

Company number:  
1461799  
Charity number:  
509514

Liverpool Roots Trust Limited  
(A COMPANY LIMITED BY GUARANTEE)  
Financial Statements

5 April 2023

**Liverpool Roots Trust Limited**  
**Report and accounts**  
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**Liverpool Roots Trust Limited**  
**Charity reference and administrative details**

**Trustees**

T Gillson  
P Morgan  
B R Robinson

**Secretary**

A F Cunliffe

**Independent Examiner**

Stephen Clayton  
45 Rivermeade  
Southport  
Merseyside  
PR8 6PR

**Bankers**

HSBC  
99-101 Lord Street  
Liverpool  
L2 6PG

Santander UK plc  
Customer Service Centre  
Bootle  
Merseyside  
L30 4GB

**Registered office**

36/42 Soho Street  
Liverpool  
Merseyside  
L3 8AE

**Company registered number**

1461799

**Charity number**

509514

## **Liverpool Roots Trust Limited**

**Registered number: 1461799**

### **Trustees' Report**

The trustees (who are also directors of the company for the purposes of company law) present their annual report together with the accounts of the charity for the year ended 5th April 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and accounts of the charity.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland published on 16th July 2014 (as amended by Update Bulletin 1 published on 2nd February 2016)

#### **Objectives and activities**

The company's principal activity during the year continued to be that of a Day Resource Centre for persons who have social and mental health problems

The charity is organised so that the trustees meet regularly to manage its affairs. There is a full time manager, one part time assistant plus a number of volunteers who run and administer the day centre.

#### **Trustees**

The following persons have served as trustees of the charity during the year:

T Gillson  
P Morgan  
B R Robinson

#### **Public benefit**

The trustees have had due regard to the guidance published by the Charity Commission on public benefit.

#### **Chairman's Report**

With service provision now mainly focusing on prevention programmes, the emphasis for providers is now largely based on the needs of the local community. These programmes entail supporting individuals, who are more likely to develop mental health problems, to stay well and have a good quality of life. They aim to reduce people's symptoms and empower them to manage their well-being, including eating healthily, staying active, practicing mindfulness as well as keeping in touch with friends and their peer groups. The increased demand for mental health services, greatly engendered by the impact of the restrictions placed upon the underfunded NHS, has impacted enormously on the voluntary sector's workload. A troubled world and the stresses of modern living, including huge increases in homelessness, unemployment, home-heating costs, high interest rates and unemployment have all contributed to the increase in adult mental illness. The need for quality services which interact with community based projects is very much of paramount importance.

Progressive day services like Roots, in conjunction with Community Connectors, continue to seek new and alternative initiatives and pursue ways of addressing the needs of individuals and the community at large. The future pathway for mental health services has to be service user led, with particular emphasis on the needs of the individual tailored into programmes that will benefit them in attaining a positive frame of mind, capable of coping with the challenges of modern society.

## **Liverpool Roots Trust Limited**

**Registered number: 1461799**

### **Trustees' Report**

Our approach to expanding our services across the city which resulted with us working with GP practices, namely social prescribers, who were keen to refer patients presenting with anxiety, to access community support programmes has been very successful. We have continued our association with the Joseph Lappin Centre, Old Swan, which enables us to deliver programmes on a six weekly basis to the residents of the surrounding area, and has proved to be a highly successful concept, and we will continue to be present in this community for the foreseeable future. At our centre we offer drop-in and advice sessions to enable our clients to access a touch base where they can reconnect with their peer group and feel relaxed and confident enough to discuss their mental health issues with our trained staff.

For the future we remain positive and are hopeful we will be able to continue our work in providing our service users and carers with the means to tackle social exclusion, and to ease their pathway towards personal independence. As ever we are strongly committed to providing a service that provides lasting benefits and promotes a healthier outlook for our service users, and are confident that with the help and assistance of our funding bodies like Liverpool City Council remain positive in being able to continue to offer a first-class service, and remain up-beat and confident about the future.

My thanks, as ever, go to our centre Manager, Ann Cunliffe, and her staff for their dedication and hard work, during another demanding year. The Trust's excellent reputation has been upheld entirely on the consistency of their professionalism.

#### **Financial review**

The accounts show total income for the year amounting to £72,484 (2022: £72,417).

Total expenditure for the year amounted to £68,821 (2022: £76,028).

As a result, the accounts show a surplus of £3,663 (2022: deficit £3,611) increasing unrestricted funds at 5th April 2023 to £95,716 (2022: £92,053).

#### **Reserves policy**

The present level of reserves is considered adequate to support the continuation of the day centre for the medium term and the trustees consider the financial position of the charity to be satisfactory.

#### **Governing document**

The charity is a company limited by guarantee and was incorporated on 19th November 1979. It was registered as a charity on 14th February 1980 and is governed by its Memorandum and Articles of Association.

#### **Risk management**

The trustees have assessed the major risks to which the charity is exposed and have taken steps to mitigate those risks to an acceptable level.

#### **Trustees responsibilities in relation to the financial statements**

The trustees (who are also directors of Liverpool Roots Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

## **Liverpool Roots Trust Limited**

**Registered number: 1461799**

### **Trustees' Report**

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

In preparing those financial statements the trustees are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) observe the methods and principles in the Charities SORP;
- (c) make judgements and estimates that are reasonable and prudent;
- (d) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue to operate.

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

#### **Approval**

This report was approved by the Board of Trustees on 17 January 2024 and signed on its behalf.

B R Robinson  
Chairman



## Liverpool Roots Trust Limited

### Independent examiner's report to the trustees of Liverpool Roots Trust Limited for the year ended 5th April 2023

Charity no: 509514

Company no: 1461799

I report to the trustees of the charity on my examination of the accounts of the company for the year ended 5th April 2023 which are set out on pages 6 to 13.

#### Responsibilities and basis of report

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

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

#### Independent examiner's statement

I have completed my examination and confirm that no material matters have come to my attention which gives me cause to believe that:

- 1 accounting records were not kept in accordance with section 386 of the 2006 Act; or
- 2 the accounts do not accord with such records; or
- 3 the accounts do not comply with the relevant accounting requirements under section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- 4 the accounts have not been prepared in accordance with the Charities SORP (FRS 102)

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



Stephen Clayton FCCA  
45 Rivermeade  
Southport  
Merseyside

17 January 2024

**Liverpool Roots Trust Limited**  
**Statement of Financial Activities**  
**for the year ended 5 April 2023**

**Summary Income and Expenditure Account**

	Notes	Unrestricted funds	
		2023 £	2022 £
<b>Income from:</b>			
Charitable activities	2	72,381	72,381
Investments	3	103	36
Other		-	-
<b>Total income</b>		<b>72,484</b>	<b>72,417</b>
<b>Expenditure on:</b>			
Charitable activities	4	68,821	76,028
<b>Total expenditure</b>		<b>68,821</b>	<b>76,028</b>
<b>Net income / (outgoing) for the year</b>		<b>3,663</b>	<b>(3,611)</b>
<b>Total funds brought forward</b>		<b>92,053</b>	<b>95,664</b>
<b>Total funds carried forward</b>		<b>95,716</b>	<b>92,053</b>

All income and expenditure relates to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised during the year.

**Liverpool Roots Trust Limited**

Registration number: 1461799

**Balance Sheet**

as at 5 April 2023

	Notes	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	9	10,308	10,411
<b>Current assets</b>			
Debtors	10	13,323	7,191
Cash in hand		112	-
Cash at bank		79,747	80,123
		<u>93,182</u>	<u>87,314</u>
<b>Creditors: amounts falling due within one year</b>	11	(7,774)	(5,672)
<b>Net current assets</b>		<u>85,408</u>	<u>81,642</u>
<b>Net assets</b>		<u><u>95,716</u></u>	<u><u>92,053</u></u>
<b>Funds</b>			
Unrestricted funds		95,716	92,053
<b>Total funds</b>		<u><u>95,716</u></u>	<u><u>92,053</u></u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

Approved by the trustees on 17 January 2024 and authorised for issue and signed on their behalf by:

B R Robinson  
Director



**Liverpool Roots Trust Limited**  
**Statement of Cash Flows**  
**Year ended 5th April 2023**

	Notes	2023 £	2022 £
<b>Net cash flow from operating activities</b>	14	(366)	(1,826)
Cash flow from investing activities			
Interest receivable	103	36	
Received on sale of fixed assets	-	3,300	
Purchase of fixed assets	-	(395)	
Net cash flow from investing activities		<u>103</u>	<u>2,941</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>		(263)	1,115
<b>Cash and cash equivalents at start of the year</b>		<u>80,122</u>	<u>79,007</u>
<b>Cash and cash equivalents at end of the year</b>		<u><u>79,859</u></u>	<u><u>80,122</u></u>
<b>Cash and cash equivalents comprise:</b>			
Cash at bank		79,747	80,122
Cash in hand		<u>112</u>	<u>-</u>
		<u><u>79,859</u></u>	<u><u>80,122</u></u>

**Liverpool Roots Trust Limited**  
**Notes to the Accounts**  
**for the year ended 5 April 2023**

**1 Accounting policies**

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014 (as updated by Update Bulletin 1 published on 2nd February 2016), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared on a going concern basis and under the historical cost convention. The financial statements have been prepared in sterling which is the functional currency of the charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

**Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to special performance conditions and is recognised as earned as the related services are provided. Grant income included in this category provides funding to support performance activities and is recognised when there is entitlement, certainty of receipt and the amounts can be measured with sufficient reliability.

Investment income is earned through holding assets for investment purposes such as bank deposits. It essentially includes interest which is recognised using the effective interest method.

**Liverpool Roots Trust Limited**  
**Notes to the Accounts**  
**for the year ended 5 April 2023**

**Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Expenditure on charitable activities includes costs associated with provision of a day resource centre for persons who have social and mental health problems.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

**Support costs allocation**

Support costs are those costs that assist the work of the charity but do not directly represent charitable activities and includes office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the charity's registered office.

**Tangible fixed assets**

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life, as follows:

Buildings	5% straight line
Equipment	25% reducing balance

The building has been written down to its estimated land value of £10,000. No further depreciation is to be provided on this asset.

**Debtors receivable / creditors payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any loss arising from impairment is recognised in expenditure.

**Tax**

The charity is an exempt charity within the meaning of the Charities Act 2011 and is considered to meet the definition of a charitable company for UK corporation tax purposes.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand and other short term liquid investments.

**Liverpool Roots Trust Limited**  
**Notes to the Accounts**  
**for the year ended 5 April 2023**

**Going concern**

Moving forward from Covid, the Charity continues to operate its services within the city's communities, for the benefit of its residents. It is anticipated that Liverpool City Council will continue its undertaking to approve a further 12 month contract to financially cover some of the Trust's operational needs.

At the time of approving the accounts, the Trustees have reasonable expectation that the Charity has adequate resources to continue its operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

**VAT**

The company is exempt for VAT purposes, therefore the figures shown in the accounts are included as gross.

<b>2</b>	<b>Income from charitable activities</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
	Grants receivable	72,381	72,381
	Day care receipts	-	-
		<u>72,381</u>	<u>72,381</u>
<b>3</b>	<b>Income from investments</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
	Interest receivable on cash deposits	103	36
		<u>103</u>	<u>36</u>
<b>4</b>	<b>Analysis of expenditure on charitable activities</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
	<b>Activities undertaken directly:</b>		
	Heat and light	1,241	741
	Repairs and maintenance	4,787	917
	Staff and tuition costs	50,427	60,882
	Room hire	260	560
	Motor expenses	413	428
	Insurance, security and water charges	4,051	4,133
	Other day centre running costs	5,720	6,854
		<u>66,899</u>	<u>74,515</u>
	<b>Support costs:</b>		
	Depreciation	103	93
	Profit on disposal of fixed assets	-	(416)
	Governance costs (see note 5)	1,800	1,836
		<u>1,903</u>	<u>1,513</u>
	<b>Total expenditure on charitable activities</b>	<u><b>68,802</b></u>	<u><b>76,028</b></u>

**Liverpool Roots Trust Limited**  
**Notes to the Accounts**  
**for the year ended 5 April 2023**

<b>5 Governance costs</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Independent examiners costs	1,800	1,836
	<hr/>	<hr/>
<b>6 Net income / (outgoing) for the year</b>	<b>2023</b>	<b>2022</b>
This is stated after charging:	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	103	93
Profit on disposal of fixed assets	-	(416)
Independent examiners costs	1,800	1,836
	<hr/>	<hr/>
<b>7 Staff costs and employee benefits</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	49,107	49,107
Benefits in kind	-	3,403
Social security costs	470	925
Other pension costs	850	10,850
	<hr/>	<hr/>
	<b>50,427</b>	<b>64,285</b>

No employee received total benefits at the rate of £60,000 (2022: £60,000), or more per annum.

The average number of employees during the year was 2 (2022: 2).

**8 Trustees' and key management personnel remuneration and expenses**

Under a provision in the company's Memorandum of Association, Mr. B R Robinson, a trustee of the charity, was paid £14,549 (2022: £14,549) during the year for services rendered to the charity. The trustees did not have any expenses reimbursed during the year (2022: £nil).

The total amount of employee benefits received by key management personnel in the year was £34,558 (2022: £37,961). The trust considers its key management personnel to comprise the Centre Manager.

**9 Tangible fixed assets**

	<b>Land and buildings £</b>	<b>Plant and machinery etc £</b>	<b>Total £</b>
<b>Cost</b>			
At 6 April 2022	27,997	580	28,577
At 5 April 2023	<hr/>	<hr/>	<hr/>
	27,997	580	28,577
<b>Depreciation</b>			
At 6 April 2022	17,997	169	18,166
Charge for the year	-	103	103
At 5 April 2023	<hr/>	<hr/>	<hr/>
	17,997	272	18,269
<b>Net book value</b>			
At 5 April 2023	<hr/>	<hr/>	<hr/>
	10,000	308	10,308
At 5 April 2022	<hr/>	<hr/>	<hr/>
	10,000	411	10,411

**Liverpool Roots Trust Limited**  
**Notes to the Accounts**  
**for the year ended 5 April 2023**

<b>10 Debtors</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Accrued income	12,064	6,032
Prepayments	1,259	1,159
	<u>13,323</u>	<u>7,191</u>

<b>11 Creditors: amounts falling due within one year</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Taxation and social security costs	2,403	2,641
Accruals and deferred income	5,371	3,031
	<u>7,774</u>	<u>5,672</u>

**12 Pension commitments**

The charity operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge in these accounts comprises contributions paid by the charity to the defined contribution scheme, which amounted to £850 (2022: £850). The comparative figure includes a separate payment of £10,000 towards the pension plan of the Centre Manager.

**13 Related party transactions**

There were no related party transactions during the year (2022: £nil).

<b>14 Reconciliation of net income for the year to net cash flow from operating activities.</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net income / (outgoing) for the year	3,663	(3,611)
Interest receivable	(103)	(36)
Depreciation of tangible fixed assets	103	93
Profit on disposal of fixed assets	-	(416)
(Increase) in debtors	(6,131)	(108)
Increase in creditors	2,102	2,252
	<u>(366)</u>	<u>(1,826)</u>
Net cash flow from operating activities	<u>(366)</u>	<u>(1,826)</u>