

Company registration number: 08041887
Charity registration number: 1148916

Build on Belief Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 April 2016



Field Sullivan Limited
70 Royal Hill
Greenwich
SE10 8RF

Build on Belief Limited

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Build on Belief Limited
Reference and Administrative Details

Charity name	Build on Bellef Limited
Charity registration number	1148916
Company registration number	08041887
Principal office	69 Warwick Road London SW5 9HB
Registered office	69 Warwick Road London SW5 9HB
Trustees	Roger Howard, Chairman Christopher Wait, Company secretary Karen Brown (appointed 5 May 2015) Annette Dale-Perera Robert Mckenzie Alex Royffe Jane Pettifer (appointed 3 May 2016)
Bankers	Metro Bank 1 Southampton Row London WCB 5AA Charity Bank 194 High Street Tonbridge Kent TN9 1BE
Accountant	Field Sullivan Limited 70 Royal Hill Greenwich SE10 8RF

Build on Belief Limited

Trustees' Report

Our vision

Whether service user or volunteer, BoB aims to provide safe and non-judgmental spaces where people who have histories of drug or alcohol problems and who are often vulnerable and isolated can re-discover themselves and make positive changes for the future. In essence, our vision is to improve the quality of their lives and their overall health and wellbeing. With our support we aim to help people remain free from dependency upon drugs and alcohol and find a means to re-engage with wider society.

The evidence for what we do

The government's Advisory Council on the Misuse of Drugs (ACMD) has said:

'There is researched evidence that substance misuse treatment can improve sustained recovery outcomes (including abstinence) by actively encouraging service users to engage with mutual aid' and 'there is emerging evidence that the primary mechanism of change afforded by these groups is the community of recovery itself, and the act of collaborating in the task of supporting one another in recovery.'

In short, the lives of people with histories of substance misuse can and will be improved.

For ten years, the organization has provided social activities run by people for people with the lived experience of drug and alcohol dependency. We have come a long way in that period when we started with a Saturday Club in Portobello Road, North Kensington. In the year 2015-6 a total of 2441 individuals accessed our six services 33,746 times.

Build on Beliefs services and impacts

Services

During 2015 -16 we ran a growing number of local social activity support services across six London boroughs involving hundreds of volunteers and service users in order to support their recovery. Some open all week, others at weekends and evenings. During the year we were fortunate to have opened two new services, in Harrow and Hillingdon:

Kensington & Chelsea

Acorn Hall: weekends

Badminton Club: Wednesday & Sundays

Gym & Swim Club: Saturdays

Ealing

Social Club: weekdays, weekends & evenings

Hammersmith & Fulham

The Coach House: weekends

Harrow

Social Club: weekends

Hillingdon

Social Club: weekdays & weekends

Build on Belief Limited

Trustees' Report

Newham

Social Club: weekends

The range of activities on offer in each of the services will vary according to the local needs and interests of services users and volunteers as well as resources. Typically the core activities menu may include:

- Art and other cultural activities especially music;
- Sports activities, including gym, swimming, badminton and football;
- Practical health and wellbeing activities such as yoga, shiatsu, CBT support, meditation and mindfulness, gardening as well as needle exchange and sexual health information;
- IT support to help people with employment or benefits.
- Recovery café, on a drop-in basis for coffee and food
- Training and workshops around substances, their use, and the benefits of volunteering, as well as workshops aimed at recovery from substance use.

We must pay tribute to our colleagues in the treatment services who have supported us in this work. CNWL NHS Addictions and Offender Care, CGL (formerly CRI), and Blenheim have been long standing partners without whom we could not have succeeded. That is also true for the encouragement and financial support from the local authority commissioners. Towards the end of the year we have also entered new partnership with Westminster Drug Project and began to build working links with Turning Point as the new lead provider for drug treatment services in the three boroughs of the City of Westminster, Royal Borough of Kensington and Chelsea, and the London Borough of Hammersmith and Fulham.

Impacts

In 2014 we carried out an in-depth evaluation of five local services, building on one we first carried out in 2010. One key finding was that there was an encouraging decrease in the use of many drugs. For example, crack use was reported as being down 41% overall and 33% in Kensington and Chelsea.

Among our volunteers, when asked about the impact Build on Belief had on their substance use 60% said that it had helped them stop using and 30% that it had decreased their use. 78% of volunteers stated their life had positively changed since they started volunteering for Build on Belief.

During the year, the Tri-Borough commissioners (Kensington & Chelsea; Hammersmith & Fulham and Westminster) commissioned independent research evaluating Peer Led Services across the area, including Build on Belief. One of their findings was that:

"one clear effect was that those who were longer involved in the services spent more of their time with other people in recovery suggesting that retention in the services is associated with changes in the social networks that would be associated with better wellbeing.....there is a clear profile of positive wellbeing in peer services that is characterised by sobriety, high personal and social recovery capital, greater reported wellbeing and lower utilisation of health and mental health services".

International and UK based research has demonstrated the considerable wider benefit to the public and especially the tax payer in reducing and sustaining the reduction in drug and alcohol misuse (see NICE; ACMD; Public Health England). Various estimates have shown the value for money of treating someone's dependence and re-integrating them back into society. Every £1 spent saves nearly £3 mainly through less crime, better health and less demand on public services.

Build on Belief Limited

Trustees' Report

The ACMD has observed *'there is emerging USA evidence that having visible recovery initiatives, such as sobriety cafes, and the high profile of people in recovery can improve community perception of recovery.'*

During the year we have begun to look at the outcomes associated with the 'five ways to wellbeing' in helping people with both mental health and substance use issues, and have looked at means of modelling our socially based services more closely around this model. While we intend that Build on Belief retains its philosophy of providing a supportive service for both service users and volunteers for as long as they choose to use it, the ultimate goal is for people to improve their overall quality of life and reach a point where they no longer need our support.

Future challenges

Multiple needs

Despite encouraging evidence of the impacts we are making on peoples lives, the challenges our service users and volunteers face in rebuilding their lives is considerable:

- 87% have a past history of illegal drug use or problematic drinking and many of them are still in the recovery process
- 44% of volunteers report having a current physical health problem. Health problems ranged from back pain, COPD to cancer and pulmonary disease.
- 35% of our volunteers report having problems ranging from anxiety and depression, through to schizophrenia and bi-polar disorder.
- 19% of our volunteers suffered from dyslexia, twice as high as the estimated national prevalence of 10%.
- 46% of our volunteers are in receipt of Employment Support Allowance (ESA) and a further 19% are receiving Job Seekers Allowance
- 50% of our volunteers have been unemployed for 5 years or more and some of these have never experienced paid employment.
- 28% of our volunteers do not have any qualifications at all, which is higher than the national average of 23%

The fact that 30% of the 212 individuals who were interviewed for the 2014 Impact Evaluation reported both physical and mental health problems, as well as a current or past substance use issue, coupled with poor employment records and low educational achievement is indicative of the challenge we face when looking for practical means supporting them with successful reintegration into wider society.

Changing face of health and social care services and welfare

It is becoming increasingly clear that the steady pressure on local councils to reduce public spending is having an impact on our work as local commissioners have less to spend on helping those with drug and alcohol problems. The same is true in the NHS and especially to help those caught up in the criminal justice system. It is not clear whether the current level of resources BoB receives will continue. Some local commissioners are already looking to bring together recovery support for those with mental health and addiction problems. BoB is already looking at how we respond to this trend and what new partnerships we may need to build.

Build on Belief Limited

Trustees' Report

The continuing changes to the welfare benefits system is also having a small but developing impact on our work. For example, the desire to steer people into work and off benefits has meant some of our volunteers being told that if they can volunteer then they should be on JSA. How this might impact on the availability of peer volunteers is not yet clear.

Against this backdrop, we recognise that we will need to do more to even better demonstrate the impact we are making on peoples lives. This is something the Independent Evaluation of Peer Services across the Tri-Boroughs suggested should be done. As low cost, low threshold and easy access services this is a perennial challenge but it is something we are committed to doing during next year.

Looking ahead

Having strengthened our management during the year with the appointment of a part-time Operations Manager, our priorities for 2016-17 are to:

- Improve the quality and range of our local services;
- Enhance training and development opportunities for volunteers and staff;
- Seek new independent funding to support front-line social club activities;
- Develop new and innovative partnerships to better help service users;
- Better assess the impact we make and communicate this to a range of stakeholders.
- Improve the evidence base for sustained recovery among our volunteers and service users.

As BoB matures, we remain true to our founding philosophy of an organisation for those with drug and alcohol problems run by those with the same lived experience. This connectivity and empathy is our unique asset through which we can provide hope, fun and self-improvement for all those whose lives are affected by drugs or alcohol.

Appointment of trustees

As set out in the articles of association the chair of the trustees is nominated by a member of the current Board of Trustees and the this is voted upon and agreed in the annual AGM by the Trustees and the Chief Executive Officer of the charity.

All members of the board of trustees are circulated with invitations to nominate trustees prior to the AGM, advising them of the retiring trustees and requesting nominations for the AGM. When considering co-opting trustees the Board has regard to the requirement for any specialist skills needed. In the case of Build on Belief this trustees are required to have worked in health and social care, or associated fields, with a focus on individuals who have had substance use problems. For example, Karen Brown is an education, training and employment specialist working with individuals who have had substance use problems to support them back into paid employment. This is of value to the charity, since more than 80% of our clients are unemployed. Nominees are invited to meet the Board of Trustees for a discussion on the aims and objectives of the charity and their reasons for wishing to undertake the role of trustee. The Board of Trustees then votes on their appointment to the Board.

Build on Belief Limited

Trustees' Report

Trustee induction and training

New trustees undergo an orientation day to brief them on; their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. During the Induction day, they meet the Chief Executive Officer, key employees and other trustees. The induction is undertaken by the Chair of the Board of Trustees. Trustees are encouraged to extend appropriate external training events where these will facilitate the undertaking of their role.

Reserve policy

The trustees aim to build and maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure. The trustees consider that this level will provide sufficient funds to continue with service provision and meet our legal requirements regarding employees and governance costs in the eventuality that the loss of a contract reduces overall service provision and income. The trustees consider that a level of three months is sufficient to meet all our legal requirements and seek new funding opportunities in the event of a contract for service provision being terminated.

It is recognised that our current reserves do not meet this level, and as a relatively new charity it will take time to build reserves to this level. This will be done through careful management of central operating costs and external fund raising, outside of our current contracts, as and when appropriate.

Risk management

The trustees have a risk management policy which comprises:

- An annual review of the principle risks and uncertainty the charity faces in light to the rapid changes in commissioning and funding for drug and alcohol treatment services
- An annual review and update, where necessary of the charities policies and procedures
- An inspect of the charities income and expenditure at the eight weekly trustees meeting
- An annual strategy day where the development of services and running of the charity are discussed, and the overall strategy of the charity is updated.

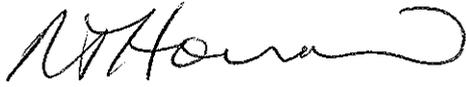
This work has recognised that the recent changes in public funding, and the reduction in that funding for the voluntary sector working with individuals who have substance use issues, along with the changes this has engendering in the way local authorities commission such services, are the major financial risk for the charity in the medium to long term. This is being managed by the development of a wider service provision and a focus on providing services for said individuals which are unique to Build on Belief, namely peer run socially based befriending and support services.

Small company provisions

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

Build on Belief Limited
Trustees' Report

Approved by the Board and signed on its behalf by:



.....
Roger Howard
Trustee

Date: 13/1/17

Build on Belief Limited

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Build on Belief Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the 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 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

Build on Belief Limited

I report on the accounts of the company for the year ended 30 April 2016, which are set out on pages 10 to 18.

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.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of (named body).

Having satisfied myself that the charity is not subject to audit under company law 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.



Timothy Sullivan FCA
Field Sullivan Limited

70 Royal Hill
Greenwich
SE10 8RF

Date: 13/1/17

Build on Belief Limited

**Statement of Financial Activities (including Income and Expenditure Account) for the Year
Ended 30 April 2016**

	Unrestricted Funds	Total Funds 2016	Total Funds 2015
Note	£	£	£
Incoming resources			
Incoming resources from generated funds			
Voluntary income	2	893	893
Investment income	3	175	175
Incoming resources from charitable activities	4	477,856	477,856
Total incoming resources		<u>478,924</u>	<u>393,892</u>
Resources expended			
Charitable activities	5	365,822	365,822
Governance costs	5	1,470	1,470
Total resources expended		<u>367,292</u>	<u>346,140</u>
Net movements in funds		111,632	47,752
Reconciliation of funds			
Total funds brought forward		83,726	35,974
Total funds carried forward		<u>195,358</u>	<u>83,726</u>

The notes on pages 12 to 18 form an integral part of these financial statements.

Build on Belief Limited (Registration number: 08041887)

Balance Sheet as at 30 April 2016

		2016		2015	
	Note	£	£	£	£
Fixed assets					
Tangible assets	10		1,108		1,661
Current assets					
Debtors	11	71,446		38,108	
Cash at bank and in hand		<u>124,274</u>		<u>45,397</u>	
		195,720		83,505	
Creditors: Amounts falling due within one year	12	<u>(1,470)</u>		<u>(1,440)</u>	
Net current assets			<u>194,250</u>		<u>82,065</u>
Net assets			<u>195,358</u>		<u>83,726</u>
The funds of the charity:					
Unrestricted funds					
Unrestricted income funds			<u>195,358</u>		<u>83,726</u>
Total charity funds			<u>195,358</u>		<u>83,726</u>

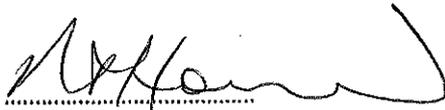
For the financial year ended 30 April 2016, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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 and with the Financial Reporting Standard for Smaller Entities (effective April 2008 January 2015).

Approved by the Board on 10/1/17 and signed on its behalf by:



Roger Howard
Trustee

The notes on pages 12 to 18 form an integral part of these financial statements.

Build on Belief Limited

Notes to the Financial Statements for the Year Ended 30 April 2016

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

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.

Further details of each fund are disclosed in note 15.

Incoming resources

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on an accruals basis.

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

Resources expended

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.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost.

Build on Belief Limited

Notes to the Financial Statements for the Year Ended 30 April 2016

..... continued

5 Total resources expended

	Charitable activities	Governance	Total 2016	Total 2015
	£	£	£	£
Direct costs				
Wages and salaries	215,387	-	215,387	217,094
Insurance	585	-	585	-
Telephone and fax	4,710	-	4,710	3,859
Computer software and maintenance	349	-	349	47
Printing, postage and stationery	652	-	652	1,444
Social club costs	142,079	-	142,079	120,713
Administration costs	290	-	290	194
Sundries	438	-	438	522
Travel and subsistence	779	-	779	269
Independent examiner's fee	-	1,470	1,470	1,440
Bank charges	-	-	-	5
Depreciation of plant and machinery	553	-	553	553
	<u>365,822</u>	<u>1,470</u>	<u>367,292</u>	<u>346,140</u>

6 Trustees' remuneration and expenses

No trustees received any remuneration during the year.

7 Net income

Net income is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	<u>553</u>	<u>553</u>

Build on Belief Limited

Notes to the Financial Statements for the Year Ended 30 April 2016

..... continued

8 Employees' remuneration

The aggregate payroll costs of these persons were as follows:

	2016	2015
	£	£
Wages and salaries	<u>215,387</u>	<u>217,094</u>

9 Taxation

The company is a registered charity and is, therefore, exempt from taxation.

Build on Belief Limited

Notes to the Financial Statements for the Year Ended 30 April 2016

..... continued

10 Tangible fixed assets

	Plant and machinery including motor vehicles £
Cost	
As at 1 May 2015 and 30 April 2016	<u>2,214</u>
Depreciation	
As at 1 May 2015	553
Charge for the year	<u>553</u>
As at 30 April 2016	<u>1,106</u>
Net book value	
As at 30 April 2016	<u>1,108</u>
As at 30 April 2015	<u>1,661</u>

11 Debtors

	2016 £	2015 £
Other debtors	<u>71,446</u>	<u>38,108</u>

12 Creditors: Amounts falling due within one year

	2016 £	2015 £
Accruals and deferred income	<u>1,470</u>	<u>1,440</u>

Build on Belief Limited

Notes to the Financial Statements for the Year Ended 30 April 2016

..... continued

Creditors amounts falling due within one year includes deferred income:

	2016 £	2015 £
As at 1 May 2015	-	72,965
Amount released to incoming resources	-	(72,965)
As at 30 April 2016	-	-

13 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.

14 Related parties

Controlling entity

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

Related party transactions

Tim Sampey (director) was paid a gross salary of £45,008 (2015: £45,008) during the year for services rendered to the charity. There was nothing due to Tim Sampey as at 30 April 2016.

15 Analysis of funds

	At 1 May 2015	Incoming resources	Resources expended	At 30 April 2016
	£	£	£	£
General Funds				
Unrestricted income fund	83,726	478,924	(367,292)	195,358

Build on Belief Limited

Notes to the Financial Statements for the Year Ended 30 April 2016

..... continued

16 Net assets by fund

	Unrestricted Funds	Total Funds 2016	Total Funds 2015
	£	£	£
Tangible assets	1,108	1,108	1,661
Current assets	195,720	195,720	83,505
Creditors: Amounts falling due within one year	<u>(1,470)</u>	<u>(1,470)</u>	<u>(1,440)</u>
Net assets	<u>195,358</u>	<u>195,358</u>	<u>83,726</u>