

**Promoting Autonomy and
Change Ltd**

(A company limited by guarantee)

**Annual Report and Financial
Statements**

31 March 2022

Company registration number: 01864139

Charity registration number: 517818



Promoting Autonomy and Change Ltd

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Promoting Autonomy and Change Ltd
Reference and Administrative Details

| | |
|------------------------------------|--|
| Charity name | Promoting Autonomy and Change Ltd |
| Charity registration number | 517818 |
| Company registration number | 01864139 |
| Principal office | 14 Lowther Street CARLISLE CA3 8DA |
| Registered office | 14 Lowther Street CARLISLE CA3 8DA |
| Trustees | L Atkinson, Trustee (Resigned 14 January 2022) M Whitfield, Treasurer A Pemberton, Trustee R F Burke, Trustee (Appointed 14 January 2022) S Reid, Trustee (Appointed 14 November 2022) R M Wilcox, Trustee (Appointed 16 November 2022) |
| Secretary | A Pemberton, Company Secretary |
| Bankers | National Westminster Bank 92 English Street CARLISLE CA3 8HD Barclays Bank 33 English Street CARLISLE CA3 8JX |
| Accountant | Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW |

Promoting Autonomy and Change Ltd
Trustees' Report for the Year Ended 31 March 2022

The financial statements have been prepared in accordance with the accounting policies set out in notes 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 UK and Republic of Ireland.

Promoting Autonomy and Change Limited (PAC) is a charity working with children and young people. When funding allows we can work from age 7 to 19 and up to 25 for young people who are leaving care or young people who have a learning disability.

PAC began in 1984 - initially known as Practical Alternatives to Custody. For many years' PAC supported young people at risk of being criminalised or who had committed offences and were awaiting sentence. Counselling and alternative education provision was delivered. As youth justice policy evolved so did PAC which then moved away from the youth justice arena to focus more on counselling and therapy. The PAC acronym remained, as it was so recognised in our region, but what it stood for was altered to **Promoting Autonomy and Change**.

This is what PAC is all about – promoting autonomy and change in children and young people who suffer from acute and challenging mental health difficulties.

ACTIVITIES FOR ACHIEVING OBJECTIVES

PAC Ltd is a Carlisle registered charity and limited company that provides one-to-one counselling and therapy sessions to young people who need support for emotional, interpersonal and/or mental health problems. We engage with, assess, and then deliver therapy to young people using a range of therapeutic techniques including counselling, art therapy, music therapy, equine therapy, online therapy, and group work therapy.

The therapy we offer at PAC has evolved through many years of one-to-one delivery, research, and service user feedback. We are confident that we provide the type of therapeutic service that young people choose to attend and that produces positive outcomes. Our provision is innovative and creative, providing the conditions and the environment necessary for young people to gain the confidence to consider and make change.

The need for PAC's provision has arisen from identifying a group of disadvantaged young people who are struggling in society, although we work with children and young people from any background. PAC has developed the type of support that young people choose to access and that works for them. This range of support is otherwise unavailable within Cumbria and the surrounding area, and as such there has been a high demand for the provision of therapy at PAC.

The children and young people we work with are disadvantaged because their lowest level of needs such as safety, love, belongingness and even some basic physiological requirements have never been met. They have complex emotional and mental health needs which have remained unaddressed.

The young people who attend PAC face circumstances and problems so complex and multiple that they prevent them from accessing mainstream support. They may also lack the personal ability to engage in any service offered to help them. This significantly reduces the opportunities that should be available to them, and society fails them by simply not knowing how to meet their complex needs or how to engage with them.

Our provision is person-centred and empowers young people to make changes in their lives through the insight and self-awareness that they gain from their counselling and therapy sessions. The focus is not on the young person's problems or on making a diagnosis but instead on their needs. Being a person-centred organisation is fundamental to how we deliver our provision. A non-judgemental and empathic approach is essential.

MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSE FOR PUBLIC BENEFIT

Our activities, along with the achievements and performances listed within our report, are all undertaken to further our charitable purpose and for public benefit. The trustees have considered the guidance issued by the Charity Commission in respect of public benefit and confirm that the charity adheres to this guidance.

Promoting Autonomy and Change Ltd
Trustees' Report for the Year Ended 31 March 2022

REVIEW OF ACTIVITIES

Achievements and performance

Over the past year our provision has continued to base itself on theoretical models; Integrative Person-Centred Counselling, Art Psychotherapy, Dance and Movement Psychotherapy, Creative Arts Therapy, Equine Therapy, Online Therapy and Groupwork Therapy. This gives us the scope to best meet the specific needs of the individual and/or group.

This year 114 young people have accessed therapy at PAC. Caseloads are mostly complex requiring a time commitment that enables effective and long-term resolution. The wait time for our provision has continued from the previous year at approximately 6 to 12 months. At year end those waiting to be seen dropped from 95 to 87.

1837 therapy hours were made available by three full-time equivalent therapists.

Possible outcomes may include:

- Ability to thrive and achieve
- Ability to deal with and understand their emotions
- An increase in self-esteem and confidence
- Heightened aspirations for their future
- Improved attendance levels at school and ability to participate
- Improved home life and relationships
- Improvement in behaviour
- Increased happiness and wellbeing
- Increased resilience
- Improved social skills

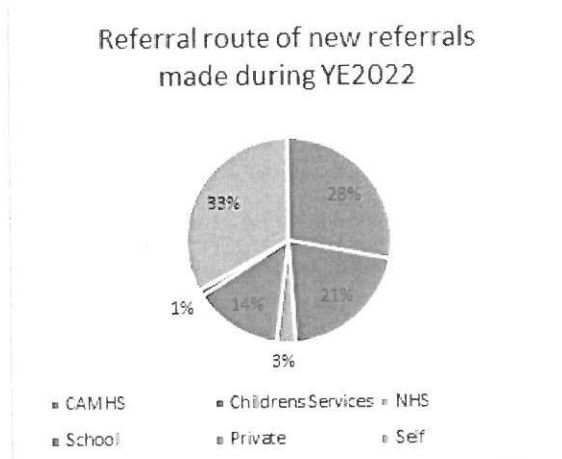
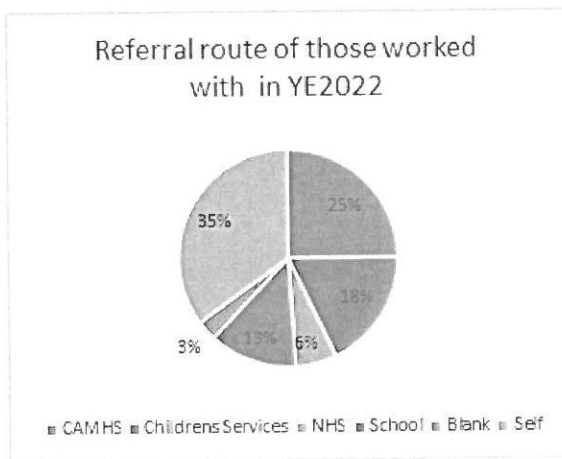
Demographics for young people worked with in YE2022

- The average age at time of referral was 13.
- The gender split was comparatively even with 56% female and 44% male.
- 64% of the young people we worked with were from Carlisle, the rest were from surrounding areas (including, but not limited to, Workington, Maryport, Penrith, Wigton, Brampton, Thursby, Alston).
- In terms of ethnicity, we are predominantly working with white children and young people, however our figures are closely in line with the local demographics.

Promoting Autonomy and Change Ltd
Trustees' Report for the Year Ended 31 March 2022

Referral routes into our service

- A quarter of our referrals come from CAMHS
- A third come from self-referrals
- The rest of our referrals come from various children's services, GPs/nurses, and schools



Promoting Autonomy and Change Ltd
Trustees' Report for the Year Ended 31 March 2022

Typical Service received by young people at PAC in YE2022:

- The average number of sessions offered to a young person was 40 (though this can vary considerably depending on the individual needs of each young person, with some needing as little as five or six sessions and others needing sessions spanning a couple of years).
- The average number of sessions attended is 32.
- The average number of months in therapy is 12.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial review

To ensure financial stability PAC aims to plan budgets over a two-year period.

This year PAC had funding in place from the Cumbria County Council contract (for vulnerable young people with mental health issues). This started in January 2020 and runs until March 2023.

PAC is further funded by one national grant awarding body, Children in Need, and by three local grant awarding bodies - Francis C. Scott Charitable Trust, The EC Graham Trust, and Cumbria Community Foundation.

Further income is derived from donations and payments.

Over this accounting year, there have been some changes to our funding. One pocket of Cumbria Community Foundation Funding came to an end in August along with our main Children in Need grant in November. Despite this we managed to maintain much of our staffing for therapeutic service delivery and funding, drawing on some unrestricted funds. PAC amended its budget projections accordingly. Our contract with Cumbria County Council was extended for twelve months (to the end of March 2023) which has given PAC the financial security it requires to continue with existing services. Going forwards PAC must look towards expansion to meet the growing number of young people requiring therapeutic intervention.

At the year end total reserves stood at £110,711 with £93,095 being unrestricted/designated and £17,616 being restricted.

IMPACT OF COVID-19

PAC has maintained therapy provision throughout the pandemic. Therapists have worked at full capacity offering therapy provision through various online platforms when government restrictions prevented us from being in the office. Some young people reported a preference towards online therapy or a mixture of both online and face to face, as a result some therapists now offer a hybrid way of working.

Like the previous year, some therapists continued to notice increased incidence of absences from therapy due to illness or having to isolate, or children and young people wanting to make the most of long-awaited family days out and trips during school holidays. After the many school closures young people typically preferred not to miss any more school meaning that therapists have needed to be as flexible as possible in providing after school appointments.

The very nature of this pandemic means the therapy provision offered by PAC is now needed more than ever.

RESERVES POLICY

PAC has a designated reserve of £50,000. This covers any potential shortfall in funding or if PAC finds itself in any financial difficulty.

STRUCTURE, GOVERNANCE, AND MANAGEMENT

Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 16 November 1984.

The company is constituted under a Memorandum of Association dated 16 November 1984 and is a registered charity, number 517818.

Promoting Autonomy and Change Ltd
Trustees' Report for the Year Ended 31 March 2022

The charitable company is a company limited by guarantee having no share capital. The liability of each member in the event of winding up is limited to £1.

TRUSTEE & STAFFING CHANGES

Our Trustee, Lindsey Atkinson, left the organisation in January 2022. Robbie Burke joined the organisation as Acting Chair in January 2022. As such we had three Trustees throughout the year.

Our Dance and Movement Psychotherapist, Sally Reid, finished her role within the organisation to enable job relocation closer to home. A proportion of her funding came to an end in August 2021.

Due to our CEO, Paul Block, sadly passing in March 2021 this left a gap in Management at the beginning of this financial year. Our newest Art Psychotherapist, Jen Chambers, moved into the role of Development Manager from August 2021, starting on one day and building up to three days from October 2021 onwards (while she transitioned out of her previous Charity from the role of Development Manager).

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

Trustees are elected from the membership at the Annual General Meeting.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

PAC Ltd directors formerly meet four times a year to monitor the activities and provision at PAC, the staffing requirements and performance, and the financial management. Relevant information is provided in a quarterly report by the PAC Development Manager.

FUTURE DEVELOPMENTS

Our biggest priority for the coming year is to reduce the number of children and young people on our waiting list at PAC in order that children and young people receive a service in a timelier manner. We would like to be in a position whereby we can get children and young people into the service within a couple of months from point of referral.

To achieve reduced waiting times, we will need to increase our capacity and sustain funding to cover the cost of more therapy time. Sudden and unexpected changes in management impacting this financial year, coinciding with various multi-year funding streams coming to an end, has meant that we first need to stabilise our income streams to meet our current provision. We then need to grow our funding in order that we can expand the Therapeutic Team.

Alongside expanding the Therapeutic Team there will be a focus on implementing and sustaining some additional support roles within the Team such as an Operations Manager and an Administrator, both of which will be needed to support the growth of services and maximise efficiency of the Therapeutic Team. As well as adding to the Staff Team over the coming year, we will also add to the Trustee Board.

We will continue to streamline internal systems and structures. In the 2023 year end we will implement a new digital accounting system to sit alongside our new online banking system. This will help make bookkeeping more efficient and financial reporting easier.

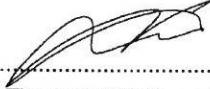
We will continue to link with other services locally to ensure that PAC is fitting into, and complementing, the larger picture of mental health and wellbeing services for children and young people in Cumbria.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Promoting Autonomy and Change Ltd
Trustees' Report for the Year Ended 31 March 2022

Approved by the Board on 6 December 2022 and signed on its behalf by:



.....
Signer ID: U11AHYIN8...
M Whitfield
Trustee

Promoting Autonomy and Change Ltd

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Promoting Autonomy and Change Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Independent Examiner's Report to the Trustees of
Promoting Autonomy and Change Ltd**

I report on the accounts of the company for the year ended 31 March 2022, which are set out on pages 10 to 24.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Martin Sward FCA
Dodd & Co Limited
Chartered Accountants

6 December 2022

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Promoting Autonomy and Change Ltd

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 March 2022

| | | Unrestricted Funds | Restricted Funds | Total Funds 2022 | Total Funds 2021 |
|---|------|--------------------|------------------|------------------|------------------|
| | Note | £ | £ | £ | £ |
| Income and endowments from: | | | | | |
| Voluntary income | 2 | 20,570 | 64,058 | 84,628 | 104,851 |
| Other trading activities | 3 | - | - | - | 2,769 |
| Investments | 4 | 4 | - | 4 | 21 |
| Charitable activities | 5 | 84,000 | - | 84,000 | 84,000 |
| Total income and endowments | | <u>104,574</u> | <u>64,058</u> | <u>168,632</u> | <u>191,641</u> |
| Expenditure on: | | | | | |
| Charitable activities | | 107,214 | 59,101 | 166,315 | 196,527 |
| Total expenditure | | <u>107,214</u> | <u>59,101</u> | <u>166,315</u> | <u>196,527</u> |
| Net income/(expenditure) before transfers | | (2,640) | 4,957 | 2,317 | (4,886) |
| Transfers | | | | | |
| Transfers between funds | | <u>(1,925)</u> | <u>1,925</u> | - | - |
| Net movements in funds | | (4,565) | 6,882 | 2,317 | (4,886) |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 97,660 | 10,734 | 108,394 | 113,280 |
| Total funds carried forward | | <u>93,095</u> | <u>17,616</u> | <u>110,711</u> | <u>108,394</u> |

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 12 to 24 form an integral part of these financial statements.

Promoting Autonomy and Change Ltd
Company registration number: 01864139
Balance Sheet as at 31 March 2022

| | | 2022 | | 2021 <i>as restated</i> | |
|---|----|---------|---------|----------------------------|---------|
| Note | £ | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 11 | | - | | 535 |
| Current assets | | | | | |
| Debtors | 12 | 47,060 | | 25,571 | |
| Cash at bank and in hand | | 69,237 | | 87,592 | |
| | | 116,297 | | 113,163 | |
| Creditors: Amounts falling due within one year | | | | | |
| | 13 | (5,586) | | (5,304) | |
| Net current assets | | | 110,711 | | 107,859 |
| Net assets | | | 110,711 | | 108,394 |
| The funds of the charity: | | | | | |
| Restricted funds | | | 17,616 | | 10,734 |
| Unrestricted funds | | | | | |
| Unrestricted income funds | | | 93,095 | | 97,660 |
| Total charity funds | | | 110,711 | | 108,394 |

For the financial year ended 31 March 2022, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 6 December 2022 and signed on its behalf by:



 M Whitfield
 Trustee

The notes on pages 12 to 24 form an integral part of these financial statements.

Promoting Autonomy and Change Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The charity has considered whether the use of the going concern basis for accounting is appropriate. To do this, they have considered whether there are any material uncertainties as to the charity's ability to continue as a going concern.

Following the COVID-19 outbreak and subsequent lockdown from mid-March 2020, the trustees have assessed the expected impact on the charity's operations and finances. The pandemic has in fact increased demand for its services and additional funding has been secured to enable the charity to fulfill demand as well as having free reserves available to fund services short term until further funding is received. As a result of this, the trustees are satisfied the charity has the financial resources and there is no material uncertainties about the charity's ability to continue as a going concern.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 17.

Promoting Autonomy and Change Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs of trading for fundraising purposes.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| | |
|---------------------|-------------------------|
| Plant and machinery | 25% straight line basis |
|---------------------|-------------------------|

Promoting Autonomy and Change Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Promoting Autonomy and Change Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2 Donations and legacies

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ | Total Funds 2021 £ |
|--------------------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Donations and legacies | | | | |
| Appeals and donations | 3,570 | - | 3,570 | 1,384 |
| Grants | | | | |
| Children in Need | - | 31,058 | 31,058 | 51,467 |
| Francis C Scott Charitable Trust | - | 10,000 | 10,000 | 15,000 |
| E C Graham Cumbrian Charitable Trust | 17,000 | - | 17,000 | 17,000 |
| Cumbria Community Foundation | - | 23,000 | 23,000 | 20,000 |
| | <u>17,000</u> | <u>64,058</u> | <u>81,058</u> | <u>103,467</u> |
| | <u>20,570</u> | <u>64,058</u> | <u>84,628</u> | <u>104,851</u> |

Of the donations and legacies income in 2021, £1,384 related to unrestricted funds and £103,467 related to restricted funds.

Promoting Autonomy and Change Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

3 Other trading activities

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ | Total Funds 2021 £ |
|------------|----------------------------|--------------------------|--------------------------|--------------------------|
| AWW | - | - | - | 600 |
| Safety Net | - | - | - | 2,169 |
| | - | - | - | 2,769 |

All of the other trading activities income in 2021 related to unrestricted funds.

4 Investments

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ | Total Funds 2021 £ |
|---------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Interest on cash deposits | 4 | - | 4 | 21 |

All of the investments income in 2021 related to unrestricted funds.

5 Charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ | Total Funds 2021 £ |
|------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Cumbria County Council | 84,000 | - | 84,000 | 84,000 |

All of the income from charitable activities in 2021 related to unrestricted funds.

Promoting Autonomy and Change Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

6 Expenditure

| | Therapeutic and educational activities | Total 2022 | Total 2021 |
|-------------------------------------|---|-----------------------|-----------------------|
| | £ | £ | £ |
| Direct costs | | | |
| Wages and salaries | 124,753 | 124,753 | 154,356 |
| Employment costs | 9,633 | 9,633 | 14,927 |
| Rent | 6,000 | 6,000 | 6,000 |
| Light, heat and power | 1,444 | 1,444 | 4,003 |
| Insurance | 3,809 | 3,809 | 4,002 |
| Repairs and maintenance | 631 | 631 | 322 |
| IT Support | 3,932 | 3,932 | 2,889 |
| Telephone and fax | 1,665 | 1,665 | 1,223 |
| Office expenses | 1,189 | 1,189 | 1,004 |
| Supervision | 3,045 | 3,045 | 2,845 |
| Printing, postage and stationery | 304 | 304 | 189 |
| Equine costs | 4,172 | 4,172 | - |
| Sundry expenses | 1,229 | 1,229 | 1,260 |
| Bank charges | 14 | 14 | - |
| Depreciation of plant and machinery | 535 | 535 | 687 |
| | <u>162,355</u> | <u>162,355</u> | <u>193,707</u> |
| Support costs | | | |
| Accountancy fees | 1,986 | 1,986 | 1,140 |
| Independent examiner's fee | 630 | 630 | 600 |
| Payroll costs | 1,344 | 1,344 | 1,080 |
| | <u>3,960</u> | <u>3,960</u> | <u>2,820</u> |
| | <u>166,315</u> | <u>166,315</u> | <u>196,527</u> |

Of the expenditure in 2021, £88,378 related to unrestricted funds and £108,149 related to restricted funds.

7 Governance costs

| | 2022 | 2021 |
|----------------------------|--------------|--------------|
| | £ | £ |
| Accountancy fees | 1,986 | 1,140 |
| Independent examiner's fee | 630 | 600 |
| | <u>2,616</u> | <u>1,740</u> |

Promoting Autonomy and Change Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

8 Trustees' remuneration and expenses

No trustees received any reimbursements or expenses during the year.

9 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

| | 2022 | 2021 |
|---------------------------------------|-------------|-------------|
| | £ | £ |
| Depreciation of tangible fixed assets | 535 | 687 |
| | <u>535</u> | <u>687</u> |

10 Employees' remuneration

The aggregate payroll costs of these persons were as follows:

| | 2022 | 2021 |
|---------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 124,753 | 154,356 |
| Social security | 6,883 | 9,925 |
| Other pension costs | 2,750 | 2,752 |
| | <u>134,386</u> | <u>167,033</u> |

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the Charity were £10,950 (2021 - £36,465).

Promoting Autonomy and Change Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

11 Tangible fixed assets

| | Fixtures, fittings and equipment £ |
|--------------------------------------|---|
| Cost | |
| As at 1 April 2021 and 31 March 2022 | 24,560 |
| Depreciation | |
| As at 1 April 2021 | 24,025 |
| Charge for the year | 535 |
| As at 31 March 2022 | 24,560 |
| Net book value | |
| As at 31 March 2022 | - |
| As at 31 March 2021 | 535 |

12 Debtors

| | 2022 £ | 2021 £ |
|--------------------------------|-------------------|-------------------|
| Other debtors | 42,000 | 21,000 |
| Prepayments and accrued income | 5,060 | 4,571 |
| | 47,060 | 25,571 |

13 Creditors: Amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------|-------------------|-------------------|
| Trade creditors | 588 | 294 |
| Taxation and social security | 2,911 | 2,765 |
| Other creditors | - | 580 |
| Accruals and deferred income | 2,087 | 1,665 |
| | 5,586 | 5,304 |

14 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

Promoting Autonomy and Change Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022

..... *continued*

15 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £2,750 (2021 - £2,752).

Contributions totalling £nil (2021 - £580) were payable to the scheme at the end of the period and are included in creditors.

Promoting Autonomy and Change Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022

..... *continued*

16 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Promoting Autonomy and Change Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

17 Analysis of funds

| | At 1 April 2021 | Incoming resources | Resources expended | Transfers | At 31 March 2022 |
|--|--------------------|-----------------------|-----------------------|--------------|---------------------|
| | £ | £ | £ | £ | £ |
| Designated Funds | | | | | |
| Designated fund | 50,000 | - | - | - | 50,000 |
| General Funds | | | | | |
| Unrestricted income fund | 47,660 | 104,574 | (107,214) | (1,925) | 43,095 |
| Restricted Funds | | | | | |
| Children in Need | 5,686 | 21,058 | (28,669) | 1,925 | - |
| Francis C Scott Charitable Trust | 1,473 | 10,000 | (4,753) | - | 6,720 |
| E C Graham Cumbrian Charitable Trust | 3,575 | - | (3,575) | - | - |
| Cumbria Community Foundation | - | 13,000 | (9,750) | - | 3,250 |
| Children in Need - small grant | - | 10,000 | (6,177) | - | 3,823 |
| Cumbria Community Foundation - Play therapy | - | 10,000 | (6,177) | - | 3,823 |
| | <u>10,734</u> | <u>64,058</u> | <u>(59,101)</u> | <u>1,925</u> | <u>17,616</u> |
| | <u>108,394</u> | <u>168,632</u> | <u>(166,315)</u> | <u>-</u> | <u>110,711</u> |

An amount of £50,000 has been set aside by the Trustees as a charity reserve to cover charity and staff costs as necessary should we find ourselves in a position whereby we are unable to source funding.

The charity received a donation of £17,000 from E C Graham Cumbrian Charitable Trust to be used as needed to support the overall charity costs associated with delivery.

The charity received £84,000 from Cumbria County Council to deliver its Targeted Therapeutic Services contract.

The charity received two grants from BBC Children in Need. This included a third year of funding from a 3-year grant from their Main Grant Scheme funding a Foundation Therapeutic Worker salary and associated costs. It also included a third year of funding from a 3-year grant from their Small Grant Scheme, funding a Play Therapist salary and associated costs for one day a week for our under 11's Project.

The charity received two grants from Cumbria Community Foundation. This included a third year of funding from a 3-year grant funding a Play Therapist and associated costs for one day a week for our under 11's Project. It also included a 1-year grant to fund an Art Therapist salary and associated costs for one day a week.

The charity received a second year of funding from a 3-year grant from Francis C Scott Charitable Trust. This funding supports the delivery of Equine Therapy.

Promoting Autonomy and Change Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

Prior period

| | At 1 April 2020 | Incoming resources | Resources expended | Transfers | At 31 March 2021 |
|---|--------------------|-----------------------|-----------------------|------------|---------------------|
| | £ | £ | £ | £ | £ |
| Designated Funds | | | | | |
| Designated fund | 50,000 | - | - | - | 50,000 |
| General Funds | | | | | |
| Unrestricted income fund | 48,769 | 88,174 | (88,378) | (905) | 47,660 |
| Restricted Funds | | | | | |
| Children in Need | 8,015 | 51,467 | (53,796) | - | 5,686 |
| Francis C Scott Charitable Trust | 2,152 | 15,000 | (15,679) | - | 1,473 |
| E C Graham Cumbrian Charitable Trust | 4,344 | 17,000 | (17,769) | - | 3,575 |
| Cumbria Community Foundation | - | 20,000 | (20,905) | 905 | - |
| | <u>14,511</u> | <u>103,467</u> | <u>(108,149)</u> | <u>905</u> | <u>10,734</u> |
| | <u>113,280</u> | <u>191,641</u> | <u>(196,527)</u> | <u>-</u> | <u>108,394</u> |

18 Transfers

A transfer of £1,925 has been made from unrestricted funds to the Children in Need fund to fund an overspend.

Promoting Autonomy and Change Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

19 Net assets by fund

| | Unrestricted Funds | Restricted Funds | Total Funds 2022 | Total Funds 2021 |
|---|-------------------------------|-----------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ | £ |
| Tangible assets | - | - | - | 535 |
| Current assets | 98,681 | 17,616 | 116,297 | 113,163 |
| Creditors: Amounts falling due within one year | (5,586) | - | (5,586) | (5,304) |
| Net assets | <u>93,095</u> | <u>17,616</u> | <u>110,711</u> | <u>108,394</u> |

Prior period

| | Unrestricted Funds | Restricted Funds | Total Funds 2021 | Total Funds 2020 |
|---|-------------------------------|-----------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ | £ |
| Tangible assets | 535 | - | 535 | 1,222 |
| Current assets | 102,429 | 10,734 | 113,163 | 117,697 |
| Creditors: Amounts falling due within one year | (5,304) | - | (5,304) | (5,639) |
| Net assets | <u>97,660</u> | <u>10,734</u> | <u>108,394</u> | <u>113,280</u> |