



Annual Report and Accounts

31 December 2013

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THE NEHEMIAH PROJECT

TRUSTEES' REPORT

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name:	The Nehemiah Project	Charity Number: 1058536	Company Number: 3255850
Principal Office:	47 Tooting Bec Gardens, Streatham, London, SW16 1RF		
Registered Office:	7/8 Gray's Inn Square, Gray's Inn, London, WC1R 5JQ		
Auditors:	Begbies, Epworth House, 25 City Road, London EC1Y 1AR		
Bankers:	NatWest Bank plc, 145 Clapham High Street, London SW4 7SN		
Solicitors:	Cooke Matheson, part of Wellers Law Group LLP, 7/8 Gray's Inn Square, Gray's Inn, London, WC1R5JQ		

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The trustees that served during the year are as follows:

Mr. J. M. P. Colman (Chair)	Mr T. B. Aikens
Mr W. Ansell	Mrs K. P. Hunter Johnston
Mr A. T. R. Nell	The Hon. Mrs. M. Rank
Mr A. P. Watson	Mrs M. Pizzey (from 18/03/13)

Management Team

Dr J. Patience, CEO
 Mr S. Coy, Prison Operations Director (until November 2013)
 Miss O. Kilbee, Fundraising Manager
 Miss A. Sissuh, Supported Housing Manager

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Nehemiah Project is a charitable company limited by guarantee and governed by its Memorandum as amended and adopted by special resolution in 2009 and Articles of Association dated 27 September 1996. It is also registered as a charity with the Charity Commission. In the event of winding up, members' liabilities are limited to £1 each.

Appointment, Induction and Training of Trustees

Trustees are appointed by resolution of the existing trustees. Most new trustees will be familiar with the practical work of the charity and all trustees attend information events to keep up-to-date. New trustees receive all relevant information relating to the charity, and undergo a thorough induction covering decision making processes, key employees and future plans and objectives. They are also advised of their legal obligations as trustees.

Organisation Structure

The trustees meet quarterly through the year and ad hoc as events dictate. They receive quarterly financial reports as well as regular updates on the charity's activities and fundraising. They are responsible for the overall legal, financial and strategic direction and development of the charity.

Day-to-day management, including finance, HR and operations, is the responsibility of the CEO. He is supported by the other members of the management team, who meet monthly, and who take responsibility for the assets of the charity, the supported housing and prison programmes and fundraising.

Risks

The trustees review the charity's main risks on a regular basis. They are responsible for approving and then overseeing the implementation of any changes to procedures, training or other actions to mitigate the

risks the charity faces. The Risk Register is reviewed by the trustees quarterly. This was last reviewed in June 2014 all areas are RAG rated, with high priority areas separately reported.

Related Parties

Two of the charity's move-on homes, The Chase, and Pountney Rd are owned by Sanctuary Housing, in June 2013 Nehemiah became Managing Agents for these properties. As such the residents are Sanctuary Licensees, managed by Nehemiah. This has enabled the charity to support many more vulnerable adults recovering from drug/alcohol addiction.

OBJECTIVES AND ACTIVITIES

The Nehemiah Project is a registered charity working in the South East of England with vulnerable men with drug and alcohol addictions, most of whom are either prisoners or ex-offenders. Nehemiah has over 20 years experience working alongside people with addictions inside prison and out in the community.

Vision

A centre of excellence for rehabilitating men from crime and addiction through the transformation of their lives to become fulfilled, valuable members of the community.

Mission

- Enabling vulnerable men who are ex-offenders to break free from crime and addiction and to help them rebuild their lives
- To offer men, once outside the prison walls, the resources to enable them to set new goals and give them hope for the future
- We will assist their reintegration into the community through provision of supported housing immediately after release and beyond as well as provision of rehabilitation programmes (pre and post release).

Aims & Objectives

During their time with us, we work with residents to address fundamental issues, based on evidence-based factors (pathways) that contribute to desistance as identified by the National Offender Management Service (NOMS), namely:

- Accommodation and support
- Further education, vocational training and employment
- Health
- Drugs and alcohol
- Finance, benefit and debt
- Relationships with family and children
- Attitudes, thinking and behaviour, including relapse prevention, and essential life skills (communication, social, problem solving and coping strategies).

We encourage the men to work through issues together, sharing experiences, challenging one another and resolving conflict. This helps build resilience and helps to increase the men's ability to cope with the day-to-day social, emotional and practical pressures. Together with our staff, residents are encouraged to set personal goals for the future. In the first stage, the afternoons are free for the men to pursue their own activities, have keywork sessions, do daily duties and find voluntary work, and at the second stage, the main focus is to support men into work, volunteering and training.

Our main aim is to build resilience in the men so that when they move-on they are able to deal with unexpected and challenging life events without resorting to old types of behaviour and coping strategies that then lead to relapse and recidivism.

2013: A Transformational Year for The Nehemiah Project.

At the start of 2013 Nehemiah was running two services:

- 'A New Direction' Prison Programme in HMP Kingston, Portsmouth
- Supported Housing Programme in three houses in South London

'A New Direction' Prison Programme in HMP Kingston, Portsmouth

In the first few weeks of the year, the Government announced the closure of HMP Kingston. Thus, by March, Nehemiah had ceased to work there. Initially we explored opportunities to run our programme in alternative prisons, while also reviewing our prison work.

Review of Prison Work

For the last nine years we have run 'A New Direction' Prison Programme in HMP Brixton, HMP Wandsworth and HMP Kingston. We have built up a reputation within the criminal justice system, which is demonstrated by the following commendation from Michael Spurr, Chief Executive of NOMS.

"The core business of prisons and probation and those with whom we work in the community and custody is to protect the public and reduce reoffending by helping offenders change their lives. This is what motivates us and brings the different disciplines together. The work of Nehemiah at HMP Kingston does just that by tackling alcohol addiction and helping offenders change their lives to allow them to break free from addiction and crime and lead purposeful lives."

An evaluation of 'A New Direction' by the University of Portsmouth produced some encouraging findings. There was evidence that the programme provided the opportunity for men to transform the way they think, thereby enabling them to change their behaviour.

'The 'A New Direction' programme can contribute to enhanced understanding and self-awareness in relation to the criminal and addictive thinking of the participants....This can have a positive impact on the lives of the participants while contributing to an improvement in the relationships with non-participating inmates as well...most of the participants reported changes in their behaviour after completing the course. In several cases these were substantial and far-reaching. These changes appeared to affect the ways they reacted when the skills gained during the programme were deemed as transferable and applicable to challenging situations in everyday life. Application of these skills, as well as a more positive reaction to certain circumstances, was experienced as positively affecting participants' relationships in the prison with other inmates and with members of their family.'

However, after an evaluation we have come to the conclusion that we should put our prison programme on hold for the time being. Working within the prison system is difficult and unstable. There are regular changes in the way the prisons are structured and services are commissioned. This impacts our ability to maintain a consistent presence within the prison system and run an ongoing programme that can be regularly funded by voluntary income from charitable trusts and individuals. In addition to this, the prison system seems to have a lack of available funding for smaller services such as ours but uses its resources to fund large national contractors. Our decision for the time being is to refocus our activities outside the prison walls so that we can maintain an ongoing programme and most effectively use the resources we are given. The strong relationships we have with many prisons in the South East will continue to be of importance to us as we recruit men for our Supported Housing Programme.

Supported Housing Programme

We began the year with three Supported Houses in South London, which hold 17 residents in total. Men initially joined our first house in Streatham, where we provided 24-hour support and regular goal focused key-working. After four or five months, once they were ready, they moved on to one of our two 'Move-on' houses in Clapham.

THE NEHEMIAH PROJECT

TRUSTEES' REPORT

Early in 2013 we began to recognise the need to increase the structure in our first house in Streatham. Men were coming to us without the knowledge and skills they needed to remain drug and alcohol free, but also without essential life skills that could compliment their recovery. Our Prison team, with greater experience in the area of running structured programmes, was able to help us identify areas that needed to be addressed, and to design a programme that could be run for new residents joining our Supported Housing programme.

As a result of reviewing our prison work, and identifying the need for additional structure in our first house, we have created an adapted version of 'A New Direction', called 'A New Future'. This programme is designed to be run, out in the community, as part of our Supported Housing Programme. After leaving HM Kingston, the Prison team spent six months building 'A New Future', combining elements from the prison programme with issues related to resettling back into the community.

In addition to this, the Government's initiative 'Transforming Rehabilitation' will result in greater focus on supervising and supporting offenders as they come out of prison. The whole structure of resettlement and the Probation Service is going through a period of change, and The Nehemiah Project's Supported Housing programme is perfectly suited to be a part of the new structure. We have, therefore, decided to move all our resources into the community.

Managing Agents for Sanctuary Carr-Gomm

In June 2013, after careful deliberation, Nehemiah became managing agents for Sanctuary, the largest provider of social housing in the UK. This formalised the arrangements regarding the two move-on houses both owned by Sanctuary. One of the main advantages of this arrangement is that it gives access to the most up to date good practice and policy advice on housing management. Nehemiah has, therefore, updated a number of policies and practices in its own property, based on the excellent advice from Sanctuary's regional management.

Additional Challenges

We faced a number of additional challenges in 2013, including flood damage and cash-flow concerns. We have faced and dealt with these challenges effectively, and put in place new systems to ensure that we can accommodate future eventualities. We have reduced the core costs of our annual budget by 21%.

Volunteers

The charity relies on volunteers in all aspects of its work, including the valuable contribution of all those who raise funds through sponsored events. In 2013, the charity intends to develop its volunteer base. Volunteers will need to be managed and provided with training to a high level and so it is hoped that funding will be found for a Volunteer Co-ordinator. The Charity has strengthened its Board, who serve as Volunteer Trustees, in the period under review and more recently with the arrival of three new trustees, whose experience and contribution is greatly valued.

PUBLIC BENEFIT

The trustees consider that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission.

ACHIEVEMENTS AND PERFORMANCE

- In 2013 we worked with 31 men. During their time with us, we monitor our residents' progress through regular assessments of their growth and development in each of the seven NOMS pathways (as listed above). These factors are known to contribute to reducing re-offending and so give us an idea of how we are positively helping to counter the chances of recidivism.

- In 2013, our Supported Housing statistics have been very favourable
 65% of men complete the programme successfully and move-on positively into stable accommodation
 80% of those that complete the programme move-on with employment, voluntary work or training
 90% of the men we have worked with have not returned to custody

PLANS FOR THE FUTURE

In 2014 our main priority will be to develop further the structures within the charity so as to ensure that we benefit the greatest number of men in the most positive way.

This will enable us to increase the take-up in our houses and programme, increase our vocational and move-on support, review thoroughly our systems to ensure our assets are fully utilised, and on the basis of this, restructure our activities so that we have the option of being contract and expansion ready.

The charity could offer limited 'third tier' provision as part of the new probation landscape through the contracts due to be let in London and the South East in late 2014. The aim for 2015 would then be to attract between 5-10% of our income through contractual work. If, towards the end of this year, we have maintained our financial parameters, and achieved our occupancy goals, then then we would be looking to expand our Supported Housing activity.

Nehemiah offers a valuable resource to vulnerable men seeking to change their lives. However, those who could benefit are often unaware of the service, and those who might be our natural supporters may not yet fully appreciate the transformation within the charity in the last few years. The speed of change within the sector requires that we are increasingly succinct and clear in describing the purposes of The Nehemiah Project, and communicating our vision for change.

Three priorities for 2014

- 1. Consolidation of the financial stability which we achieved at the end of 2013, following the closure of our Prison programme.**

This will primarily be achieved through a three-stranded approach.

- We will target action to increase occupancy across all three houses to 90%, and thus maximise both capacity and income from Housing Benefit. Once we have achieved this, we will explore the potential to increase the capacity in our Streatham house.
- We will review our fundraising activity, particularly in the light of feedback arising from our Social Return on Investment analysis, so that we maximise income from charitable sources.
- We will maintain the disciplines introduced towards the end of 2013 to ensure continuation of the reduction of 21% in core expenditure for 2014.

- 2. Further development and modification as required, of our Supported Housing Programme. We will also seek independent, external evaluation.**

'A New Future' is the product of our long experience of delivering programmes and incorporating evidenced-based research. It is crucial that we continue to modify the programme in light of the feedback from participants and their ever changing needs. In addition to this, during 2014 we will formally review and evaluate the effectiveness of our move-on support. This will recognise individual experience, and assess the quality of the programme and of programme delivery. We anticipate that this will involve external partners. We will also complete an SROI report.

3. Improved staffing effectiveness, organisational systems and communication with existing and new partners.

With our new focus on rehabilitation, we have commenced a review of our housing management system looking at effectiveness and the use of staff time. We aim to ensure that all management systems connect seamlessly and we hope to improve the quality of data recorded, to reduce time spent on data capture and to eradicate duplication.

This review will include a look at where time is spent, the implementation of a work-plan model, the introduction of an ITEP key working model for the Supported Housing team and, alongside this, the refreshing of policies and procedures.

FINANCIAL REVIEW

The charity had a total income of £365,501 and a total expenditure of £440,878 in 2013. This represents a decrease in income from 2012 of £61,752. There was a deficit, in 2013, of £75,377. This was a result of receiving two large grants totalling £65,000 in January 2014 instead of in December 2013. To account for this we took a loan from The Charity Bank of £65,000 to cover this deficit and increase our cash flow. We have also reduced our expenditure budget for 2014 by 21%.

Reserves Policy

The trustees aim to retain reserves of approximately equivalent to 6 months of salary costs. The level set recognises salaries as the major area of expenditure and takes account of the fact that very vulnerable people are dependent on the services supplied, and the charity is dependent on voluntary gifts and donations in order to meet the costs of providing these services. At the year end the charity had dipped below the level that the trustees aim to hold in reserves. It is hoped that the reserve levels will have recovered to their desired level by 31 December 2014.

The charity ended the year with £39,234 of restricted funds and £644,878 of unrestricted funds. Of these the charity has £162,200 designated for the necessary reserves, including an operational reserve to provide 6 months of estimated salary costs. However, £733,204 of unrestricted funds are invested in the charity's rehabilitation home. The trustees are confident that given the freehold value of the charity's home, these provisions will enable the charity to continue in the event of a significant drop in funding.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Law applicable to charitable company's in England and Wales requires the trustees to prepare financial statements which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In doing so the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make sound judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity. These are also to enable them to ascertain the financial position of the charity and ensure that the accounts comply with applicable law. Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the company's trustees, we certify that:

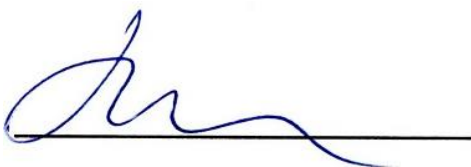
- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the trustees of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

The trustees have agreed to re-appoint Begbies as the charity's auditors during the year.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special Section 419(2) of the Companies Act 2006 relating to small companies.

Approved by the board on 15/9 2014 and signed on its behalf.



JEREMIAH MICHAEL POWLETT COLMAN
Chairman

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NEHEMIAH PROJECT

We have audited the financial statements of The Nehemiah Project for the year ended 31st December 2013 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not except or assume responsibility to anyone other than the charitable company and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2013, and of its incoming resources and application of resources, including its income and expenditure, for the year ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO
THE NEHEMIAH PROJECT (CONTINUED)**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records, or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Katherine Dee
Bebies Chartered Accountants and Registered Auditor
Epworth House
25 City Road
London EC1Y 1AR

Date: 27/9/14

STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST DECEMBER 2013

	Notes	Unrestricted Fund £	Restricted Funds £	Y/E 31/12/2013 £	Y/E 31/12/2012 £
Incoming resources					
Grants, donations and other similar income received through fundraising		105,904	147,000	252,904	279,735
Income support, residents' support and housing benefit		93,949		93,949	113,315
Rental income		5,573		5,573	6,669
<i>Activities to generate funds to further Project's objects:</i>					
Fund raising and publicity		13,065		13,065	27,505
Bank interest received		11		11	29
Total incoming resources		218,501	147,000	365,501	427,253
Resources expended					
Costs of generating funds:					
Costs of generating voluntary income	3	(53,146)		(53,146)	(33,533)
Costs of operating fundraising events	3	(5,006)		(5,006)	(3,189)
Charitable expenditure:					
Supported housing programme	2	(197,202)	(85,505)	(282,707)	(262,829)
Prison programme	2	(38,367)	(54,806)	(93,172)	(138,179)
Governance costs	4	(6,846)		(6,846)	(8,992)
Total resources expended		(300,567)	(140,311)	(440,878)	(446,722)
Net income/(expenditure) for the year		(82,066)	6,689	(75,377)	(19,469)
Net movement in funds		(82,066)	6,689	(75,377)	(19,469)
Balance brought forward		726,944	32,545	759,489	778,958
Balance carried forward	9	644,878	39,234	684,112	759,489

Company number: 3255850

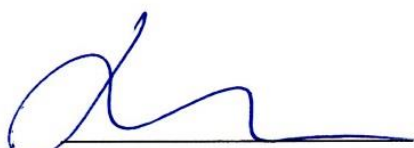
THE NEHEMIAH PROJECT
BALANCE SHEET
AS AT 31ST DECEMBER 2013

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	Notes	Y/E 31/12/2013 £	Y/E 31/12/2012 £
Fixed assets			
Tangible fixed assets	7	828,463	831,684
Current assets			
Prepayments and accrued income		3,692	7,591
Cash at bank and in hand		<u>25,501</u>	<u>75,204</u>
		<u>29,193</u>	<u>82,795</u>
Creditors - amounts falling due less than one year:			
Loan instalments	8	(8,900)	(11,000)
Deferred income			(35,000)
Other creditors		<u>(18,658)</u>	<u>(15,003)</u>
		<u>(27,558)</u>	<u>(61,003)</u>
Net current assets		<u>1,636</u>	<u>21,792</u>
Total assets less current liabilities		<u>830,099</u>	<u>853,475</u>
Creditors - amounts falling due between two and five years:			
Loans	8	(145,987)	(93,987)
Net assets		<u>684,112</u>	<u>759,489</u>
Represented by:			
Restricted Funds	10	39,234	32,545
Unrestricted Funds	9	<u>644,878</u>	<u>726,944</u>
Accumulated income funds		<u>684,112</u>	<u>759,489</u>

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) relating to small companies.

These accounts were approved by the directors on 15 September '14 and signed on their behalf.


Mr.J.M.P Colman
Director

Notes 1 to 13 form part of these accounts.

THE NEHEMIAH PROJECT
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2013

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1. ACCOUNTING POLICIES

Basis of Accounting

The accounts have been prepared in accordance with applicable accounting standards under the historical cost convention and Companies Act 2006. In preparing the accounts the charitable company has followed best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) issued in March 2005.

Incoming resources

Donations, legacies, grants etc. are accounted for when due to the charity, where applicable, with their associated tax recoverable element. No income is recorded net of any expenses except where these are beyond the control or knowledge of the trustees. The charity has been donated the use of one of the residential homes by Adullam Homes. Adullam rent the property from its owners on a peppercorn rent. Due to the difficulties in valuation of this donation in kind, no amounts included in the accounts for the property other than the running costs.

Depreciation

Tangible fixed assets costing more than £500 are capitalised and carried at cost.

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives at the following rates:

Computer equipment	33% straight line
Motor vehicles	33% straight line
Furniture & fittings	25% straight line

The fixed assets are used in direct furtherance of the charity's objects.

The freehold property has not been amortised since its residual value is believed to be in excess of its carrying value and the amortisation charge and accumulated amortisation is deemed to be immaterial.

Taxation

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

Housing and other benefits

Housing and incapacity benefits are accounted for when receivable by the charity.

Cost apportionment

Costs have been apportioned between the different activities of the charity where they are separately identifiable or based on an estimate of time allocated to each activity for staff costs. Governance costs are purely those necessary for the charity to meet the administrative requirements of the Charity Commission.

The charity is not VAT registered and all irrecoverable VAT is included in the category to which the cost relates.

2. CHARITABLE EXPENDITURE

Analysed by activity

	Unrestricted Funds £	Restricted Funds £	Support Costs £	Y/E 31/12/2013 £	Y/E 31/12/2012 £
Supported housing programme	184,139	85,505	13,063	282,707	262,829
Prison programme	38,367	54,806		93,172	138,179
	<u>222,506</u>	<u>140,311</u>	<u>13,063</u>	<u>375,880</u>	<u>401,008</u>

3. FUNDRAISING AND PUBLICITY etc

	Unrestricted Funds £	Restricted Funds £	Y/E 31/12/2013 £	Y/E 31/12/2012 £
Staff costs	49,005		49,005	29,592
Cost of running events	5,006		5,006	3,189
Support costs	4,141		4,141	3,941
	<u>58,153</u>	<u>-</u>	<u>58,153</u>	<u>36,722</u>

4. SUPPORT COSTS

	Governance £	Charitable Expenditure £	Fundraising Costs £	Y/E 31/12/2013 £	Y/E 31/12/2012 £
Auditors remuneration - audit work	5,040			5,040	5,040
Auditors remuneration - non-audit work	1,380			1,380	3,013
Advertising			1,278	1,278	175
Legal, professional and consultancy costs	294	8,065		8,359	9,905
Staff costs					12,821
Printing, postage, stationery and telephone			2,647	2,647	3,265
General expenses	132	4,946		5,077	24,365
Bank charges and fees		53	216	269	216
	<u>6,846</u>	<u>13,063</u>	<u>4,141</u>	<u>24,050</u>	<u>58,799</u>

THE NEHEMIAH PROJECT
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2013

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5. TOTAL RESOURCES EXPENDED	Staff costs	Depreciation	Other costs	Y/E 31/12/2013 £	Y/E 31/12/2012 £
	£	£	£		
Supported housing programme	179,767	824	89,054	269,644	239,722
Prison programme	91,402		1,770	93,172	115,420
Fundraising and publicity etc	49,005		9,147	58,153	36,722
Support & governance costs			19,909	19,909	54,859
	320,174	824	119,880	440,878	446,722

6. STAFF COSTS	Y/E 31/12/2013 £	Y/E 31/12/2012 £
Salaries	320,174	324,336
	320,174	324,336

During the year no employee earned over £60,000 p.a

No trustees received reimbursed expenses during the year although £355 was paid in respect of interest of funds loaned by trustees.

The average monthly number of employees, including directors, was 11 (2011: 10)

On average three staff worked on the prison programme, six on the residential programme and two in fundraising and administration.

National insurance of £ was paid during the year £28,090 (2012: £29,584).

7. TANGIBLE FIXED ASSETS	Freehold Property £	Motor Vehicles £	Computer Equipment £	Furniture & Fittings £	Total £
Cost:					
At 1st January 2013	827,600	7,190	31,513	127,424	993,727
Additions					
Disposals	-	(7,190)			(7,190)
At 31 December 2013	827,600	0	31,513	127,424	986,537
Depreciation:					
At 1st January 2013		4,793	31,513	125,737	162,043
Charge for the period				824	824
Disposals	-	(4,793)			(4,793)
At 31 December 2013	-	0	31,513	126,561	158,074
Net Book Value:					
At 31 December 2013	827,600	0	0	863	828,463
At 1st January 2013	827,600	2,397	0	1,687	831,684

8. LOANS	Y/E 31/12/2013 £	Y/E 31/12/2012 £
The Britland Charitable Trust	90,000	90,000
The Charity Bank	64,887	14,987
Total loans	154,887	104,987
Loan instalments due within one year	(8,900)	(11,000)
Loans due between two and five years	145,987	93,987

The loan from The Britland Charitable Trust is unsecured, non interest bearing and has no fixed repayment date.

The loan from The Charity Bank bears interest at 6.5% and is repaid by equal monthly instalments over the next four years. It is secured upon the property owned by the charitable company.

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9. UNRESTRICTED FUNDS	<i>Opening Balance</i>	Incoming	Outgoings	Transfers	Closing Balance
	£	£	£	£	£
General Fund					
Income fund	(148,062)	198,283	(300,567)		(250,346)
Property capital fund	712,806	20,218			733,024
	<u>564,744</u>	<u>218,501</u>	<u>(300,567)</u>		<u>482,678</u>
Designated Funds:					
Operational reserve	162,200				162,200
	<u>162,200</u>				<u>162,200</u>
Total	<u>726,944</u>	<u>218,501</u>	<u>(300,567)</u>		<u>644,878</u>

Name of Unrestricted Fund

Property capital fund

Operational reserve

Purpose of Fund

Income invested in the charity's residential home

This provides a reserve of 6 months of salary costs

10. RESTRICTED FUNDS	<i>Opening Balance</i>	Incoming	Outgoings	Transfers	Closing Balance
	£	£	£	£	£
Prison programme	31,645	32,000	(54,806)		8,839
Household equipment	400	20,000	(13,774)		6,626
Supported housing programme	500	45,000	(45,500)		
Supported housing programme salaries		50,000	(26,231)		23,769
	<u>32,545</u>	<u>147,000</u>	<u>(140,311)</u>		<u>39,234</u>

The restricted funds represent income funds expendable at the discretion of the trustees in furtherance of the charity's pursuits in accordance with the conditions imposed. The purpose of each fund is set out below.

Name of Restricted Fund

Prison programme

Household equipment

Supported housing programme

Supported housing programme salaries

Purpose of Fund

For the prison programme.

To fund the purchase of various pieces of household equipment

For funding the costs of operating the supported housing programme

For funding the cost of specific salaries in the supported housing programme

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS	General Fund	Restricted Funds	Y/E 31/12/2013
	£	£	£
Tangible fixed assets	828,463	-	828,463
Cash at bank	(13,733)	39,234	25,501
Other net current liabilities	(23,865)	-	(23,865)
Long term liabilities	(145,987)	-	(145,987)
	<u>644,878</u>	<u>39,234</u>	<u>684,112</u>

12. GRANTS RECEIVED

The following grants of £2,000 and above were received from companies and charitable trusts during the year:

The Clothworkers Foundation	10,000	
CHK	5,000	
The Hinchley Charitable Trust	10,000	
Goldsmiths	3,000	
The Bernard Sunley Charitable Trust	10,000	
City Bridge Trust	25,000	
The Rank Foundation	20,000	
The J P Getty Charitable Trust	35,000	
LTSB Foundation	17,000	
The Tudor Trust	25,000	
The Maurice and Hilda Lang Trust	5,000	
The Leigh Trust	5,000	
	<u>170,000</u>	
Grants below £2,000 and donations from individuals and churches		82,904
Total grants, donations and other similar income received through fundraising		<u>252,904</u>

13. RELATED PARTY TRANSACTIONS

THE NEHEMIAH PROJECT**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31ST DECEMBER 2013**

During the year The Nehemiah Project received the continuing support of a loan from the Britland Trust a related party to Mr J.M.P Colman. In addition to this four trustees loaned the charity £38,000 during the year. These loans were repaid by the balance sheet date with £245 of interest being paid.