

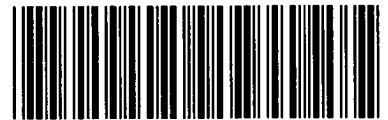
Company No. 02910220
Charity No. 1054792

DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
FINANCIAL STATEMENTS AND THE TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2020

ALISON WARD ACCOUNTANTS
CHARTERED CERTIFIED ACCOUNTANTS

28 HILLS ROAD
BUCKHURST HILL
ESSEX IG9 5RS

WEDNESDAY



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18/11/2020

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COMPANIES HOUSE

**DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
FINANCIAL STATEMENTS AND THE TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

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**DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
TRUSTEES' REPORT - STATUTORY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2020**

TRUSTEES

Dr Elena Alexandrou
Kadriye Ali
Ziya Adnan
Dr Zerrin Atakan
Adem Celik
Dr Adam Forman
Nurullah Turan (Chair)

SECRETARY

Nursel Tas

REGISTERED OFFICE

The Basement
66 New North Road
London N1 6TG

COMPANY NUMBER

02910220

CHARITY NUMBER

1054792

BANKERS

The Co-operative Bank Plc
P.O. Box 250
Delf House
Southway
Skelmersdale WN8 6WT

INDEPENDENT EXAMINER

Alison Ward FCCA
Alison Ward Accountants
Chartered Certified Accountants
28 Hills Road
Buckhurst Hill
Essex IG9 5RS

**DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

The trustees (who are also the directors) present their report and the independently examined financial statements of the charitable company for the year ended 31 March 2020. The statutory information is shown on Page 1.

GOVERNING DOCUMENT

Derman - for the well-being of the Kurdish & Turkish Communities (the word 'Limited' being omitted by licence from the Department of Trade) is registered under the Companies Act 1985 as a company limited by guarantee and not having a capital divided by shares. Each member present and twelve months past is liable to contribute a sum not exceeding £1 on the company's winding up.

The company was incorporated on 18th March 1994 and is a registered charity constituted as a Limited Company under the Memorandum and Articles of Association. The charity registration number is 1054792 and the company registration number is 2910220.

PRINCIPAL ACTIVITIES

The company's Memorandum & Articles of Association was amended in its AGM on 17 November 2006 and its activities now are:

- to relieve sickness (including sickness associated with distress) and to preserve and improve health by the provision of counselling, advice and advocacy, support work and other allied services;
- to provide or assist in the provision of facilities in the interests of social welfare, for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their condition of life;
- to advance the education of families in better standards of childcare;
- to relieve poverty by the provision of welfare rights advice amongst the Turkish, Kurdish and Cypriot Turkish communities across the UK, in particular those communities in Hackney and other London boroughs.

PUBLIC BENEFIT

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities.

**DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

ACHIEVEMENTS AND PERFORMANCE

We are very delighted that Derman's position as a preferred provider has been fully proved by the performance in our services during the year 2019-20. In our core services, we have made a very significant progress, despite the difficult conditions caused by covid-19 pandemic towards the end of the financial year. Derman management took action quickly to address the pandemic issues arising from the pandemic. However, the outcomes of the pandemic on the society will be distressing for the year ahead. We will need to work through the lasting consequences of the Covid-19 pandemic and adapt to new challenges and opportunities in different ways of working.

We are proud that Derman has helped 3,847 people and concluded 16,688 contacts/sessions in the last financial year. We exceeded our targets for all the services.

Derman Recovery Star Model puts the service user at the heart of our services. All Derman services are well-connected to tackle people's physical, social and mental health problems. Derman currently offers holistic care through the following: Health Advocacy, Mental Health, and Advice services.

Bilingual Health Advocacy

The Health Advocacy service provides support to Turkish, Kurdish and Turkish Cypriot people living in Hackney to access primary care services. This service forms a bridge between health professionals and patients who cannot speak English by facilitating linguistic and cultural communication in a health setting.

According to our data most common complaints and conditions presented were as follows:

- Depression / mental health problems
- Back pain and pain in general
- Women's health problems
- Diabetes and cholesterol
- Stomach / bowel problems
- Cold / flu, Infection
- Asthma and Skin Conditions
- Blood pressure and heart problem

This service continued to be in very high demand and provided a service to 2,954 individuals and culminated in 8,604 contacts from 13 different GP surgeries in Hackney.

Welfare Advice

The Welfare Advice Service gives information, guidance and practical help on social and welfare rights and entitlements. Our Advice Service is designed to give information and guidance on welfare rights, housing, homelessness, debt and the consumer areas. We fill in various forms for our clients, make phone calls on their behalf; write, read, explain and translate their letters. We also take an action on behalf of clients in order to move their cases on to Appeal Service. The aims of the service are:

- To improve client's income
- To increase quality of life and reduce poverty for clients.

We offer a high- quality professional welfare advice service in partnership with Citizen Advice Bureau (CAB).

**DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

The Advice service has had another highly successful year with 421 people receiving help and concluded with 1,336 contacts

Mental Health Service

Derman provides a wide range of psychological treatment and interventions through three different projects:

• **City & Hackney Mental Health Wellbeing Network**

Derman is part of this Network which is led by Mind. We provide individual counselling, mental health support and a range of group activities. The aim of this service is to improve emotional wellbeing and focus their recovery via two pathways:

Enhanced Wellbeing Pathway:

this is for people with mild mental health problems receiving 12 hours of support across one year.

Recovery Pathway:

this is for people with more complex mental health problems receiving 50 hours support per year for up to 2 years.

Group activities: We offer 8 different group activities (handcraft, walking, self-help for depression, MH awareness, men's group, art& talk, behavioral activation and relapse prevention).

• **Improving Access to Psychological Therapies (IAPT)**

It is a partnership delivery model between statutory and non-statutory agencies, which is part of the national IAPT scheme.

We offer evidence-based psychological therapies approved by the National Institute of Clinical Excellence (NICE) for Hackney residents. This is a stepped care model that includes low intensity (step 2) and high intensity (steps 3-4) services. In the last financial year, we provided steps 2,3 & 4 services which include the following components:

- Individual high intensity therapy by a qualified Interpersonal Therapist (IPT), Counselling for Depression (CfD) or Cognitive Behaviour Therapy (CBT) therapist
- Individual low intensity therapy by qualified therapists
- Group therapy

• **Gambling Counselling**

This is a partnership service with GamCare to help overcome gambling problems in Turkish, Kurdish and Turkish Cypriot communities in London.

The Derman Bilingual Counselling Service is a unique agency Accredited by British Association of Counselling and Psychotherapy (BACP) since 2016, which shows the benchmark for high quality service delivery.

The mental health service is continuing to meet a vital need for people with mental health problems and 472 clients benefitted from the service. This service provided a total of 2,602 individual sessions and 4,146 contacts through 8 different group activities.

**DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

Reflecting back over the year, the other most significant milestones were:

We have made significant progress in meeting our strategic priorities in the last year:

Derman consolidated the partnership work with City and Hackney Clinical Commissioning Group (CCG), MIND, London Borough of Hackney, GamCare and BME Access service from the Mental Health Trust. We now have a long-standing relationship with Psychological Therapies Alliance (PTA) and with Hackney CCG to deliver Improved Access to Psychological services (IAPT).

Derman was successful to get funding from Big Lottery for the family therapy /counselling work in partnership with Minik Kardes and IMECE and for Turkish, Kurdish and Turkish Cypriot clients from Hackney and Islington. A family intervention involves working with the whole family to provide a tailored response to a family's specific needs and circumstances.

Derman, in collaboration with The City & Hackney BME Access service, delivered a series of awareness sessions in the community and produced a YouTube video in Turkish about suicide prevention to respond to the growing concern about suicide among the Turkish, Kurdish and Turkish Cypriot communities.

Derman, also in collaboration with SOAS University produced a short documentary called "GUZEL DERMEN"- Beautiful Cure. It is a short documentary about Turkish/Kurdish women's handcraft group at Derman. The film shows the women knitting whilst explaining their memories of moving to London and outlining how meeting weekly on creative project has helped them to create a peaceful and safe space for their healing. This film was screened as part of the London International Documentary Festival 2019.

Service Evaluation:

All of Derman's services collect general descriptive data on demographics, referrals, client and contact numbers. They ascertain feedback from service users via the general feedback questionnaire and complete necessary monitoring forms and reports for funders.

Mental Health Service - IAPT

IAPT collects questionnaires on anxiety and depression symptom severity. 'Recovery' is met if a service user moves from above to below the diagnostic threshold on both the depression and anxiety measures by the end of the intervention.

Outcomes reported for IAPT service showed that people accessing talking therapies recorded significant reliable recovery using both the PHQ9 measure of depression and the GAD7 measure of anxiety. Derman IAPT recovery rate was 65.4% in 2019-20. This shows that we exceeded our target recovery rate of 50%. Derman's recovery rate is higher than the national IAPT averages.

Mental Health Service - Wellbeing Network

A questionnaire called the 'STAR Model, A Recovery Compass and Support Plan' is used to measure improvement. This focuses on 4 main recovery domains ('managing wellbeing, social networks, physical health and daily Living') to identify client specific goals for their support plan.

**DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

Overall, we have seen improvements as evidenced by the recovery and wellbeing compass for our clients: 60% of clients have had an increase in their total compass score. According to the external evaluation report of the Wellbeing Network, Derman is one of the agencies that has achieved better outcomes.

For recovery compass, the average improvement achieved by Derman service users is greater when compared to the other services.

Derman's holistic care model case study:

Mrs X is a 35-year-old Kurdish refugee woman, married with 3 children. She was suffering physical and emotional violence from her husband. She does not speak English and she is illiterate.

When she came to the GP to see our advocate, she expressed the following problems: suicidal thoughts, her benefits were stopped and the violence from her husband increased.

Our interventions:

- The Advocate offered practical and emotional support and explained the steps they can take together to improve her emotional and social wellbeing*
- An appointment was made with the GP for mental health assessment on her suicidal thoughts and a request for a letter was made so that she could take it to a benefit agency.*
- Mrs. X was referred to our welfare advice worker who made an appeal to benefit agency to review their decision. The benefit agency reconsidered her case and her benefits were reinstated.*
- Mrs. X was referred to our Domestic Violence Support agency, a DV support worker helped her to take an injunction order for her husband to keep away from her.*
- Mrs X also was also referred for Derman counselling service*

Achieved outcomes through collaborative work with the GP, other agencies and Derman's services.

- She is not suicidal anymore and her mental health has improved*
- Poverty level was reduced*
- Her and her children's safety were secured*

We continued to support her in her GP appointments which lessened as she is feeling much better

We also regularly collect feedback from our clients and professionals we work with:

"We are happy with therapy. My son's symptoms don't change much, his emotions changed a lot. However, we try different ways to help him. We have hope for future"
(Service User)

"It is hard to imagine working in this area without the support of Derman. Working on a regular basis with Derman advocates is absolutely central to providing a good GP service to Turkish speaking patients. Also, the availability of counselling, benefits advice, mental health support and group activities contributes very significantly to the provision of effective health and social care to this population."

(GP)

"Staff are friendly, as soon as you open the door there is a friendly smile. If we had a problem, they are interested and they will attend to your problem."

(Service User)

**DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

RISK MANAGEMENT:

The trustees have a risk management strategy which comprises of:

- An annual review of the risks faced by the charity;
- The establishment of systems and procedures to mitigate the identified risks; and
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

We have been working to update our business continuity plan to mitigate the potential impact of the covid-19 pandemic. We are now providing our services remotely since 23rd March 2020 for existing and also new clients. We have a telephone triage session to assess the client's suitability for phone/online service, and we also get the client's consent before the assessment session. The Management Committee made a specific Risk Assessment for dealing with the current Covid-19 situation in Derman including coming out from lockdown and individual staff risk assessment.

Seven of the key risks identified and their subsequent mitigating actions for Derman for the year ended 31st March 2020 were:

1. Risk: Interruption our services due to pandemic
Mitigation: Develop a response plan- regularly update and evaluate Derman Business Continuity Plan/ moving our services online.
2. Risk: Returning to work safely after the lockdown
Mitigation: Make plans regarding coming out from lockdown/ and review on a regular basis to keep staff and service users safe.
3. Risk: Volatility and decrease of voluntary income resulting from recession and streamlining the services.
Mitigation: Strong messaging of the needs of the people Derman supports.
4. Risk: Continuing impact of budget cuts on the statutory income exacerbating the shortage of funding
Mitigation: Sustain open dialogue with local authorities and NHS and continually review opportunities.
5. Risk: Reputational risks associated with a serious incident involving people we support e.g. safeguarding, accidents.
Mitigation: Education and maintenance of awareness of safeguarding and whistleblowing at all levels of Derman. Rigorous training in health and safety for all our workforce and comprehensive risk assessments for all people we support.
6. Risk: Increase in payments in arrears as a result of payment by activities and payment by results.
Mitigation: Derman will increase the reserves to respond to the new type of contracts.
7. Risk: With the uncertain economic environment we are unable to make a long-term strategy:
Mitigation: we are working on updating strategic plan how to meet our aims in the current climate.

**DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

FINANCIAL REVIEW

The Statement of Financial Activities shows a surplus of £3,674 (2019 - deficit £2,270). At 31 March 2020 total reserves stood at £297,424 (2019 - £293,750).

RESERVES POLICY

The trustees review the organisation's reserves annually, in line with guidance issued by the Charity Commission. The trustees wish to hold minimum three and four months' direct charitable expenditure as reserves. They believe reserves at this level ensure the organisation can run efficiently, meet the needs of its service users and liabilities to employees.

The Trustees have considered their policy on building up reserves and established that the appropriate level of free reserves is one that allows the charity to continue its normal activities in the event of a significant drop in funding or loss of projects. The Trustees aim to increase its free reserves in response to the higher risk of income reductions from public sector bodies and lower returns expected from charitable trust applications. The free reserves will enable Derman to meet its objectives if it faces a loss of income, increases in unfunded costs or delayed receipt of grants.

Derman also needed to invest in its reserves in order to respond to new payment by the activity model contract instead of block funding contracts. This will help us to continue to provide our core activities in the event of unexpected shortfall of income or delays in payment or payment in arrears.

PLANS FOR THE FUTURE

Derman is committed to continuing to provide high quality, culturally sensitive and holistic services to Kurdish, Turkish and Turkish Cypriot communities. Our focus predominantly will be on the following areas:

- To ensure that Derman's services are of a high quality, sustainable and meet the Kurdish/Turkish communities' needs
- To seek opportunities to spread existing services to out of Hackney to respond the demand in North London due to the covid-19 pandemic.
- To launch a new community connector service which will be part of the East London community multi-disciplinary team
- To expand Improved Access to Psychological Therapies (IAPT) service
- To increase our gambling counselling capacity
- To launch a new community advocacy service in partnership with the Advocacy Project.
- To offer online/telephone counselling as an alternative to our normal face to face work.
- To make sure there is ongoing updates around compliance with Data Protection policies and Information Governance procedures.
- To keep up BACP accreditation and Trusted Charities quality mark
- To continue to work in partnership with statutory and other voluntary organisations.

Despite the undoubted challenges ahead related to the covid-19 pandemic, Derman will make a positive difference to the lives of people in our communities. Our future plans will be to maintain our services and strengthen our position as a preferred provider.

**DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

TRUSTEES

The trustees who served during the year are shown below:

Dr Elena Alexandrou
Kadriye Ali
Ziya Adnan
Dr Zerrin Atakan
Adem Celik
Dr Adam Forman
Nurullah Turan

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company and charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements, the trustees are required to:-

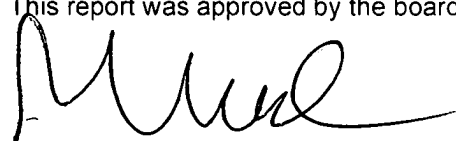
- 1) select suitable accounting policies and then apply them consistently.
- 2) make judgements and estimates that are reasonable and prudent.
- 3) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SMALL COMPANY EXEMPTIONS

This report has been prepared and delivered in accordance with the provisions in Part 15 of Companies Act 2006 applicable to companies subject to the small companies' regime.

This report was approved by the board on 3 November 2020 and signed on their behalf.



Nursel Tas
Company Secretary

**DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

I report on the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACCA, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Alison Ward FCCA

3 November 2020

Alison Ward Accountants
28 Hills Road
Buckhurst Hill
Essex IG9 5RS

DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
STATEMENT OF FINANCIAL ACTIVITIES (including the Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2020

	Unrestricted Note	Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Income:							
Donations and legacies	2	10,030	-	10,030	-	-	-
Income from charitable activities	3	520,070	922	520,992	456,433	35,721	492,154
Income from investments	4	790	-	790	304	-	304
Other income		-	-	-	600	-	600
Total income		<u>530,890</u>	<u>922</u>	<u>531,812</u>	<u>457,337</u>	<u>35,721</u>	<u>493,058</u>
Expenditure on:							
Raising funds	5	10,238	-	10,238	8,214	-	8,214
Charitable activities	6	516,967	933	517,900	450,925	36,189	487,114
Total		<u>527,205</u>	<u>933</u>	<u>528,138</u>	<u>459,139</u>	<u>36,189</u>	<u>495,328</u>
Net income/(expenditure)		3,685	(11)	3,674	(1,802)	(468)	(2,270)
Reconciliation of Funds							
Total funds brought forward		<u>293,706</u>	<u>44</u>	<u>293,750</u>	<u>295,508</u>	<u>512</u>	<u>296,020</u>
Total funds carried forward		<u>297,391</u>	<u>33</u>	<u>297,424</u>	<u>293,706</u>	<u>44</u>	<u>293,750</u>

The company made no recognised gains and losses other than those reported in the income and expenditure account.

The notes on pages 14 to 22 form part of these financial statements

DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
Company registered number: 02910220
BALANCE SHEET AT 31 MARCH 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	8	908	1,211
CURRENT ASSETS			
Debtors	9	28,402	58,874
Cash at bank and in hand		293,167	249,368
		321,569	308,242
CREDITORS: Amounts falling due within one year	10	(25,053)	(15,703)
NET CURRENT ASSETS		296,516	292,539
NET ASSETS		£ 297,424	£ 293,750
RESERVES			
Unrestricted funds	11	297,391	293,706
Restricted funds	11	33	44
		£ 297,424	£ 293,750

In approving these financial statements as directors of the company we hereby confirm the following:

For the year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

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

The accounts were approved by the board of trustees/directors on 3 November 2020



Nurullah Turan, Chair

The notes on pages 14 to 22 form part of these financial statements

DERMAN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Cashflows from operating activities			
Net cash provided by (used in) operating activities	12	43,009	25,855
Cash flows from investing activities:			
Dividends, interest and rents from investments		790	304
Change in cash and cash equivalents in the reporting period		43,799	26,159
Cash and cash equivalents at the beginning of the reporting period		249,368	223,209
Cash and cash equivalents at the end of the reporting period		<u>£ 293,167</u>	<u>£ 249,368</u>

The notes on pages 14 to 22 form part of these financial statements

DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES

1a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) as amended by Update Bulletin 1 issued in February 2016 and the Financial Reporting Standard applicable in the UK Republic of Ireland (FRS 102).

Derman meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1b. Preparation of the accounts on a going concern basis

Derman has reported a surplus of £3,674 for the year. The trustees are of the view that the immediate future of the charity for the next 12 to 18 months is secure and that on this basis the charity is a going concern.

1c. Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

Income received in advance of a specified service it is deferred until the criteria for income recognition are met.

**DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

1. ACCOUNTING POLICIES (CONTINUED)

1d. Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. The trustees' annual report contains information about the contribution to the charity made by volunteers.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1e. Interest receivable

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

1f. Funds

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations or grants which the donor has specified are to be used solely for particular purposes/areas of the charity's work or for specific projects undertaken by the charity.

1g. Expenditure and irrecoverable VAT

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

- Costs of raising funds comprise the costs of staff time and associated support costs.
- Expenditure on charitable activities includes the direct costs of providing the services and other activities undertaken to further the purposes of the charity and includes their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES (CONTINUED)

1h. Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance personnel, payroll and governance costs which support the charity's grant programme and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

1i. Tangible fixed assets

Fixed assets are shown at historical cost. The cost of minor additions costing less than £500 are not capitalised.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life by the reducing balance method.

	%
Office equipment	25
Furniture and equipment	25

1j. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1k. Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1l. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1m. Taxation

The charitable company is exempt from taxation under sections 466 to 493 of the Corporation Tax Act 2010.

DERMAN - FOR THE WELL-BEING OF THE KURDISH AND TURKISH COMMUNITIES
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES (CONTINUED)

1n. Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in the year.

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Donations	10,030	-	10,030	-
	<u>£ 10,030</u>	<u>£ -</u>	<u>£ 10,030</u>	<u>£ -</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Health Advocacy and Advice Services				
Homerton University Hospital NHS Foundation Trust	95,872	-	95,872	95,872
London Borough of Hackney	-	922	922	11,579
LB Hackney through CAB (East End Citizens Advice Bureaux)	24,082	-	24,082	-
LB Hackney through HIAC (lead by SAFH)	1,064	-	1,064	12,768
LB Hackney through City & Hackney Carers Centre	-	-	-	2,180
Other income - GP surgeries	16,940	-	16,940	11,388
Mental Health Services				
LB Hackney - Public Health through MIND	189,476	-	189,476	190,868
GamCare	13,758	-	13,758	12,969
City Bridge Trust	-	-	-	24,142
CCG Hackney	168,209	-	168,209	126,716
CCG Haringey	-	-	-	3,672
Big Lottery through Minik Kardes	10,669	-	10,669	-
	<u>£ 520,070</u>	<u>£ 922</u>	<u>£ 520,992</u>	<u>£ 492,154</u>

In 2019 the income received from London Borough of Hackney of £11,579 and City Bridge Trust of £24,142 was restricted. All other income was unrestricted.

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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

4. INCOME FROM INVESTMENTS

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Bank interest receivable	790	-	790	304
	<u>£ 790</u>	<u>£ -</u>	<u>£ 790</u>	<u>£ 304</u>

5. COST OF RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Support costs for fundraising	10,238	-	10,238	8,214
	<u>£ 10,238</u>	<u>£ -</u>	<u>£ 10,238</u>	<u>£ 8,214</u>

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Health Advocacy and Advice	157,713	-	157,713	143,567
Mental Health	354,144	933	355,077	339,099
Governance costs	5,110	-	5,110	4,448
	<u>£ 516,967</u>	<u>£ 933</u>	<u>£ 517,900</u>	<u>£ 487,114</u>

In 2019 the £143,568 expenditure on Health Advocacy and Advice was £126,457 unrestricted and £11,054 restricted. The £339,099 expenditure on Mental Health was £314,489 unrestricted and £24,610 restricted. All expenditure on Governance was unrestricted.

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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

7. GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Independent examiner's fees	2,160	-	2,160	1,770
AGM costs	2,937	-	2,937	2,665
Companies House filing fee	13	-	13	13
	<u>£ 5,110</u>	<u>£ -</u>	<u>£ 5,110</u>	<u>£ 4,448</u>

8. TANGIBLE FIXED ASSETS

	Furniture & equipment £	Office equipment £	Total £
Cost			
At 1 April 2019	9,857	17,541	27,398
At 31 March 2020	<u>9,857</u>	<u>17,541</u>	<u>27,398</u>
Depreciation			
At 1 April 2019	9,798	16,389	26,187
For the year	15	288	303
At 31 March 2020	<u>9,813</u>	<u>16,677</u>	<u>26,490</u>
Net Book Amounts			
At 31 March 2020	<u>£ 44</u>	<u>£ 864</u>	<u>£ 908</u>
At 31 March 2019	<u>£ 59</u>	<u>£ 1,152</u>	<u>£ 1,211</u>

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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

9. DEBTORS	2020	2019
	£	£
Trade debtors	26,701	43,892
Other debtors	396	13,779
Prepayments	1,305	1,203
	<u>£ 28,402</u>	<u>£ 58,874</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2020	2019
	£	£
Trade creditors	3,486	5,611
Other creditors including taxation and social security	9,143	8,053
Accruals	7,089	2,039
Deferred income	5,335	-
	<u>£ 25,053</u>	<u>£ 15,703</u>

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted Funds	Restricted Funds	Total 2020	Unrestricted Funds	Restricted Funds	Total 2019
	£	£	£	£	£	£
Fund Balances at 31 March 2020 are represented by						
Tangible fixed assets	875	33	908	1,167	44	1,211
Current assets	321,569	-	321,569	308,242	-	308,242
Current liabilities	(25,053)	-	(25,053)	(15,703)	-	(15,703)
Total Net Assets	<u>£ 297,391</u>	<u>£ 33</u>	<u>£ 297,424</u>	<u>£ 293,706</u>	<u>£ 44</u>	<u>£ 293,750</u>

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12. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Operating surplus/(deficit)	3,674	(2,270)
Depreciation	303	403
Decrease in debtors	30,472	31,664
Increase/(Decrease) in creditors	9,350	(3,639)
Net cash outflow from operating activities	<u>£ 43,799</u>	<u>£ 26,158</u>

13. OPERATING SURPLUS/(DEFICIT)

	2020	2019
	£	£
Surplus/(Deficit) is stated after charging:		
Depreciation	303	403
Staff costs (note 14)	<u>439,383</u>	<u>412,397</u>

14. STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The charity considers its Key Management Personnel to be the trustees/directors and the Director who is also the company secretary.

Staff costs during the year amounted to:	2020	2019
	£	£
Wages and salaries	404,594	374,068
Social security costs	29,054	26,353
Redundancy costs	-	6,455
Pension costs	5,735	5,521
	<u>£ 439,383</u>	<u>£ 412,397</u>

The average weekly number of employees during the year was 25 (2019 - 24)

No employee earned more than £60,000 during the year.

The trustees neither received nor waived any emoluments during the year (2019 - £Nil)

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15. RELATED PARTIES

The trustee Nurullah Turan is an employee of the London Borough of Hackney from which Derman received funding during the year. His employment does not involve him in funding decisions affecting the charity.

As stated above there were no trustee expenses. There are no other related party transactions.