

Charity Registration No. 1058295

Company Registration No. 02266883 (England and Wales)

THE NEXT CHAPTER (EAST OF ENGLAND)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

THE NEXT CHAPTER (EAST OF ENGLAND)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms E A Kiely	
	Mr RKSPD Doyle	(Appointed 12 February 2019)
	Ms K Williams	(Appointed 12 February 2019)
	Ms FC Rigo	(Appointed 13 November 2018)
	Ms J Ronayne	
Charity number	1058295	
Company number	02266883	
Registered office	PO Box 40	
	Colchester	
	Essex	
	CO1 2XJ	
Auditor	Whittles	
	Whittle & Partners LLP	
	The Old Exchange	
	64 West Stockwell Street	
	Colchester	
	Essex	
	CO1 1HE	

THE NEXT CHAPTER (EAST OF ENGLAND)

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THE NEXT CHAPTER (EAST OF ENGLAND)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2019

The Trustees present their report and financial statements for the year ended 31 March 2019. The report meets the requirements for a directors' report for Companies Act purposes.

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 Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Our new name was approved by the Charity Commission on the 7th January 2019, followed by our updated Articles of Association which were approved by our Board of Trustees on 12 March 2019 and subsequently by the Charity Commission. During the summer of 2018, staff, volunteers, trustees and some clients were all involved in an exploration of our values to identify a new name which reflected our expanded services and holistic approach, whilst valuing each of our clients as individuals who have different needs and aspirations. We very much appreciated the support of Hannah Marshall of Handstand Marketing and Gabrielle Heagerty of Gabrielle Creative who worked closely with us to produce the final choice and to design our new branding so that it reflected the aspiration of both our organisation and the individuals we support.

Objectives and activities

The charity's objects are:

- to provide for the relief of need, hardship or distress among adults, particularly but not limited to women, and children who have suffered or who are in fear of suffering domestic abuse and
- to undertake research and promote education into the causes of domestic abuse and to disseminate the useful results of such research

Our values

Integrity: We are open, honest and fair in everything we do and everyone we work with. People trust us to do the right things for the right reasons.

Respect: We value the diversity and uniqueness of all individuals and families. We listen and believe our service-users and strive to always walk with them on their journey with us.

Courage: We understand and value the courage it takes to work with us and for us. We strive to act at all times with courage; challenging injustices and enabling the voices of our survivors to be heard.

Pride in doing a good job: Delivering the very best in all we do and holding ourselves accountable for the outcomes.

Innovation: We strive to find new ways to break the cycle of domestic abuse by supporting research, developing best practice and influencing decision-making at the highest possible level.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake for the purposes of public benefit.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Our services

Next Chapter provides emergency accommodation for women and children fleeing domestic abuse. Specialist support is also provided in the community to women, men and children through outreach activities, including advice and signposting.

Our Children's and Young People's Services include an Ofsted-registered pre-school for children living in our refuges and specialist support for young people up to the age of 18 years.

Next Chapter is committed to ensuring that our service is fully inclusive in meeting the needs of all service users.

We recognise that families come from a wide range of backgrounds with individual needs, beliefs and values. Some families experience social exclusion, severe hardship, discrimination and prejudice because of their ethnicity, disability and/or ability, the languages they speak, their religious or personal beliefs, their sexual orientation or marital status. Some women are discriminated against because of their pregnancy and maternity status. We understand that all these factors can affect the well-being of families and may adversely impact on their lives.

Volunteers are essential to our service and we sincerely thank all of the women who assist us in many ways, including front office reception, clinical supervision, reiki and in our pre-school.

Achievements and performance

We are always proud of our staff and their dedication and passion for their work. In 2018/19 and continuing this year, they have been outstanding in their ability to cope with, learn from, and embrace change. Our Senior Leadership Team have welcomed our new services from April 2019 and continue to recruit, induct and manage a twofold increase in staff.

Adult services

In the first quarter of 2019, we formalised our close working relationship with *Changing Pathways* (registered charity no.1172214) and *SOS Domestic Abuse Projects* (registered charity no. 1062493) to form the *Ending Violence in Essex (EViE)* Partnership. In March, the three charities were each awarded contracts by the Police, Fire & Crime Commissioner and Essex County Council for the commissioned *Essex Integrated Domestic Abuse Services (EIDAS)* from 1 April 2019. As a result of this contract award, *Next Chapter* is now the commissioned provider for domestic abuse services in North and Mid Essex which considerably extends our geographical reach.

Funding from the Ministry of Housing, Community and Local Government, in partnership with Colchester Borough Council, Tendring District Council, Braintree District Council and Maldon District Council was secured towards the end of the financial year and has allowed us to provide services where we had evidence of an urgent and increasing need. From 1st April our new Recovery Refuge services supports women who are fleeing domestic abuse and have the additional complexity of requiring drug or alcohol recovery alongside their domestic abuse recovery. Women with additional substance misuse needs find it almost impossible to secure specialist domestic abuse crisis accommodation, with only one other refuge in England specifically supporting women with alcohol or substance misuse needs in addition to their domestic abuse support needs. This type of work requires expert specialist support, so we work in partnership with Open Road (registered charity no. 1019915), Essex Specialist Treatment and Recovery Service (STaRS) and other organisations to provide specialist services.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

In 2018/19, 82 women were accommodated and supported. A further 101 women referred for refuge were signposted to other services. We received 532 community referrals and were able to provide support in the community to 376 women and 12 men. The risk level as they entered our service was 105 high, 233 medium and 50 standard. Our group programmes – Roads to Recovery and Freedom – attracted 98 referrals.

Forty-six women were referred to our in-house counselling service and were each offered 12 sessions.

Children and Young People's Services

Our Ofsted-registered pre-school enrolled 29 children who were resident in the Refuge.

The number of children and young people living in the Refuge reduced towards the end of the financial year as we prepared for the opening of the Recovery Refuge which does not accommodate anyone below the age of 18. A total of 101 children and young people were resident with us, including 56 under the age of five years. Children's Social Care were involved with a significant number of children.

Creative therapy sessions were delivered at two primary schools and children attended similar sessions in the Refuge.

Our minibus is used regularly by the pre-school to provide "forest school" and "beach school" and other local visits, including family outings offered to all residents during school holidays.

Training

Awareness-raising and other training sessions were provided to community organisations, including Colchester Hospital. We also delivered training on healthy relationships to local schools.

Partnerships

Our new Community and Partnerships Manager started in January 2019, in order to develop and expand our partnership working in preparation for our newly commissioned services commencing in April 2019. Initially the focus was on ensuring our existing partnerships with Colchester Borough Council, Colchester Borough Homes, Colchester Garrison, Tendring District Council and Community Safety Partnership, Braintree District Council and Community Safety Partnership and Maldon District Council, Beacon House, Open Road, MARAC and Colchester and Tendring Police were updated and ready for the new services and ways of working.

New links and working relationships were made with Uttlesford District Council, Chelmsford City Council, Essex Police, Barnardo's Virgin Care, ECC Social Care and Family Solutions, Probation Service, Victim Support and the Criminal Justice Witness Care Unit, along with closer liaison with the Police Domestic Abuse Investigation Teams (DAIT) across the county.

Alongside building this network of partnership work, it was key for us to establish community locations across all districts to enable our staff to work within the wider geographical area we now cover and keep them close to the people they are supporting.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Financial review

As with previous years, the third sector remains a challenge in terms of financial security with the move to short-term, project specific grant funding. The Trustees are pleased to report that whilst there is small deficit against the budgeted position for the year, this has been managed and reserves used in a financially prudent way to support and maintain key services, such as our Children & Young People's Service and specifically our Children's Room pre-school where the number of children enrolled and in refuge accommodation means that the statutory funding does not cover the minimum costs for providing the service.

We would like to thank staff for their efforts both in identifying and applying for funding as well as tight management of projects, contracts and service-level agreements. We would also like to thank our funders who have worked with us to enable us to utilise funding in the most efficient way, which in some cases has enabled us to defer income into the next financial year and provide our vital services for a longer period of time.

The current reserves policy, agreed by Trustees in July 2016, seeks to build reserves for six months' running costs and we are pleased that the current level of reserves exceeds that level based on the expenditure for the financial period covered by this report. The Trustee Board do however recognise that the organisation has grown considerably from 1 April 2019. The board is therefore in the process of reviewing the reserves policy and the use of designated funds to ensure that the levels remain appropriate for the scope and value of services now currently delivered, and to ensure appropriate financial planning and contingency for the organisation in the future.

Risk management

The trustees confirm that major risks have been reviewed and systems and procedures have been established to manage those risks.

Plans for future periods

As detailed in our achievements and performance section, we are delighted to have been awarded the contract to deliver domestic abuse services in mid and north Essex on behalf of Essex County Council and the Police, Fire & Crime Commissioner. This contract has a minimum term of 5 years with the option to extend for a further 2 individual years, providing the potential of 7 years future funding. With the contract covering the support element of 12 of our 21 refuge units, the community Domestic Abuse Practitioner (DAP) led services for standard and medium risk and the Independent Domestic Violence Advisor (IDVA) led services for high risk victims, this provides some medium-term security for the organisation to continue providing vital domestic abuse services to adults across our geographic area.

The funding achieved from the MHCLG, in partnership with Colchester Borough Council, Tendring District Council, Braintree District Council and Maldon District Council has enabled us to re-model 9 of our refuge units to provide specialist recovery refuge accommodation with associated specialist support, in partnership with Open Road. We know from our own experience of the changing nature of abuse and the circumstances that are presented to us as well as national research around need and provision, that there is a growing need and demand for these services of which there is a lack of provision nationally.

With the huge growth of our community provision, supporting individuals experiencing domestic abuse, we have seen a growth in the number of children associated with the families we are supporting. We have therefore seen an associated rise in the need and demand for specific support services for the children of families affected by domestic abuse. With this in mind we are seeking to expand our Children & Young People's Service to enable us to deliver support in the community as well as to children and young people living in our refuge accommodation.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Structure, governance and management

The charity is incorporated in England and Wales and is governed by a Board of Trustees who constitute the membership in terms of the Companies Act.

The charitable company is limited by guarantee, incorporated on 13 June 1988, with the registered number 02266883.

The company was established under a Memorandum of Association which defined the objects and powers. The company is governed by its Articles of Association.

The charitable company registered with the Charity Commission on 26 September 1996 with the registered number 1058295.

The address of the registered office, which is also the principal office is PO Box 40, Colchester, Essex, CO1 2XJ.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ms C B Clark	(Resigned 13 November 2018)
Ms E A Kiely	
Ms BL Baird	(Resigned 13 November 2018)
Ms SJ Harrington	(Appointed 5 June 2018 and resigned 14 January 2019)
Mr RKSPD Doyle	(Appointed 12 February 2019)
Ms K Williams	(Appointed 12 February 2019)
Ms FC Rigo	(Appointed 13 November 2018)
Ms J Ronayne	
Mr AM Tarala	(Appointed 4 December 2018 and resigned 5 March 2019)

Trustees are recruited to provide the skills needed by the Board. We advertise vacancies on our website, via REACH volunteering, Community 360 and LinkedIn.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Management

The trustees delegate the day-to-day management of the charity to the Chief Executive Officer and the Senior Leadership Team.

Policies and procedures for induction and training of trustees

Trustees are provided with an induction into the organisation in relation to our services, their responsibilities as Trustees and the expectations of the role and the organisation undertakes a check with the Disclosure & Barring Service (DBS) in accordance with the organisations policies and procedures. They are provided with key policies relating to safeguarding, data protection, code of conduct & financial regulations. New trustees are expected to undertake mandatory online safeguarding training and any other training or learning needs that are identified as relating to their position on the board. New trustees are also provided with key documentation around their role and responsibility as a trustee and key organisational documentation such as financial reports, our risk register and business continuity plan as well as current business plans.

THE NEXT CHAPTER (EAST OF ENGLAND)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Arrangements for setting pay and remuneration of key management personnel and any criteria used

The salary for the role of CEO is set by the Trustee Board, with the Senior Leadership Team level of remuneration recommended to the Trustee Board by the CEO. The setting of pay and remuneration for these key management personnel take into account:

- a. the purposes, aims and values of Next Chapter and our beneficiary needs
- b. the types of skills, experiences and competencies that Next Chapter needs from its senior staff, the specific scope of these roles and the link to pay
- c. our current business plan and how the implementation of this plan may affect the number of senior staff it needs to employ or recruit and the nature of these roles
- d. our ability to pay – this includes the cost to Next Chapter of raising pay, and whether it is sustainable, and how appropriate the level of pay, and any pay increase, is in the context of the charity, as measured against the needs of its charitable purposes and beneficiaries
- e. appropriate available information on pay policies and practices in other organisations that can help make the decision on whether a level of pay is fair and reasonable
- f. the nature of the wider 'employment offer' they can make to potential employees, where pay is one part of a package that includes personal development, personal fulfilment and association with the public benefit delivered
- g. the charity's track record in attracting and retaining committed and motivated employees
- h. the likely impact on and views of beneficiaries, donors, funders, volunteers and potential volunteers, where appropriate
- i. the relationship between the policy and practice for the pay of senior staff and that of the charity's whole workforce, where we ensure that the ratio of senior staff to lowest paid staff does not exceed 1:5 (the ratio is currently 1:3)

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

Ms E A Kiely

Trustee

Dated: 4 December 2019

THE NEXT CHAPTER (EAST OF ENGLAND)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2019

The Trustees, who are also the directors of The Next Chapter (East of England) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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 reasonable steps for the prevention and detection of fraud and other irregularities.

THE NEXT CHAPTER (EAST OF ENGLAND)

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE NEXT CHAPTER (EAST OF ENGLAND)

Opinion

We have audited the financial statements of The Next Chapter (East of England) (the 'Charity') for the year ended 31 March 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, for the year then 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE NEXT CHAPTER (EAST OF ENGLAND)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE NEXT CHAPTER (EAST OF ENGLAND)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE NEXT CHAPTER (EAST OF ENGLAND)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE NEXT CHAPTER (EAST OF ENGLAND)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Rachel Skells BA FCA (Senior Statutory Auditor)
for and on behalf of Whittles

4 December 2019

Chartered Accountants
Statutory Auditor

Whittle & Partners LLP
The Old Exchange
64 West Stockwell Street
Colchester
Essex
CO1 1HE

Whittles is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

THE NEXT CHAPTER (EAST OF ENGLAND)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

		Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
	Notes				
Income and endowments from:					
Donations and legacies	3	17,912	-	17,912	18,024
Charitable activities	4	402,154	260,912	663,066	795,039
Total other income	5	4,906	-	4,906	2,728
Investments	6	550	-	550	111
Income from sale of fixed assets	7	-	-	-	11,852
Total income		425,522	260,912	686,434	827,754
Expenditure on:					
Charitable activities	8	439,699	281,718	721,417	823,890
Net (outgoing)/incoming resources before transfers		(14,177)	(20,806)	(34,983)	3,864
Gross transfers between funds		219,900	(219,900)	-	-
Net income/(expenditure) for the year/ Net movement in funds		205,723	(240,706)	(34,983)	3,864
Fund balances at 1 April 2018		192,369	240,706	433,075	429,211
Fund balances at 31 March 2019		398,092	-	398,092	433,075

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	12		17,273		18,994
Current assets					
Debtors	14	35,339		89,765	
Cash at bank and in hand		416,507		475,650	
		<u>451,846</u>		<u>565,415</u>	
Creditors: amounts falling due within one year	15	<u>(71,027)</u>		<u>(151,334)</u>	
Net current assets			380,819		414,081
Total assets less current liabilities			<u>398,092</u>		<u>433,075</u>
Income funds					
Restricted funds	17		-		240,706
<u>Unrestricted funds - general</u>					
Designated funds	18	35,000		20,000	
General unrestricted funds		<u>363,092</u>		<u>172,369</u>	
			398,092		192,369
			<u>398,092</u>		<u>433,075</u>

THE NEXT CHAPTER (EAST OF ENGLAND)

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2019

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2019, although an audit has been carried out under section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 4 December 2019

Ms E A Kiely

Trustee

Company Registration No. 02266883

THE NEXT CHAPTER (EAST OF ENGLAND)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash absorbed by operations	21		(55,697)		(49,466)
Investing activities					
Purchase of tangible fixed assets		(3,996)		(3,002)	
Proceeds on disposal of tangible fixed assets		-		152,956	
Interest received		550		111	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from investing activities			(3,446)		150,065
Financing activities					
Repayment of bank loans		-		(42,160)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			-		(42,160)
			<u> </u>		<u> </u>
Net (decrease)/increase in cash and cash equivalents			(59,143)		58,439
Cash and cash equivalents at beginning of year			475,650		417,211
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>416,507</u>		<u>475,650</u>

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Charity information

The Next Chapter (East of England) is a private company limited by guarantee incorporated in England and Wales. The registered office is PO Box 40, Colchester, Essex, CO1 2XJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Articles of Association the Companies Act 2006 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.5 Resources expended and allocation of support costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:-

-Costs of raising funds comprises costs of seeking donations, legacies and grants and their associated support costs.

-Expenditure on charitable activities includes the costs directly associated with carrying out activities to provide crisis accommodation for women and their children, who have been made homeless as a result of abuse at the hands of their partner. It aims to promote the purposes of the Charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance and administration personnel, payroll and governance costs which support the Charity's programmes and activities.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% straight line
Motor vehicles	33% straight line
Toys and play equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.9 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

Financial assets comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt.

Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes, deferred income and provisions.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

3 Donations and legacies

	Unrestricted funds general 2019 £	Total 2018 £
Donations and gifts	17,258	17,905
Other	654	119
	<hr/>	<hr/>
	17,912	18,024
	<hr/>	<hr/>

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

4 Income from charitable activities

	General funds	Restricted funds	2019	2018
	£	£	£	£
Refuge:-				
Accommodation charges	370,957	-	370,957	274,842
DCLG	-	-	-	228,695
Lloyds TSB	-	25,000	25,000	-
CBC Voluntary Welfare Grant	-	15,067	15,067	-
EIDAS	8,628	-	8,628	-
CBC core costs	1,462	-	1,462	-
Community Services:-				
Big Lottery Fund	-	-	-	42,182
Safer Places - EDASS	-	-	-	25,928
Safer Places - IDVA	-	-	-	13,435
Comic Relief	-	-	-	82,183
Heritage Lottery Fund	-	21,363	21,363	22,178
Drive Project	-	-	-	2,275
CSDF	-	-	-	548
SETDAP	-	-	-	120
CBC Voluntary Welfare Grant	-	17,993	17,993	26,175
TDC Floating Support	-	29,826	29,826	6,490
MHCLG	-	14,573	14,573	-
DCLG	-	62,863	62,863	-
Childcare:-				
BBC Children in Need (2015-1049/SE)	-	29,767	29,767	40,018
BBC Children in Need (2018-1492/SE)	-	10,000	10,000	-
Free Early Education Entitlement	21,107	-	21,107	21,698
The Henry Smith Charity	-	-	-	8,272
Garfield Weston Foundation	-	13,333	13,333	-
CBC Voluntary Welfare Grant	-	15,936	15,936	-
OPFCC	-	5,191	5,191	-
Other	-	-	-	-
	<u>402,154</u>	<u>260,912</u>	<u>663,066</u>	<u>795,039</u>

Income from charitable activities in 2018 totalling £498,499 was attributed to restricted funds.

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

5 Total other income

	Unrestricted funds general 2019 £	Total 2018 £
Fundraising events	4,906	2,728
	<u> </u>	<u> </u>

6 Investments

	Unrestricted funds general 2019 £	Total 2018 £
Interest receivable	550	111
	<u> </u>	<u> </u>

7 Income from sale of fixed assets

	Unrestricted funds general 2019 £	Total 2018 £
Net gain on disposal of tangible fixed assets	-	11,852
	<u> </u>	<u> </u>

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

8 Charitable activities

	Refuge projects	Outreach projects	Childcare projects	Total 2019	Total 2018
	2019 £	2019 £	2019 £	£	£
Staff costs	131,643	99,125	102,513	333,281	340,433
Recruitment and promotion	57	-	5	62	-
Professional fees	12,161	17,729	35	29,925	11,582
Travel and motor expenses	446	6,291	1,625	8,362	6,698
Premises expenditure	162,012	-	1,994	164,006	169,265
Other direct project costs	3,801	3,735	129	7,665	116,828
General meeting expenses	-	1,130	-	1,130	-
	<u>310,120</u>	<u>128,010</u>	<u>106,301</u>	<u>544,431</u>	<u>644,806</u>
Share of support costs (see note 9)	87,199	42,075	41,892	171,166	174,275
Share of governance costs (see note 9)	1,940	1,940	1,940	5,820	4,809
	<u>399,259</u>	<u>172,025</u>	<u>150,133</u>	<u>721,417</u>	<u>823,890</u>
Analysis by fund					
Unrestricted funds - general	325,978	41,301	72,420	439,699	415,785
Restricted funds	73,281	130,724	77,713	281,718	408,105
	<u>399,259</u>	<u>172,025</u>	<u>150,133</u>	<u>721,417</u>	<u>823,890</u>
For the year ended 31 March 2018					
Unrestricted funds - general	266,047	94,540	55,198		415,785
Restricted funds	11,616	355,162	41,327		408,105
	<u>277,663</u>	<u>449,702</u>	<u>96,525</u>		<u>823,890</u>

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Support costs

	Support costs	Governance costs	2019	2018	Basis of allocation
	£	£	£	£	
Staff costs	143,827	428	144,255	121,434	
Depreciation	5,717	-	5,717	8,668	
Premises expenditure	2,158	-	2,158	15,965	
Communications	-	-	-	11,085	
IT costs	19,464	-	19,464	17,123	
Audit fees	-	4,800	4,800	3,000	Governance
Accountancy	-	-	-	1,104	Governance
Legal and professional	-	482	482	445	Governance
Travel and motor expenses	-	28	28	259	Governance
General meeting costs	-	82	82	-	Governance
	<u>171,166</u>	<u>5,820</u>	<u>176,986</u>	<u>179,083</u>	
Analysed between					
Charitable activities	<u>171,166</u>	<u>5,820</u>	<u>176,986</u>	<u>179,084</u>	

The Charity initially identifies the costs of its support and governance functions. The governance and support costs are then apportioned between the charitable activities undertaken in line with the staff hours allocated to each activity.

Governance costs includes payments to the auditors of £4,800 (2018: £3,000) for audit fees.

10 Trustees

During the year five Trustees (2018: three) were reimbursed for expenses totalling £1,553 (2018: £260).

None of the Trustees received any remuneration during the year.

Trustee indemnity insurance totalling £445 (2018: £445) was paid on behalf of the Trustees during the year.

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
	23	26
	<u> </u>	<u> </u>
Employment costs	2019	2018
	£	£
Wages and salaries	440,399	426,138
Social security costs	27,160	25,900
Other pension costs	9,977	9,829
	<u> </u>	<u> </u>
	<u>477,536</u>	<u>461,867</u>

There were no employees whose annual emoluments were £60,000 or more.

12 Tangible fixed assets

	Fixtures and fittings	Motor vehicles	Toys and play equipment	Total
	£	£	£	£
Cost				
At 1 April 2018	152,652	5,000	33,194	190,846
Additions	3,996	-	-	3,996
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2019	156,648	5,000	33,194	194,842
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment				
At 1 April 2018	133,658	5,000	33,194	171,852
Depreciation charged in the year	5,717	-	-	5,717
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2019	139,375	5,000	33,194	177,569
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount				
At 31 March 2019	17,273	-	-	17,273
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2018	18,994	-	-	18,994
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

13	Financial instruments		2019	2018
			£	£
	Carrying amount of financial assets			
	Debt instruments measured at amortised cost		24,503	76,709
			<u> </u>	<u> </u>
	Carrying amount of financial liabilities			
	Measured at amortised cost		15,034	20,428
			<u> </u>	<u> </u>
14	Debtors		2019	2018
			£	£
	Amounts falling due within one year:			
	Other debtors		24,503	76,709
	Prepayments and accrued income		10,836	13,056
			<u> </u>	<u> </u>
			35,339	89,765
			<u> </u>	<u> </u>
15	Creditors: amounts falling due within one year		2019	2018
		Notes	£	£
	Deferred income	16	55,993	130,906
	Trade creditors		2,267	2,192
	Other creditors		4,049	58
	Accruals		8,718	18,178
			<u> </u>	<u> </u>
			71,027	151,334
			<u> </u>	<u> </u>
16	Deferred income		2019	2018
			£	£
	Deferred income		55,993	130,906
			<u> </u>	<u> </u>

The deferred income of £55,993 carried forward as at 31st March 2019 (2018:130,906) represents funding for salary and other direct costs not yet incurred.

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 March 2019
	Balance at 1 April 2018	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Colchester Borough Council - Storage Heaters	111	-	-	(111)	-
Lloyds TSB	1,048	25,000	(31,033)	4,985	-
DCLG	54,920	62,863	(64,756)	(53,027)	-
ECF - NHS	26,536	-	-	(26,536)	-
Big Lottery Fund	99,649	-	-	(99,649)	-
BBC Children In Need (2015-1049/SE)	-	29,767	(29,767)	-	-
North East Essex (PCT)	10,188	-	-	(10,188)	-
OPFCC	-	5,191	(5,983)	792	-
Anglian Community Trust	2,902	-	-	(2,902)	-
Heritage Lottery Fund	10,324	21,363	(32,466)	779	-
Drive Project	5,473	-	-	(5,473)	-
The Henry Smith Charity	13,044	-	-	(13,044)	-
BBC Children In Need (2018-1492/SE)	-	10,000	(10,398)	398	-
IDVA	174	-	-	(174)	-
CBC Voluntary Grant 2017-18	7,853	48,996	(51,337)	(5,512)	-
EDASS	7,624	-	-	(7,624)	-
Garfield Weston	-	13,333	(13,617)	284	-
TDC - Floating Support	-	29,826	(24,568)	(5,258)	-
MHCLG	-	14,573	(17,793)	3,220	-
Police and Crime Commissioner	860	-	-	(860)	-
	<u>240,706</u>	<u>260,912</u>	<u>(281,718)</u>	<u>(219,900)</u>	<u>-</u>

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

17 Restricted funds

(Continued)

The transfer between funds is due to core costs not being allocated in previous years.

Refuge:

Colchester Borough Council: storage heaters: replacement of storage heaters.

Lloyds TSB: salary and on costs of a refuge support worker and contribution to volunteers' expenses.

DCLG: funding to strengthen accommodation based specialist domestic abuse service provision.

TDC Floating Support: provision of floating support worker, part Refuge and part Community staff.

MHCLG: support victims of domestic abuse.

Outreach:

ECF - NHS: support the domestic abuse project to help the domestic abuse specialists to work with hospitals and health services in Colchester and Tendring.

Big Lottery Fund: outreach services (counselling, programmes - Roads to Recovery, Freedom and Stay Free).

North East Essex (PCT): peer support worker - to encourage peer led mutual support and floating support worker - to ensure women are settled in their new environments after leaving the refuge and receiving relevant support.

Anglia Community Trust: fund a community abuse worker to work alongside Anglia Community Enterprise to identify victims of domestic abuse when they enter NHS healthcare services.

Heritage Lottery fund: document the history of women's refuge work and its impact on the women survivors who have used its services.

Drive Project: community based intervention for high risk perpetrators (of any gender) of domestic violence aged sixteen years and over.

EDASS: community and refuge provision for subcontract services from Safer Places.

Police and Crime Commissioner: peer support worker - to encourage peer led mutual support.

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

17 Restricted funds

(Continued)

Childcare:

BBC Children In Need (2015-1049/SE): fund the children's service manager (including salary and associated costs).

OPFCC: part fund a children's support worker.

The Henry Smith Charity: funding for two part time children's workers at the refuge.

BBC Children In Need (2018-1492/SE): support for children and young people affected by domestic violence, including pre-school children, after school activities and one to one support to improve their mental health, self-esteem and to feel safer.

IDVA: The funding provides a service giving independent domestic violence advice for male and female high risk clients.

Colchester Borough Council Voluntary Grant: provision of adult community outreach, children's support services and refuge evening support staff.

Garfield Weston - Contributions towards the delivery costs of the children's and young people's services.

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2018	Transfers	Balance at 31 March 2019
	£	£	£
Fixed asset replacement fund	20,000	-	20,000
IT reorganisation fund	-	5,000	5,000
Rebranding fund	-	10,000	10,000
	<u>20,000</u>	<u>15,000</u>	<u>35,000</u>

The fixed asset replacement fund is in respect of furniture, fittings and equipment needed for Refuge Services.

The IT reorganisation fund is in respect of the upgrade of the server.

The rebranding fund is in respect of a marketing campaign to refresh the charity's marketing.

THE NEXT CHAPTER (EAST OF ENGLAND)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

19 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Between two and five years	118,218	115,317

20 Related party transactions

Other than the transactions with Trustees disclosed in note 10, there were no disclosable related party transactions in the year.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2018 £
Aggregate compensation	140,488	205,820

21 Cash generated from operations

	2019 £	2018 £
(Deficit)/surplus for the year	(34,983)	3,864
Adjustments for:		
Investment income recognised in statement of financial activities	(550)	(111)
Gain on disposal of tangible fixed assets	-	(11,852)
Depreciation and impairment of tangible fixed assets	5,717	8,668
Movements in working capital:		
Decrease/(increase) in debtors	54,426	(46,992)
(Decrease) in creditors	(5,394)	(12,846)
(Decrease)/increase in deferred income	(74,913)	9,803
Cash absorbed by operations	(55,697)	(49,466)

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