

REGISTERED COMPANY NUMBER: 02666602 (England and Wales)
REGISTERED CHARITY NUMBER: 1008195

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2023
for
INDIVIDUAL CARE SERVICES

Michael Dufty Partnership Limited
Statutory Auditors
59-61 Charlotte Street
St Pauls Square
Birmingham
West Midlands
B3 1PX

INDIVIDUAL CARE SERVICES

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for the Year Ended 31 March 2023**

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INDIVIDUAL CARE SERVICES

Report of the Trustees for the Year Ended 31 March 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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 2019).

This annual report contains a Director's Report as required by Company Law.

OBJECTIVES AND ACTIVITIES

The objective of the charity is to provide support in the community for people with special needs. The primary beneficiaries of this support are people with a learning disability and/or additional physical, sensory or behavioural disabilities.

The support is provided through two key services: long term care provision in small residential care homes; and a community-based registered domiciliary care service providing support to service users in their own homes as well as facilitating access community facilities and activities.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity undertakes.

INDIVIDUAL CARE SERVICES

Report of the Trustees for the Year Ended 31 March 2023

STRATEGIC REPORT

Achievement and performance

A key goal is to ensure the stability and on-going viability of existing services of the charity and identify key areas for future growth and development.

At the start of the fiscal year 2022 - 2023 the Board of Trustees and the Chief Executive Officer (CEO) completed a review of the business plan and forecasting within it. The overall strategic direction remained the same. The fiscal results of 2021 - 2022 for Individual Care Services (ICS) have demonstrated good, continued recovery from 2020 - 2021 and a business growth and an improvement in financial stability, with the demonstration of a small surplus.

With the demonstrated growth and marginal surplus, the Trustees and CEO felt that the business plan (2020 - 2025) should remain the same, indications where such that the charity should continue the same growth trajectory and meet the forecasted numbers in 2022 - 2023.

2022 -2023 was subject to many changes in management, with the replacement of the Head of Service and various Service Manager positions. These changes resulted in additional workload for the management team, however by the end of the financial year, stability in all areas with the exception of the residential home 60 ward Grove, was restored.

The trustees had for many years discussed the purchase of a property by the sea for the benefit of its clients to use as a holiday home, in November 2022 this ambition was realised with the purchase of a 6-bed bungalow in the village of Amroth, West Wales. The trustees and CEO have begun a journey of modification to the property to ensure its accessibility for all of ICS' clients and a safe environment for them to enjoy.

The long-term aim is for the property to provide a home from home feel with enhanced facilities at an affordable rate for all of ICS' clients. ICS will continue to review the rate charged for using the home and where a client of ICS is unable to afford this facility, ICS will wave the charges. The trustees believe that all of our clients should have the opportunity for a holiday and where the organisation can support in doing this, it will. The property will operate at a loss and in the interest of subsidising ICS clients stays there. To provide a degree of separation and ensure the property is operated as a holiday let and not a respite facility, the property will be managed by Ardenfield Ltd, a property management company.

ICS continues to have a focus on quality and has utilised the support of an external inspector to identify areas to improve. ICS has also started the process of digitisation with the support of Access Group Health and Social Care. Both of these steps have demonstrated improvements; however the transition has been complicated and labourious, something that has resulted in manager fatigue. It is envisioned that by the end of the next financial year, the transition will be complete and with the greater knowledge of the systems, will bring an improvement further still of quality and the easing on the workload of the management team. ICS will seek to add Access Compliance in the forthcoming year to the suite of software, linking all activities together.

The Trustees recognise the challenging business environment in which the organisation continues to operate in, and the challenges ICS faces in service delivery, this is largely because of the post covid-19 pandemic work force issues and the financial crisis starting September 2022 and continuing into 2023. ICS has seen salary and hourly rate demands increase by circa 10% yet funding increased only by circa 8%. The trustees and the CEO feel that it is essential to have consistency in support staff and management and so will attempt to remain competitive in pay and benefits. To achieve this and reduce the impact of the delta, ICS will reduce property renovation expense over the next two years and seek to expand the client base slightly to spread the operational costs. Expansion will largely be dependant on the use of finance facilities secured against purchased property.

Covid-19 and the impact of the pandemic continued to be experienced across the sector and the organisation, although promisingly, the impact is reduced incrementally month by month and by the end of the financial year, ICS had a notable low number of case. It will remain on the organisations radar for the forthcoming financial year, however at this stage it is expected to have no further impact.

INDIVIDUAL CARE SERVICES

Report of the Trustees for the Year Ended 31 March 2023

The CQC continues to utilise a more data driven approach, this will result in fewer inspections, but does mean that ICS could operate for prolonged periods without regulator intervention, ICS is at risk of slipping standards and complacency. To mitigate this ICS is now using an external auditor for care and refining its use of digital auditing software.

Residential care remains at a very low level of interest for Warwickshire, Coventry, and Solihull, although in Staffordshire, it still appears an active market. ICS has maintained its two care homes, but it is still felt that at this time, supported Living is the organisation's focus. The financial viability of the residential service '2 Laural Drive' remains workable, however the residential service '60 Ward Grove' is a high-risk service, with extremely high pay and operational cost demands and financial stability and the stability of care sensitive to external factors such as support worker pay, cost of living and property resident numbers.

The financial headwind caused by increasing operating costs and the cost-of-living crisis combined with reduced spending by Local Authorities and the NHS presents a risk to non-surplus delivering services, the trustees and CEO will continue to monitor this into 2023-2024.

To ensure the most cost-effective use of resources in relation to business support such as accountancy, payroll and pension management and administration, the trustees continue to outsource these functions. The trustees believe, given the current size of the charity's business, outsourcing provides the best efficiencies in terms of productivity and costs. The arrangement will be kept under review. As mentioned above, ICS has also outsourced the property management of Mellicha, West Wales, including cleaning, grounds maintenance, bookings, and the management of utilities. This permits flexibility when demand changes and minimises the fiscal responsibility of employing to manage the property. ICS will continue to review this and consider moving these functions inhouse should that be deemed more cost effective in the future.

To help ensure continued growth in its services, ICS actively maintains relationships with commissioners and other influencers to ensure it receives a steady number of referrals of new packages.

Commissioners and regulatory authorities undertake regular audits of the services provided by ICS. One of the main elements of these audit processes are that staff are appropriately trained to deliver care safely for our clients. Following a review of the training and development utilised within ICS, it was identified that a consistent and structured approach was needed to ensure that all training provided could be correctly recorded and evidenced for the purposes of staff development and inspection/audit processes undertaken by commissioning and regulatory authorities. This has now been implemented and proving successful.

There is now a blended approach to the training structure within ICS providing its staff with their fundamental training and development. ICS staff are able to access training via on-line remote learning, classroom-based learning and training manuals. Staff and managers also have access to webinars and local authority provided training. Managers are increasingly being supported to complete Train the Trainer events to reduce external costs on ICS and provide a more dynamic approach to staff onboarding.

It is essential that staff receive the appropriate training and development to enable them to undertake their duties safely and competently. The training processes that have been developed and implemented provide ICS staff with the necessary competencies, which ensure that clients are provided with safe and robust care. Staff also recognise that training and development is an investment in their career progression within ICS and as such, gain a sense of worth from this investment made by the charity.

In addition to a wider breadth of topics to be covered during induction training, the Care Certificate calls for Service Managers to have a much higher level of engagement with their teams in terms of observing performance, motivation and management.

ICS has set the target for all managers in the 'care' area of the business to have the level 5 in Leadership and Management in Social Care, this is to improve management practice and overall quality.

INDIVIDUAL CARE SERVICES

Report of the Trustees for the Year Ended 31 March 2023

STRATEGIC REPORT

Financial review

ICS does not actively seek donations, either monetary or in kind. All revenue is generated through contracts with Local Authorities and Health Authorities or directly from service users in the form of 'Direct Payments'.

All surplus funds are currently being used to modernise the properties and expand the property portfolio of ICS, with the renovation and expansion of the portfolio, ICS is able to offer more services to more clients. As a result of this strategic change, the trustees consider the most appropriate level of free reserves should be not less than £400,000.

The charity has again met its financial objectives in accordance with its corporate planning initiatives and goals. Total income for 2022 - 2023 is £4,379,718 compared to £3,896,518 in the previous year, a growth of nearly £500,000.

The net income this year was £215,131 compared to £100,201 in the previous year. Taking into account the challenges surrounding recruitment and subsequent need for agency, alongside the renovation investment back into the organisation, the generation of £215,131 surplus is considered a very successful year for ICS. The changes and improvements from 2022 - 2023 will help ICS to continue to be a financially viable organisation for the years to come.

Despite planned expenditure, the balance sheet and financial resources has continued to increase in line with the Charity's corporate plan and objectives. As of 31st March 2023, the charity's net assets amounted to £5,800,346 compared to £5,585,215 as of 31st March 2022.

Under the Charity's Memorandum and Articles of Association the Board of Trustees has the power to invest as it thinks fit any monies not immediately required. The Trustees in previous years have adopted a low to medium risk investment strategy, placing funds in short term savings of varying amounts with maturities periodically through the fiscal year. Following review of assets, growth and return on investment, the trustees decided to redirect the funds held in these investment and purchase property. This will continue to be the strategy of the Board for 2023 - 2024 and beyond.

ICS' utilisation of the facility of mortgages will continue in the coming years to support growth and capitalise on the asset value of the property portfolio it has.

The Board of Trustees investment policy is to ensure it has cash reserves to cover 3 months expense whilst facilitating forced sales of owned property if needed. It is noted however that in the event that the organisation had a significant reduction in revenue, its staffing costs would also reduce at a comparable ratio. The Trustees continue to review and update this policy, on a regular basis. Due to the current financial situation and investment uncertainty Individual Care Services has £300,000 in cash held on account with Lloyds Bank Plc. Over the coming years, ICS will allow this to grow steadily to £500,000 to reflect its growing staff team.

Principal risks and uncertainties

ICS has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. External risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, clients and visitors to ICS. There is a consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

INDIVIDUAL CARE SERVICES

Report of the Trustees for the Year Ended 31 March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is a company limited by guarantee. The company is registered under the Charities Act, number 1008195. The members of the board of trustees are directors of the charitable company and its trustees for the purposes of company law. They are elected in accordance with the provision of the Articles of Association and meet at least quarterly. A senior management team is appointed by the board of trustees to advise on policy and to manage the day-to-day operations of the charity. Individual Care Services (ICS) is governed by the Memorandum and Articles of Association, dated 1 November 1991, as amended on 29 March 2000. These articles are reviewed on a regular basis.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr A H Crompton
Mr A A Crompton
Mr M Hartley
Mrs L Hartley
Mr G A Smith
Mrs F B Smith
Mrs Helle Charles
Miss R Thorpe

David Hartley continued with ICS and was promoted to Chief Executive Officer in recognition for continued progress and development of ICS. David has grown the organisation, led the organisation through the financial crisis (Cost of Living), continued to focus on digital innovation and resolved the quality issues identified by internal and external audit. David delivered a growth of 12% with a surplus (including capital investment) of over 6%. David continues to drive the organisation in modernisation through technological innovations and environmental impact reduction (going paperless and clean energy). David has taken the charities ambition of many years to provide a holiday location for ICS' clients and made it a reality, locating and securing a large bungalow on the West coast of Wales. David has the full support of the board of trustees and continues to work towards the growth of the charity focusing on the core values of ICS.

Trustees are elected at the AGM of the Charity and all members of the Charity are entitled to vote. Any co-opted trustee is required to resign and stand for election at the next AGM. All trustees undergo an individual induction process and are presented with a personal comprehensive induction pack, which includes Charity Commission videos and publications. The Trustees are able to confirm that they have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
02666602 (England and Wales)

Registered Charity number
1008195

Registered office
25 Alcester Road
Studley
Warwickshire
B80 7LL

INDIVIDUAL CARE SERVICES

Report of the Trustees for the Year Ended 31 March 2023

Trustees

Mr A H Crompton
Mr A A Crompton
Mr M Hartley
Mrs L Hartley
Mr G A Smith
Mrs F B Smith
Mrs Helle Charles
Miss R Thorpe

Chief Executive Officer and Secretary to the Board

Mr David Hartley

Auditors

Michael Dufty Partnership Limited
Statutory Auditors
59-61 Charlotte Street
St Pauls Square
Birmingham
West Midlands
B3 1PX

Solicitors

Band Hatton Button
Earlsdon Park
53-55 Butts Road
Coventry
West Midlands
CV1 3BH

Accountants

J E Johnson Limited
61 Charlotte Street
St Pauls Square
Birmingham
B3 1PX

Bankers

Lloyds
19 Church Green East
Redditch
B98 8BZ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Individual Care Services for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

INDIVIDUAL CARE SERVICES

**Report of the Trustees
for the Year Ended 31 March 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

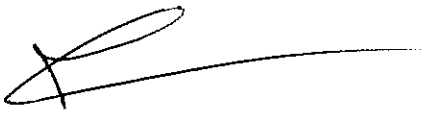
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

AUDITORS

The auditors, Michael Duffy Partnership Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 21-11-23 and signed on the board's behalf by:



.....
Mr A A Crompton - Trustee

Report of the Independent Auditors to the Members of Individual Care Services

Opinion

We have audited the financial statements of Individual Care Services (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 2023 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Individual Care Services**

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Report of the Independent Auditors to the Members of Individual Care Services

Our 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 a Report of the Independent Auditors 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.

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error, to obtain sufficient appropriate audit evidence regarding the assessed risk of material misstatement due to fraud or error, and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected even though the audit is properly planned and performed in accordance with ISAs (UK).

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, our procedures included the following:

- we obtained an understanding of the legal and regulatory frameworks applicable to the Charity and the sector in which it operates. We determined that the following laws and regulations were most significant: The Charities Act 2011 and the Charities SORP (FRS 102) (effective 1 January 2019) and compliance with Care Quality Commission standards.
- we obtained an understanding of how the Charity is complying with those legal and regulatory frameworks by making inquiries of the Charity's management, and considering available audit information.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- identifying and assessing the design and effectiveness of controls management has in place to prevent and detect fraud.
- understanding how management considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process.
- challenging assumptions and judgments made by management in its significant accounting estimates
- identifying and testing journals entries as deemed necessary during the audit and, in particular reviewing material journal entries posted with unusual accounting combinations.
- assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Individual Care Services**

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 auditors' 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.

Robert MacLaren FCCA, ACA (Senior Statutory Auditor)
for and on behalf of Michael Dufty Partnership Limited
Statutory Auditors
59-61 Charlotte Street
St Pauls Square
Birmingham
West Midlands
B3 1PX

Date: 23-11-23

INDIVIDUAL CARE SERVICES

**Statement of Financial Activities
for the Year Ended 31 March 2023**

	Notes	2023 Unrestricted funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities	3		
Residential care		1,014,422	1,008,715
Domiciliary care		3,365,295	2,886,428
Investment income	2	1	1,375
Total		4,379,718	3,896,518
 EXPENDITURE ON			
Charitable activity care cost	4	4,164,587	3,796,317
		215,131	100,201
 NET INCOME			
 RECONCILIATION OF FUNDS			
Total funds brought forward		5,585,215	5,485,014
TOTAL FUNDS CARRIED FORWARD		5,800,346	5,585,215

The notes form part of these financial statements

INDIVIDUAL CARE SERVICES

**Balance Sheet
31 March 2023**

	Notes	2023 Unrestricted funds £	2022 Total funds £
FIXED ASSETS			
Tangible assets	9	6,486,639	4,898,546
CURRENT ASSETS			
Debtors	10	403,397	351,047
Cash at bank		477,461	775,489
		<u>880,858</u>	<u>1,126,536</u>
CREDITORS			
Amounts falling due within one year	11	(691,023)	(439,867)
		<u>189,835</u>	<u>686,669</u>
NET CURRENT ASSETS			
		<u>189,835</u>	<u>686,669</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,676,474	5,585,215
CREDITORS			
Amounts falling due after more than one year	12	(876,128)	-
		<u>5,800,346</u>	<u>5,585,215</u>
NET ASSETS			
		<u>5,800,346</u>	<u>5,585,215</u>
FUNDS	15		
Unrestricted funds		5,800,346	5,585,215
		<u>5,800,346</u>	<u>5,585,215</u>
TOTAL FUNDS		<u>5,800,346</u>	<u>5,585,215</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 21-11-23 and were signed on its behalf by:



.....
Mr A A Crompton - Trustee

The notes form part of these financial statements

INDIVIDUAL CARE SERVICES

**Cash Flow Statement
for the Year Ended 31 March 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	384,187	221,276
Net cash provided by operating activities		384,187	221,276
Cash flows from investing activities			
Purchase of tangible fixed assets		(867,177)	(798,915)
Sale of tangible fixed assets		234,800	150,000
Net cash used in investing activities		(632,377)	(648,915)
Cash flows from financing activities			
Loan repayments in year		(14,678)	-
Capital repayments in year		(2,395)	-
Interest paid		(32,765)	-
Net cash (used in)/provided by financing activities		(49,838)	-
Change in cash and cash equivalents in the reporting period			
		(298,028)	(427,639)
Cash and cash equivalents at the beginning of the reporting period		775,489	1,203,128
Cash and cash equivalents at the end of the reporting period		477,461	775,489

The notes form part of these financial statements

INDIVIDUAL CARE SERVICES

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2023**

1.	RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2023	2022
		£	£
	Net income for the reporting period (as per the Statement of Financial Activities)	215,131	100,201
	Adjustments for:		
	Depreciation charges	25,077	68,910
	Profit on disposal of fixed assets	(11,697)	-
	Interest paid	32,765	-
	Increase in debtors	(52,350)	(82,923)
	Increase in creditors	175,261	135,088
		<u>384,187</u>	<u>221,276</u>
	Net cash provided by operations	<u>384,187</u>	<u>221,276</u>

2.	ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)			
	At 1.4.22	Cash flow	Other non-cash changes	At 31.3.23
	£	£	£	£
Net cash				
Cash at bank	775,489	(298,028)		477,461
	<u>775,489</u>	<u>(298,028)</u>		<u>477,461</u>
Debt				
Finance leases	-	(449)	(91,868)	(92,317)
Debts falling due within 1 year	-	29,478	(99,561)	(70,083)
Debts falling due after 1 year	-	-	(791,355)	(791,355)
	<u>-</u>	<u>29,029</u>	<u>(982,784)</u>	<u>(953,755)</u>
Total	<u>775,489</u>	<u>(268,999)</u>	<u>(982,784)</u>	<u>(476,294)</u>

The notes form part of these financial statements

INDIVIDUAL CARE SERVICES

Notes to the Financial Statements for the Year Ended 31 March 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Accounting policy judgements and key sources of estimation uncertainty

Certain of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience. Information about such judgements and estimation is contained in the accounting policies and/or notes to the financial statements and the key areas are summarised below:

Judgements in applying accounting policies

The Trustees/Directors must judge whether all the conditions required for income and costs to be recognised in the Statement of Financial Activities have been met.

Sources of estimation

Depreciation rates are based on estimates of the useful lives and residual values of the assets involved

The carrying value of debtors is assessed and the recoverability of debtors concluded on.

Accrued income and accrued wages are calculated based on the date the charge periods end. The income charge periods ended either on 27 March 2023 or 2 April 2023 and therefore assessment has been made of accrued income on that basis.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income primarily consists of long term care provision in small residential care homes; and a community based registered domiciliary care service providing support to service users in their own homes as well as facilitating access community facilities and activities.

Income is charged either in 4 week periods, 13 times per annum, or on a monthly basis, depending on the policy of individual Local authorities and Health authorities.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

INDIVIDUAL CARE SERVICES

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Freehold property	- 1% straight line on revaluation
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

The properties of the charity are regularly maintained and the maintenance costs are charged as an expense to the Statement of Financial Activities. The property valuations are reviewed annually.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Investments

Current asset investments included in cash at bank balances are stated at market value.

Cash at bank and in hand

Cash at bank and in hand includes amounts held on money market and in a call account. These are included at statement balances and interest receivable is included in other debtors.

Pensions

The charitable company operates a defined contribution pension scheme and auto enrolment pensions. Contributions payable to the charitable company's pension scheme and under auto enrolment are charged to the Statement of Financial Activities in the period to which they relate.

2. INVESTMENT INCOME

	2023	2022
	£	£
Interest receivable	<u>1</u>	<u>1,375</u>

INDIVIDUAL CARE SERVICES

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023 £	2022 £
Fees received for residential care	Residential care	1,014,422	1,008,715
Fees for domiciliary care	Domiciliary care	3,365,295	2,886,428
		4,379,717	3,895,143

4. CHARITABLE ACTIVITY CARE COST

Domiciliary care costs

	2023 £	2022 £
Staff costs	2,924,788	2,619,699
Other costs	245,279	204,364
Depreciation	17,352	14,863
Interest payable and similar charges	25,229	-
	3,212,648	2,838,926

Residential care costs

	2023 £	2022 £
Staff costs	806,151	745,405
Other costs	142,224	157,939
Depreciation	7,725	54,047
Loss on sale of assets	(11,697)	-
Interest payable and similar charges	7,536	-
	951,939	957,391

Aggregate amounts

	4,164,587	3,796,317
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5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation - owned assets	19,270	68,910
Depreciation - assets on hire purchase contracts and finance leases	5,807	-
Surplus on disposal of fixed assets	(11,697)	-
Loss/(profit) on disposal	-	8,701
	-	8,701

INDIVIDUAL CARE SERVICES

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

7. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	3,730,939	3,365,104
	<u>3,730,939</u>	<u>3,365,104</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Charitable activities	132	115
Management and administration	12	8
	<u>144</u>	<u>123</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£70,001 - £80,000	1	1
£120,001 - £130,000	1	1
	<u>2</u>	<u>2</u>

Wages and salaries above includes agency workers £227,109 (2022 - £234,563)

Employers national insurance contributions included in wages and salaries above totalled £233,425 (2022 - £226,905).

The company operates a money purchase pension scheme and it contributes in respect of those staff entitled to join. Pensions auto enrollment is available for the remaining staff.

Total pension costs in the year were £113,061 (2022 - £98,844). Pension costs are included in staff costs. Pension commitments included in accrued expenses are £nil (2022 - £nil).

Contributions totalling £34,237 (2022 - £40,723) including salary sacrifice were made to defined contribution pension schemes on behalf of 1 employee whose emoluments exceed £60,000 (2 employees in 2022).

INDIVIDUAL CARE SERVICES

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

8. SUPPORT COSTS

Support costs

Cost type

	2023	2022
	£	£
Payroll costs	470,380	488,475
Other costs	338,902	248,472
Depreciation	13,381	20,057
Sale of assets	-	8,701
	<u>822,663</u>	<u>765,705</u>

Allocation of support costs 2023	Payroll costs	Other costs	Depreciation	Sale of Assets	Total
	£	£	£	£	£
Domiciliary care	376,304	260,406	16,643	-	653,353
Residential care	<u>94,706</u>	<u>78,496</u>	<u>(3,262)</u>	-	<u>169,310</u>
	<u>470,380</u>	<u>338,902</u>	<u>13,381</u>	-	<u>822,663</u>

Allocation of support costs 2022	Payroll costs	Other costs	Depreciation	Sale of Assets	Total
	£	£	£	£	£
Domiciliary care	390,780	184,126	14,863	8,701	598,470
Residential care	<u>97,695</u>	<u>64,346</u>	<u>5,194</u>	-	<u>167,235</u>
	<u>488,475</u>	<u>248,472</u>	<u>20,057</u>	<u>8,701</u>	<u>765,705</u>

Support costs have been allocated 77% (2022 - 74%) to Domiciliary Care and 23% (2022 - 26%) to Residential care.

Governance costs includes payments to the auditors of £5,000 (2022 £5,000) for audit fees.

INDIVIDUAL CARE SERVICES

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

9. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2022	4,875,873	109,557	106,839	5,092,269
Additions	1,678,384	32,221	139,356	1,849,961
Disposals	(215,753)	-	(41,275)	(257,028)
At 31 March 2023	<u>6,338,504</u>	<u>141,778</u>	<u>204,920</u>	<u>6,685,202</u>
DEPRECIATION				
At 1 April 2022	43,220	75,564	74,939	193,723
Charge for year	-	16,554	8,523	25,077
Eliminated on disposal	-	-	(20,237)	(20,237)
At 31 March 2023	<u>43,220</u>	<u>92,118</u>	<u>63,225</u>	<u>198,563</u>
NET BOOK VALUE				
At 31 March 2023	<u>6,295,284</u>	<u>49,660</u>	<u>141,695</u>	<u>6,486,639</u>
At 31 March 2022	<u>4,832,653</u>	<u>33,993</u>	<u>31,900</u>	<u>4,898,546</u>

Comparable historical cost for the land and buildings included at valuation:

	2023 £	2022 £
Cost	5,359,936	3,897,306
Accumulated depreciation	317,072	317,072
As at 31 March 2023	<u>5,042,864</u>	<u>3,580,234</u>

This represents properties included above at the following valuation.

	2023 £	2022 £
Revaluation	6,338,502	4,875,873
Accumulated depreciation	43,220	43,220
As at 31 March 2023	<u>6,295,282</u>	<u>4,832,653</u>

All other tangible fixed assets are stated at historical cost.

The freehold properties owned by the company were valued by G A Smith who is a Chartered Surveyor, a trustee of the charity, on an open market basis. The valuation was undertaken at 31 March 2021 and in the opinion of the Trustees this valuation is considered to be reasonable.

INDIVIDUAL CARE SERVICES

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

9. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
Additions	139,356
DEPRECIATION	
Charge for year	5,807
NET BOOK VALUE	
At 31 March 2023	133,549
At 31 March 2022	-

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	386,594	341,741
Other debtors	5,178	9,306
Prepayments and accrued income	11,625	-
	403,397	351,047

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 13)	70,083	-
Hire purchase (see note 14)	7,544	-
Trade creditors	154,535	59,523
Social security and other taxes	62,224	56,914
Other creditors	11,476	1,348
Accrued expenses	385,161	322,082
	691,023	439,867

INDIVIDUAL CARE SERVICES

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans (see note 13)	791,355	-
Hire purchase (see note 14)	84,773	-
	876,128	-
	876,128	-

13. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	70,083	-
	70,083	-
Amounts falling between one and two years:		
Bank loans - 1-2 years	70,560	-
	70,560	-
Amounts falling due between two and five years:		
Bank loans - 2-5 years	229,441	-
	229,441	-
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	491,354	-

Bank Loans

Bank loans include loans that are either repayable at a fixed or variable rate of interest.

Fixed Rate Loans

Fixed rate loans are as follows:

A bank loan of £90,588 which was drawdown on 03/08/2022. The loan is repayable by monthly instalments and carries interest at 6.64% per annum. The loan is repayable from 03/09/2022 to 03/08/2037, Interest of £3,959 was charged during the year and the balance as at 31 March 2023 is £88,473.

A bank loan of £80,820 which was drawdown on 21/09/2022. The loan is repayable by monthly instalments and carries interest at 8.14% per annum. The loan is repayable from 21/10/2022 to 21/09/2037, Interest of £3,239 was charged during the year and the balance as at 31 March 2023 is £79,383.

A bank loan of £274,050 which was drawdown on 26/10/2022. The loan is repayable by monthly instalments and carries interest at 7.42% per annum. The loan is repayable from 28/11/2022 to 26/10/2037, Interest of £8,420 was charged during the year and the balance as at 31 March 2023 is £269,824.

Variable Rate Loans

Variable rate loans are as follows:

INDIVIDUAL CARE SERVICES

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

13. LOANS - continued

A bank loan of £90,589 which was drawdown on 03/08/2022. The loan is repayable by monthly instalments and carries interest at 3.4% rate above base rate per annum. The loan is repayable from 05/09/2023 to 03/07/2037, Interest of £2,400 was charged during the year and the balance as at 31 March 2023 is £87,541.

A bank loan of £80,820 which was drawdown on 21/09/2022. The loan is repayable by monthly instalments and carries interest at 3.4% rate above base rate per annum. The loan is repayable from 21/10/2022 to 21/09/2037, Interest of £2,400 was charged during the year and the balance as at 31 March 2023 is £78,925.

A bank loan of £274,050 which was drawdown on 26/10/2022. The loan is repayable by monthly instalments and carries interest at 3.4% rate above base rate per annum. The loan is repayable from 26/11/2022 to 26/10/2037, Interest of £10,000 was charged during the year and the balance as at 31 March 2023 is £272,091.

All bank loans are secured by a charge over the relevant property.

14. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2023 £	2022 £
Net obligations repayable:		
Within one year	7,544	-
Between one and five years	84,773	-
	92,317	-
	92,317	-

15. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	4,217,793	215,131	4,432,924
Revaluation reserve	1,367,422	-	1,367,422
	5,585,215	215,131	5,800,346
TOTAL FUNDS	5,585,215	215,131	5,800,346

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,379,718	(4,164,587)	215,131
	4,379,718	(4,164,587)	215,131
TOTAL FUNDS	4,379,718	(4,164,587)	215,131

INDIVIDUAL CARE SERVICES

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	4,078,345	100,201	39,247	4,217,793
Revaluation reserve	1,406,669	-	(39,247)	1,367,422
	<u>5,485,014</u>	<u>100,201</u>	<u>-</u>	<u>5,585,215</u>
TOTAL FUNDS	<u><u>5,485,014</u></u>	<u><u>100,201</u></u>	<u><u>-</u></u>	<u><u>5,585,215</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,896,518	(3,796,317)	100,201
	<u>3,896,518</u>	<u>(3,796,317)</u>	<u>100,201</u>
TOTAL FUNDS	<u><u>3,896,518</u></u>	<u><u>(3,796,317)</u></u>	<u><u>100,201</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	4,078,345	315,332	39,247	4,432,924
Revaluation reserve	1,406,669	-	(39,247)	1,367,422
	<u>5,485,014</u>	<u>315,332</u>	<u>-</u>	<u>5,800,346</u>
TOTAL FUNDS	<u><u>5,485,014</u></u>	<u><u>315,332</u></u>	<u><u>-</u></u>	<u><u>5,800,346</u></u>

INDIVIDUAL CARE SERVICES

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

15. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	8,276,236	(7,960,904)	315,332
TOTAL FUNDS	<u>8,276,236</u>	<u>(7,960,904)</u>	<u>315,332</u>

16. RELATED PARTY DISCLOSURES

During the year the company purchased services from a business in which directors/trustees had an interest. The value of these services and the directors/trustees concerned are as follows:

Two trustees, Mr A H Crompton and Mr A A Crompton are directors of A A Frances & Sons Limited. This company carried out most of the maintenance and refurbishment work at the residential homes. The following transactions were undertaken on a normal commercial basis.

Resources expended of £71,772 (2022 - £33,675). In addition there are capitalised costs of £296,088 (2022 - £96,640)

Within trade creditors and accruals is a balance of £103,719 (2022 - £9,434) in respect of this company.

David Hartley a Director of the company and is also a Director and shareholder in Ardenfield Limited. Ardenfield Limited provides management services to the charity. The amount of fees paid to Ardenfield Limited during the year amounted to £2,740 (2022 - £Nil).

During his period of his employment, the charity made loans available to Mr J Edwards (The former Chief Executive Officer of the charity). The loan debtor at the period end was £5,178 (2022 - £9,028). This is being repaid at £350 per month.

17. ULTIMATE CONTROLLING PARTY

There was no controlling party during the year.

INDIVIDUAL CARE SERVICES

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

18. GOING CONCERN

The Charity's financial statements are prepared on a going concern basis. There are no material uncertainties about the Charity's ability to continue.

INDIVIDUAL CARE SERVICES

Detailed Statement of Financial Activities for the Year Ended 31 March 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Investment income		
Interest receivable	1	1,375
Charitable activities		
Fees received for residential care	1,014,422	1,008,715
Fees for domiciliary care	3,365,295	2,886,428
	4,379,717	3,895,143
Total incoming resources	4,379,718	3,896,518
EXPENDITURE		
Domiciliary care costs		
Staff costs	2,924,788	2,619,699
Other costs	245,279	204,364
Depreciation of tangible fixed assets	17,352	14,863
Bank loan interest	23,039	-
Hire purchase	2,190	-
	3,212,648	2,838,926
Residential care costs		
Staff costs	806,151	745,405
Other costs	142,224	157,939
Depreciation of tangible fixed assets	7,725	54,047
Profit on sale of assets	(11,697)	-
Bank loan interest	6,882	-
Hire purchase	654	-
	951,939	957,391
Total resources expended	4,164,587	3,796,317
Net income	215,131	100,201

This page does not form part of the statutory financial statements