

Liverpool Cares Limited

(A Company Limited by Guarantee)

Company No. 11166325

Charity No. 1177749

Report and financial statements

For the year ended

31 August 2022



Liverpool Cares Limited

Report and financial statements

For the year ended 31 August 2022

Contents

	Page
Reference and administrative information	1
Trustees' annual report	2 - 5
Independent examiner's report	6
Statement of financial activities (incorporating an income and expenditure account)	7
Balance sheet	8
Notes to the financial statements	9 - 15

Liverpool Cares Limited

Trustees' Annual Report

For the year ended 31 August 2022

Reference and administrative information

Liverpool Cares Limited operating as Liverpool Cares

Trustees: Iana Vidal (Chair)
Benjamin Wilson
Polly Balsom
Seema Kennedy
Dermot Finch
James Lee (resigned, 30 June 2022)

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 2022

The trustees, who are also directors under company law, present their report and financial statements for the year ended 31 August 2022. 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. **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. **Outreach** helps us identify people at risk of isolation so that they can benefit from our work. 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 2022

Achievements and performance

Between 1 September 2021 and 31 August 2022 Liverpool Cares made a significant impact. 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 £265,818** (last year £322,908) and total **expenditure of £265,458** (last year £235,529), Liverpool Cares Limited had **net income of £360** for the year (last year £87,379).

The incoming resources decreased by 18% year-on-year. The primary sources of income were **grants** (38% – last year 24%) and **donations** (62% – last year 76%).

Combined with on-hand funds carried forward from the previous year (£106,552) Liverpool Cares Limited has ended the year with **£106,912 in reserves** (£12,505 restricted, £94,407 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 over 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 83% in 2020/21 to 87% in 2021/22.

The charity's restricted income in 2020/21 was 38% of overall income, with 62% unrestricted. The charity's restricted reserves are at 12% of overall on hand resources (last year 26%), with 88% unrestricted (last year 74%).

Liverpool Cares Limited

Trustees' Annual Report

For the year ended 31 August 2022

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 the strategic and skills requirements of the charity. Skills audits are undertaken periodically. 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 11 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, Director of Programmes, Director of Projects, Director of Development and other Development staff 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

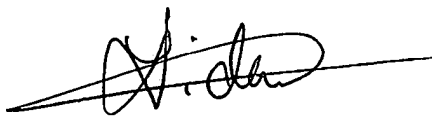
For the year ended 31 August 2022

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 **31 January 2023** and signed on their behalf by:



.....
Ms Iana Vidal
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 2022

I report to the charity trustees on my examination of the accounts of the Charitable Company for the year ended 31 August 2022.

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: 02/02/2023

Liverpool Cares Limited

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

For the year ended 31 August 2022

		Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
	Note						
Income from:							
Donations and grants	2	165,122	100,696	265,818	229,116	93,792	322,908
Total income		165,122	100,696	265,818	229,116	93,792	322,908
Expenditure on:							
Raising funds		21,563	13,150	34,713	27,660	11,323	38,983
Charitable activities		128,231	102,514	230,745	125,388	71,158	196,546
Total expenditure	3	149,794	115,664	265,458	153,048	82,481	235,529
Net income for the year	4	15,328	(14,968)	360	76,068	11,311	87,379
Net movement in funds		15,328	(14,968)	360	76,068	11,311	87,379
Reconciliation of funds:	13						
Total funds brought forward		79,079	27,473	106,552	3,011	16,162	19,173
Total funds carried forward		94,407	12,505	106,912	79,079	27,473	106,552

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 2022

	Note	2022 £	2022 £	2021	2021 £
Fixed assets:					
Tangible assets	9		1,978		1,196
			1,978		1,196
Current assets:					
Debtors	10	26,669		90,472	
Cash at bank and in hand		85,575		38,701	
		112,244		129,173	
Liabilities:					
Creditors: amounts falling due within one year	11	(7,310)		(23,817)	
Net current assets / (liabilities)			104,934		105,356
Total net assets / (liabilities)			106,912		106,552
The funds of the charity:	13				
Restricted income funds			12,505		27,473
Unrestricted income funds:					
General funds			94,407		79,079
Total charity funds			106,912		106,552

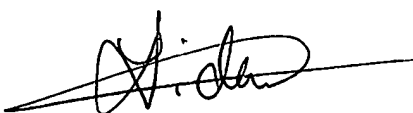
The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 August 2022.

The members have not required the charitable company to obtain an audit of its financial statements for the period ended 31 August 2022 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 **31 January 2023**
and signed on their behalf by:



Iana Vidal
Chair



Polly Balsom
Trustee

Liverpool Cares Limited

Notes to the financial statements

For the year ended 31 August 2022

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 2022

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 £	2022 Total £	2021 Total £
Donations	165,122	-	165,122	245,116
Grants	-	100,696	100,696	77,792
	<u>165,122</u>	<u>100,696</u>	<u>265,818</u>	<u>322,908</u>

Liverpool Cares Limited

Notes to the financial statements

For the year ended 31 August 2022

3 Analysis of expenditure (current year)

	Raising funds £	Charitable activities £	Support costs £	2022 Total £	2021 Total £
Staff costs (Note 5)	20,309	140,041	8,130	168,480	142,287
Direct costs of raising funds	3,515	-	-	3,515	2,986
Direct costs charitable activities	-	15,615	-	15,615	8,758
Rent	-	-	9,046	9,046	9,360
Insurance	-	-	530	530	578
Advertising and marketing	-	-	1,861	1,861	-
Printing, postage and stationery	-	-	499	499	451
Other office expenses	-	-	781	781	356
Staff development	-	-	902	902	400
Other staff costs	-	-	300	300	-
Travel and subsistence	-	-	1,254	1,254	29
Website and IT costs	-	-	308	308	-
Consultancy and evaluation	-	-	-	-	750
Accountancy fees	-	-	1,080	1,080	1,080
Independent examination fee	-	-	600	600	600
Subscriptions	-	-	1,882	1,882	2,687
Telephone and internet	-	-	2,554	2,554	968
Management Recharge	-	-	55,255	55,255	63,425
Depreciation	-	-	996	996	814
	23,824	155,656	85,978	265,458	235,529
Support costs allocation	10,889	75,089	(85,978)	-	-
Total expenditure	34,713	230,745	-	265,458	235,529

Of the total expenditure, £149,794 was unrestricted (2021: £153,048) and £115,664 was restricted (2021: £82,481).

Liverpool Cares Limited

Notes to the financial statements

For the year ended 31 August 2022

3 Analysis of expenditure (prior year)

	Raising funds £	Charitable activities £	Support costs £	2021 Total £
Staff costs (Note 5)	23,803	111,576	6,908	142,287
Direct costs of raising funds	2,986	-	-	2,986
Direct costs charitable activities	-	8,758	-	8,758
Rent	-	-	9,360	9,360
Insurance	-	-	578	578
Printing, postage and stationery	-	-	451	451
Other office expenses	-	-	356	356
Staff development	-	-	400	400
Travel and subsistence	-	-	29	29
Consultancy and evaluation	-	-	750	750
Accountancy fees	-	-	1,080	1,080
Independent examination fee	-	-	600	600
Subscriptions	-	-	2,687	2,687
Telephone and internet	-	-	968	968
Management Recharge	-	-	63,425	63,425
Depreciation	-	-	814	814
	<u>26,789</u>	<u>120,334</u>	<u>88,406</u>	<u>235,529</u>
Support costs allocation	12,194	76,212	(88,406)	-
	<u>38,983</u>	<u>196,546</u>	<u>-</u>	<u>235,529</u>

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 2022

4 Net income for the year

This is stated after charging:

	2022	2021
	£	£
Depreciation	996	814
Independent examination fee (excluding VAT)	500	500

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

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	154,874	115,895
Social security costs	10,007	22,230
Employer's contribution to defined contribution pension schemes	3,599	4,162
	<u>168,480</u>	<u>142,287</u>

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 £23,013 (2021: £23,794).

The charity trustees were not paid and did not receive any benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

6 Staff numbers

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

	2022	2021
	No.	No.
Raising funds	0.5	0.8
Charitable activity	4.8	3.8
Support	0.2	0.2
	<u>5.5</u>	<u>4.8</u>

7 Related party transactions

During the year, The Cares Family recharged £55,255 (2021: £63,425) to Liverpool Cares for management salaries and other staff costs of employees who worked on both charities.

At the year-end, Liverpool Cares was owed £21,562 (2021: £89,167) from The Cares Family and £229 was owed to South London Cares. All the charities are under the same management.

8 Taxation

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

Liverpool Cares Limited

Notes to the financial statements

For the year ended 31 August 2022

9 Tangible fixed assets

	Computer and office equipment £	Total £
Cost		
At the start of the year	3,258	3,258
Additions in year	1,778	1,778
At the end of the year	5,036	5,036
Depreciation		
At the start of the year	2,062	2,062
Charge for the year	996	996
At the end of the year	3,058	3,058
Net book value		
At the end of the year	1,978	1,978
At the start of the year	1,196	1,196

All of the above assets are used for charitable purposes.

10 Debtors

	2022 £	2021 £
Other debtors	26,621	90,472
Prepayments and accrued income	48	-
	26,669	90,472

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	2,192	1,316
Taxation and social security	3,330	3,261
Accruals	1,788	1,740
Deferred income	-	17,500
	7,310	23,817

Liverpool Cares Limited

Notes to the financial statements

For the year ended 31 August 2022

12 Analysis of net assets between funds (current year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	1,978	-	1,978
Net current assets	92,429	12,505	104,934
Net assets at the end of the year	94,407	12,505	106,912

Analysis of net assets between funds (prior 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

13 Movements in funds (current year)

	At the start of the year £	Income £	Expenditure £	At the end of the year £
Restricted funds	27,473	100,696	(115,664)	12,505
Unrestricted funds:				
General funds	79,079	165,122	(149,794)	94,407
Total funds	106,552	265,818	(265,458)	106,912

Movements in funds (prior 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

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.