

The ehemiah Project

Annual Report and Accounts

31 December 2015

THE NEHEMIAH PROJECT
ANNUAL REPORT AND ACCOUNTS

Contents

Trustees' Report	1-7
Statement of Trustees' Responsibilities	8
Independent Auditor's Report	9-10
Financial Statements and Related Notes	11-16

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, 9 Bonhill Street, London, EC2A 4DJ		
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 (to 11/15), Miss L. Sullivan
 Miss A. Sissuh, Supported Housing Manager
 Mrs L. Hawthorne, Volunteer 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 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

risks the charity faces. The Risk Register is reviewed by the trustees quarterly. 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 previous 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 no longer offending.

2015 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 40 men. (29 men joined the programme, 11 were already with us)

- Of the 29, 90% have a history of prison
- All report to have some kind of addiction, 65% remain substance free
- 10 out of 29 had been homeless/sleeping rough at some point

- Average length of stay is currently 56 weeks (an increase of 12 weeks on last year)
- Only 1 out of 29 men was recalled to prison and the court recognised the beneficial influence of living in Nehemiah

The majority of the men we work with say that they would have re-offended had they not come to Nehemiah. According to published figures, it could be argued that we save the state £40,873 a year for every man we keep out of the criminal justice system, and £30,000 a year for every man who was sleeping rough. To analyse this further, we would like to explore our Social Return on Investment (SROI).

Volunteers and Mentors

In July 2014 we received funding for a part-time Volunteer Coordinator. This role has enabled us to develop a comprehensive volunteer strategy. We have developed a new set of policies, procedures and training for volunteers and are now registered with Lambeth as an organisation that meets both local and national volunteering standards. As such we are now advertising on national sites for more specific roles alongside local volunteer sites.

We have recruited volunteers to assist with office functions and to share specific skills with the men e.g. CV writing, cooking. One particular success is a volunteer counsellor, who has worked with an average of three Residents at any time, and has been important in the recovery of all his clients.

We launched our own mentoring scheme that is bespoke to the particular needs that our Residents have expressed as they move-on. We held our first mentoring training in the summer, and started the matching process of our first trained mentors with Residents. We are now in the process of recruiting the next group of potential mentors to work with more recent Residents. We have had good feedback from existing relationships.

The Volunteer Co-ordinator also managed the teams from Give & Gain Day, Pilotlight, and Enactus. All teams have visited the charity and met with men, to hear their stories and learn about what Nehemiah does – these have been very successful visits. The Give & Gain Day work was particularly successful – we received praise from Business in The Community, who run Give & Gain, and who have offered to send us more corporate teams to do similar volunteer work. Several of the volunteers from Pilotlight and Give & Gain Day have become donors and/or supporters, and have participated in both the Marathon and the Prudential 100 Bike Ride.

REVIEW OF 2015

In January, Rev. Sabina O'Connor joined us as our chaplain. She is based with Caring for Ex-Offenders and is a chaplain at Brixton Prison. In February 2016 both she and her husband started the first of an additional short series afternoon programme looking at principles of behaviour and including sessions on Forgiveness, Restorative Justice, and Anger Management.

In February, the High Sheriff of Greater London organised an event to promote the activity of Nehemiah to an invited group of supporters, practitioners and commissioners in London. As a consequence of this event we have established good relationships with a number of new partners. Each one has produced something different. Chris Mould from the Shaftesbury Partnership and Trussell Trust developed with us a 'Growth and Replication Strategy' June 2015.

Other partnerships have included a positive relationship with Monsignor Roger Reader, Catholic Bishops Conference Adviser on Prisons, and later in the year an introduction to The Order of Malta. The charity is a contractual partner in the delivery of The Gang Exit Programme, delivered for MOPAC.

THE NEHEMIAH PROJECT

TRUSTEES' REPORT

In March following a visit by Ed Tullet, the recently retired Governor of Brixton, now working for MTC novo (London and greater London TR contracts) we started to build closer links with RAPt. It has been clear that these prison programmes (similar in those run by Nehemiah in the past) prepare men particularly well for Nehemiah's rehabilitation programme, 'A New Future'.

In May we agreed revised rents with Lambeth to include for the first time charges for Intensive Housing Management. We also launched our partnership work with RBS to help us engage with corporates.

In May we took part in Give & Gain Day, and a team of six professionals from insurance group Lancashire Holdings came to spend the day working at Nehemiah. They visited in advance, to meet the Residents, and scope out the work, then returned on 15th May to spend the day gardening. The result was a herb bed, a new vegetable border and a cherry tree in the front garden. One of the volunteers has since become a supporter, raising money for us and will run in this year's London Marathon.

In June Sir Steve Redgrave agreed to attend our fundraising ball as our guest speaker, and to donate a signed oar to the auction. This was to be one of our major prizes. Richard Steer, Global Chairman of Gleeds Worldwide, generously offered his time to direct the event. Jacqueline Taiwo volunteered as Event Organiser to run the event. The London Drug & Alcohol Policy Forum kindly offered the venue, and much practical support.

In August we started our own Volunteer and Mentor Training, having decided that the only way to get appropriate training for our work was to design it specifically to align with A New Future and the work on the Supported Housing Team. We were supported in this by volunteer mentors from the New Bridge Foundation.

In September we had our first meeting with the Catholic Bishops Conference and Caritas

In September, we were the winners of the Pilotlight award with our RBS charity support team, which was announced at a ceremony in the RBS office in Bishopsgate. Two of the team represented Nehemiah in the Prudential 100km Bike Ride in August, and have expressed interest in doing so again in 2016. Our RBS team also identified ten potential corporate partners, and we have so far met with two of these. In January we met with a representative of Matrix, and discussed a number of initiatives. In February 2016 DLA Piper offered our residents the first of 6 legal sessions covering all relevant aspects, and have discussed with us other pro bono support that they can offer.

Our RBS team also introduced us to the charity Enactus, who facilitate partnerships between entrepreneurial university students and charities. Enactus found us a team from BPP University who have agreed to help us follow up the work initiated by RBS, and visit the charity regularly to learn about what we do and work on their ideas for growth and new directions. Two of the Enactus team have been holding regular CV and work sessions with the Residents as part of A New Future.

On November 17th we held our Charity Ball, with 160 guests; we raised over £27K for the charity after costs. The Ball also introduced us to a number of new supporters, all of whom were very impressed by our Resident Stephen Crichlow, who spoke movingly about how Nehemiah has helped him renounce his former life and learn to be a different person.

2015 has been a transformational year for the charity that sets the foundations for growth and replication in future years.

IMPACT AND OUTCOMES

2015 Programme Outcomes

The national average for remaining abstinent for a year is 30%; at Nehemiah 65% of Residents continue to remain substance free. Nationally nearly 50% of released prisoners reoffend within 12 months and for London prisons this figure increases to 60%. At Nehemiah, as far as we know, only 5% of the men we have worked with in the last five years have returned to prison. In 2015 only one man from Nehemiah returned to prison, when his bail was revoked.

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

Over the last year, of the 29 men who joined the programme,

- 26 out of 29 men have a history of prison
- All 29 report to have had some kind of addiction

First Stage: 'A New Future'

Two years ago in 2013, we improved the first stage by introducing a 12-week programme delivered each weekday morning at 47 Tooting Bec Gardens, 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.

In 2015:

- 29 men started the programme,
- 15 graduated in 2015
- 9 moved-on to the second stage
- 1 moved on to independent living following graduation
- 5 left to independent living before completing the programme

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.

- 14 lived in one of our Move-On houses during the year
- 5 were still in a Move-On house at the end of 2015
- 6 moved-on positively
- 1 was recalled
- 19 report as being substance free
- 11 are in employment, regular volunteering or training
- 14 re-established or rebuilt their family relationships

Overall

- Average length of stay for those graduating the average is 56 weeks
- Only 1 out of 29 men was recalled to prison and the court recognised the beneficial influence of living in Nehemiah

The majority of the men we work with feel that they would have re-offended had they not come to Nehemiah. According to published figures, it could be argued that we save the state £40,873 a year for every man we keep out of the criminal justice system. To analyse this further, we would like to explore our Social Return on Investment (SROI).

OBJECTIVES 2016

1 Optimise our services – put Nehemiah in a box

In preparation for growth, our main objective this year is to optimise our services. This has three sub-elements:

- Improve our referrals system to maximise occupancy but retain quality, standards and reputation.
- Improve our data recording and collection— one database holding all the charity's information. At present each team has their own systems, which are a mixture of paper and electronic. This not only increases duplication but hinders efficiency. To grow we need a single replicable system.
- Training and development of staff to use this system
- Key indicators within the system to identify the health of the different facets of the charity

2 Growth – a new house in 2017 – through partnership

To pursue as a priority a second 'First stage house' in partnership with The Order of Malta and The Catholic Bishops' Conference. This house would in all respects reflect our current operation in that it would be open to all applicants of any faith or none. The only difference would be that funding would be secured primarily through new partnerships arising out of this relationship and networks and that the new house would link more directly with the Catholic chaplaincy in prisons and local congregations. This would be almost identical to our present operation. The aim would be to have the second house operational before March 2017.

3 Academic Partnership to improve the measurement of impact and outcomes

At the start of 2015 we have introduced a standardised set of Performance indicators (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 identify an external partner to work with us on independent evaluation. We have initiated discussions with an independent academic and a team based at a local university.

4 Secure new income streams and maintain the work to build financial stability ahead of 2018 Welfare Benefit changes

We are working with The Cranfield Trust to identify a strategy to reduce our reliance upon Housing Benefit by 15% by 2018, and a further 15% by 2020. We anticipate that as a result of the continued fiscal pressures faced by the government, that the proposed changes to welfare support although for the sector presently deferred for an additional year, are likely in the longer term to be introduced. As such through the work this year with Corporates, we would anticipate that new opportunities will arise from working alongside the new Community Rehabilitation Companies and through the new prison building programme.

5 Package ourselves to become the 'go to' service

As a charity we see some remarkable results in individual lives, and as part of the above actions we want to increasingly be seen to be a small but significant partner in some of the thinking in reshaping the future of our sector and, where we can, to feed into the thinking around prisons and rehabilitation.

FINANCIAL REVIEW

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

In 2015 the charity had a total income of £472,751 (an increase of £135,702 on the previous year) and a total expenditure of £395,363 (an increase of £15,769 on the previous year). There was a surplus of £77,389 (deficit, in 2014, of £42,552). The surplus will be used to maintain a reserve equivalent to 3 months operating costs. In 2015, we maintained a tight control on expenditure and we will continue to do this in 2016. The budgeted income and expenditure in 2016 is projected to end with a similar 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 3 months of operating costs (£105,000). 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. Over the previous years it has been difficult to hold reserves in a liquid form, but at the 2015 year end the charity had moved towards achieving this figure by generating an unrestricted surplus for the year of £59,049. The Charity's operations are supported by a loan from the Charity Bank of £85,745 which can be redeemed at any point.

The charity ended the year with £28,160 of restricted funds in liquid reserves and £690,790 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 £105,000 designated for the necessary reserves, including an operational reserve to provide 3 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.

PUBLIC BENEFIT

The trustees consider that they have complied with the duty to have due regard to public benefit guidance published by the Commission.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees (who are also the directors of The Nehemiah Project for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the 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 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 business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the company's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves 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 Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

Approved by the board on 8th June 2016 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 2015 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 8, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2015, 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:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Katherine Dee
Senior Statutory Auditor
For and on behalf of Begbies Chartered Accountants and Statutory Auditor
9 Bonhill Street
London EC2A 4DJ

Date: 8/7/16

STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2015

		Continuing			
	Notes	Activities Unrestricted Fund £	Activities Restricted Funds £	Y/E 31/12/2015 £	Y/E 31/12/2014 £
Income from:					
Grants and donations	12	127,735	154,993	282,728	208,945
Income from charitable activities					
Housing benefit		135,854		135,854	115,206
Rental income and other resident charges		4,978		4,978	10,848
Fundraising events		49,178		49,178	2,045
Bank interest received		13		13	4
Total income		317,758	154,993	472,751	337,049
Expenditure on:					
Raising funds					
Costs of generating grants and donations	3	(32,084)		(32,084)	(24,000)
Costs of fundraising events	3	(21,805)		(21,805)	(5,322)
Charitable activities					
Supported housing programme	2	(211,475)	(129,999)	(341,474)	(341,749)
Other costs	2				(8,530)
Total expenditure	5	(265,364)	(129,999)	(395,363)	(379,600)
Net income/(expenditure)		52,395	24,994	77,389	(42,552)
Transfers between funds for capital expenditure		6,654	(6,654)		
Net movement in funds		59,049	18,340	77,389	(42,552)
Reconciliation of funds					
Total funds brought forward		631,741	9,820	641,561	684,112
Total funds carried forward	9	690,790	28,160	718,950	641,561

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

Company number: 3255850

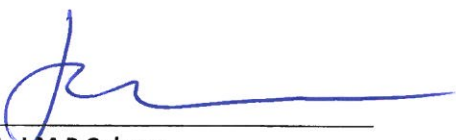
BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	Y/E 31/12/2015 £	Y/E 31/12/2014 £
Fixed assets			
Tangible assets	7	832,590	827,600
Current assets			
Prepayments and accrued income		15,010	5,357
Cash at bank and in hand		78,394	30,102
		<u>93,404</u>	<u>35,458</u>
Liabilities			
Creditors - amounts falling due less than one year:			
Loan instalments	8	(13,886)	(13,886)
Deferred income			(10,000)
Other creditors and accruals		(31,300)	(27,699)
		<u>(45,186)</u>	<u>(51,585)</u>
Net current assets		<u>48,218</u>	<u>(16,127)</u>
Total assets less current liabilities		<u>880,808</u>	<u>811,473</u>
Creditors - amounts falling due after more than one year			
Loans	8	(161,859)	(169,912)
Net assets		<u>718,950</u>	<u>641,561</u>
The funds of the charity:			
Restricted Income Funds	10	28,160	9,820
Unrestricted Funds	9	690,790	631,741
Total charity funds		<u>718,950</u>	<u>641,561</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 January 2015) relating to small companies.

These accounts were approved by the directors on June F 2016 and signed on their behalf.


 Mr. J.M.P. Colman
 Director

Notes 1 to 15 form part of these accounts.

THE NEHEMIAH PROJECT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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" (FRSSE SORP) published on 16/7/14 and The Financial Reporting Standard for Smaller Entities (effective January 2015).

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 & 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.

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	Activities undertaken directly		Support	Y/E 31/12/2015	Y/E 31/12/2014
	Unrestricted	Restricted	Costs		
	Funds	Funds	Note 4		
	£	£	£	£	£
Supported housing programme	141,598	129,999	69,878	341,474	341,749
Returned grant					8,530
	141,598	129,999	69,878	341,474	350,279

In 2013 the charity discontinued a rehabilitation programme run in prisons. In 2014 residual unspent restricted income was returned to a charitable trust.

3. FUNDRAISING AND PUBLICITY etc

	Unrestricted	Restricted	Y/E	Y/E
	Funds	Funds	31/12/2015	31/12/2014
	£	£	£	£
Staff costs	26,426		26,426	21,231
Support costs - further details in note 4	5,658		5,658	2,769
Cost of running events	21,805		21,805	5,322
	53,888	-	53,888	29,321

4. SUPPORT COSTS

	Governance Costs £	Charitable Activities £	Fundraising Costs £	Y/E 31/12/2015 £	Y/E 31/12/2014 £
Auditors remuneration - audit work	3,297			3,297	5,040
Auditors remuneration - non-audit work	1,743			1,743	3,235
Staff recruitment and training		2,767	2,100	4,867	3,833
Legal, professional and consultancy costs		3,606		3,606	1,613
Staff costs		35,557		35,557	38,235
Printing, postage, stationery and telephone		5,101	3,457	8,558	8,974
General expenses		11,959	101	12,060	4,197
Bank charges and interest		5,847		5,847	5,311
	5,040	64,838	5,658	75,536	70,438

5. TOTAL RESOURCES EXPENDED

	Staff costs £	Premises Expenses £	Other costs £	Y/E 31/12/2015 £	Y/E 31/12/2014 £
Supported housing programme	188,906	70,567	12,123	271,596	274,079
Prison programme					8,530
Fundraising and publicity etc	26,426		27,463	53,888	29,321
Support & governance costs	35,557		34,320	69,878	67,669
	250,889	70,567	73,906	395,363	379,600

6. STAFF COSTS

	Y/E 31/12/2015 £	Y/E 31/12/2014 £
Salaries	250,889	246,046
	250,889	246,046

During the year no employee earned over £60,000 p.a. The average monthly number of employees, including directors, was 8 (2014: 8). National insurance of £19,286 was paid during the year (2014: £19,056).

The charity does not operate a pension scheme and does not make payments on behalf of employees.

Trustee insurance is obtained as part of the main insurance policy.

No trustees received reimbursed expenses or emoluments during the year (2014: £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 £
Cost:				
At 1st January 2015	827,600	31,513	127,424	986,537
Additions			6,654	6,654
At 31 December 2015	827,600	31,513	134,078	993,191
Depreciation:				
At 1st January 2015		31,513	127,424	158,937
Charge for the period			1,663	1,663
At 31 December 2015	0	31,513	129,087	160,600
Net Book Value:				
At 31 December 2015	827,600	0	4,990	832,590
At 1st January 2015	827,600	0		827,600

8. LOANS

	Y/E 31/12/2015 £	Y/E 31/12/2014 £
The Britland Charitable Trust	90,000	90,000
The Charity Bank	85,745	93,798
Total loans	175,745	154,887
Loan instalments due within one year	(13,886)	(13,886)
Loans due between two and five years	161,859	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 £
General Fund					
Income fund	(228,882)	311,105	(263,700)	24,677	(156,801)
Property capital fund	737,600	6,654	(1,663)		742,590
	508,718	317,758	(265,364)	24,677	585,789
Designated Funds:					
Operational reserve	123,023			(18,023)	105,000
	123,023			(18,023)	105,000
Total	631,741	317,758	(265,364)	6,654	690,789

Name of Unrestricted Fund

Property capital fund

Operational reserve

Purpose of Fund

Income invested in the charity's residential home, furnishings and equipment

This provides a reserve of 3 months of operating costs

10. RESTRICTED FUNDS

	Opening Balance £	Incoming £	Outgoings £	Transfers £	Closing Balance £
Family Support Programme		5,000			5,000
Financial stability and independence		11,257			11,257
Household equipment and refurbishment	6,626	3,736	(3,708)	(6,654)	
A New Future		59,000	(59,000)		
Supported housing programme salaries	3,194	76,000	(67,291)		11,903
	9,820	138,736	(129,999)	(6,654)	28,160

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

Family Support Programme

Financial stability and Independence

Household fund

A New Future

Supported housing programme salaries

Purpose of Fund

To fund work with families

To fund personal household finance workshops with residents

To fund household equipment and refurbishment

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 31/12/2015 £
Tangible fixed assets	832,590	832,590
Cash at bank	50,233	78,394
Other net current liabilities	(30,175)	(30,175)
Long term liabilities	(161,859)	(161,859)
	690,789	718,950

12. GRANT INCOME

The following grants of £2,000 and above were recognised 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	3,000	
Lloyds TSB Foundation	25,000	
The Worshipful Company of Basketmakers	2,500	
The Hinchley Charitable Trust	5,000	
The London Community	2,000	
The Archer Trust	2,000	
The Trustees of Green Hall	3,000	
Salters Trust	5,000	
Henry Smith Charity	36,000	
Walcot Foundation	11,257	
CHK Charities	5,000	
29th May 1961 Charitable Trust	10,000	
Besom Project	2,736	
City and Welfare Charitable Trust	2,000	
Mercers Trustee	5,000	
Monday Charitable Trust	15,000	
The Tudor Trust - deferred income brought forward	10,000	
		211,493
Grants below £2,000 and donations from individuals and churches		71,235
Total grants, donations and other similar income received through fundraising		282,728

13. OPERATING LEASE COMMITMENTS

The 'Move On' house and Poutney Road are rented from Sanctuary Housing Trust on an annually reviewed leases. The agreed prevailing rent is £19,777 and £8,225 respectively.

14. LIMITED BY GUARANTEE

The charitable company's legal structure is that of a company limited by guarantee. In the event of the company winding-up each member is liable to contribute to any deficit to a maximum of £1 per member.

15. 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.

