

Company registration number: 2394165  
Charity registration number: 801819

**PECAN**

**(A company limited by guarantee)**

**INDEPENDENT EXAMINATION**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**Trustees**

Aderemi Okeshola, Chair  
John Willis  
Paul Jones  
Eleanor Orr  
Anne Wilde  
Omorinola Ogutuga (appointed 3 May 2017)

**Company registration number**

2394165

**Charity registration number**

801819

**Registered office**

121A Peckham High Street  
London  
SE15 5SE

**Company secretary**

Chris Price

**Chief executive officer**

Chris Price

**Accountants**

MHA MacIntyre Hudson  
Chartered Accountants  
New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

**Bankers**

Barclays Bank plc  
United Kingdom House  
180 Oxford Street  
London  
W1D 1EA

CCLA  
Senator House  
85 Victoria Street  
London  
SE10 9EH

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**Advisers (continued)**

**Solicitors**

Grant Saw  
110-114 Norman Road  
Greenwich  
London  
SE10 9EH

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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The trustees of Pecan present their report together with the financial statements for the year ended 31 March 2017.

**Principal activity**

The principal activity of the charity in the year under review was that of the provision of information, advice and guidance, training and assistance to unemployed persons, people from disadvantaged communities and ex-offenders.

**Trustees**

The trustees of the charity who held office during the year are disclosed on page 1.

**Structure, Governance and Management**

**Governing Document**

Pecan is a charitable company limited by guarantee, incorporated on 12 June 1989 and registered as a charity on 21 July 1989. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

**Recruitment and Appointment of Members and Trustees**

**1. Members**

- a. Membership is open to all churches that can sign and continue to affirm the Churches Together Statement of Faith and whose principal place of worship is situated in Peckham and/or the London Borough of Southwark
- b. Once accepted for membership a senior church leader ("SCL") from each member church ("Member Church") will be invited to be the representative from their Member Church. They shall be entitled to nominate in writing a different person ("Substitute") from their Member Church to attend meetings and vote on behalf of the Member Church. Neither any SCL nor any Substitute may be employed by Pecan
  - Members will be invited to an annual meeting. The annual meeting must include Pecan's Annual General Meeting and may include:-
    - A speaker invited to talk about an area of social action and a Christian response
    - A forum session to discuss Christian social action in Southwark

The members of the company act as guarantors to the liability of £1 each.

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**The Board of Directors**

The Directors of Pecan are also Trustees of the Charity.

The Board meet quarterly and in a number of sub-committees; they set policy and direction for the charity, and oversee the work of the Executive Director.

All the directors are Christians and church members of good standing; they help Pecan to maintain its Christian ethos and are not remunerated.

The Board of Directors ('The Board') are made up of members who have experience and expertise relating to Pecan's work in providing training and support for the marginalised and unemployed. The Board may appoint any member of the Company or any other suitable person, either as a replacement of a member or as an additional member to the Board. Such appointments must be confirmed by election at the next Annual General Meeting. Appointment of the Secretary is the Board's function.

New trustees are recruited by advertising through newsletters to our member and supporter network. The skills and mix of current trustees are regularly analysed and we try to recruit trustees with complementary skills and backgrounds.

The Board may delegate its powers to sub-committees consisting of members of the Board who have expertise in that particular area of management. All proceedings and decisions of the sub-committee are reported back to the Board's next meeting.

New trustees participate in a full induction programme upon appointment.

**2. Senior Management**

The day to day management of the charity is the responsibility of the Executive Director who is appointed by the Board.

**Operational Structure**

All programs of work are managed by project managers. Senior management provides support and oversight of projects, and ensures that standards are maintained across the organisation. Senior management also takes the lead on applying for new contracts and the strategic planning and monitoring of the organisation.

**Pecan and other charities/organisations**

In order to achieve Pecan's objects, the charity works in partnership with many local, national and international organisations and government agencies whilst retaining a prime focus on its neighbourhood within the London region.

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**Risk Assessment**

The charity maintains and actively monitors its risk register. The register is presented to the Board at each quarterly meeting by the Executive Director; significant risks are identified and actions agreed and monitored at subsequent meetings.

A Health and Safety update is also presented to the Board at each quarterly meeting, along with any updates to related procedures and policies. Ellis Whittam PLC have been employed to manage health and safety on behalf of Pecan.

**Objectives and Activities**

**Pecan's Charitable Objects**

Pecan is governed by its Memorandum and Articles of Association. These state that Pecan's objects are:

- (a) To advance the Christian religion.
- (b) The relief of unemployment for the benefit of the public in such ways as may be thought fit, including providing training and other assistance to help people find employment.
- (c) The relief of poverty in particular among unemployed people.
- (d) To preserve and protect the physical environment for the benefit of the public by the promotion of waste reduction, re-use, reclamation and recycling and the use of recycled products.

**Policies to further our Objects**

Pecan is a Christian organisation with the vision to help transform the lives of those we work with, many of whom face seemingly insurmountable barriers to realise their dreams. These are vulnerable groups such as ex-offenders and their families, refugees and asylum-seekers, young people and the long term unemployed. We seek to enable each individual to achieve their full potential and through that to see the community they are a part of being transformed.

All our projects seek to address the multiple needs of our participants and work towards their social inclusion, through the development of holistic projects. We work in partnership with local churches supporting initiatives to meet the needs of the community, as well as seeking to be an advocate for those we work with by challenging inequality and injustice on a local and a national level.

Over the last 28 years, we have shown ourselves to be successful in working with many hard-to-reach groups within the communities we serve, delivering skills training and services to those in need. In addition, as a Christian organisation we are committed to outworking our core values through our relationships with all those with whom we interact.

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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We are committed to the outworking of our vision over the long-term in line with our organisational values:

- **Excellence** – pursuing excellence in all we do, by providing the highest quality of service to best support our participants, staff and the community
- **Empowering** – seeing the individuals and communities we work with empowered to make their own choices and affect their own situation
- **Equality and Diversity** – celebrating diversity and ensuring equal access to our services for all participants regardless of race, colour, nationality, ethnic origin, religion, gender, sexual orientation, age or disability
- **Prayer** – prayer is a key foundation on which all our work is established and is an integral part of our life together
- **Pioneering** – pioneering projects that find new ways to address the needs of our participants and work towards their social inclusion
- **Accountability** – transparency, participation and learning across all areas of our work both internally and externally
- **Advocacy** – using our voice and standing alongside our participants and the local community to influence issues impacting them
- **Collaboration** – achieving our vision through partnership with the local community, churches and other groups and organisations
- **Sustainability** – protecting the environment, promoting health and encouraging ethical lifestyles through initiatives such as Fairtrade

### **Uniqueness**

Our aim is to seek to serve people in a way that empowers them to gain control of their lives. Our heart continues to be in Peckham with outreach across the borough of Southwark and other communities in our great capital city.

The service people receive at Pecan is important. What is vital, though, is the experience they receive. We aim to meet people at various points in their life, whether they are looking for work, friendship, or support at a time of crisis, and to host a service that meets their needs. The vital part for us is how people are treated because needs can be more than just practical. Our strapline is built on more than the service we offer; it is built on people's experience of Pecan. Our aim is to demonstrate Kindness, Belief and Hope to everyone who comes into contact with Pecan.

### **Kindness**

At Pecan, kindness means that people will be treated with honesty, compassion and fairness. It doesn't mean simply telling people what they want to hear; it means helping them to understand what needs to be said. Kindness brings reality to situations, supports people through their trauma on whatever level, and helps them to deal with it. Kindness is keeping with people when times are tough rather than denying the situation.

### **Belief**

At Pecan we never stop believing in the potential of every person. Everyone is unique. Everyone is loved. We aim to help people on a journey of self-belief to a place where they can see their value to the community around them. By helping people to see the good in themselves we can help them to achieve in the world.



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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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### **Hope**

Through kindness and belief we want Pecan to be an experience that inspires hope in people who use our projects or interact with our volunteers, staff, partners and visitors. It is through having hope that we can all focus on positive next steps in life.

### **Objectives**

Our strategic objectives are:

1. To address the multiple needs of our participants and work towards their social inclusion, through the development of holistic projects.
2. To work with and support local churches in meeting the practical needs of the community.
3. To challenge inequality and injustice on a local and national level, with and for our community.

### **Progress towards objectives during 2016 - 2017**

During this year Pecan brought to an end two projects that we had invested in during the last two years. Ignition, our programme to support churches to set up employment support courses, this had seen hundreds of people trained to find employment, sadly though Pecan had self funded the majority of the programme for the last two years and were not in a position to continue this level of support. We also brought to an end SE Storehouse, our social enterprise experiment. This hadn't had met the planned targets and had used more reserves than budgeted. The project is still trading some of the bags made in prisons through our site [www.pecanpi.london](http://www.pecanpi.london) and also through a Peckham independent trader working out of Greenwich Market.

With withdrawing SE Storehouse and Ignition, Pecan also restructured our central team with Val Freeman, who had been with Pecan for over 10 years and Zita Selvanathar who had been with us for nearly 5 years both taking redundancy. We would like to formally thank them for their amazing service to Pecan over the years.

With the changes made to both the central team and withdrawing projects Pecan has been able to reverse the negative financial situation. At the time of change Pecan were forecasting a deficit of around £140,000 this report shows that through the decisions made and continued good financial management the losses were reduced to £14,361 with 5 out of 6 each month returning surplus management accounts.

### **Proving the vision**

During this financial year, Pecan completed work on a new monitoring system that helps to track whether we are meeting our vision of 'Transforming Lives through Kindness, Belief, Hope'. This is tracked through a mix of soft outcomes and hard metrics that are pulled together as a combined assessment across our organisational outcomes of; valuing personal dignity, inspiring self belief, building self confidence, increasing employability, making different choices and building healthier communities. The results of this are shown in a 'traffic light' system where Green is ahead of target, amber is within 20% of target and red is over 20% away from target.

The table shows how Pecan as a whole has progressed against some quite high targets for the year. We are extremely pleased that we are within 20% of all targets. Where we are seeking opinions from the people we work with on the difference we have made to them, we have over achieved. We recognise that there are areas that we need to improve over the coming year.

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**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2017**

<b>PECAN PROVING THE VISION 2016/2017</b>		
<b>Vision</b>	<b>Outcome</b>	<b>Score</b>
KINDNESS	<b>Valuing personal dignity</b>	<b>97%</b>
BELIEF	<b>Inspiring self-belief</b>	<b>105%</b>
	<b>Inspiring self confidence</b>	<b>107%</b>
HOPE	<b>Increasing employability</b>	<b>82%</b>
	<b>Making different choices</b>	<b>97%</b>
	<b>Building healthier communities</b>	<b>91%</b>
<b>Are we meeting the vision?</b>		<b>94%</b>

**The projects progression towards objectives and future plans**

**Moving On**

The project has built a great relationship with the staff and inmates at HMP Downview, the new women's prison in London. Although it was a slow start to the year with the prison getting use to their new systems, The Moving On team have demonstrated time and again how beneficial their support is to the women that are being coached that makes it easy for the prison to want to work with Katie Kelly and the team. The team are now working with HMP East Sutton Park in Kent which also supports a small number of women returning to London and the relationship here is growing well.

During the year Alex Porter and Sharon Burton were trained to deliver a domestic violence awareness programme called 'Freedom Programme'. The course was successfully delivered in HMP Downview.

Our aim for the coming year is to open a Women's hub for Southwark. These have been proved around the country to increase good outcomes for women. The progress has been slow due to structures and a lack of funding opportunities. We are though expecting to launch in October 2017. The centre will provide a safe space for women to meet with professionals and to gain the appropriate support to make different choices. We are aiming to deliver further sessions of the Freedom Programme from the hub when it opens.

**Southwark Foodbank**

In November we said goodbye to Debbie Kiang, who had helped to start the project in 2009 and Felicia Boshorin who had done much to advance the project. We welcomed Simon Boxall and Sharon Hunt to take over the development of the project at the same time. For the first time in 3 years we have seen a rise in the number of people and referrals to Foodbank of around 12% with most of that rise coming in the last half of the year. Most people are now being referred for issues with benefits especially after the introduction of Universal Credits.

We have now developed relationships with more churches to look at delivering from their premises rather than at our offices. In delivering from the churches, we will be able to provide more than just food. We want to create an atmosphere where people can receive appropriate advice and grow opportunities so they don't need to come to a crisis intervention such as foodbank again.

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**Hourbank**

During this year, the Hourbank was blessed with a assistant broker, Sabrina Austin, who was employed through Southwark Council's SEEDS programme to enable young people to get employment. Sabrina worked in the project for a year enabling us to set up a community café at St George the Martyr in Borough and support the café in All Saints, Peckham. These developments have helped to reshape the project of give more meeting spaces for people to come together and share time and build support.

We are developing the model of community café's during the next couple of years. Focusing a lot of our work on older people and those who feel more isolated. The cafes will be run by members, for current members and to engage new members. Additionally we will be working with doctors surgery's as part of a social prescribing trial across Southwark.

**Employment Support**

Our National Careers Service and Empower programme have had good solid years working with many clients to help them secure their next steps towards employment and in many cases the goal of securing and sustaining new employment. Under these programmes more qualifications have been achieved for clients especially those needed to gain work in building, catering and customer service.

Both programmes have been awarded contracts for the next financial year. We are seeking more job brokering opportunities so that we can focus our training to the jobs that are available in the area. This way we can help more people move swiftly on their journey to securing employment.

**Family Works**

Is a new employment support programme that we started right at the end of the year. Working with G4S Welfare to Work as our prime contractor, the programme supports families with multiple barriers to employment. Our aim is to help remove the barriers and support people to secure and sustain employment, whilst at the same time having a good balance between work and home priorities. The project is potentially the largest single contract within the current Pecan portfolio.

**Work in the community**

Pecan is a community charity. Our belief is that we are here to support people to develop their potential additionally is to support the local community to get involved with social action. We are members of Transform Southwark, with our Executive Director becoming a trustee of the charity this year. Through this relationship we aim to help Southwark churches to get more involved with social action projects in the community. We are also members of Peckham Citizens who are campaigning on behalf of the local community to improve facilities and shape new developments. We have been working on the way the potential new Aylesham Centre development should be employing people locally and becoming a London Living Wage site.

**Stats for the year**

Throughout the year our projects have continued to meet people at points of need and help them to develop strategies to change their situation. All support is offered to our clients free of charge. Eligibility criteria are dictated by the funders, and so differ for each programme. Most services are targeted to meet the needs of specific disadvantaged groups. The majority of our programmes have a focus on supporting people within the London Borough of Southwark, although some projects can take people from across London. As one of the main focuses of our work is supporting people into employment, the majority of our programmes are targeting people who are currently unemployed.

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**Statistics for all Project Participants 2015 – 16 and 2016 - 2017**

<b>Gender</b>	<b>2016 - 2017</b>	<b>2015 - 2016</b>
Male	51%	46%
Female	49%	53%
Other	0%	0%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

<b>Age</b>	<b>2016 - 2017</b>	<b>2015 - 2016</b>
18 - 24	8%	12%
25 - 49	50%	54%
50+	42%	33%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

<b>Employment status</b>	<b>2016 - 2017</b>	<b>2015 - 2016</b>
Employed / Self employed	12%	18%
Unemployed	86%	82%
Retired	1%	0%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

<b>Ethnicity</b>	<b>2016 - 2017</b>	<b>2015 - 2016</b>
Asian	5%	2%
Black	58%	60%
Other	4%	4%
Mixed	5%	7%
White	28%	28%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

*\*All recorded information included – where information is unknown this has been removed*

*\*statistics on children have not been included*

### **Volunteering**

Volunteers continue to provide an essential contribution to our work as a charity and our participants are able to benefit directly from the additional support and wider expertise volunteers can offer. Volunteers are involved in a wide range of our work, in terms of frontline contact with clients, delivering Foodbank services and helping with office tasks. Several key volunteers cover our reception and have therefore been the first point of contact for anyone contacting Pecan. We have also seen a significant number of people offering one-off volunteering at Foodbank collections across the borough. We would like to give a big thank you to all the people who have given their time freely to support our clients.

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**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2017**

Volunteer statistics in Pecan's premises	
Average number of volunteers per month	28.3
Average number of hours volunteered a month	361.4
Average number of hours each volunteer donated a month	12.8
Value @ national minimum wage for London (£7.20 per hour)	£31,222

These figures do not include the number of hours volunteers have given helping to collect food and fundraise at supermarkets and community events. Nor does it show the volunteers who have helped sort food at other locations or gone out on the van. It only counts the hours in our premises at 121a Peckham High Street.

Pecan is now working with a growing number of volunteers in our offices. The reason the numbers are growing is because people keep finding jobs! Our last three volunteers in our finance team have all left as they have secured employment because of their experience at Pecan. Not only are Pecan helping volunteers to get work in other places, now 25% of our staff team have previously been volunteers at Pecan.

**Achievement and performance**

The table below compares the number of supported clients over the three years to March 2017. Some projects have seen an increase in numbers, while others have seen a decrease. The reasons for this vary, depending on the project:

- Southwark Works, due to a change in contract.
- National Career Service due to a reducing of the contract and a stronger enthuses on job and learning outcomes over numbers of people
- Foodbank has seen over a 10% growth in clients fed. Most of this growth has been in the second part of the year. We have in this time seen a significant increase in the number of people saying they have encountered problems with Universal Credit.

Projects	Number of Clients Supported		
	2014 - 15	2015 - 16	2016 - 17
Information Advice & Guidance – Southwark Works (clients accessing the service)	119	95	164
Information, Advice & Guidance - National Careers Service (clients accessing the service)	2,181	2,432	1,156
Foodbank (people supplied through)	3,729	3,664	4,001
Moving On (Female ex-offenders)	123	47	28
HOurBank (active members)	143	111	150
<b>Total Number of Clients Supported:</b>	<b>6,295</b>	<b>6,349</b>	<b>5,499</b>

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## PECAN

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

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#### **Contracts, fundraising and facilities performance**

During the year Pecan renewed contracts to deliver Information, Advice & Guidance (IAG) under National Careers Service as a sub-contractor of Prospects. We also secured an additional two year with Southwark Council to deliver IAG as part of the Southwark Works partnership for ex-offenders. We were successful with two bids to the London Borough of Southwark Community Capacity Fund for both Southwark HOurBank and Southwark Foodbank. Foodbank was also supported with funding from the council's Emergency Support Scheme. Moving On is funded by a number of grant funders following the ending of our Big Lottery funding.

In the last quarter of the year we were able to start a new contract called Family Works. We are a sub-contractor to G4S Welfare to Work, the project is a 2 year programme with most of the activity taking place in the next two financial years.

During the year we have continued to work with Felton Fundraising. We have paid £7,560 for their services during the year and for this they have secured/received pledges for £128,585.

Over the year we have used the asset of our premises to support community activities and generate additional income. We now have two third sector organisations using desk space in our office; Prosper 4 and Aylesbury Women's Centre. Our meeting rooms are being used by a growing number of organisations including; Aylesbury Women's Centre's sewing workshops, CAB, piano lessons, a church for prayer meetings and a partner training provider for computer training.

These developments have helped us to change our funding profile the below pie chart shows the current mix of contracts, earned income, church and corporate and trusts and grants. This shows a significant move away from a contract culture that Pecan worked under towards the end of the last decade.

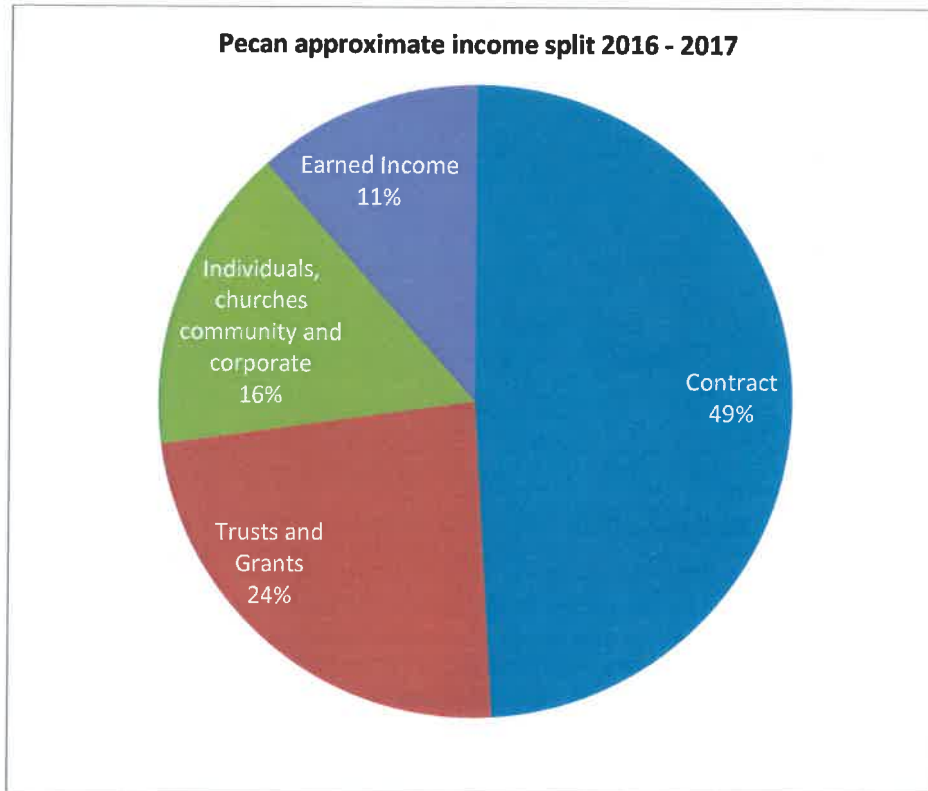
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**FOR THE YEAR ENDED 31 MARCH 2017**

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**Investment performance**

Pecan invests reserve bank balances on deposit with CCLA charity investment specialist.

**Results for the year**

The results for the period and financial position of the charity are shown in the annexed financial statements.

The Statement of Financial Activities shows that total income for the year was £613,346 and total expenditure incurred was £680,006 resulting in a deficit of £66,660. This deficit was offset by capital gains on investments of £36,349 resulting in a total deficit for the year of £30,311.

The balance of total unrestricted reserves at the end of the financial year was £699,436.

**Tangible fixed assets for use by the charity.**

Fixed assets are set out in Note 17 to the accounts reserves policy.

**Reserves Policy**

The trustees consider that a policy of holding a minimum of 6 months total expenditure as a general reserve is an appropriate target for the charity. At the end of the financial year we had 7 months' reserves.

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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This report was approved by the Trustees on 12/4/17 and signed on their behalf by:



**Aderem Okeshola, Chair**



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**INDEPENDENT EXAMINER'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2017**

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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PECAN**

I report on the financial statements of the Charity for the year ended 31 March 2017 which are set out on pages 17 to 35.

This report is made solely to the Charity's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

**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 financial statements. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 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 the Chartered Institute of Public Finance and Accountancy.

Having satisfied myself that the Charity is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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**INDEPENDENT EXAMINER'S REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2017**

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**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 financial statements which accord with the accounting records and 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 Charities
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:



Dated:

15/9/17

Chris Harris CPFA

MHA MacIntyre Hudson  
Chartered Accountants  
New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

**PECAN****(A company limited by guarantee)****STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Endowment funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>INCOME FROM:</b>						
Donations and legacies	2	88,280	98,125	-	186,405	130,102
Charitable activities	5	115,599	275,348	-	390,947	434,000
Other trading activities	3	26,282	-	-	26,282	26,604
Investments	4	9,712	-	-	9,712	8,231
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>239,873</b>	<b>373,473</b>	<b>-</b>	<b>613,346</b>	<b>598,937</b>
<b>EXPENDITURE ON:</b>						
Raising funds	6	23,266	-	-	23,266	7,011
Charitable activities	7	224,960	428,406	3,374	656,740	778,789
<b>TOTAL EXPENDITURE</b>		<b>248,226</b>	<b>428,406</b>	<b>3,374</b>	<b>680,006</b>	<b>785,800</b>
<b>NET EXPENDITURE BEFORE INVESTMENT GAINS/(LOSSES)</b>						
		<b>(8,353)</b>	<b>(54,933)</b>	<b>(3,374)</b>	<b>(66,660)</b>	<b>(186,863)</b>
Net gains/(losses) on investments	14	36,349	-	-	36,349	(8,297)
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>						
		<b>27,996</b>	<b>(54,933)</b>	<b>(3,374)</b>	<b>(30,311)</b>	<b>(195,160)</b>
Transfers between Funds	17	(63,492)	63,492	-	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>						
		<b>(35,496)</b>	<b>8,559</b>	<b>(3,374)</b>	<b>(30,311)</b>	<b>(195,160)</b>
<b>NET MOVEMENT IN FUNDS</b>						
		<b>(35,496)</b>	<b>8,559</b>	<b>(3,374)</b>	<b>(30,311)</b>	<b>(195,160)</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		734,932	39,022	121,491	895,445	1,090,605
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>699,436</b>	<b>47,581</b>	<b>118,117</b>	<b>865,134</b>	<b>895,445</b>

The notes on pages 20 to 35 form part of these financial statements.

All income and expenditure derive from continuing activities.

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

**PECAN**

(A company limited by guarantee)  
REGISTERED NUMBER: 2394165

**BALANCE SHEET  
AS AT 31 MARCH 2017**


	Note	£	2017 £	£	2016 £
<b>FIXED ASSETS</b>					
Tangible assets	13		<b>504,396</b>		515,674
Investments	14		<b>275,978</b>		239,629
			<b>780,374</b>		755,303
<b>CURRENT ASSETS</b>					
Debtors	15	<b>62,451</b>		112,200	
Cash at bank and in hand		<b>155,152</b>		95,796	
		<b>217,603</b>		207,996	
<b>CREDITORS:</b> amounts falling due within one year	16	<b>(132,843)</b>		(67,854)	
<b>NET CURRENT ASSETS</b>			<b>84,760</b>		140,142
<b>NET ASSETS</b>			<b>865,134</b>		895,445
<b>CHARITY FUNDS</b>					
Endowment funds	17		<b>118,117</b>		121,491
Restricted funds	17		<b>47,581</b>		39,022
Unrestricted funds	17		<b>699,436</b>		734,932
<b>TOTAL FUNDS</b>			<b>865,134</b>		895,445


The Trustees consider that the Charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Charity to obtain an audit for the year in question in accordance with section 476 of the Act.

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

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

The financial statements were approved and authorised for issue by the Trustees on 12 September 2017 and signed on their behalf, by:

  
.....  
**Aderemi Okeshola**  
Chair

  
.....  
**Eleanor Orr**  
Treasurer

The notes on pages 20 to 35 form part of these financial statements.

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**PECAN****(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2017**

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	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	19	<u>49,644</u>	<u>(213,492)</u>
<b>Cash flows from investing activities:</b>			
Investment income		9,712	8,231
Purchase of investments		-	(30,000)
<b>Net cash provided by/(used in) investing activities</b>		<u>9,712</u>	<u>(21,769)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>59,356</b>	<b>(235,261)</b>
Cash and cash equivalents brought forward		<u>95,796</u>	<u>331,057</u>
<b>Cash and cash equivalents carried forward</b>		<u><u>155,152</u></u>	<u><u>95,796</u></u>

The notes on pages 20 to 35 form part of these financial statements.

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**PECAN**

(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**1. Summary of significant accounting policies****1.1 General information and basis of preparation**

Pecan is a charitable company and is registered with the Charity Commission (Charity Registered Number 801819) and Registrar of Companies (Company Registration Number 2394165) in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are:

- (a) To advance the Christian religion.
- (b) The relief of unemployment for the benefit of the public in such ways as may be thought fit, including providing training and other assistance to help people find employment.
- (c) The relief of poverty in particular among unemployed people.
- (d) To preserve and protect the physical environment for the benefit of the public by the promotion of waste reduction, re-use, reclamation and recycling and the use of recycled products.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest pound.

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

**1.2 Funds**

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objects of the Charity. Any capital gains or losses arising on the investments form part of the fund.

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**PECAN**

(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**1. Summary of significant accounting policies (continued)****1.3 Income recognition**

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

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

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The Charity receives government grants in respect of furthering its charitable objectives. Income from government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the Charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank

**1.4 Expenditure recognition**

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

- Costs of raising funds includes costs incurred seeking voluntary contributions through donations and the running of fundraising events during the year;
- Expenditure on charitable activities includes all costs incurred on furthering the objects of the Charity; and
- Other expenditure represents those items not falling into the categories above.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**1. Summary of significant accounting policies (continued)**

**1.5 Support costs allocation**

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Governance costs are those incurred in connection with the running of the Charity and compliance with constitutional and statutory requirements.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 9.

**1.6 Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

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

Freehold property	-	2% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	25% straight line
Office equipment	-	50% straight line

**1.7 Investments**

Fixed asset investments are a form of basic financial instrument are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price or the share of the Net Asset Value of the fund (if unlisted). All gains and losses are taken to the Statement of Financial Activities as they arise.

The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals throughout the year. As investments are revalued to fair value continuously, no realised gains or losses arise.

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

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

Creditors are recognised when the Charity has a present legal or constructive obligation resulting from a past event and the settlement is expected to result in an outflow of economic benefits.



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**PECAN**

(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**1. Summary of significant accounting policies (continued)****1.9 Employee benefits**

When employees have rendered service to the Charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Charity operates a defined contribution plan for the benefit of its employees which are administered by outside independent pensions providers. Contributions are expensed as they become payable.

**1.10 Tax**

Pecan is a registered Charity (Charity Registration Number 801819) and as such is entitled to certain tax exemptions on income and profits on investments and surpluses on any trading activities carried on in furtherance of the charities' primary objectives, if these profits and surpluses are applied solely for charitable purposes.

**1.11 Financial instruments**

The Charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 15. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors, accruals and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Note 16. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

**1.12 Going concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

**1.13 Operating leases**

Rentals payable and receivable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

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**PECAN****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**1. Summary of significant accounting policies (continued)****1.14 Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

- Basis of valuation of financial investments
- Allocation of support costs
- Depreciation rates for tangible fixed assets

**2. INCOME FROM DONATIONS**

	<b>Unrestricted funds 2017 £</b>	<b>Restricted funds 2017 £</b>	<b>Total funds 2017 £</b>	<b>Total funds 2016 £</b>
Donations and gifts	87,318	98,125	185,443	126,565
Gift aid reclaimed	962	-	962	3,537
	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and legacies	<b>88,280</b>	<b>98,125</b>	<b>186,405</b>	130,102
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total 2016</i>	129,722	380	130,102	
	<hr/>	<hr/>	<hr/>	

**3. INCOME FROM TRADING ACTIVITIES**

	<b>Unrestricted funds 2017 £</b>	<b>Restricted funds 2017 £</b>	<b>Total funds 2017 £</b>	<b>Total funds 2016 £</b>
Storehouse	26,282	-	26,282	26,604
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total 2016</i>	26,604	-	26,604	
	<hr/>	<hr/>	<hr/>	

**PECAN**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

**4. INCOME FROM INVESTMENTS**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest receivable	160	-	160	13
Dividend income	9,552	-	9,552	8,218
	<u>9,712</u>	<u>-</u>	<u>9,712</u>	<u>8,231</u>
<i>Total 2016</i>	<u>8,231</u>	<u>-</u>	<u>8,231</u>	

**5. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Community development	-	93,968	93,968	96,457
Employability	115,599	120,781	236,380	207,094
Resettlement	-	60,599	60,599	130,449
	<u>115,599</u>	<u>275,348</u>	<u>390,947</u>	<u>434,000</u>
<i>Total 2016</i>	<u>101,029</u>	<u>332,971</u>	<u>434,000</u>	

There are no unfulfilled conditions or other contingencies attached to the grants above.

**6. EXPENDITURE ON RAISING FUNDS**

	2017 £	2016 £
Support costs	<u>23,266</u>	<u>7,011</u>

Support costs of £23,266 (2016: £7,011) are analysed in Note 9.

In 2016, of the total expenditure on raising funds, £6,847 was from unrestricted funds and £164 was from restricted funds.

**PECAN**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

**7. ANALYSIS OF EXPENDITURE BY CHARITABLE ACTIVITIES**

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
Central	126,951	(10,404)	116,547	130,213
Community development	177,268	46,448	223,716	134,668
Employability	205,718	39,284	245,002	238,132
Resettlement	62,337	9,138	71,475	151,733
Other	-	-	-	124,043
<b>Total 2017</b>	<b>572,274</b>	<b>84,466</b>	<b>656,740</b>	<b>778,789</b>
<i>Total 2016</i>	678,894	99,895	778,789	

In 2016, of the total expenditure on charitable activities, £358,276 was from unrestricted funds, £417,139 was from restricted funds and £3,374 was from endowment funds.

**8. ANALYSIS OF TOTAL EXPENDITURE ON DIRECT COSTS**

	2017 £	2016 £
Direct project costs	70,795	72,479
Human resources	25,064	18,895
Premises	51,517	77,530
Staff costs	424,898	509,990
<b>Total</b>	<b>572,274</b>	<b>678,894</b>

**9. ANALYSIS OF TOTAL EXPENDITURE ON SUPPORT COSTS**

	2017 £	2016 £
Overheads	44,265	42,224
Management services	14,465	22,633
IT support	9,450	13,093
Governance costs	6,145	9,050
Fundraising	23,266	7,011
Depreciation	10,141	12,895
<b>Total</b>	<b>107,732</b>	<b>106,906</b>

In the current year, of the total support costs of £107,732, £84,466 has been allocated to Expenditure on Charitable Activities (2016: £99,895) and £23,266 to Expenditure on Raising Funds (2016: £7,011).

Governance costs are analysed in Note 10.

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**PECAN****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**10. GOVERNANCE COSTS**

	2017 £	2016 £
Independent Examiners' Remuneration - Examination of the financial statements	3,000	-
Auditors' remuneration - Audit of the financial statements	-	3,000
Auditors' remuneration - Other services	231	4,607
Legal fees	-	875
Consultancy fees	-	-
Professional fees	2,914	-
Other governance costs	-	568
Total	<u>6,145</u>	<u>9,050</u>

**11. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets: - owned by the charity	10,141	12,895
Auditors' remuneration - Audit of the financial statements	-	3,000
Auditors' remuneration - Other services	3,231	4,607

During the year, no Trustees received any remuneration (2016 - £NIL).

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2016 - £NIL).

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**PECAN**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**12. STAFF COSTS**

Staff costs were as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>382,274</b>	451,269
Social security costs	<b>31,931</b>	35,860
Other pension costs	<b>21,585</b>	22,861
	<u><b>435,790</b></u>	<u>509,990</u>

The average number of persons employed by the Charity during the year was as follows:

	<b>2017</b>	<b>2016</b>
	<b>No.</b>	<b>No.</b>
Direct staff	<b>14</b>	20
Support staff	<b>3</b>	4
	<u><b>17</b></u>	<u>24</u>

No employee received remuneration amounting to more than £60,000 in either year.

Total redundancy / termination payments amounted to £11,948 (2016: £NIL).

The total amount of employee benefits received by Key Management Personnel is £50,643 (2016: £50,643). The Charity considers its Key Management Personnel comprise:

- Trustees
- Executive Director

**PECAN**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

**13. TANGIBLE FIXED ASSETS**

	Freehold property £	Office Equipment £	Furniture & Fittings £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 April 2016	656,898	178,785	15,531	2,000	853,214
Disposals	-	-	-	(2,000)	(2,000)
At 31 March 2017	<u>656,898</u>	<u>178,785</u>	<u>15,531</u>	<u>-</u>	<u>851,214</u>
<b>Depreciation</b>					
At 1 April 2016	142,361	178,785	15,531	863	337,540
Charge for the year	10,141	-	-	-	10,141
On disposals	-	-	-	(863)	(863)
At 31 March 2017	<u>152,502</u>	<u>178,785</u>	<u>15,531</u>	<u>-</u>	<u>346,818</u>
<b>Net book value</b>					
At 31 March 2017	<u>504,396</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>504,396</u>
At 31 March 2016	<u>514,537</u>	<u>-</u>	<u>-</u>	<u>1,137</u>	<u>515,674</u>

Of the £656,898 of Freehold Property noted above, £150,000 of it relates to land (2016: £150,000).

**14. FIXED ASSET INVESTMENTS**

	CCLA investments £
<b>Fair value</b>	
At 1 April 2016	239,629
Revaluations	36,349
At 31 March 2017	<u>275,978</u>

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**PECAN**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**15. DEBTORS**

	2017 £	2016 £
Trade debtors	60,137	83,793
Other debtors	1,231	-
Prepayments and accrued income	1,083	28,407
	<u>62,451</u>	<u>112,200</u>

**16. CREDITORS: Amounts falling due within one year**

	2017 £	2016 £
Trade creditors	49,942	43,275
Other taxation and social security	14,275	12,891
Pension contributions payable	2,150	1,679
Other creditors	1,054	509
Accruals and deferred income	65,422	9,500
	<u>132,843</u>	<u>67,854</u>

**Deferred income**

Deferred income at 1 April 2016	-
Resources deferred during the year	66,058

Included within accruals and deferred income is deferred income totaling £66,058 (2016: £NIL) that relates to grant income to be recognised in future years in accordance with funding agreements.



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**PECAN****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**17. STATEMENT OF FUNDS****STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2017 £
<b>Designated funds</b>						
Fixed asset fund	394,183	-	(7,904)	-	-	386,279
<b>General funds</b>						
General funds	340,749	239,873	(240,322)	(63,492)	36,349	313,157
Total Unrestricted funds	734,932	239,873	(248,226)	(63,492)	36,349	699,436
<b>Endowment funds</b>						
Endowment funds	121,491	-	(3,374)	-	-	118,117
<b>Restricted funds</b>						
Community development	-	171,844	(223,050)	51,206	-	-
Employability	-	121,131	(133,417)	12,286	-	-
Resettlement	39,022	64,932	(71,939)	-	-	32,015
General	-	15,566	-	-	-	15,566
	39,022	373,473	(428,406)	63,492	-	47,581
Total of funds	895,445	613,346	(680,006)	-	36,349	865,134

**PECAN**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

**17. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2016 £
<b>Designated funds</b>						
Fixed asset fund	403,704	-	(9,521)	-	-	394,183
	<u>403,704</u>	<u>-</u>	<u>(9,521)</u>	<u>-</u>	<u>-</u>	<u>394,183</u>
<b>Unrestricted funds</b>						
General funds	490,184	265,586	(355,602)	-	(59,419)	340,749
	<u>490,184</u>	<u>265,586</u>	<u>(355,602)</u>	<u>-</u>	<u>(59,419)</u>	<u>340,749</u>
Total Unrestricted funds	<u>893,888</u>	<u>265,586</u>	<u>(365,123)</u>	<u>-</u>	<u>(59,419)</u>	<u>734,932</u>
<b>Endowment funds</b>						
Endowment funds	124,865	-	(3,374)	-	-	121,491
	<u>124,865</u>	<u>-</u>	<u>(3,374)</u>	<u>-</u>	<u>-</u>	<u>121,491</u>
<b>Restricted funds</b>						
Community development	11,926	96,457	(134,803)	-	26,420	-
Employability	-	106,065	(130,767)	-	24,702	-
Resettlement	59,926	130,828	(151,732)	-	-	39,022
	<u>71,852</u>	<u>333,350</u>	<u>(417,302)</u>	<u>-</u>	<u>51,122</u>	<u>39,022</u>
Total of funds	<u>1,090,605</u>	<u>598,936</u>	<u>(785,799)</u>	<u>-</u>	<u>(8,297)</u>	<u>895,445</u>

Fixed asset fund - This fund represents the amount of charity funds locked up in Freehold land and buildings and other fixed assets which are needed for operational purposes. The funds are carried at the net book value of the fixed assets at the balance sheet date, after deducting any outstanding loans, endowment funds or restricted funds used to finance their operation.

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

Projects financed by restricted funds are supported by unrestricted funding where necessary. This occurs where the funding is in arrears or the incidence of expenditure on the project occurs disproportionately at the beginning of the project compared to the income flows. Where restricted

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**PECAN****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. STATEMENT OF FUNDS (continued)**

projects end the year with a deficit, this is met by after year-end restricted income or transfers from unrestricted funds.

Community development fund - Funding for work on the Pecan Foodbank, Hourbank and Community projects.

Employability fund - Funding for use in providing information, advice and guidance (IAG) to clients on incapacity benefit.

Resettlement fund - Funding for work on the moving on project.

Endowment fund - this is made up of donations and statutory funding provided to contribute towards capitalised refurbishments of 121 Peckham High Street and 71-73 County Street. Depreciation associated with the improvements is charged to the endowed funds in the proportion to which they have contributed to the refurbishment. 71-73 County Street was disposed of in 2014.

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS****ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Endowment funds 2017 £	Total funds 2017 £
Tangible fixed assets	382,905	-	121,491	504,396
Fixed asset investments	275,978	-	-	275,978
Current assets	194,669	22,934	-	217,603
Creditors due within one year	(132,843)	-	-	(132,843)
	<u>699,436</u>	<u>47,581</u>	<u>118,117</u>	<u>865,134</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Endowment funds 2016 £	Total funds 2016 £
Tangible fixed assets	394,183	-	121,491	515,674
Fixed asset investments	239,629	-	-	239,629
Current assets	168,974	39,022	-	207,996
Creditors due within one year	(67,854)	-	-	(67,854)
	<u>734,932</u>	<u>39,022</u>	<u>121,491</u>	<u>895,445</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW  
FROM OPERATING ACTIVITIES**

	2017 £	2016 £
Net expenditure for the year (as per Statement of Financial Activities)	(30,311)	(195,160)
<b>Adjustment for:</b>		
Depreciation charges	10,141	12,895
(Losses)/gains on investments	(36,349)	8,297
Investment income	(9,712)	(8,231)
Loss on the sale of fixed assets	1,137	-
Decrease/(increase) in debtors	49,749	(61,974)
Increase in creditors	64,989	30,681
<b>Net cash provided by/(used in) operating activities</b>	<b>49,644</b>	<b>(213,492)</b>

**20. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2017 £	2016 £
Cash in hand	155,152	95,796
Total	155,152	95,796

**21. PENSION COMMITMENTS**

The Charity contributes to employees defined contribution stakeholder pension schemes. The amount recognised as an expense in the period was £22,036 (2016: £22,861). Contributions totaling £2,150 (2016: £1,679) were payable to the fund at the balance sheet date and are included within creditors.

**22. OPERATING LEASE COMMITMENTS**

At 31 March 2017 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
<b>Amounts payable:</b>		
Within 1 year	5,004	2,159
Between 1 and 5 years	3,259	2,816
Total	8,263	4,975

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**23. RELATED PARTY TRANSACTIONS**

Other than Trustees and Key Management Personnel transactions detailed in Note 12, there were no related party transactions during the year.

**24. MAJOR FUNDERS**

We would like to thank the following organisations, trusts and churches who made a donation to us during the year:

**Trusts**

The Britland Charitable Trust  
Tisbury Telegraph Trust  
The White Benevolent Fund  
The Borrows Charitable Trust  
The Henry Smith Charity  
The Mash Christian Trust  
The Alchemy Foundation  
The Barnabas Trust  
(Stewards Co)  
Souter Charitable Trust  
The Trussell Trust  
London Catalyst  
The City Bridge Trust  
The Charles Haywards  
Foundation  
The Hasluck Charitable Trust  
The Anchor Foundation  
Peter Stebbings Memorial  
Charity  
Hinchley Charitable Trust  
Garfield Weston Foundation  
Lloyds TSB Foundation  
Peckham Settlement  
Morrisons Foundation

**Companies**

Invesco Perpetual  
Lerryn's Café  
Café G  
Alan Camp Architects  
The Montpelier Pub  
Peckham Refreshment Rooms  
F\*\*koffee Café  
Rye Books  
Café Viva  
Forza\*Win  
Eight Associates  
Code Creative  
ReForm Architects  
Day Lewis Pharmacy  
Gowling WLG  
Peckham Plex  
Toasted  
MCM Architecture  
Chener Books  
Petitou Collection  
Eight Associates Ltd  
Acxiom  
Panter Hudspith Architects  
Useful Simple Ltd

**Churches**

City Hope Church  
All Saints Camberwell  
Celestial Church  
The South London Mission  
Rye Lane Chapel  
The parish - Herne Hill  
Nunhead Community Church  
St Georges Church  
Grove Chapel  
Honour Oak Baptist Charity  
The Diocese of Southwark

