

# The ehemiah Project

## **Annual Report and Accounts**

**31 December 2014**

**THE NEHEMIAH PROJECT**  
**ANNUAL REPORT AND ACCOUNTS**

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## THE NEHEMIAH PROJECT TRUSTEES' REPORT

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### 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

### Management Team

Dr J. Patience, CEO  
 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

## **THE NEHEMIAH PROJECT TRUSTEES' REPORT**

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risks the charity faces. The Risk Register is reviewed by the trustees quarterly. This was last reviewed in December 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 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 prisoners or ex-offenders. Nehemiah has over 20 years experience working alongside people with addictions inside prison and out in the community. Our current focus is supporting men outside prison.

### **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**

**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.**

During their time with us, we work with residents to address fundamental issues, based on evidence-based factors (pathways) that contribute to desistance similar to those identified by the National Offender Management Service (NOMS). These are: Motivation and taking responsibility; Self-care and living skills; Managing money and personal administration; Social networks and relationships; Drug and alcohol misuse; Physical health; Emotional and mental health; Meaningful use of time; Managing tenancy and accommodation and Offending.

### **2014 Outcomes**

Our Supported Housing Programme has two stages; 'A New Future' and 'Move-on'.

Over the last year, we have worked with a total of 27 men.

- 22 out of 27 men have a history of prison
- All 27 report to have some kind of addiction
- 11 out of 27 had been homeless/sleeping rough

## THE NEHEMIAH PROJECT

### TRUSTEES' REPORT

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#### First Stage: 'A New Future'

In 2013, we improved the first stage by introducing a 12-week programme each weekday morning, focusing on recovery and resettlement through process groups and educational sessions. We encourage the participating cohort to work through issues together, sharing experiences, challenging one another and resolving conflict. This has helped build resilience to increase the men's ability to cope with the day-to-day social, emotional and practical pressures.

#### During 2014

- 16 men started the programme,
- 3 went through the programme twice (this is not automatic but based on careful assessment)
- 12 graduated in 2014
- 13 moved-on positively
- 10 moved-on to the second stage and 3 moved-on to other supported housing
- 2 men were evicted and 1 was recalled to prison

#### Second Stage: 'Move-On'

At this stage the men receive support that mainly focuses around finding employment, education and training, rebuilding family relationships, dealing with life stressors while remaining abstinent and finding suitable and stable future accommodation.

- 19 lived in one of our Move-On houses during the year
- All but one man moved-on into stable accommodation. One man chose to return to homelessness.
- 17 report as being substance free
- 11 are in employment, regular volunteering or training
- 18 re-established or rebuilt their family relationships

#### Overall

- Average length of stay is currently 44 weeks
- Only 2 out of 27 men have returned to prison (both for new offences).

The majority of the men we work with feel that they would have re-offended had they not come to Nehemiah.

#### Restructure

We have been through a thorough review of how we use our time as an organisation. The result of that has been a simple yet effective restructure. The main changes have been within the Supported Housing Team where administration tasks have been reduced allowing time for greater interaction with the men. Previously the role of the three Supported Housing Workers was generic but we have now created a focus for each role, hoping to increase levels of creativity and programme development, as well as, accountability.

#### Volunteers

In July we received additional funding for a part-time Volunteer Coordinator. This role has been to develop a Volunteer Strategy so that we can begin to improve the quality of what we do as well as actually do more. The idea is to essentially make us more self-sustainable. We are currently recruiting volunteers to help with office functions and to share specific skills with the men e.g. CV writing, cooking. In addition to this, a Mentoring Scheme is being developed to be implemented in the summer.

## **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.

## **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**

Since 2010, 67% of Residents completing our programme have remained substance-free for one year following the programme. This compares favourably with the national average of 30%. Over the same period the rate of return to prison is less than 5% for our Residents, compared with a national average of 50%. According to published figures, it could be argued that we save the state £37,000 a year for every man we keep out of the criminal justice system. We also measure change in the following areas: Motivation and taking responsibility; Self-care and living skills; Managing money and personal administration; Social networks and relationships; Drug and alcohol misuse; Physical health; Emotional and mental health; Meaningful use of time; Managing tenancy and accommodation and Offending. To analyse our achievements further, we are beginning to work with a substantial accountancy firm to calculate our social return on investment.

## **PLANS FOR THE FUTURE**

In 2015 we want to build upon the foundational changes established in the past year and use these as a platform for growth. In this way we will be able to work with more men. We recognise that our existing model is making a substantial difference to many lives but we need to be able to more effectively demonstrate our impact and consistently focus our energies on successful move-on.

## **2015 Objectives**

### **1. Building financial stability and sustainability**

This will primarily be achieved through:

- a) Targeted action to **increase occupancy** across all three houses to 90% and to maintain this. In 2014 we achieved 76% average throughout the year, and in the last 6 months this increased to 84%. In addition to this, in January 2015 we will review capacity and the options to increase the number of rooms at our Streatham house.
- b) Review and refocus our **fundraising and income generation activities**, to ensure that we maximise potential income and future-proof independent sources of income to develop greater sustainability; specifically to increase substantially our individual and regular donors, and to develop new corporate and church partnerships.
- c) Complete a '**Social Return On Investment**' analysis, and use this to inform existing stakeholders and to approach new potential funders.
- d) To maintain the 21% **reduction in core expenditure** initiated in 2014 and to seek further cost savings in 2015
- e) To continue to develop the Volunteering Scheme. To develop NVQ Level-3 placements
- f) To develop partnerships with other organisations in order to extend our activities without losing the efficacy that comes with the personal approach that Nehemiah is able to operate

## 2. Impact and outcomes

At the start of 2015 we have introduced a standardised set of PIs (used by other organisations in the sector) and we have included a set of our own outcome measures to record additional aspects relevant to our service-users. We will continue to explore ways to develop measures particularly associated with move-on. Nehemiah has achieved some consistently high results in this area. SROI will help to demonstrate impact and the associated value for money. We will seek an external partner to work with us on independent evaluation.

## 3. Improving targeted support to address specific needs

The reintegration of lives into the community is the greatest challenge that the men we support face. The three core elements of this are: a job; accommodation; and family. At Nehemiah we want to create an environment that fosters purposefulness and future aspiration in each person. This year we will be developing support in three specific areas: **Increasing resilience and recovery strength** as men move through our programme; **increasing family support** (subject to funding in 2015) and **increasing debt advice** to men where pre-existing debts become live once they find employment. In 2014 we have seen 'A New Future' increase the completion rates of the first stage of our programme. When men move on from stage one they are equipped with the skills and tools they need to help them maintain their journey to recovery. In December 2014 we substantially revised some elements of the programme based on resident feedback and an internal review; we will continue to undertake quarterly reviews.

Psychologically Informed Environments (PIE) are increasingly recognised as good practice, by both the Prison Service and by the Royal College of Psychiatrists. The purpose of a PIE is to enable clients to make changes in their lives by drawing from a range of insightful therapeutic practices. Staff do not become therapists but rather acquire greater awareness of how to influence and encourage positive change. In November 2014 all housing staff attended a full day's training in PIE as an introduction. It is our intention that we will gradually move towards integrating this into our practice over the next three years.

## 4. Understanding and better supporting 'Move-On'

We already see men move-on successfully but we want to better understand what 'success' looks like, not just from our perspective but very much from that of our residents and former residents. The type of move-on support that we want to offer is not a structured programme but rather one that provides individualised, agreed support which is reduced over time.

As an individual moves through our houses, the most crucial phase is the move into the community. At this point, we are seeking to provide increased self-sustained support and to find ways to release existing support mechanisms. To do this effectively, it is crucial we understand the potential support in the community. We have begun work with Claire Ritchie, a Strategic Commissioner for Lambeth, who has been seconded to work with ourselves and another charity to develop our networks and connections in Lambeth. We would see Claire as critical in helping us identify services that can meet the needs of our Residents.

## 5. Mentoring & Peer Support

At Nehemiah relationships have always been at the centre of what we offer men. Many relationships are damaged through addiction and criminality. At Nehemiah men learn to relate to one another and staff members in new and healthy ways. They learn to trust others and as a result build stronger, deeper relationships. There is a huge body of evidence that shows the benefits of mentoring men in recovery. In 2015, we will focus on getting our Mentoring Scheme running to ensure that each man has a mentor. We are currently working with Basic Caring Communities Wandsworth, part of PACT, to help us develop this. In addition to this, we have identified the important role our longer-term Residents have in encouraging our newer Residents. Men who are further ahead in their recovery are an inspiration to those who are just starting. We are, therefore, looking to develop a peer support group that continues on once men move out into the community.

## **6. Future Growth**

Growth is the next step. We hope that increasing the scale of what we do that this will enable us to spread our overheads and reduce our cost per beneficiary. Our programme is having success but we want to see more men benefitting, however, we are acutely aware that our success is down to the atmosphere created by our smaller size which allows us to work with each individual, identifying and addressing their individual needs. We would, therefore, see ourselves growing by replicating what we are doing so that we do not lose the essence of Nehemiah. We are currently investigating property options as well as funding provision to determine how we will make this growth happen. Specifically we are looking to increase our capacity at 47 Tooting Bec Gardens, and in addition to identify the next steps in terms of the financial basis of growth, the properties available, and how we might nurture communities to accept and support these houses. As part of this we will explore partnership with another organisation would also offer the opportunity to grow, and the choice of partners will be a critical one, as we want to retain our ethos and our individuality in any new venture or operation.

## **FINANCIAL REVIEW**

The charity had a total income of £337,049 and a total expenditure of £379,600 in 2014. This represents a decrease in income from 2013 of £28,452 and a decrease in expenditure from 2013 of £61,278. There was a deficit, in 2014, of £42,552. Cash flow has been preserved with a loan from The Charity Bank of £100,000. In 2014, we kept to a reduced expenditure budget and we will continue to do this in 2015. The budgeted income and expenditure in 2015 is projected to end with a surplus. No adverse movement has occurred in the period to date to cause us to alter that projection.

## **Reserves Policy**

The trustees would like to retain reasonably liquid 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 liquid reserves. It is intended that the reserve levels will have recovered to prudent levels by 31 December 2015.

The charity ended the year with £9,820 of restricted funds in liquid reserves and £631,741 of unrestricted funds mostly in illiquid reserves represented by the building owned by the Charity. £737,600 of unrestricted funds are invested in the charity's rehabilitation home. The charity has £123,032 designated for the necessary reserves, including an operational reserve to provide 6 months of estimated salary costs. 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.



**THE NEHEMIAH PROJECT**  
**TRUSTEES' REPORT**

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**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:

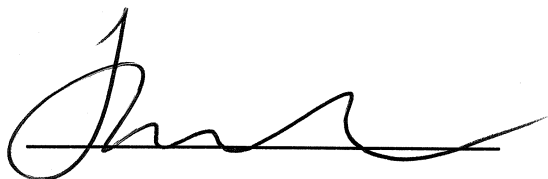
- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the trustees of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's 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 8 June 2015 and signed on its behalf.



**JEREMIAH MICHAEL POWLETT COLMAN**  
Chairman

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NEHEMIAH PROJECT**

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We have audited the financial statements of The Nehemiah Project for the year ended 31<sup>st</sup> December 2014 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 2014, 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)**

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**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  
Begbies Chartered Accountants and Registered Auditor  
9 Bonhill Street  
London EC2A 4DJ

Date: 9/7/15

## STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Continuing Activities Unrestricted Fund £	Activities Restricted Funds £	Discontinued Activities Restricted Funds £	Y/E 31/12/2014 £	Y/E 31/12/2013 £
<b>Incoming resources</b>						
Incoming resources from generated funds						
Voluntary income		77,945	131,000		208,945	252,904
Activities for generating funds		2,045			2,045	13,065
Bank interest received		4			4	11
Incoming resources from charitable activities						
Housing benefit		115,206			115,206	93,949
Rental income		10,848			10,848	5,573
<b>Total incoming resources</b>		<b>206,049</b>	<b>131,000</b>		<b>337,049</b>	<b>365,501</b>
<b>Resources expended</b>						
Costs of generating funds:						
Costs of generating voluntary income	3	(24,000)			(24,000)	(53,146)
Costs of operating fundraising events	3	(5,322)			(5,322)	(5,006)
Charitable activities						
Supported housing programme	2	(181,306)	(151,575)		(332,881)	(282,707)
Prison programme	2			(8,530)	(8,530)	(93,172)
Governance costs	4	(8,868)			(8,868)	(6,846)
<b>Total resources expended</b>		<b>(219,495)</b>	<b>(151,575)</b>	<b>(8,530)</b>	<b>(379,600)</b>	<b>(440,878)</b>
<b>Net income/(outgoing) resources before transfers</b>		<b>(13,446)</b>	<b>(20,575)</b>	<b>(8,530)</b>	<b>(42,552)</b>	<b>(75,377)</b>
<b>Gross transfers between funds</b>		<b>309</b>		<b>(309)</b>		
<b>Net movement in funds</b>		<b>(13,137)</b>	<b>(20,575)</b>	<b>(8,839)</b>	<b>(42,552)</b>	<b>(75,377)</b>
<b>Total funds brought forward</b>		<b>644,878</b>	<b>30,395</b>	<b>8,839</b>	<b>684,112</b>	<b>759,489</b>
<b>Total funds carried forward</b>	9	<b>631,741</b>	<b>9,820</b>		<b>641,561</b>	<b>684,112</b>

The statement of financial activities includes all gains and losses in the year.

Company number: 3255850

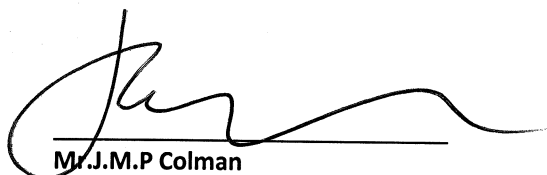
## BALANCE SHEET

AS AT 31 DECEMBER 2014

	Notes	Y/E 31/12/2014 £	Y/E 31/12/2013 £
<b>Fixed assets</b>			
Tangible fixed assets	7	827,600	828,463
<b>Current assets</b>			
Prepayments and accrued income		5,357	3,692
Cash at bank and in hand		<u>30,102</u>	<u>25,501</u>
		<u>35,458</u>	<u>29,193</u>
<b>Creditors - amounts falling due less than one year:</b>			
Loan instalments	8	(13,886)	(8,900)
Deferred income		(10,000)	
Other creditors and accruals		<u>(27,699)</u>	<u>(18,658)</u>
		<u>(51,585)</u>	<u>(27,558)</u>
<b>Net current assets</b>		<u>(16,127)</u>	<u>1,636</u>
<b>Total assets less current liabilities</b>		<u>811,473</u>	<u>830,099</u>
<b>Creditors - amounts falling due between two and five years:</b>			
Loans	8	(169,912)	(145,987)
<b>Net assets</b>		<u><u>641,561</u></u>	<u><u>684,112</u></u>
<b>Represented by:</b>			
Restricted Funds	10	9,820	39,234
Unrestricted Funds	9	<u>631,741</u>	<u>644,878</u>
<b>Accumulated income funds</b>		<u><u>641,561</u></u>	<u><u>684,112</u></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 8 June 2015 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 31 DECEMBER 2014

## 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.

**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 benefits are accounted for when receivable by the charity to the extent that they are expected to be recoverable.

**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 31/12/2014 £	Y/E 31/12/2013 £
Supported housing programme	122,504	151,575	58,802	332,881	282,707
Prison programme		8,530		8,530	93,172
	122,504	160,105	58,802	341,411	375,880

## 3. FUNDRAISING AND PUBLICITY etc

	Unrestricted Funds £	Restricted Funds £	Y/E 31/12/2014 £	Y/E 31/12/2013 £
Staff costs	21,231		21,231	49,005
Cost of running events	5,322		5,322	5,006
Support costs	2,769		2,769	4,141
	29,321	-	29,321	58,153

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2014

## 4. SUPPORT COSTS

	Governance	Charitable Expenditure £	Fundraising Costs £	Y/E 31/12/2014 £	Y/E 31/12/2013 £
Auditors remuneration - audit work	5,040			5,040	5,040
Auditors remuneration - non-audit work	3,235			3,235	1,380
Advertising		3,833		3,833	1,278
Legal, professional and consultancy costs	551	1,062		1,613	8,359
Staff costs		38,235		38,235	
Printing, postage, stationery and telephone		6,421	2,553	8,974	2,647
General expenses	42	4,155		4,197	5,077
Bank charges and fees		5,095	216	5,311	269
	8,868	58,802	2,769	70,438	24,050

## 5. TOTAL RESOURCES EXPENDED

	Staff costs £	Premises Expenses £	Other costs £	Y/E 31/12/2014 £	Y/E 31/12/2013 £
Supported housing programme	186,580	68,269	19,230	274,079	269,644
Prison programme			8,530	8,530	93,172
Fundraising and publicity etc	21,231		8,090	29,321	58,153
Support & governance costs	38,235		29,434	67,669	19,909
	246,046	68,269	65,284	379,600	440,878

## 6. STAFF COSTS

	Y/E 31/12/2014 £	Y/E 31/12/2013 £
Salaries	246,046	320,174
	246,046	320,174

During the year no employee earned over £60,000 p.a. The average monthly number of employees, including directors, was 8 (2013: 11). National insurance of £19,056 was paid during the year (2013: £28,090).

No trustees received reimbursed expenses during the year (2013: £0).

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

## 7. TANGIBLE FIXED ASSETS

	Freehold Property £	Computer Equipment £	Furniture & Fittings £	Total £
<b>Cost:</b>				
At 1st January 2014	827,600	31,513	127,424	986,537
Additions				
At 31 December 2014	827,600	31,513	127,424	986,537
<b>Depreciation:</b>				
At 1st January 2014		31,513	126,561	158,074
Charge for the period			863	863
At 31 December 2014	0	31,513	127,424	158,937
<b>Net Book Value:</b>				
At 31 December 2014	827,600	0	0	827,600
At 1st January 2014	827,600	0	863	828,463

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2014

## 8. LOANS

	Y/E 31/12/2014 £	Y/E 31/12/2013 £
The Britland Charitable Trust	90,000	90,000
The Charity Bank	93,798	64,887
Total loans	183,798	154,887
Loan instalments due within one year	(13,886)	(8,900)
Loans due between two and five years	169,912	145,987

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 and is available for a period of ten years from November 2013 with a review after five. The loan is secured upon the property owned by the charitable company.

## 9. UNRESTRICTED FUNDS

	Opening Balance £	Incoming £	Outgoings £	Transfers £	Closing Balance £
<b>General Fund</b>					
Income fund	(250,346)	206,049	(219,495)	34,910	(228,882)
Property capital fund	733,024			4,576	737,600
	482,678	206,049	(219,495)	39,486	508,718
<b>Designated Funds:</b>					
Operational reserve	162,200			(39,177)	123,023
	162,200			(39,177)	123,023
<b>Total</b>	644,878	206,049	(219,495)	309	631,741

## 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

	Opening Balance £	Incoming £	Outgoings £	Transfers £	Closing Balance £
Prison programme	8,839		(8,530)	(309)	
Household equipment	6,626	1,500	(1,500)		6,626
Supported housing programme		109,000	(109,000)		
Supported housing programme salaries	23,769	20,500	(41,075)		3,194
	39,234	131,000	(160,105)	(309)	9,820

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 31/12/2014 £
Tangible fixed assets	827,600	-	827,600
Cash at bank	20,282	9,820	30,102
Other net current liabilities	(46,229)	-	(46,229)
Long term liabilities	(169,912)	-	(169,912)
	<u>631,741</u>	<u>9,820</u>	<u>641,561</u>

**12. GRANTS RECEIVED**

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

The Jerusalem Trust	40,000	
The Joseph Rank Trust	25,000	
Nancy Kenyon Trust	2,000	
The Souter Charitable Trust	2,000	
City Bridge Trust	12,500	
Peter Minet Trust	3,000	
The Hinchley Charitable Trust	5,000	
Salter's Trust	5,000	
The London Catalyst	3,000	
The Hobson Charity	2,000	
Jeremiah Colman Trust	10,000	
29th May 1961 Charitable Trust	10,000	
Thrale Almshouses	3,000	
Leathersellers Company	3,000	
The Tudor Trust	10,000	
The Maurice and Hilda Lang Trust	5,000	
The Leigh Trust	2,000	
	<u>142,500</u>	
Grants below £2,000 and donations from individuals and churches		66,445
Total grants, donations and other similar income received through fundraising		<u>208,945</u>

**13. RELATED PARTY TRANSACTIONS**

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.