	199,311	(188,245)	19,173

Restricted funds are received and allocated for use for a specific restricted purpose.

14 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.