

**Company Number 02029641**  
**Registered Charity 1002141**

# **Integrate (Preston and Chorley) Limited**

**Report and Financial Statements**

**For The Year Ended**  
**31 March 2022**

# **Integrate (Preston and Chorley) Limited**

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## **Integrate (Preston and Chorley) Limited**

### **Legal and Administrative Information**

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<b>Directors</b>	M J Robinson J T Dunn (resigned 13 May 2022) T McLean D Naden N Homan J Kay P McKeown L Arkwright M Bleasdale T Keely
<b>Chief Executive:</b>	S Pemberton
<b>Project director, ISS:</b>	P Green
<b>Project director, Corporate Services and Company Secretary:</b>	A Guthrie
<b>Project director, New Focus:</b>	A Watson
<b>Registered Office:</b>	112-116 Tulketh Brow Preston Lancashire PR2 2SJ
<b>Charity Number:</b>	1002141
<b>Company Number:</b>	02029641
<b>Constitution:</b>	The charity is registered as a company and is limited by guarantee. The charity is governed by Memorandum and Articles of Association.
<b>Auditors:</b>	MHA Moore and Smalley Richard House 9 Winckley Square Preston PR1 3HP

# **Integrate (Preston and Chorley) Limited**

## **Directors' Report**

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The Trustees, who are also Directors of the charity for the purposes of the Companies Act, present their annual report and financial statements of the charity for the year ended 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

### **Structure, Governance and Management of the Organisation:**

#### **Constitution and Governing document:**

Integrate is a charitable company whose Board of Directors are also charitable Trustees and are appointed to reflect the range of skills, interests and experience needed for effective governance, given the nature of the charitable activities. Trustees are appointed by the Board. The memorandum of association governs the activities of the charity and there are regular Board meetings to govern the business of the charity and monitor its operations, with operational senior managers reporting to project sub-boards to the agreed organisational plan. There have been no changes to the Board of Trustees this year.

#### **Recruitment/Selection of Trustee Directors:**

Directors (Trustees) are sought whose skills build on the skills base of the current Board which includes sector specific skills, expertise and experience, as well as in finance, law, business, marketing, human resources, and management, and includes some stake-holder representation from a parent carer and an expert by experience. Vacancies in the Board are advertised and recruited using local networks and the National Press. The current makeup of the Board was reviewed in March 2020, and it was agreed that there is a need to seek new members to allow for succession planning, this was put on hold due to the pandemic but is at the fore front of the strategic plan for the coming year.

The process of application for new members includes seeking references and attendance at an agreed number of Board Meetings, firstly as an observer, to ensure both the present Board of Trustees and the applicant feel the appointment would be beneficial and appropriate. The applicant receives all relevant information regarding the organisation structure, Board structure, expectations of both the Sub Boards and the Board Committees. This is further supported with verbal information from either the Chief Executive or the Company Secretary. Once the suitability of the prospective candidate has been agreed by the current Board Members the new Trustee will then be confirmed formally in their role at the next AGM.

#### **Induction and training:**

The training of new Board Directors would include the provision of an initial induction pack containing key information about the organisation including the Plan, organisational structures, the last AGM report and Accounts, any other recent project reports which may be of assistance, material on the organisation's constitution and memorandum of association, the role of the Board, and the up-to-date national guidance on Trustee standards and governance requirements. The Trustee job description is included in the pack and in any information to potential Trustees.

There would also be a 1:1 introductory session with the Chief Executive on the organisation including meeting key people and a similar 1:1 session with the Chair. Any new Chair has a period of induction which includes some induction from the retiring Chair or a designated experienced Board Director and on-going support/advice from them as required.

## **Integrate (Preston and Chorley) Limited**

### **Directors' Report**

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#### **Induction and training (continued):**

We continue to offer of ad-hoc training sessions to Trustees which previously included invites and attendance to conferences on the Care Act 2015, Deprivation of Liberty, Safeguards, Safeguarding, training in financial areas and other events relevant to the sector, this has been less than in previous years due to Covid, but as we see an emergence from the pandemic these opportunities will increase. Operational Managers continue to offer regular briefings regarding current employment changes, Charity Commission information and other updates relevant to each project area. Training continues to be done jointly with senior operational management as appropriate.

#### **Key management personnel remuneration**

The remuneration of the Chief Executive and Project Directors is set and reviewed by the remuneration committee with approval from the full Board of Trustees. Benchmarking of local similar charities takes place to ensure parity with other local Social Care and Charity Sector key personnel remuneration.

#### **Structure and wider network:**

Trustees are responsible for the long-term strategic direction of the charity, setting the aims and monitoring progress towards these, agreeing the annual plans and budgets within the overall strategy and key policies. The day-to-day management of the charity is delegated to the Chief Executive and the Project Directors, who are professional managers with experience and expertise in areas relevant to the projects. The Board continues to set financial parameters on level of spend authorised.

The Board meets regularly with the Chief Executive and Company Secretary as well as Project Directors who all attend quarterly Board meetings which have again been mainly held remotely with a move to face to face in the latter months of the year.

The work of the Board continues to be supported by 3 sub-boards who look at the detail of the 3 major project areas. The sub-boards are supported by the 3 operational Project Directors. The Board concentrates on the organisation's governance responsibilities and safeguarding the charity, looking towards its longer-term development, its strategic plan and overall financial stability. There may also be occasions where it is beneficial to run short-term "task and finish" groups with relevant operational management in relation to development and review issues across the whole organisation. One such group has been formed this year to look at the possibility of new offices and to review the organisation's building assets.

Sub -Boards work to the Project operational plans and report to the Board on progress and exceptions/matters which might affect the overall charity's risk or viability. The Project Directors manage the overall project activity to their agreed annual plans and ensure effective management of the activities to agreed standards, providing the specialist professional management and expertise. There may also be times when the Sub Boards co-opt members to follow up or advise on specific projects, for example Psychology or Housing Leads when applicable.

#### **Relationship with any related parties:**

Integrate has continued with its membership of the Lancashire Learning Disabilities Consortium (LLDC), which is an Industrial and Provident Society with charitable exemption and has a membership of Learning Disability Charities and Associate Members from Lancashire who share a commitment to promoting the welfare of adults with Learning Disabilities. Integrate, along with the LLDC, continue to represent issues for the Learning Disability sector across the county and have worked together throughout the last year to offer support to each other in these challenging times. Integrate's C.E.O. currently holds the position of Chair for the LLDC. Integrate also hosts the employment of the LLDC Business Manager post, the cost of which is fully covered by the Consortium.

The relationship between Integrate and Linkability, a charity based in Chorley which works with adults and children with severe Learning Disabilities, continues to be positive and is used as an opportunity to share knowledge and support in sector related issues.

## **Integrate (Preston and Chorley) Limited**

### **Directors' Report**

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#### **Relationship with any related parties (continued):**

Integrate's Social Enterprise Projects continue their associations with The Social Enterprise Lancashire Network, an organisation created to support social business across Lancashire; The Woodhouse is a member of the National Community Wood Recycling Project. The Charity Shops promote their links with the sector through their Membership of the Chamber of Commerce and the Charity Retail Association. However, opportunities continued to be much reduced over this year.

The sponsorship of Community Living, a magazine about Learning Disabilities has continued in this financial year. The CEO is a member of the Editorial Board and a trustee on the Board of C.L. Initiatives Limited, the charitable entity which govern the production and financial administration of the magazine.

Integrate continues to work in partnership with several Housing Associations, such as Places for People, Manchester Housing, Care Housing Association and Preston Community Gateway who all support the work of the Charity. Integrate acts as Managing Agents for some of these Housing Associations for which a fee is received. We continue to work with an increased number of private landlords due to the current social housing market.

Links with the local universities and colleges continued throughout this year although in a much-reduced capacity.

#### **Reviewing major risks:**

Integrate review any major risks annually, this is carried out by the Directors and Trustees and is managed by a combination of employing suitably qualified and experienced staff at each level and by providing regular and relevant training alongside the development and implementation of policies and procedures.

Risk assessments and strategies are in place and reviewed regularly to manage risks. Key areas are monitored which include financial planning and management of the main organisational risks. There are Safeguarding and Whistleblowing policies in place and these help to identify risk at an early stage to allow appropriate interventions to take place. One of the Trustees has designated responsibility for Whistleblowing.

The continued engagement of a Health and Safety consultant has helped the organisation to assess its Health and Safety risks by acting as our Competent Advisor. The ongoing monitoring of Health and Safety is reviewed monthly by the Staff Health and Safety and Staff Reps groups.

The majority of Integrate's business continues to be with Lancashire County Council and is funded at the benchmark rate. Having a major part of the business funded by one authority does place a certain amount of risk to the organisation. However, this year has seen an increased number of people with support being funded by the NHS through Clinical Commissioning Groups and via the Transforming Care Agenda.

The organisation also takes out comprehensive insurance to cover property and on-going operational risks and to indemnify the organisation's professional managers and Directors. This would also provide for the costs of defending any action related to HR issues which might be taken against them at any time and any potential concerns are managed in full consultation and supported by Peninsula, together with an HR professional manager who offers training and guidance.

Integrate's business continuity plan also covers areas such as the Covid pandemic, swine flu, winter flu, adverse weather conditions and other situations which may prevent staff from attending work. As staffing the service is the key risk in delivering support to vulnerable people, the plans allow for cover in case of untoward contingencies. Integrate's Internal Agency continues to be steady and provides the organisation with adequate members of agency workers to cover for holidays, sickness and training of permanent staff. This reduces the number of external agency staff utilised. On occasions when external agencies are used as a back-up both parties would work together to ensure staff used are regulars and known to the individuals they support. This last year has seen a rise in the use of external agency staff, one reason being the difficulty recruiting to the Care Sector, which is a national problem, but secondly due to the number of staff needing to isolate due to Covid.

## **Integrate (Preston and Chorley) Limited**

### **Directors' Report**

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#### **Reviewing major risks (continued):**

One major risk is the Tulketh Brow office which suffered from a flood and severe water ingress, which has meant some rooms are unable to be used. New office premises are being sought. The reduction in facilities is being managed by hybrid working and some members of office staff working out of other offices until a suitable replacement is secured.

#### **Objectives and Activities**

The charity's key objectives and activities are:

To develop, maintain and deliver local services in Preston and the surrounding area for adults and young people of 14 years and over with Learning Disabilities, and other adults in need whose disabilities benefit from more intensive support.

This includes providing Supported Housing and Domiciliary Support to various individuals in their home, to individuals in the family home, support towards employment and training activities, volunteering, and support to attend local colleges or other vocational activities.

#### **Achievements and Performance**

- There has been little change in the numbers of individuals receiving support from Integrate over the current year and the organisation have continued to provide support services in the local community to around 160 adults with learning disabilities, poor mental health, physical disabilities or hearing loss through continued contracts mainly with Lancashire County Council, but with around 25 individuals funded by Manchester City Council, other local authorities and Clinical Commissioning Groups. These services are responsible for the generation of the majority of Integrate's income. Whilst the numbers of individuals who receive support has remained static, sadly we have seen a few people who we supported who passed away over this period. The specialist service still has referrals in the pipeline but moving forward with them has been difficult due to restricted movement following the pandemic, so the numbers are slightly below the predicted target for the year. Integrate's original services continued to consolidate but have taken on a number of smaller services this year.
- The application for the organisation to be on the Approved Provider List for Lancashire County Council was approved last year, which means we can access services from Lancashire's new framework, but to date there has been no movement on this.
- Staffing the service and keeping both the people we support and the staff safe over this period has been our main concern and focus. We moved to having smaller staff teams supporting a smaller group of people to prevent the spread of the virus. This has meant that we have had no face-to-face meetings with the Quality Checkers or tenants' groups over this period, so this work has been on hold.
- Although there has been an increase in team meetings and face to face meetings in the last year, we are still adhering to Government guidance and continuing with staff testing to maintain safe environments for both the staff and the People we Support.
- We were able to hold a Garden Party in the summer, which was well received, sadly we had to cancel our plans for Christmas, due to an upsurge in Covid and the possible risks for the People we Support and staff.
- We have seen a continued increase in the number of people returning to the Social Enterprise projects and are almost up to full capacity. The packaging of Covid test kits for the University of Central Lancashire continued until the final quarter of the year when this service was wound up. The Woodhouse and the relationships with the large construction companies have seen a return to business as usual over the last year.

## **Integrate (Preston and Chorley) Limited**

### **Directors' Report**

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#### **Achievements and Performance (continued):**

- Work towards meeting CQC standards continued over the year although most was undertaken remotely via emails and Zoom/Team meetings.
- Integrate continue to work in partnership with several Social Housing providers and private landlords to source appropriate properties and help the people we support to manage their tenancies. This last year saw a similar number of rental voids, which have been unavoidable due to the reduced number of new services over the year and the passing away of some of the people we support.
- Integrate have continued to support Community Living magazine, which promotes equal citizenship for people with a Learning Disability. As we move to hold more face to face meetings we hope to support people to have a greater presence both nationally and locally, as there has been less contact with other organisations due to meetings taking place on line, which is not necessarily the best forum for the people who use our services.
- The CEO is a member of the local 'Regional Strategy Network for Disability' which feeds into the government work on disability issues; this has continued throughout the last year in a remote format.
- The average number of staff employed by Integrate in this year is 298 including internal agency staff. Integrate continue to support staff through basic and mandatory training and, there is a well-developed training pathway to ensure training of staff meet the needs of the people receiving support, this has mainly been carried out by E-Learning over the past year, but the plan to move back to face-to-face training is now in place.
- Integrate continues to support the training of lead trainers in physical intervention training and Positive Behavioural Support. This has contributed to a reduction in the number of people we support with physical intervention protocols in their support plan. The last year has seen a further Service Co-Ordinator qualify to increase the numbers of trainers.
- Integrate continues to offer Management training and other suitable courses to Senior staff to equip them for the Senior Role. This includes some who are supported to become Trainers, helping to deliver and support the progression of staff teams through the Care Certificate. This ensures consistency and quality in relation to training qualifications and enhances the training offered and the skills of the organisation and has led to an increased number of qualified staff within the organisation.
- The two Senior support workers who were working towards their Social Work degree have almost completed the course, this was being funded by the Apprenticeship Levy, this will deliver qualified Social Workers in first line management positions.
- We continue with appropriate office provision and administrative support to the wider geographical areas and have provided for better IT support and teams, online, meetings to keep them in touch with the main offices.
- We continue to offer Specialist Deaf Services which offer opportunities to people from the Deaf community to live a varied lifestyle in their own homes rather than in more institutional settings.
- The above activities are in line with Integrate's Strategic Plan and demonstrate how it meets its aims and objectives. Integrate continues to meet public benefit requirements, as set down by the Charity Commission, in relation to its charitable work and objects, by its involvement and influence in the local community, promoting inclusion and awareness about disadvantaged groups, alongside its main activities of direct support to these individuals.

## **Integrate (Preston and Chorley) Limited**

### **Directors' Report**

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#### **The impact of Covid-19**

Staff continued to work in very small tight teams to reduce the number of people they came into contact with, therefore reducing any spread of the virus should it be present. Similarly, back-office staff worked from home where possible with a small number covering the essential tasks in the office bases.

The number of staff taking up the vaccinations was very positive, for the small number unable or unwilling to be vaccinated, we rescheduled their work and the people they supported so that anyone vulnerable was not put at risk.

The day services and the Enterprise Projects re-opened and most people returned to take up their placements as before, with a small number reducing their days of attendance.

PPE and test kits were made available via the Government and NHS distribution, therefore sufficient stocks of PPE and tests were readily available at no cost to Integrate.

Going forward, there will still be a requirement to provide support services to various groups of vulnerable and disabled people, therefore it would be expected that Integrate will continue to provide these services as commissioned. Extra costs may continue to be incurred where we see high levels of symptomatic staff and positive Covid-19 tests. This could impact on service provision which could lead to higher costs with increased Statutory Sick pay and Discretionary Company Sick pay along with increased use of external agency staff.

#### **Disabled employees**

The charity gives full consideration to applications for employment from disabled persons where a disabled person can adequately fulfil the requirements. Where existing employees become disabled, it is the charity's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development.

# Integrate (Preston and Chorley) Limited

## Directors' Report

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### Financial review

#### Designated Reserves:

The charity has designated reserves held in relation to the commitment it has to the people it supports, its housing management responsibilities and its staff. It also must maintain a level of cash flow to cover its monthly requirements and to take account of changes in the contracting environment. Further, Integrate also maintains reserves in order to support project development and to support applications to external funding sources.

Currently designated reserves are as follows and have increased by £500 from previous years:

- Voids: Voids tend to be long term and filling them generates additional costs due to the length of time a property needs to be taken before a tenant can move in. Shared properties with voids can be difficult to fill due to compatibility issues with co-tenants.
- Office funds: is used to support major works/repairs/relocations on main offices.
- Housing provisions: ensures reserves to cover unexpected housing services responsibilities to support housing service needs.
- Development provision: The charity is looking to continue to consolidate its position over the next year. Further funding from external sources would be required for large development projects.
- Continuity: the continuity fund has been maintained and viewed together with the general reserve the longer term target is to cover 2 months expenditure and the gap has continued to narrow this year.
- Clients' Continuity: this fund is used to support specific needs of clients relating to Integrate's duty of care e.g. funeral costs, contribution to equipment required and welfare where no other sources are available.
- Training fund: funds continue to be used to support the further development of specialist training.
- Employment contingency: supports the impact of any additional costs due to restructuring or service changes in order to assist continuity and transition and any other unforeseen employment costs.
- Training Equipment Reserve: to support client and staff training equipment including that to support the needs of disabled people.

#### General Reserve:

As a business there is a need for a general reserve to support cash flow and payroll, where contracts are mainly paid 4 weeks in arrears. The general reserve and continuity reserve must be considered together to cover the charity's monthly ongoing operating costs. The general reserve has increased by the net movement in unrestricted funds this year.

This year the remeasurement of the pension fund liability as detailed in Note 16, has led to a gain of £69,086 being recognised within the general reserve. The net movement before this remeasurement was £21,204.

#### Restricted reserves:

A number of Covid-19 related grants were received in the year, all of which have been treated as restricted. These grants were fully spent in this Financial Year.

#### Reserves and Tangible Fixed Assets

Total reserves as at 31 March 2022 were £726,906 all of which are unrestricted funds. After the deduction from total funds of designated funds (excluding the continuity contingency fund) and fixed assets the total reserves are £179,035.

## **Integrate (Preston and Chorley) Limited**

### **Directors' Report**

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#### **Principal funding sources:**

The concern remains over the financial reliance on a major single funder Lancashire County Council due to the commitment to providing local services. Some inroads have been made with other Councils, the NHS and some Clinical Commissioning Groups with the specialist service provided by New Focus. Housing services also contribute significantly to the Charity and its commitment to support services in the community.

#### **Training related income:**

Integrate receives training income for social work and nursing placements and has also received income from Skills for Care towards mandatory training requirements.

#### **Future plans:**

During the Next Year:

- To recruit to our current Board of Trustees to help with succession planning.
- Continued delivery of high-quality support, utilising Person-Centered approaches to enable services to meet individual need. To meet the development target of the specialist services in line with the strategic plan.
- Continued opportunities in the Social Enterprise Projects bringing together new ideas on the Horticulture Project, Charity Shops, the Woodhouse and Packing Project by seeking out new initiatives for work streams. Further development of the CaRs Project.
- To develop our specialist Deaf Service to enable an increased number of individuals to live in and access the community.
- To continue to develop, review and implement systems with continued involvement and representation from staff at all levels.
- To increase opportunities for involvement of the people we support across the organisation with further training for Quality Checkers, increased involvement in the recruitment process at all levels and the exploration of opportunities for paid work within the organisation. These opportunities should also include participation and membership within the organisation including representation to Sub Boards and Board in a variety of ways. Further support to enable participation to both local and national forums representing issues for people with a Learning Disability.
- To work with LCC on the move to the new APL framework.
- To review our Social Media presence with the aim of raising awareness of Integrate, with a particular focus on recruitment.
- To review our Head Office situation and source other appropriate office space within the correct locality.
- To offer the Social Work Degree course to one of the Service Managers, to enhance the qualifications and the expertise of the Service Manager level.

#### **Fundraising:**

We have considered the requirements of the Charities (Protection and Social Investment) Act 2016 regarding disclosures concerning fundraising and fundraising standards and confirm that these do not apply to the charity.

#### **Auditors:**

A resolution proposing that MHA Moore and Smalley be reappointed as auditor of the company will be put to the Annual General Meeting.

## Integrate (Preston and Chorley) Limited

### Directors' Report

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#### Statement of Trustees' Responsibilities:

The Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

By order of the Board

  
J Kay  
Director

Date: 03/10/2022

# **Integrate (Preston and Chorley) Limited**

## **Independent Auditor's Report to the Members**

**Year ended 31 March 2022**

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### **Opinion**

We have audited the financial statements of Integrate (Preston and Chorley) Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities (incorporating an income and expenditure account), the balance sheet, the statement of cash flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

## **Integrate (Preston and Chorley) Limited**

### **Independent Auditor's Report to the Members**

**Year ended 31 March 2022**

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We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

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

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

## **Integrate (Preston and Chorley) Limited**

### **Independent Auditor's Report to the Members**

**Year ended 31 March 2022**

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#### **Auditor's responsibilities for the audit of the financial statements (continued)**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions and judgements made by management, in particular in relation to future performance;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness;
- Reviewing correspondence with the Care Quality Commission and the Charities Commission; and
- Reviewing board minutes.

We identified the following areas as those most likely to have a material impact on the financial statements: employment law and compliance with the Charities Act.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Christine Wilson (Senior Statutory Auditor)  
For and on behalf of  
MHA Moore and Smalley  
Chartered Accountants and Statutory Auditor  
Preston

05/10/2022  
.....

## Integrate (Preston and Chorley) Limited

### Statement of Financial Activities (Incorporating an income and expenditure account)

For the year ended 31 March 2022

		Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
	<b>Notes</b>				
<b>Income from:</b>					
Charitable activities	2	8,540,608	134,600	8,675,208	8,234,179
Investments	3	424	-	424	1,034
<b>Total income</b>		<b>8,541,032</b>	<b>134,600</b>	<b>8,675,632</b>	<b>8,235,213</b>
<b>Expenditure on:</b>					
Charitable activities	5	8,536,212	118,216	8,654,428	8,224,599
<b>Total expenditure</b>		<b>8,536,212</b>	<b>118,216</b>	<b>8,654,428</b>	<b>8,224,599</b>
<b>Net income</b>	7	4,820	16,384	21,204	10,614
Transfers between funds		16,384	(16,384)	-	-
<b>Other recognised gains:</b>					
Remeasurements to pension liability	16	69,086	-	69,086	(4,461)
<b>Net movement in funds</b>		<b>90,290</b>	<b>-</b>	<b>90,290</b>	<b>6,153</b>
Total funds brought forward		636,616	-	636,616	630,463
Total funds carried forward		726,906	-	726,906	636,616

All of the above results are derived from activities which are continuing.

All gains and losses in the periods are included above.

## Integrate (Preston and Chorley) Limited

### Balance Sheet

As at 31 March 2022

	Notes	2022		2021	
		£	£	£	£
<b>Fixed Assets</b>					
Intangible assets	10		45,964		61,496
Tangible assets	11		398,407		421,417
<b>Current Assets</b>					
Debtors	12	564,462		750,894	
Cash at bank and in hand		<u>1,082,617</u>		<u>864,231</u>	
		1,647,079		1,615,125	
<b>Creditors:</b>					
Amounts falling due within one year	13	<u>(1,264,105)</u>		<u>(1,277,907)</u>	
<b>Net current assets</b>			<u>382,974</u>		<u>337,218</u>
<b>Total assets less current liabilities</b>			827,345		820,131
<b>Creditors:</b>					
Amounts falling due after more than one year	14		<u>(100,439)</u>		<u>(183,515)</u>
<b>Net assets</b>			<u>726,906</u>		<u>636,616</u>
<b>Represented by:</b>					
Restricted funds	15		-		-
Unrestricted funds	15		<u>726,906</u>		<u>636,616</u>
<b>Total funds</b>			<u>726,906</u>		<u>636,616</u>

The financial statements have been prepared in accordance with the provisions applicable to companies entitled to the small companies' regime

The financial statements were approved by the board of directors and authorised for issue on ...03/10/2022.....

Signed on behalf of the Board

  
 J Kay  
 Director  
 Company number: 02029641

## Integrate (Preston and Chorley) Limited

### Statement of Cash Flows

For the year ended 31 March 2022

	<b>2022</b>	<b>2021</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cash generated by operating activities</b>	(a) 239,471	437,887
<b>Cash flows from investing activities</b>		
Investment income	424	1,034
Interest paid	(2,871)	(2,948)
Purchase of tangible fixed assets	(14,495)	(4,800)
<b>Cash used in investing activities</b>	(16,942)	(6,714)
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(4,143)	(4,067)
<b>Cash used in by financing activities</b>	(4,143)	(4,067)
<b>Increase in cash and cash equivalents in the year</b>	218,386	427,106
Cash and cash equivalents at the beginning of the year	864,231	437,125
<b>Cash and cash equivalents at the end of the year</b>	1,082,617	864,231
<b>(a) Reconciliation of net movement in funds to net cash flow from operating activities</b>		
Net income for the year	21,204	10,614
Investment income received	(424)	(1,034)
Interest paid	3,623	6,420
Amortisation	15,532	15,532
Depreciation	37,505	27,450
Decrease in debtors	186,432	727,559
(Increase)/ decrease in creditors	8,606	(316,608)
Employers pension deficit contributions (note 16)	(33,007)	(32,046)
<b>Cash generated by operating activities</b>	239,471	437,887

# **Integrate (Preston and Chorley) Limited**

## **Notes to the financial Statements**

**Year ended 31 March 2022**

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### **1 Accounting policies**

#### **a General information and basis of preparation**

Integrate (Preston and Chorley) Limited is a company limited by guarantee, incorporated 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 members of the company are the Directors as listed on the legal and administrative information page). The address of the registered office is included on the legal and administrative information page of these financial statements. The nature of the charity's operations and principal activities are included within the Directors' Report.

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 issued in October 2019, 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 Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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.

#### **b Going concern**

The global Covid-19 pandemic has had and will continue to have a significant impact on a number of organisations. The trustees are responding to the ongoing challenges being faced as a result of this pandemic and together with management have put in place risk management processes to minimise the impact of the virus on employees and service users. The management team continually review operational and staffing impacts arising from the pandemic.

In light of the measures implemented and following a review of the financial forecasts, together with funds held, the trustees have concluded that it remains appropriate to prepare these financial statements on the going concern basis as the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

#### **c Fund accounting**

General funds are unrestricted 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. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is described by its title within the directors' report. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. The aim and use of each restricted fund is described by its title within the directors' report.

# Integrate (Preston and Chorley) Limited

## Notes to the financial Statements

Year ended 31 March 2022

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### d 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. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of donations and is included in full in the SOFA when receivable.
- Investment income is included when receivable.
- Incoming resources from charitable trading activities are accounted for when earned.

The charity receives government grants in respect of Coronavirus Job Retention Scheme and Infection Control Fund. 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.

Income received in advance of an event or provision of specified service is deferred until the criteria for income recognition are met.

### e Expenditure

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.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Detailed analyses of the expenditure, including irrecoverable VAT where applicable, are provided in the notes to the accounts.

- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the direct costs and support costs relating to these activities and services.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked with the strategic management of the charity.
- Support costs relate to costs incurred in carrying out the central functions. These costs have been allocated to the charitable activity – enabling young people and adults with a learning disability.

### f Tangible fixed assets and depreciation

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

- Freehold buildings 1%-20% straight line
- Fixtures, fittings and equipment 12.5%-33.3% straight line
- Employment Unit equipment 12.5%-25% straight line

### g Intangible fixed assets

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- Software 14.2% - 20% straight line (over 5-7 years)

# Integrate (Preston and Chorley) Limited

## Notes to the financial Statements

Year ended 31 March 2022

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### h 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.

### i Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

### j Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

### k Pensions

The company contributes to a multi-employer scheme. As the proportion of the fund attributable to Integrate (Preston and Chorley) Limited cannot be calculated this scheme has been treated as if it was a defined contribution scheme. As the scheme is in deficit and the company has agreed to a deficit funding arrangement, the company recognises a liability for this obligation which is equal to the discounted present value of the future deficit payments.

### l Operating leases

Rentals applicable to operating leases are charged to the SOFA on a straight line basis over the term of the lease.

### m Taxation

The company is a registered charity and is not liable to taxation on its charitable activities.

### n Judgements and key sources of estimation uncertainty

The Directors do not believe that there are any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

## 2 Income from charitable activities

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
Statutory Funds	7,202,089	-	7,202,089	6,860,671
Housing Funds	831,229	-	831,229	791,978
Social Enterprises	404,719	-	404,719	271,512
Training (including secondment)	10,456	-	10,456	9,559
Covid-19 grants	-	134,600	134,600	231,192
Project Funded Income	-	-	-	10,530
Other	92,115	-	92,115	58,737
	<u>8,540,608</u>	<u>134,600</u>	<u>8,675,208</u>	<u>8,234,179</u>

Other includes £50,000 of one-off income in respect of an incentive to change bankers during 2022. £231,192 of income from charitable activities, in respect of grants, was restricted in the previous year.

## Integrate (Preston and Chorley) Limited

### Notes to the financial Statements

Year ended 31 March 2022

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#### 3 Income from investments

This comprises building society interest. All investment income was unrestricted in the current and previous year.

#### 4 Support costs

	2022	2021
	£	£
Wages, salaries and other staff related costs	333,585	316,260
Premises related costs	51,192	56,870
Communications costs	32,631	26,935
Legal and professional services	105,804	96,975
Sundry expenses	1,152	1,174
Amortisation	15,532	15,532
Depreciation	31,815	22,398
Bank charges and interest	5,831	7,253
	<u>577,542</u>	<u>543,397</u>

#### 5 Expenditure on charitable activities

	2022	2021
	£	£
Wages, salaries and other staff related costs	6,916,979	6,620,425
Premises related costs	841,816	790,904
Communications costs	95,214	87,241
Legal and professional services	115,643	96,368
Other Social Enterprise costs	28,194	20,828
Sundry expenses	56,714	44,643
Depreciation	5,690	5,052
Bank charges and interest	5,196	5,290
Support costs (see note 4)	577,542	543,397
Governance costs (see note 6)	11,440	10,451
	<u>8,654,428</u>	<u>8,224,599</u>

Included within the above total is £134,600 (2021: £213,077) of restricted expenditure related to one charitable activity: Enabling Young People and Adults with a Learning Disability and Others In Need.

## Integrate (Preston and Chorley) Limited

### Notes to the financial Statements

Year ended 31 March 2022

#### 6 Governance costs

These costs are as follows:

	2022	2021
	£	£
External audit	9,450	8,525
External audit – irrecoverable VAT	1,890	1,705
Trustees' expenses	100	221
	<u>11,440</u>	<u>10,451</u>

#### 7 Net income/(expenditure) for the year

This is stated after charging:

	2022	2021
	£	£
Amortisation	15,532	15,532
Depreciation	37,505	27,450
Auditors' remuneration	9,450	8,525
Rentals under operating leases	<u>645,674</u>	<u>635,977</u>

#### 8 Staff costs

	2022	2021
	£	£
Wages and salaries	5,949,601	5,775,390
Social security costs	453,401	421,585
Pension costs (defined contribution)	<u>129,691</u>	<u>125,283</u>
	<u>6,532,693</u>	<u>6,322,258</u>

The average monthly number of salaried employees during the year was:

	2022	2021
Full and part time	<u>298</u>	<u>293</u>
Full time equivalents	<u>252</u>	<u>261</u>

One (2021: one) employee received total employee benefits (excluding employer pension costs of more than £60,000 during the current year, earning between £60,001 and £70,000. The directors (trustees) did not receive any remuneration during the year. Travel expenses amounting to £100 (2021: £221) were reimbursed to one (2021: one) director (trustee) during the year. The key management personnel of the charity comprise the Directors, the Chief Executive, and the three Project Directors as listed on as listed on the legal and administrative information page. The total employee benefits of the key management personnel of the charity, including National Insurance and pension contributions, were £243,718 (2021: £248,944).

## Integrate (Preston and Chorley) Limited

### Notes to the financial Statements

Year ended 31 March 2022

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#### 9 Related party transactions

S Pemberton and D Naden are trustees of C.L. Initiatives Limited. During the year subscription and seminar fees of £4,000 (2021: £4,000) were paid to this entity.

#### 10 Intangible fixed assets

	<b>Software</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 April 2021	<u>90,251</u>	<u>90,251</u>
At 31 March 2022	<u>90,251</u>	<u>90,251</u>
<b>Amortisation</b>		
At 1 April 2021	28,755	28,755
Charge for year	<u>15,532</u>	<u>15,532</u>
At 31 March 2022	<u>44,287</u>	<u>44,287</u>
<b>Net book value</b>		
At 31 March 2022	<u>45,964</u>	<u>45,964</u>
At 31 March 2021	<u>61,496</u>	<u>61,496</u>

## Integrate (Preston and Chorley) Limited

### Notes to the financial Statements

Year ended 31 March 2022

#### 11 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Social Enterprise equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2021	528,554	112,479	30,305	671,338
Additions	-	-	14,495	14,495
At 31 March 2022	<u>528,554</u>	<u>112,479</u>	<u>44,800</u>	<u>685,833</u>
<b>Depreciation</b>				
At 1 April 2021	138,824	84,285	26,812	249,921
Charge for year	16,083	15,732	5,690	37,505
At 31 March 2022	<u>154,907</u>	<u>100,017</u>	<u>32,502</u>	<u>287,426</u>
<b>Net book value</b>				
At 31 March 2022	<u>373,647</u>	<u>12,462</u>	<u>12,298</u>	<u>398,407</u>
At 31 March 2021	<u>389,730</u>	<u>28,194</u>	<u>3,493</u>	<u>421,417</u>

#### 12 Debtors

	2022	2021
	£	£
Trade debtors	495,692	595,319
Prepayments and accrued income	68,770	155,575
	<u>564,462</u>	<u>750,894</u>

#### 13 Creditors: amount falling due within one year

	2022	2021
	£	£
Bank loans (note 14)	4,014	4,014
Trade creditors	54,460	82,503
Other tax and social security	108,257	102,759
Accruals and deferred income	1,086,775	1,055,624
Pension deficit payments (note 16)	10,599	33,007
	<u>1,264,105</u>	<u>1,277,907</u>

## Integrate (Preston and Chorley) Limited

### Notes to the financial Statements

Year ended 31 March 2022

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#### 14 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans	81,945	86,088
Pension deficit payments (note 16)	18,494	97,427
	<u>100,439</u>	<u>183,515</u>

Bank loans fall due for payment as follows:

Amounts wholly repayable by instalments	2022	2021
	£	£
<b>Bank loans</b>		
Within one year	4,014	4,014
Between two and five years	81,945	86,088
	<u>85,959</u>	<u>90,102</u>

Interest is payable at base rate plus 3.1%. The bank loan is secured by a fixed charge on the freehold land and buildings it relates to.

## Integrate (Preston and Chorley) Limited

### Notes to the financial Statements

Year ended 31 March 2022

#### 15 Funds

	At 1 April 2021 £	Income £	Expenditure £	Other gains, losses and transfers £	At 31 March 2022 £
General	233,616	8,497,211	(8,433,922)	26,501	323,406
<b>Designated funds</b>					
Voids reserve	25,000	43,821	(53,700)	9,879	25,000
Office fund	12,500	-	(4,677)	4,677	12,500
Housing provisions	10,000	-	(8,101)	8,101	10,000
Development provision	25,000	-	(6,501)	6,501	25,000
Continuity contingency	300,000	-	-	-	300,000
Clients' contingency	10,000	-	(3,001)	3,001	10,000
Training fund	5,000	-	(13,878)	13,878	5,000
Employment contingency	12,500	-	(12,432)	12,932	13,000
Training equipment reserve	3,000	-	-	-	3,000
<b>General and designated</b>	<b>636,616</b>	<b>8,541,032</b>	<b>(8,536,212)</b>	<b>85,470</b>	<b>726,906</b>
<b>Restricted funds</b>					
Covid-19 infection control funds	-	54,372	(54,372)	-	-
Covid-19 workforce capacity	-	6,295	(6,295)	-	-
Coronavirus job retention scheme (CJRS)	-	18,759	(18,759)	-	-
Covid-19 rapid testing	-	36,072	(36,072)	-	-
Covid-19 vaccines funding	-	2,718	(2,718)	-	-
Covid-19 income support grant	-	16,384	-	(16,384)	-
	-	134,600	(118,216)	(16,384)	-
<b>Total funds</b>	<b>636,616</b>	<b>8,675,632</b>	<b>(8,654,428)</b>	<b>69,086</b>	<b>726,906</b>

The restricted funds received during the current and previous year were all in relation to the Covid-19 pandemic. The purpose of these funds was to facilitate measures to reduce and control infections. The CJRS grant was received from HMRC to retain jobs during the pandemic. All other grants were received from local authorities.

## Integrate (Preston and Chorley) Limited

### Notes to the financial Statements

Year ended 31 March 2022

#### 15 Funds – Previous Year

	At 1 April 2020 £	Income £	Expenditure £	Other gains, losses and transfers £	At 31 March 2021 £
General	227,463	7,963,562	(7,931,567)	(25,842)	233,616
<b>Designated funds</b>					
Voids reserve	25,000	40,459	(40,615)	156	25,000
Office fund	12,500	-	(4,261)	4,261	12,500
Housing provisions	10,000	-	(2,736)	2,736	10,000
Development provision	25,000	-	(6,216)	6,216	25,000
Continuity contingency	300,000	-	-	-	300,000
Clients' contingency	10,000	-	(1,689)	1,689	10,000
Training fund	5,000	-	(4,104)	4,104	5,000
Employment contingency	12,500	-	(20,334)	20,334	12,500
Training equipment reserve	3,000	-	-	-	3,000
<b>General and designated</b>	<b>630,463</b>	<b>8,004,021</b>	<b>(8,011,522)</b>	<b>13,654</b>	<b>636,616</b>
<b>Restricted funds</b>					
Covid-19 infection control funds	-	99,160	(90,036)	(9,124)	-
Covid-19 workforce capacity	-	30,474	(30,474)	-	-
Coronavirus job retention scheme (CJRS)	-	92,567	(92,567)	-	-
Covid-19 income guarantee scheme	-	3,530	-	(3,530)	-
Covid-19 income support grant	-	5,461	-	(5,461)	-
	-	231,192	(213,077)	(18,115)	-
<b>Total funds</b>	<b>630,463</b>	<b>8,235,213</b>	<b>(8,224,599)</b>	<b>(4,461)</b>	<b>636,616</b>

## Integrate (Preston and Chorley) Limited

### Notes to the financial Statements

Year ended 31 March 2022

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#### 16 Pension costs

Integrate (Preston and Chorley) Limited participates in The Pensions Trust's Growth Plan (the scheme). This is a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

- From 1 April 2022 to 31 January 2025: £3,312,000 per annum (payable monthly)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.9m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

- From 1 April 2019 to 31 January 2025: £11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

As the scheme is in deficit and the company has agreed to a deficit funding arrangement, the company recognises a liability for this obligation. The amount recognised of £29,093 (2021: £130,434) is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

A reconciliation of the total liability included within creditors is shown below. A total of £10,599 (2021: £33,007) is shown as due in less than 1 year, with the balance shown as due in greater than 1 year.

## Integrate (Preston and Chorley) Limited

### Notes to the financial Statements

Year ended 31 March 2022

#### 16 Pension costs (continued)

	2022	2021
	£	£
At 1 April	(130,434)	(154,547)
Unwinding of the discount factor (interest expense)	(752)	(3,472)
Deficit contribution paid	33,007	32,046
Remeasurements - impact of any change in assumptions	69,086	(4,461)
	<u>          </u>	<u>          </u>
At 31 March	(29,093)	(130,434)
	<u>          </u>	<u>          </u>

The charges/(credits) recognised in the statement of financial activities are shown below:

	2022	2021
	£	£
Interest expense	752	3,472
Remeasurements to pension liability	(69,086)	4,461
	<u>          </u>	<u>          </u>

The assumptions used are shown below:

	2022	2021
	%	%
Rate of discount	<u>2.35</u>	<u>0.66</u>

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

At the year-end £27,047 (2021: £25,761) was owed to the scheme in respect of contributions.

#### 17 Analysis of net assets between funds

	Restricted	Unrestricted	Total 2022	Total 2021
			£	£
Intangible fixed assets	-	45,964	45,964	61,496
Tangible fixed assets	-	398,407	398,407	421,417
Net current assets	-	382,974	382,974	337,218
Creditors due after more than 1 year	-	(100,439)	(100,439)	(183,515)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	-	726,906	726,906	636,616
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

## Integrate (Preston and Chorley) Limited

### Notes to the financial Statements

Year ended 31 March 2022

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#### 18 Financial commitments

Operating lease commitments

At the year end, the total of the company's future minimum lease payments under non-cancellable operating leases was:

	Land & Buildings		Other	
	2022	2021	2022	2021
	£	£	£	£
Amounts due within one year	389,411	339,866	6,458	7,358
Amounts due between one and five years	100,290	22,610	5,081	3,515
	<u>489,701</u>	<u>362,476</u>	<u>11,539</u>	<u>10,873</u>

#### 19 Analysis of changes in net debt

	2021	Cash flows	2022
	£	£	£
Bank loans due in more than one year	(86,088)	4,143	(81,945)
Bank loans due in less than one year	<u>(4,014)</u>	<u>-</u>	<u>(4,014)</u>
Total liabilities	(90,102)	4,143	(85,959)
Cash and cash equivalents	<u>864,231</u>	<u>218,386</u>	<u>1,082,617</u>
Total net funds	<u>774,129</u>	<u>222,529</u>	<u>996,658</u>

