



THE "SOBRIETY" PROJECT LIMITED

(A Company Limited by Guarantee)

(Company Number 01496333)

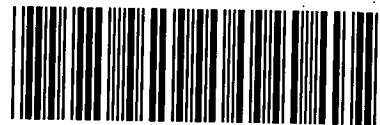
(Charity Number 510221)

ANNUAL REPORT

YEAR ENDED 31 MARCH 2014

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THE "SOBRIETY" PROJECT LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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THE "SOBRIETY" PROJECT LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

The Council of Management, who are also the directors of the Company for the purposes of the Companies Act, present their annual report and the audited financial statements of the Charity for the year ended 31 March 2014. The Council have adopted the provisions of the Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities" issued in March 2005 in preparing the annual report and financial statements of the Charity.

Reference and Administrative Information

Charity name:	The "Sobriety" Project Limited
Charity registration number:	510221
Company registration number:	01496333
Registered office and operational address:	Yorkshire Waterways Museum Dutch River Side Goole East Riding of Yorkshire DN14 5TB

Directors / Trustees

Nial Adams
Helen Rhodes
Christine Johnstone
Lorna Lester
Neil Forrest
Chris Platt
John McGrory
Aidan Walker (Resigned 19th July 2013)
David Miller (Appointed 16th October 2013)
Patrick Anson (Appointed 16th October 2013)

Charity Director	Paul Cooper
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Company Secretary	Paul Cooper
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Senior Management Team

Business Development Manager	Clare Hunt
Director	Paul Cooper

**THE "SOBRIETY" PROJECT LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2014**

Auditor

BDO LLP
2nd Floor
Fountain Precinct
Balm Green
Sheffield
S1 2JA

Bankers

HSBC
Wesley Square
Goole
East Riding of Yorkshire
DN14 5EZ

Structure, Governance and Management

Governing Document

The "Sobriety" Project Limited is a charitable company limited by guarantee incorporated on 12 May 1980 and registered as a charity on 10 July 1980. The company was established under a Memorandum of Association that clearly sets out the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and Appointment of Trustees

The directors of the company are also trustees for the purposes of charity law and are responsible for the overall governance of the Charity. They seek to maintain a relevant skill mix within the trustees in order to be able to operate the Charity in a business like and professional manner. In recruiting new trustees the company seeks to secure the benefit of experience in relevant disciplines such as education and training, social and economic development, business and financial management, safety and personnel management and heritage and museum management. The trustees normally meet four times (quarterly) each year as part of an extended Management Committee.

Purpose of the Charity

The purpose of the Charity is to actively use the heritage and environment of the Yorkshire Waterways for learning and regeneration. This will be achieved within the framework of the company being a registered charity. The core business is to offer socially inclusive resources and courses leading to improved family and community cohesion.

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FOR THE YEAR ENDED 31 MARCH 2014

Trustee Induction and Training

An induction pack for new trustees includes the following information:

- Roles and responsibilities of a trustee of a charity drawn from Charity Commission publications.
- The main documents setting out the operational framework for the Charity including the Memorandum and Articles of Association, current Business and Operational plans and the management/staff structure.
- Latest published accounts, budgets for the current financial year and recent financial reports.
- The minutes of the most recent Management Committee meeting

Risk Management

The Trustees have overall responsibility for ensuring that the Charity has appropriate systems of controls, financial and otherwise, to manage the risks that it faces and to provide reasonable assurance that the Charity is operating efficiently and effectively.

These systems include and are designed to provide reasonable, but not absolute, assurances against material misstatement or loss.

The systems include:

- A five yearly Business Plan, reviewed annually and approved by the trustees
- An annual Operational Plan approved by the trustees
- Standing financial delegations
- An annually reviewed Register of Risk with assessment covering all aspects of the Charity
- Trustees internal 'Governance' review

The trustees recognise that the identification and management of risk is an ongoing process and have particular emphasis on:

Financial controls and their continuous refinement/improvement;

Performance management to ensure that the Charity satisfies the expectations of commissioners, funders and beneficiaries;

The management and monitoring of the Health and Safety risks associated with the Charity's activities;

The review and revision of the Charity's internal policies and procedures;

The monitoring and assessment of external threats and opportunities.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

Organisational Structure

The Sobriety Project has a Management Committee, which meets four times a year (quarterly) and can be convened at other times if required. The Management Committee consists of the trustees, the Director and senior staff. The trustees can invite such other persons whose knowledge and experience, if it is deemed advantageous to the Charity, to join the Committee for a specified time or topic. The trustees can, if it is deemed appropriate for a specific topic, convene a 'trustee' only meeting separate to the Management Committee.

The Management Committee acts as the governance, advisory and consultative body of the Charity receiving reports and recommendations in order to guide the trustees' decision-making. Specialist sub-committees exist to advise on Financial, Personnel, Safety, Educational and Museum matters.

Related Parties

The Sobriety Project has always worked closely with many organisations in the local, voluntary, charitable, private and public sectors in the pursuance of its objectives. During the period of this report they include; East Riding of Yorkshire County Council, Doncaster Metropolitan Borough Council, Goole Town Council, Canal and River Trust, National Community Boats Association, Association of Independent Museum, Duke of Edinburgh's Award, Her Majesty's Prison Service, Humberside Probation Trust, the Centre for Social Justice and Humber Learning Consortium. The Charity also has close working relationships with local primary and secondary schools, Primary Care Trusts, Catch 22 and local community groups. The Charity has developed a valuable reputation with and received support from various 'funding' organisations including The National Lottery, Arts Council England and private charitable trusts. The Charity also has the support of individual benefactors.

Objectives and Activities

Background, origins

The Charity is named after the Humber Keel 'Sobriety' (built 1910) loaned to Goole Grammar School in 1973 by John McGrory, a long standing trustee. The barge was used by children to experience and learn about Yorkshire's industrial heritage. A Limited Company was formed in 1980 and registered as a charity with the Charity Commission. After establishing its-self in its own premises the Charity created a museum which was registered with the Museums and Galleries Commission in 1995.

Aims

By using the heritage, arts and environment of the Yorkshire waterways for learning and personal development the Charity aims to help tackle the problems associated with social exclusion.

Within its three integrated areas, Young People's Services, Adult Services and the Yorkshire Waterways Museum, the "Sobriety" Project delivers educational, training and wellbeing activities aiming to improve individuals' life chances and community cohesion.

The trustees refer to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and future direction.

THE "SOBRIETY" PROJECT LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

Strategic Objectives

The Charity does not discriminate against any group or individual and aims to be a fully inclusive organisation targeting a broad range of socially disadvantaged individuals including but not exclusively:

- Young people with educational/learning difficulties
- Young people at risk of offending
- Adults with physical, mental health or learning difficulties.
- Unemployed/socially isolated adults
- Offenders engaged in reintegration/resettlement schemes or undergoing community sentences.

The strategic objectives are set out in more details in the Charity's Business Plan 2012/2017.

Activities

None of the "Sobriety" Project's activities are identifiably isolated from each other, each one relying on other aspects of the Charity's work to service its beneficiaries. These activities use some or all of the Charity's physical resources and include:

- The Yorkshire Waterways Museum as well as preserving, conserving and promoting the local and regional heritage, is in practice the public face of the Charity and is an important resource for its core aims and objectives. Attracting 16,000 visitors a year through its collection, exhibitions and special events it not only provides educational and volunteer placements in itself but also creates a real working environment for all the other activities.
- The Charity offers 2,000 pupil days per year to local authorities and schools for children in need of alternative forms of education. Using some of the physical resources of the Charity; boats, workshops, allotments and the Museum café pupils engage in practical and life skill activities.
- In partnership with the local authority and schools the Charity encourages young people at risk of offending to participate in environmental projects it has created that benefit their own community and guide them away from anti-social behaviours. The award winning scheme caters for forty young people a year.
- Social, practical and volunteering opportunities available to adults with individual, socially excluding, difficulties permeate all of the Charity's activities. Sixty adults a year regularly access the different aspects of the Charity in a variety of capacities. Many more attend specific courses to help with employment, health, social skills or community volunteering.
- Approximately 36 offenders a year serving custodial or community sentences voluntarily offer their skills 'full' time to assist the Charity benefiting in turn by learning fresh skills, broadening their horizons, developing self respect and confidence, and opening up new pathways to employment, all of which helps avoid recidivism.
- Families with disabled children or under other pressures are given the opportunity to experience the waterways on board 'Sobriety' and benefit from an unusual, real and metaphorical, shared adventure.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

- The Charity has developed Key stage 1 & 2 educational workshops based on the Museum collection which were available for the Primary Schools that visited during this period.
- Activities designed to encourage the appreciation of and engagement with the natural environment has led to the Charity working in partnership with a number of external environmental organisations and to install renewable energy systems for its buildings.
- The Charity's resources, in particular its boats and associated expertise, are also used by external bodies and organisations to help them achieve their own objectives and to generate income from any spare capacity.

Volunteer Involvement

During the year under review the Charity has benefited from 27,000 volunteer hours. The time, skills and commitment of the volunteers, including the trustees, helps both to make The "Sobriety" Project what it is and to achieve its aims and objectives. Their active participation is of inestimable value to the Charity and is much appreciated.

Achievements and Performance

During the period under review the Charity has maintained its activity levels in line with its current Business Plan and charitable aims. The Charity's flexible approach to delivering its services has allowed it to overcome the difficulties arising from the continuing changes forced upon some of the Charity's commissioners and partners by the current economic climate. Negotiations with the local authority resulted in contracts to deliver City & Guilds work based training for vulnerable adults and Alternative Education services for young people at risk. Schemes to combat rural/social isolation and enhance community cohesion and involvement have also been developed. The Museum continued to promote the culture and heritage of the region and the Charity's work. In line with the Charity's environmental aims its building's services are now partially supplied by alternative energy sources.

The retirement of one of the Trustees this year has been compensated for by the recruitment of two new ones enhancing the broad diversity of the Board's knowledge and experience. The Trustees continue to seek new recruits to further broaden their skill base and ensure a sustainable future.

The Charity is proud and protective of its reputation, its ability to fulfil its commitments and of the support, financial and otherwise, it receives. Recognition in the form of national and regional 'awards' is not only pleasing but helps raise our public profile and reward the Charity's staff and volunteers considerable efforts. This year accolades include:

- Duke of York Community Initiative Award
- East Riding of Yorkshire Council Chairman's Award (Finalist)
- Yorkshire in Bloom: Silver Gilt
- Alliance Member, Centre for Social Justice

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

Financial Review

Incoming resources for the year amounted to **£370,269** (2013 £538,769). Resources expended amounted to **£449,118** (2013 £509,723) The deficit for the year amounted to **£78,849** (2013 surplus £29,046) The Charity funds its activities through a diverse range of sources; Contracts, Service Level Agreements, direct grants, donations and earned income. Difficulties in securing funding for some existing areas of work allied to indications of changing demand for the Charity's services during this period resulted in a review of those services and the staff structure that supports them. The Board's review resulted in three full time positions being removed from the structure and two part time posts being further reduced. Alterations to the Charities' Museum opening hours and the decision to relinquish the Charity's long held belief in the benefits of employing staff on a permanent basis also featured as part of the review to ensure that the organisation maintains a flexible structure capable of meeting future demand. Despite the economic climate and concomitant financial pressures during the period under review the Charity was ultimately successfully in securing sufficient funds to support its charitable aims. Throughout this period cash flow within the Charity continued to fluctuate, almost day by day, and constant monitoring ensured the Charity's short term viability. Changes implemented during this period will benefit the Charity in the coming years.

The Charity's income for this period came from:

- UK Government Sources
- Local Authority Departments
- Arts Council, England
- Big Lottery Fund
- Charitable Trusts
- Corporate Support
- Individual Donations
- Educational Institutions
- Direct Sales

Investment Policy

Under the Memorandum of Articles the Charity has the power to make any investment which the trustees believe to be in the best interests of the Project.

Reserves Policy

The Charity currently has sufficient reserves to maintain day to day trading. The aspiration to create three months' operational reserves for both security and to ease cash flow fluctuations is proving difficult to achieve in the current financial climate with a large proportion of the Charity's income deriving from restricted sources. Currently freely available reserves are nil.

Future Direction

The Charity's Business Plan 2012/2017 assessed the then future trading conditions and sets out the direction and ambitions of the Charity for the next five years. Performance and changing external circumstances are reviewed annually in relation to the Business Plan and an operational plan created to reflect any changes in direction or service delivery.

The charity has net current liabilities of £36,018 at 31 March 2014. The charity has prepared projections for the next twelve months which indicate that it will be able to meet its liabilities as they fall due. These projections include certain amounts of income which is not yet confirmed.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

The charity is constantly in discussion with its existing and potential new fund providers, with a view to securing future funding. The lead time for funding is generally very small. In addition a plan to increase earned income is being developed. Although the Trustees are aware of the uncertainty in future funding, the charity has a history of successfully securing funding in accordance with its budgets and forecasts and the Trustees are confident that sufficient future funding (the source of which is as yet unknown) will be received to adopt the going concern basis of accounting. However, the uncertainty of that funding together with the current financial position of the charity does represent a material uncertainty which may cast doubt over the charity's ability to continue as a going concern for the foreseeable future. If the going concern basis were not appropriate, adjustments would have to be made to reduce the value of the assets to their recoverable amount to provide for any further liabilities that might arise and to reclassify fixed assets and long term liabilities.

Provision of information to auditor

So far as each of the trustees is aware at the time the report is approved

- There is no relevant audit information of which the company's auditor is unaware; and
- The trustees have taken all reasonable steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution to reappoint BDO LLP will be proposed at the Annual General Meeting

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions relating to companies subject to the small companies regime within part 15 of the Companies Act 2006.

This report was approved by the trustees on 22/10/14 and signed on their behalf by:


Lorna Lester

Chairman of the Board of Trustees

THE "SOBRIETY" PROJECT LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2014

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including its income and expenditure, of the charity for the year. In preparing those 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 requirements of 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 trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

THE "SOBRIETY" PROJECT LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE "SOBRIETY" PROJECT LIMITED

We have audited the financial statements of The "Sobriety" Project Limited for the year ended 31 March 2014 which comprise the Statement of Financial Activities, (including the Summary Income and Expenditure Account), the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Councils website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, 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.

Emphasis of matter

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1.1 to the financial statements concerning the charity's ability to continue as a going concern. Further funds will be required to finance the charity's planned work programme and although the charity is in discussion with its existing and potential new fund providers, the outcome of these discussions remains uncertain. This, together with the current financial position of the charity indicates the existence of a material uncertainty which may cast significant doubt about the charity's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the charity was unable to continue as a going concern.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

THE "SOBRIETY" PROJECT LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE "SOBRIETY" PROJECT LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies exemption in preparing the directors' report or the exemption from the requirements to prepare a strategic report.

BDO ul

Craig Burton (Senior Statutory Auditor)
for and on behalf of BDO LLP, Statutory Auditor
3 November 2014
Sheffield, UK

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

THE "SOBRIETY" PROJECT LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2014

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Incoming Resources					
Voluntary income	3	83,835	8,100	91,935	74,668
Charitable activities	4	103,992	112,499	216,491	391,775
Activities for generating funds	5	61,843	-	61,843	72,326
		<hr/>	<hr/>	<hr/>	<hr/>
Total Incoming Resources		249,670	120,599	370,269	538,769
		<hr/>	<hr/>	<hr/>	<hr/>
Resources expended					
Costs of fundraising trading	6	16,084	-	16,084	15,331
Costs of charitable activities	7	250,387	171,897	422,284	482,446
Governance costs	8	10,750	-	10,750	11,946
		<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended		277,221	171,897	449,118	509,723
		<hr/>	<hr/>	<hr/>	<hr/>
Net (deficit)/surplus for the year		(27,751)	(51,098)	(78,849)	29,046
Transfer from revaluation reserve		-	2,809	2,809	2,809
Fund Transfers	17	61,357	(61,357)	-	-
Funds brought forward at 1 April 2013	17	16,398	539,864	556,262	524,407
		<hr/>	<hr/>	<hr/>	<hr/>
Funds carried forward at 31 March 2014		50,004	430,218	480,222	556,262
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All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

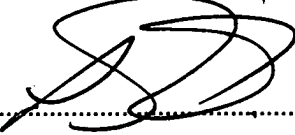
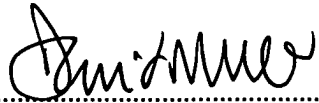
THE "SOBRIETY" PROJECT LIMITED
 (A COMPANY LIMITED BY GUARANTEE)
 REGISTERED NUMBER: 01496333

BALANCE SHEET
AS AT 31 MARCH 2014

	Notes	£	2014 £	£	2013 £
Fixed Assets					
Tangible assets	11		804,094		760,696
Current Assets					
Stock	12	1,709		3,227	
Debtors	13	9,700		30,974	
Cash at bank		-		10,232	
Cash in hand		285		237	
		11,694		44,670	
Creditors: amounts falling due within one year	14	47,712		51,937	
		(36,018)		(7,267)	
Net Current Liabilities					
Total Assets less Current Liabilities			768,076		753,429
Creditors: amounts falling due after More than one year	15		(153,023)		(59,527)
			615,053		693,902
Net Assets					
Funds					
Unrestricted funds	17		50,004		16,398
Restricted funds	17		430,218		539,864
Revaluation reserve	18		134,831		137,640
			615,053		693,902

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on *22 October 2014*.

Lorna Lester)	
David Miller)	Members of the Council of Management

THE "SOBRIETY" PROJECT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost basis as modified in the revaluation of property and in accordance with the Financial Standard Reporting for Smaller Entities (effective April 2008) and the Statement of Recommended Practice – Accounting and Reporting for Charities (SORP 2005) issued by the Charity Commission in April 2005.

The financial statements have also been prepared in accordance with the Companies Act 2006 and the Charities (Accounts and Reports) Regulations 2008.

The charity has net current liabilities of £36,018 at 31 March 2014. The charity has prepared projections for the next twelve months which indicate that it will be able to meet its liabilities as they fall due. These projections include certain amounts of income which is not yet confirmed.

The charity is constantly in discussion with its existing and potential new fund providers, with a view to securing future funding. The lead time for funding is generally very small. In addition a plan to increase earned income is being developed. Although the Trustees are aware of the uncertainty in future funding, the charity has a history of successfully securing funding in accordance with its budgets and forecasts and the Trustees are confident that sufficient future funding (the source of which is as yet unknown) will be received to adopt the going concern basis of accounting. However, the uncertainty of that funding together with the current financial position of the charity does represent a material uncertainty which may cast doubt over the charity's ability to continue as a going concern for the foreseeable future. If the going concern basis were not appropriate, adjustments would have to be made to reduce the value of the assets to their recoverable amount to provide for any further liabilities that might arise and to reclassify fixed assets and long term liabilities.

b) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked at the discretion of the Charity's officers.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund.

c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

THE "SOBRIETY" PROJECT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES (continued)

- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

All incoming resources arose within the United Kingdom.

d) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

e) Tangible fixed assets

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

The Waterways Museum	2% - straight line basis
Other assets	4% to 20% straight line basis
Boats	15 to 25 years straight line

The Waterways museum was last re-valued in 1998. The company has adopted the transitional provisions of FRS15 and treated this valuation as the equivalent cost of the asset without need for subsequent valuations.

The Charity does not capitalise assets that cost less than £200.

f) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- 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. The apportionment of cost is made on the basis of estimates by management using various appropriate measures.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs, including support costs, are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

1. ACCOUNTING POLICIES (continued)

g) Realised gains and losses

Realised gains and losses arising on disposal of tangible fixed assets are included in the Statement of Financial Activities as an incoming resource for a gain and as resources expended for a loss.

h) Museum items

Major museum assets are already included in the balance sheet at depreciated cost of acquisition. All other parts of the collection are ancillary items which are considered to be of low/limited commercial value and in all cases were donated free of charge to the museum.

2. TAXATION

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of 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.

No tax charge arose in the period.

3. VOLUNTARY INCOME

	Unrestricted Funds 2014 £	Restricted Funds 2014 £	Total Funds 2014 £	Total Funds 2013 £
Donations from the general public	13,585	-	13,585	12,878
Corporate Donation	-	1,100	1,100	1,000
G S Plaut	-	-	-	1,000
The H B Allen Trust	25,000	-	25,000	-
Ingles Charitable Trust	-	1,500	1,500	1,200
Sir James Reckitt Charitable Trust	10,000	-	10,000	13,500
The Joseph & Annie Cattle Charitable Trust	25,000	-	25,000	15,000
Garfield Weston	10,000	-	10,000	-
Association of Independent Museums	-	-	-	2,480
Malcolm Toyne, Legacy	-	-	-	10,710
Hull and East Riding	-	-	-	3,000
Jubilee Pageant Sponsorship	-	-	-	8,400
R W Watson – "Telethon"	-	-	-	5,000
Ladbroke's	-	-	-	500
Goole Lottery Folk Sail	250	-	250	-
Rusholme Wind Farm (Two Ridings)	-	3,000	3,000	-
Asdan	-	2,500	2,500	-
	<u>83,835</u>	<u>8,100</u>	<u>91,935</u>	<u>74,668</u>

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4. INCOMING RESOURCES/FUNDING FROM ACTIVITIES TO FURTHER THE CHARITY'S OBJECTIVES

	Unrestricted Funds 2014 £	Restricted Funds 2014 £	Total Funds 2014 £	Total Funds 2013 £
Social Investment Business (SIB)	-	9,801	9,801	-
East Riding of Yorkshire "Healthy Lifestyle"	-	-	-	25,000
The Brelms Trust	-	-	-	8,437
The Beatrice Laing Trust	-	5,000	5,000	7,500
John Paul Getty Jnr Charitable Trust	20,000	-	20,000	12,000
Big Lottery Local Food	-	15,603	15,603	41,134
Big Lottery Reaching Communities	-	52,153	52,153	52,153
Hedley Trust	-	5,000	5,000	-
Neighbourhood Learning in Deprived Communities	2,700	-	2,700	7,900
Alternative Learning Programme	68,872	-	68,872	70,950
Catch 22 Youth Advisory Board	-	-	-	8,604
Catch 22 Community Spaces	-	16,162	16,162	16,780
General Income	5,463	-	5,463	7,327
Community Development Fund	-	2,500	2,500	2,500
Rank Foundation	-	-	-	35,000
Reaching communities – supporting change (1)	-	-	-	9,974
Local food – supporting change (1)	-	1,980	1,980	7,921
Awards for all	-	-	-	9,930
Community spaces – supporting change (2)	-	-	-	10,000
CSC – Legacy – (1)	-	-	-	10,000
Heritage lottery fund - RW	-	-	-	9,500
Community spaces rewards	200	-	200	465
Arts Council Boiler	-	4,300	4,300	38,700
DMBC	6,757	-	6,757	-
	<u>103,992</u>	<u>112,499</u>	<u>216,491</u>	<u>391,775</u>

5. ACTIVITIES FOR GENERATING FUNDS (UNRESTRICTED INCOME)

	2014 £	2013 £
Gift shop and café	23,833	26,218
Conference and room hire	9,030	8,817
Residential and boat trips	28,980	37,291
	<u>61,843</u>	<u>72,326</u>

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NOTES TO THE FINANCIAL STATEMENTS
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6. COSTS OF FUNDRAISING TRADING

	2014 £	2013 £
Marketing and promotion	1,486	2,155
Café and gift shop cost of goods sold	14,598	13,176
	16,084	15,331

7. COST OF CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2014 Total £	2013 Total £
Staff costs	131,257	80,447	211,704	237,468
Premises costs	29,789	23,498	53,287	44,245
Depreciation	18,825	20,440	39,265	41,384
Operational costs and sub contract services	29,594	24,165	53,759	78,131
Support costs allocated to activities	40,922	23,347	64,269	81,218
	250,387	171,897	422,284	482,446

8. GOVERNANCE COSTS

	Unrestricted Funds 2014 £	Restricted Funds 2014 £	Total Funds 2014 £	Total Funds 2013 £
Audit fees	4,000	-	4,000	4,000
Other costs	6,750	-	6,750	7,946
	10,750	-	10,750	11,946

Governance costs are calculated as follows:

- The audit fees for the organisation
- A proportion of the insurance fees for the organisation
- An apportionment of other costs charged to the organisation (including property, operational costs etc) calculated on a reasonable time spent basis.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

9. NET OUTGOING RESOURCES FOR THE YEAR

	Total Funds 2014 £	Total Funds 2013 £
This is stated after charging:		
Depreciation of tangible fixed asset: - owned by the company	39,265	39,131
Auditor's remuneration:		
- audit	4,000	4,000
- other services	1,750	1,750
Bank loan interest	3,190	3,771
	39,265	39,131

10. STAFF COSTS

	2014 £	2013 £
Wages and salaries	226,657	245,212
Social security costs	16,051	17,913
Sessional Workers	17,095	18,412
	259,803	281,537

Support costs include staff costs of £47,599 (2013: £44,070).

The average number of employees analysed by function was:

	No.	No.
Direct charitable	10	13
Management and administration	4	5
	14	18

No employee earned remuneration of more than £60,000.

No director received any remuneration in either the current or previous year.

Trustee expenses

Reimbursement to Trustees in the year - £Nil (2013 - £Nil).

Trustee Indemnity Insurance

Cover is provided at £1,000,000 (2013 - £1,000,000).

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NOTES TO THE FINANCIAL STATEMENTS
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11. TANGIBLE FIXED ASSETS

	Leasehold buildings £	Vessels, fixtures, fittings & equipment £	Total £
Cost or valuation			
At 1 April 2013	800,345	304,248	1,104,593
Additions	-	82,663	82,663
	<hr/>	<hr/>	<hr/>
At 31 March 2014	800,345	386,911	1,187,256
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2013	165,749	178,148	343,897
Charge for the year	16,007	23,258	39,265
	<hr/>	<hr/>	<hr/>
At 31 March 2014	181,756	201,406	383,162
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2014	618,589	185,505	804,094
	<hr/>	<hr/>	<hr/>
At 1 April 2013	634,596	126,100	760,696
	<hr/>	<hr/>	<hr/>
12. STOCK		2014	2013
		£	£
Consists of gift shop and café goods for resale and stationery stocks		1,709	3,227
		<hr/>	<hr/>
13. DEBTORS		2014	2013
		£	£
Operational debtors		2,758	19,494
Prepayments		5,090	9,618
VAT recoverable		1,852	1,862
		<hr/>	<hr/>
		9,700	30,974
		<hr/>	<hr/>

THE "SOBRIETY" PROJECT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

14. CREDITORS: Amounts falling due within one year	2014	2013
	£	£
Bank loan	16,442	10,842
Bank overdraft	1,072	-
Other loan	7,800	-
Operational creditors	8,793	11,880
Social security and other taxes	3,820	5,150
Accruals	9,785	6,840
Hire purchase creditor	-	2,443
Deferred income	-	14,782
	<hr/>	<hr/>
	47,712	51,937
	<hr/>	<hr/>

The bank overdraft and loans are secured.

Deferred income is income and grants received in any year specifically relating to future periods.

15. CREDITORS: Amounts falling due after more than one year	2014	2013
	£	£
Bank loan	82,823	59,527
Other loan	70,200	-
	<hr/>	<hr/>
	153,023	59,527
	<hr/>	<hr/>

The bank loan is repayable by instalments as follows:

Between one and two years	17,189	7,661
Between two and five years	36,763	25,675
After five years	28,872	26,191
	<hr/>	<hr/>
	82,824	59,527
	<hr/>	<hr/>

The other loan is payable in 20 equal instalments of £3,900 payable each year on 7 April and 7 October until 7 October 2023. Interest is payable at the rate of £455 per annum.

16. SECURED DEBTS	2014	2013
	£	£
Bank loan	99,265	70,369
	<hr/>	<hr/>

The bank has the following security arrangements in place:

- Fixed and floating charge over all the Charity's assets
- Legal mortgage over the leasehold property at Dutch River Side, Goole.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

17. ANALYSIS BETWEEN FUNDS

	Funds B/f 01/04/13 £	Total Income £	Total Expenditure £	Transfers £	Funds C/f 31/03/14 £	Represented by Fixed Assets £	Net Other Assets /(Liabilities) £
Restricted Funds							
Waterways museum	481,778	-	20,440	(58,548)	402,790	402,790	-
Social Investment Business (SIB)	-	9,801	4,930	-	4,871	-	4,871
Arts Council - Boiler	14,500	4,300	18,800	-	-	-	-
Corporate Donation	-	1,100	-	-	1,100	-	1,100
Ingles Charitable Trust	-	1,500	1,500	-	-	-	-
Community Development Fund	-	2,500	2,500	-	-	-	-
The Beatrice Laing Trust	-	5,000	5,000	-	-	-	-
Big Lottery Local Food	-	15,603	15,603	-	-	-	-
Big Lottery Reaching Communities	8,691	52,153	52,117	-	8,727	-	8,727
Catch 22 - Community spaces	-	16,162	16,162	-	-	-	-
Rank Foundation	15,000	-	15,000	-	-	-	-
Local Food – supporting change (1)	-	1,980	1,980	-	-	-	-
Awards for All	9,930	-	-	-	9,930	-	9,930
Hedley Trust	-	5,000	5,000	-	-	-	-
Heritage lottery fund - RW	9,500	-	9,500	-	-	-	-
Community spaces rewards	465	200	465	-	200	-	200
Rusholme Wind Farm (Two Ridings)	-	3,000	400	-	2,600	-	2,600
Asdan	-	2,500	2,500	-	-	-	-
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Total restricted funds	539,864	120,799	171,897	(58,548)	430,218	402,790	27,428
Revaluation reserve	137,640	-	-	(2,809)	134,831	134,831	-
Unrestricted funds	16,398	249,470	277,221	61,357	50,004	266,473	(216,469)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	693,902	370,269	449,118	-	615,053	804,094	(189,041)

Transfers include - £2,809 for depreciation of re-valued assets in excess of historical cost (see note 18).
£61,357 transfer of fixed assets from restricted to unrestricted funds as agreed with the fund provider.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

17. ANALYSIS BETWEEN FUNDS (continued)

Details of principal restricted funds:

Waterways museum - funding received specifically for the acquisition of fixed assets.

Social Investment Business (SIB) – to improve our ability to tender with local authorities.

Arts Council – boiler – conversion to renewable energy supplies.

Corporate Donations – publication of annual review.

Ingles Charitable Trust – allotment equipment

Community Development Fund- to improve and extend our volunteering offer for deprived South Ward of Goole.

Beatrice Laing Charitable Trust – young people – work with disadvantaged young people.

Local Food – Impact (2) – involving volunteers in growing fresh produce and enjoying a healthier lifestyle.

Reaching Communities – Volunteers and Disabilities & NEETS (2) – working with volunteers and disadvantaged young people and adults with disabilities.

Community Spaces- Young people at risk of offending – intervention to prevent young people offending.

Rank Foundation – working with offenders.

Local Food – Supporting Change (1) – to make the allotment more sustainable.

Awards for All – intergenerational museum visits.

Hedley Trust – for use to develop the horticultural area.

CSC – Legacy (1) – environmental summer initiatives for young people.

Heritage Lottery Fund – RW – reminiscences using oral history.

Community Spaces – Rewards – rewards for peer mentoring.

Rusholme Wind Farm (Two Ridings) - reduced rural and social isolation in rural villages of Airmyn, Drax & Newlands.

Asdan – supporting disadvantaged young people to gain ASDAN accreditation.

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18. REVALUATION RESERVE

	2014 £	2013 £
At 1 April 2013	137,640	140,449
Depreciation on revalued fixed assets in excess of historical cost	(2,809)	(2,809)
	134,831	137,640
At 31 March 2014	134,831	137,640

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Revaluation reserve £	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	134,831	266,473	402,790	804,094
Current assets	-	11,694	-	11,694
Loan between funds	-	(127,284)	127,284	-
Current liabilities	-	(31,270)	(16,442)	(47,712)
Long term liabilities	-	(70,200)	(82,823)	(153,023)
	134,831	50,004	430,218	615,053
Total net assets	134,831	50,004	430,218	615,053