



# FitzRoy Support

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## Trustee Report and Financial Statements for the year ended 31 March 2022

## Reference and Administrative Information

The Trustees submit their Annual Report and Financial Statements for the year ended 31<sup>st</sup> March 2022.

### Administration and Location

Established in 1962, FitzRoy is a national charity that supports people with learning disabilities. The Charity operates and is administered centrally from its headquarters in Petersfield, Hampshire. FitzRoy Support Limited (FitzRoy) is a Charity registered with the Charity Commission (No. 1011290) and a Company Limited by Guarantee (No. 2699902).

The Board members during the year were as follows:

- Martin Kyndt      ◆      Chair
- Matthew Moth      †□      Vice-Chair
- David Evans      ◆†○□
- Justin Finnigan      ¥
- Andrew Gore      ¥○
- Dawn Jacobs      ❖
- Derrick McCourt
- Sarah Nicholson      ¥
- Mark Sanderson      ❖
- Gail Bedding      ○
- Neil Blackley      ❖□
- Julie Whetton      □

◆ Remuneration Committee

† Nominations Committee

❖ Finance Committee

¥ Quality Committee

○ People Committee

□ Property Committee

**Patrons**

HRH Princess Alexandra GCVO KG  
 Nigel Atkinson  
 Countess of Euston  
 Andrew Grant  
 Georgina Hovey  
 Margaret Marshall  
 Virginia McKenna OBE  
 Lord and Lady Tanlaw  
 Edward Thornton-Firkin

**Executive Team**

Anna Galliford	Chief Executive and Company Secretary
Angela Murphy	Director of Operations & Business Development
Alison Heustice	Director of Finance
Marianne Radcliffe	Director of Transformation, Comms & Fundraising
Roberta Wheeler	Director of Human Resources

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**Auditors**

Moore Kingston Smith LLP  
9 Appold Street  
London  
EC2A 2AP

**Bankers**

Nat West PLC  
39 The Borough  
Farnham  
Surrey  
GU9 7NP

Barclays Bank PLC  
The Old Bank  
High Street  
Lewes  
BN7 2JP

**Solicitors**

Blake Morgan LLP  
New Kings Court, Tollgate  
Chandler's Ford, Eastleigh  
Hampshire, SO53 3LG

Potter, Owtram & Peck  
42 West Street  
Haslemere  
Surrey, GU27 2AN

# Trustees Report including Strategic Report

## OBJECTIVES AND ACTIVITIES

FitzRoy transforms lives every day, supporting people with disabilities to do the things that make a real difference to their everyday life. FitzRoy started as a pioneering organisation, set up by parents who were determined that their children with learning disabilities would not grow up in institutional care but instead could live in loving homes with opportunities to learn, grow and thrive.

60 years on we remain passionate that people with learning disabilities and autism have choices and get the support they need to fulfil their potential and gain independence. We push beyond traditional care provision and address the many misconceptions about what life for a person with disabilities should be like. We are driven by seeing people flourish when they connect with their communities, learn, work, volunteer, and enjoy relationships.

We provide support for people with learning disabilities, physical disabilities, and autism. Some of the people we support also experience mental health issues.

The people we support are at the heart of everything we do and the decisions we make.

**Our vision:** A society where people are treated as equals, regardless of their disability.

**Our mission:** To transform lives by supporting people with learning disabilities to lead the lives they choose.

**Our values:**

- We see the Person - FitzRoy began with one mother's belief that her child deserved better, and still today we see the unique value in every person we help.
- We are Brave - We stand beside people with learning disabilities and their families, and together we face our challenges wherever we find them.
- We are Creative - We dare to imagine a world where people are treated as equals, regardless of their disability.

We run 71 services across England supporting over 850 people. Some individuals use several of our services. Of the people we support, 125 are supported to live in their own homes, 188 live in one of our 44 supported living services and 167 are supported at one of our four FitzRoy day opportunities. 199 people live in one of our 20 registered care or two nursing homes. The people who use our services are funded by various local and/or health authorities, and we have contracts with over 60 authorities across England. Over 180 people are now registered with our fully fundraised Love4Life dating and friendship service.

## PUBLIC BENEFIT

The Trustees confirm that in developing and reviewing the objectives and activities of FitzRoy and the Charity's Strategic Plan, due regard has been given to the public benefit guidance issued by the Charity Commission.

The benefit to the public is incorporated in our mission to provide practical support, helping people with learning disabilities to lead full, stimulating, and independent lives. The benefits of the services provided by FitzRoy are open to all people with a learning disability referred by their Local Authority or Health Authority. Support is provided to people in their own homes and in registered care and nursing

homes owned or managed by the Charity. Access is only limited by the capacity of FitzRoy facilities and workforce. The provision of care is matched to need and not to the ability to pay.

The Charity places great emphasis on the establishment of good community relations and active engagement with local communities to mutual benefit. Upon referral, consultation takes place between the potential Service User, the referring authority and FitzRoy to ensure that the placement is appropriate to the aims of the Charity and most importantly meets the needs, wants, desires and aspirations of service users.

The activities of FitzRoy in pursuit of its charitable objectives for the public benefit are set out above. The section of this report entitled 'Achievements and Performance' notes key achievements illustrating the impact that the Charity's work has on the lives of the people with disabilities that we support.

No private benefit is derived from the activities of the Charity by either the Trustees or parties related to them. Details of any reimbursed expenses are set out in the notes to the financial statements.

## STRATEGIC REPORT

The COVID pandemic and economic conditions have been at the forefront of our minds this year and have impacted our decision making again. A priority in the second half of the year was to support our staff and our recruitment with a generous pay award and an increase in fuel allowance.

We have invested in new staff, particularly within central support to continue to deliver our ambition and progress in digital transformation, recruitment, and quality. The IT department was restructured to include the recruitment of a new senior post, operations recruited two new practice managers, and communications and HR also hired new team members to support internal communication, recruitment, and retention.

Despite the difficulties of coronavirus, there is much to celebrate again this year. The resilience and professionalism of our staff to work through the constantly evolving restrictions to keep the people we support safe and fulfilled has again been remarkable. We thank them for their efforts as we celebrate our 60th anniversary.

We have seen the end of some contracts this year, but our business development team are working hard. They have achieved some good results on new bids for services and 100% success in new framework bids, so we are encouraged and positive about growth in 2022/23.

### **The impact of covid at FitzRoy:**

During the 12 months to March 2022, we are very pleased to have lost none of the people we support to the virus. This can be attributed to the diligence of our staff team following rules and the swift actions of the coronavirus response team providing twice daily calls where outbreaks happened.

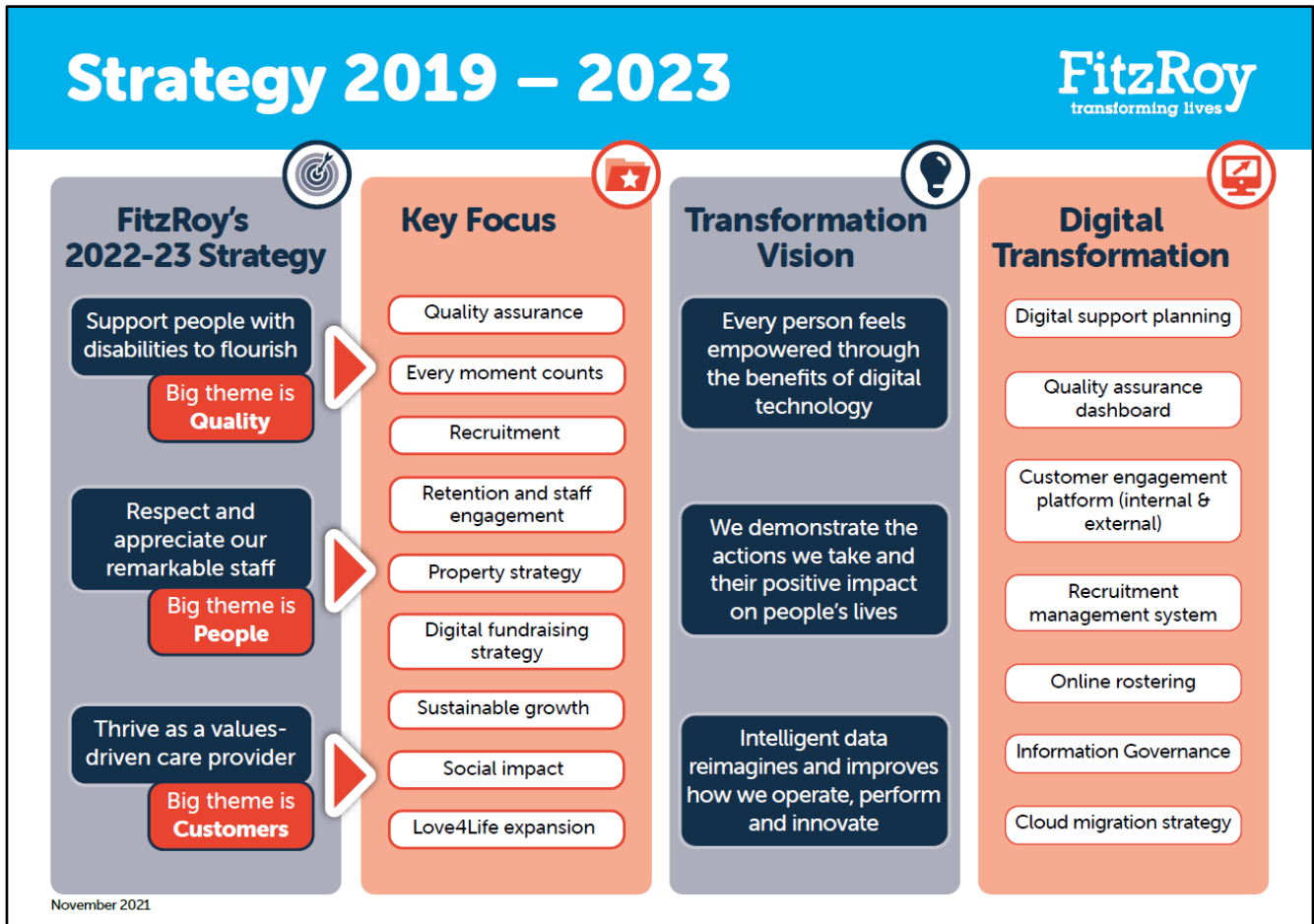
Other impacts over the year include:

- 515 staff self-isolated due to confirmed or suspected covid
- 7 staff were off with prolonged symptoms after 14 days
- 125 people we support tested positive
- 3000 shifts paid for staff whilst they self-isolated or were covid positive
- Covid rapid response team staff bedded in for 215 x 24-hour periods to cover staff shortages

# Achievements and Performance

## THE FUTURE

### FitzRoy's Strategy for 2019-2023



As we head into the final year of our five-year strategy (extended from three years due to the impact of covid-19), conditions have continued to be challenging with significant funding pressures exacerbated by the coronavirus crisis.

Our strategic aims are to:

- Support people with disabilities to flourish
- Respect and appreciate our remarkable staff
- Thrive as a values-driven care provider

In 2022-23 we will be developing and launching FitzRoy's new five-year strategy as well as putting in place tools and processes in order to directly measure the impact of our work and the difference we make.

#### Outline of key projects and impact of our work over the financial year 2021/22

The pressures from 2020/21 have continued in what has been another extraordinary year. In many ways it has been an even more challenging year for us and the sector generally, with furloughing, changing vaccine regulations and the continual changes to COVID guidance for care homes.

Our staff have again done an astounding job at keeping the people we support as safe as possible whilst adapting to new guidance and easing of many restrictions, as well as supporting them to re-emerge in a post lockdown if not post covid world.

## Support people with disabilities to flourish

### Transforming our ways of working

As in 2020/21 our focus has been to keep the people we support safe throughout the pandemic, whilst continuing to drive the transformation of the organisation. The pandemic and lockdown accelerated new ways of working and new tools – and we are continuing to drive this programme of work.

Digital transformation is enabling our services to work more efficiently, thereby improving the quality of care we provide to the people we support. Our new systems also mean we are able to more effectively measure and evidence the quality of care we provide.

To enable us to embed our new digital systems, the first half of the year saw the continued push to make sure all our services are digitally capable - we focused on improving our infrastructure and making sure we had the basics right. A new field engineer was hired to scope buildings and improve infrastructure across the country along with a significant financial investment in, for example in improving broadband connectivity for our more rural services. We brought forward our IT refresh programme replacing older tablets and laptops so our services had the quality kit they need to efficiently use our new systems.

These improvements have allowed us to roll out our new digital support planning tool, which is now live in 50% of our services. The tool allows us to paint a picture of the day-to-day life of the people we support, to capture their aspirations and needs and to build in measurable outcomes to be worked towards, and their progress can be visualized and quantified.

As well as improving how we capture the goals and aspirations of the people we support and the steps we need to take to meet them, digital support planning has also reduced the amount of paperwork staff and managers need to complete. This allows them to spend more time with the people we support. We are introducing new systems and processes that aim to reduce the amount of time our managers have to spend at their desks, so they are enabled to provide more visible leadership in their service and to their staff teams.

With detailed information about the people we support and action plans at hand on tablets, staff are fully up to speed with the needs and requirements of the people we support and can easily show progress. Our systems also provide vital visibility to our regional and quality managers, so they can monitor progress and address any issues.

The IT skills and capability of our staff varies widely across the organisation. One of the challenges for the coming year will be to provide training to upskill their digital capabilities to enable them to make best use of digital support planning and the other online systems we have put in place.

### Making every moment matter

Our programme of work around assistive technology, active support, positive behaviour support and total communication, enabled the people we support to be safe, active, understood, and to live more fulfilling lives.

#### Assistive Technology

Digital transformation is also not just for staff. The roll out of Active@Home – our assistive technology response during lockdown - has now seen 10 interactive projectors, as well as VCR Headsets, and mobile tech – kitchen kits (including single cup kettles, talking lids and adaptable cutlery) purchased. We continue to develop our armoury of assistive technology to enhance the lives of the people we support with an increased focus on communication and independence.

We've also introduced more people we support to new technology such as the Voice iTT app, a voice recognition software that helps people be understood more easily by recording words and phrases that they can then use to do anything from saying 'hello' to ordering food at a restaurant.

### Positive Behaviour support

Operationally, we have continued to develop a culture of practice leadership and resilience, recruiting two practice development leads who started in January 2022, joining our practice development manager in being deployed across the organisation offering bespoke plans and resources for the people we support to improve their quality of life, their independence and open up opportunities for them. The team are focusing on those with more complex needs who may exhibit challenging behaviours and skilling up our support staff. Simple techniques such as choice boards, visual schedules and now and next boards enable the people we support more choice and control over their day to day lives.

### Active Support

We have developed new e-learning modules in active support, which now features in every quality monitoring audit, ensuring our staff are constantly thinking about what they are doing and why with the people we support. 1291 staff have been through these modules.

### Total communication

Assistive technology has played an enormous role in enabling the people we support to be understood and communicated with in a way that suits them. We also relaunched our Makaton Champions training programme, with 20 new champions trained over the year, attending two-day training where they learned more than 450 Makaton signs. We also ran bespoke training sessions for staff at some of our services.

### Quality assurance

A new Safeguarding committee established in 2020 has now seen all managers receive enhanced safeguarding through the Ann Craft Trust.

The coming year will see an increased focus on performance management to get the best out of our staff. Throughout the current year we have developed a set of Key Performance Indicators (KPI's) that service managers have been helping to shape.

These include training compliance and performance against budget and will form the basis of the 'FitzRoy Standard' bonus scheme which launched at the start of the new financial year, encouraging all staff to see the vital role they play in achieving our KPIs.

## Respect and appreciate our remarkable staff

With the job market being so competitive, one of our biggest challenges remains to recruit and retain the best staff. As a result, this year, we have invested in recruitment, retention, and development, as well as placing an enormous focus on thanking and valuing our staff.

### Recruitment and retention

In January 2022 and in response to the cost-of-living crisis, we brought forward our pay review for all frontline staff, and from 1st January 2022 we were delighted to be able to pay all front line staff a minimum of £10 per hour. We remain aware of the continued increased cost of living and its effect on the rising costs of employment.

We also introduced new rewards such as the healthcare cash back plan and access to free level 2 and 3 qualifications. Early indications are that this has proved successful in attracting candidates. Between January and March 2022 there was 101% increase in interviews and a 66% increase in new starters compared to the same period in 2021.

To improve our retention levels for new starters, we recruited a new onboarding role in September 2021. So far 226 new starters have been supported by the new co-ordinator, who supports their initial relationship with the organisation, i.e., booking their training, making sure that they have the information they need and that they are settling in well.

In Training and Development, we set aside money to offer free qualifications to staff.

- Over 6100 learning modules have been completed across our Care Academy courses
- 24 apprenticeship qualifications supported.

2021 saw the first FitzRoy staff thank you day held in September. Hundreds of staff and family members of people we support shared messages of thanks to colleagues across the country, and staff received awards for a range of achievements. A thank you week is being planned for September 2022.

The launch of self-service MyPortal has made it easier for staff to review their pay and to book leave digitally and for managers to manage absence. 90% of staff logged in by the end of the first month.

To enable our staff to share their work and engage with each other, we also introduced Facebook's Workplace this year as an internal communication tool. All staff can share stories and photographs at any time rather than be restricted by the centralised communications channels. Since launch in February 22% of staff overall have signed up, and 79% of managers and deputies.

One of the challenges in the next 12 months is to improve the diversity at a senior level in the organisation to reflect the diverse make up of our staff and the people we support. We are currently recruiting two new Trustees and have engaged a consultant to enable us to reach possible candidates from communities currently underrepresented on our board, specifically those with Black or Asian heritage. We understand the value that a range of voices will bring to our charity, and we aspire to a governance which reflects the diversity of our workforce and the people we support.

## **Thrive as a values-driven care provider**

We continue to make positive strides with our business development team. This year we great success joining new frameworks and on new bids which will see new services come on board in the coming year.

Elsewhere, the contracts for our supported living services in Hampshire and Hereford came to an end and the Trafford Day Service closed in April.

Work on digital transformation has continued at pace this year with significant developments that will allow us to improve care for the people we support through data driven decisions and better control and management of data to allow us to improve our measurement on impact.

Following on from our successful use of the Microsoft Power Platform last year in collecting our covid data, we have continued to launch new tools.

- We have developed the Quality Assurance System for occurrence reviews. This is working extremely well and allows the quality team to quickly assess and manage occurrence reporting with 100% compliance.
- The KPI dashboard developed last year has been expanded and has now been implemented across all services. The dashboard lists service level targets that can be viewed and analysed at a glance to give a picture of performance across FitzRoy or at service level. Starting in April 22, 11 of the KPI's are to be used as the basis for a bonus scheme rewarding managers and staff for meeting their targets. The ambitious overall target will drive improvements in performance and levels of care for the people we support as well as provide opportunities for coaching and support for those services struggling to achieve the standards.
- The Property database system has been launched, listing all building, tenancy info, property development plans, fixtures and fittings portfolio and contracts. We are working towards our goal of centralised procurement and property management, taking away stress from service managers to concentrate on providing leadership and service delivery.
- A new void management tool has allowed us to fill gaps quicker with voids currently running at 5% beating the target of 6%.
- We are now able to monitor our agency staff usage so we can spot trends, issues and take action more quickly.

The IT team was restructured and expanded to make sure that the central IT infrastructure and at the services was sufficient to cope with this increased focus on digital technology both for staff and people we support.

The changes and investment in IT allow us to stay ahead of the technology curve and also provide savings in time and energy for managers and staff using reliable equipment with efficient WIFI. A major focus for next year is to develop our new online rostering system which will be a game changer for how we roster and pay our staff more efficiently and flexibly.

There have been some challenges this year for FitzRoy. Staffing continues to be a day-to-day focus for many services. Turnover currently sits at 26% with a target of 19% and the market is still extremely competitive to retain staff and to recruit in sufficient numbers. Pay will remain a huge area of focus, despite the pay rise our rates are already behind the retail sector and we continue to seek out other ways to reward and keep staff.

We have heavily invested in recruitment, restructuring the team so they can better target areas with high vacancies, with three dedicated recruitment and retention officers. This work has seen our average turnaround time from application to starting reduced from 68 days to 43 days.

### **Fundraising to transform lives**

2021 was another tough year for fundraising – with the impact of covid, world events and the uncertain economic times effecting the sector. Particularly given these challenges, FitzRoy's fundraising team delivered a solid performance.

The uncertainties around covid affected events such as our first 'FitzRoy Fun Day'. This was planned to take place when all restrictions were due to lift, but some restrictions instead remained in place, which curtailed the number of people who could participate together. Similarly, most mass participation events were still on hold, and activities such as skydives had lower take up due to the sense of unpredictability. Despite this, we met our targets for community and peer-to-peer fundraising, and we continued to achieve slow but steady growth in individual giving which we aim to continue investing in and growing to increase our levels of unrestricted funding.

Fundraising makes a huge difference to the lives of the people we support. Donations enabled us to continue to invest in assistive technology such as interactive Magic Table 360 projectors. These expensive pieces of kit enable the people we support to play football, air hockey, or go fishing, or enjoy therapeutic downtime playing with bubbles or leaves, among many activities. This was an important part of our programme of 'bringing the outside in' during lockdown. They also played an important role when residents had to self-isolate in their rooms. With the flexibility to be projected onto any surface including a bed, they provided a perfect source of entertainment.

Thanks to our generous donors, we have also been able to provide iPads for anyone we support who wanted one. These have been great for keeping in touch with friends and families during the pandemic, while also featuring several apps that give the people we support more choice and control in their day-to-day lives. Our service appeal programme of work continued to change lives. We opened new summerhouses, providing outdoor spaces to meet friends and family during the pandemic, which will continue to be enjoyed as activity rooms long into the future. Fundraising also enabled us to purchase new sensory equipment, refurbish homes and gardens, and we completed a big appeal for a multi-activity space at one of our Norfolk services which will open in 2022.

Our bottom-line fundraising income figures have been subject to fluctuation in recent years due to legacy income which can vary substantially from one year to the next, and which has been significantly lower in the last two financial years.

This year, in comparison, we have been notified of a substantial legacy which will have a transformational impact on FitzRoy, our staff and the people we support. Legacies such as this help to fund our successful and ever-growing transformation programme, enabling us to invest in developing

systems and processes that help us to work smarter and faster, driving quality improvement and innovation.

It has never been more important for us to support people with learning disabilities and autism through fundraising. Whether it's to fund an iPad that helps someone connect with their loved ones, our digital transformation or our staff thank you celebrations, or our Love4Life dating and friendship programme that proves that everyone can find love – every penny raised made a difference and helped us transform lives.

#### **Love4Life:**

Our Love4Life groups reduce loneliness and isolation by connecting people with autism or learning disabilities and supporting them to develop meaningful relationships and socially inclusive lifestyles.

Love4Life offers:

- health, wellbeing, and safety workshops, including sex and relationships, money management and independent living skills.
- chaperoned dates.
- one-to-one support at drop-in sessions.
- leisure trips, performing arts activities and relaxed social sessions.
- regular social activities – from bowling or meals out to karaoke and discos.

We continued to operate all throughout lockdown, switching to an online service when government guidelines prohibited face to face social gatherings. The impact of coronavirus and lockdown has reinforced the important role Love4Life plays in the lives of people with learning disabilities – not just for making friends and widening social circles, but also for people's mental health and support networks.

In 2021/22

- 159 members looking for friendship and love
- 292 events for socialising, learning and having fun
- 9 independent living workshops

We surveyed our members to find out the difference Love4Life has made to their lives. Even during lockdown with many of our events going on line, they still told us:

- 82% learned new skills
- 92% are more independent
- 81% are more confident
- 83% have made new friends

Love4Life operates across Hampshire, Portsmouth and Southampton. It is managed by a small staff team and volunteers who enable us to keep our activities varied and our costs down. But most importantly, networks are member-led, and they co-design the programme of events and activities that they want.

Love4Life members include people with mild learning disabilities, autistic people and people with more complex learning disabilities who might need additional support. Many members also have a range of physical health conditions and disabilities that means all our events are fully inclusive and accessible. Members tell us before joining Love4Life they often had little or no social interaction outside of their family.

41% of our current Love4Life members are not eligible for funded support and many are unknown to the learning disability teams, or any other professionals despite having a diagnosis of autism or a learning disability.

Demand for Love4Life membership is increasing, we are getting requests from across the southeast and beyond. Our plan is to set up more groups in new areas to tackle increasing levels of social exclusion and loneliness. To enable this expansion, on 1 April 2022, Love4Life will become a Charitable Incorporated Organisation, and subsidiary of FitzRoy.

## Financial Review

Along with the pressures of covid, the sector continued to be under significant pressure from changes in legislation and resultant increasing costs, this and reduced footfall in our day offerings resulted in a reduction in operational income of 2.3% during 2021/22.

As well as working to deliver the best value for money, we continue to build on our strong relationships with stakeholders which continues to be critical to our success. It has brought access to new markets, driven innovation, and through stronger partnerships developed a deeper commitment to shared values.

As an organisation we continued to be diligent in our approach to Covid-19, working proactively to ensure the safety and wellbeing of the people we support and their staff teams, as well as the long-term sustainability of the organisation.

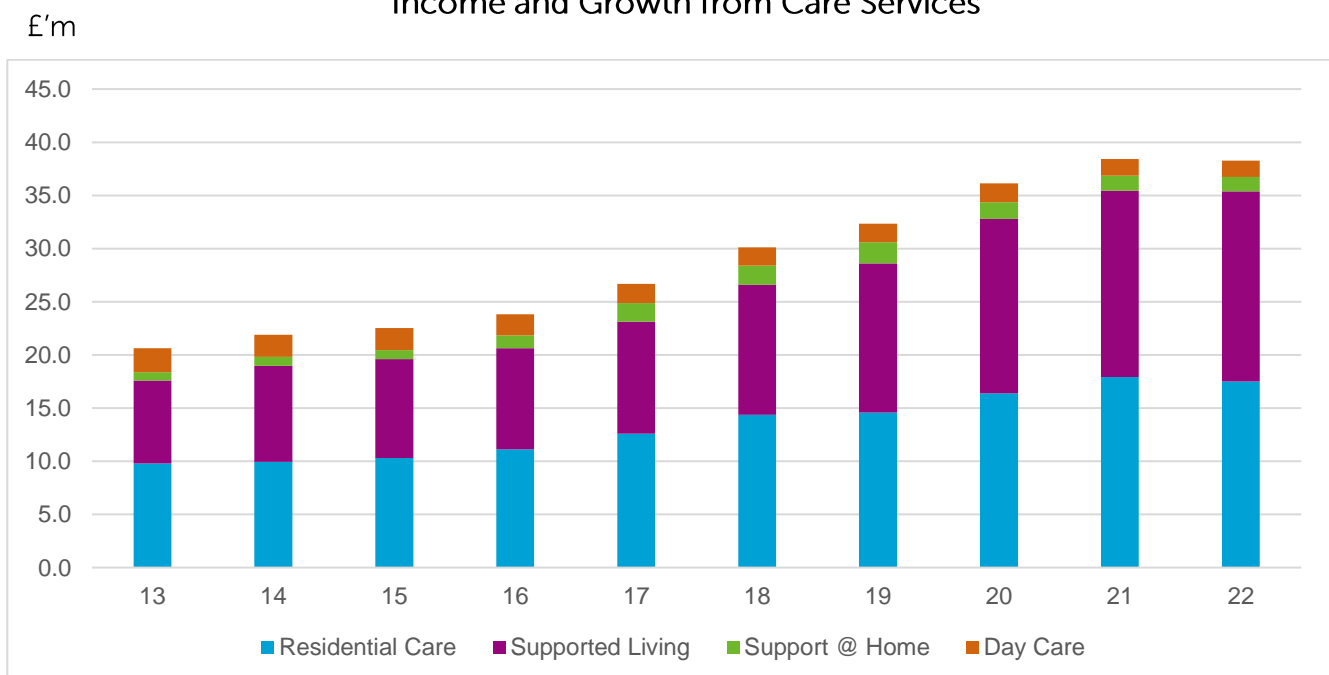
We are in a fortunate position to have strong cash reserves, which in times of uncertainty and significant external financial pressures enables us to focus on our longer term strategy.

From a financial perspective, we continued to work closely with local authorities, ensuring we were able to secure the additional funding accessible to us from central government to support this crisis. We continue to produce forecasts post year end, which are reviewed by the Trustee Board.

The proactive, collaborative approach seen across all areas of the organisation at the beginning of the pandemic continued into this financial year, meaning we remain in a strong financial position. Both balance sheet and liquid reserves have increased, enabling us to continue to deliver on our strategy.

### INCOME

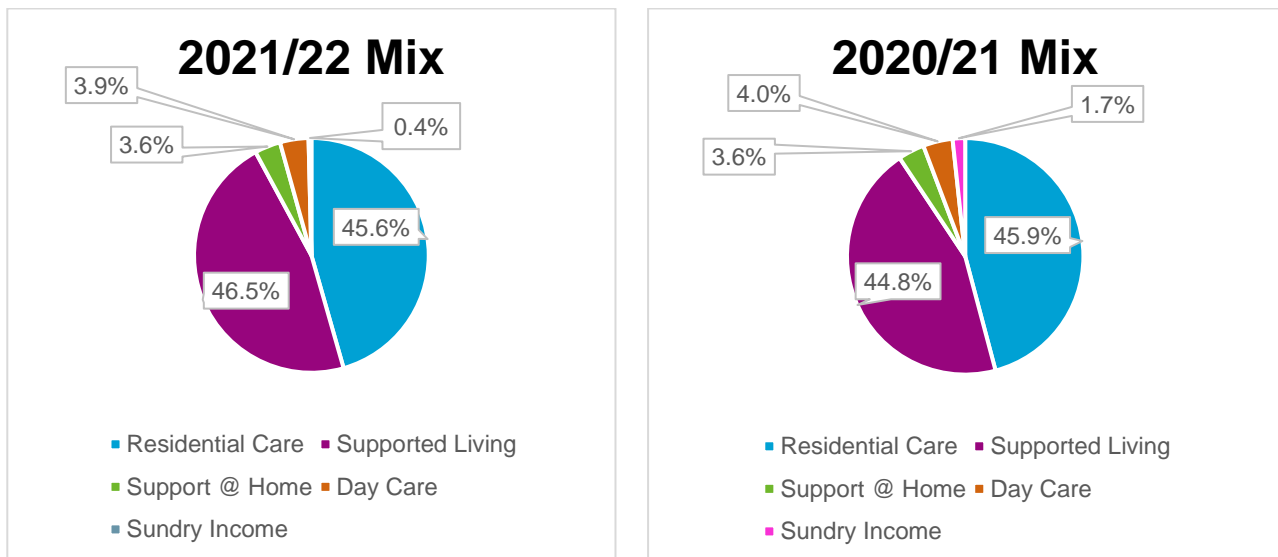
#### Income and Growth from Care Services



Total income - including donations, care service fees, investment as well as covid & furlough funding – declined by 2.3% in 2021/22, with fees continuing to be the primary source of income. In the year to March 2022, we saw Income from Care Services decrease by 1.8% to £38.4m. Included in the total income for 2021/22 is a total of £1.4m of covid & furlough funds, with the balance coming from local authority fee uplifts and changes to contracts.

Income saw a reduction of 2.4% in long term residential care, a growth of 2.1% in supported living with reductions in both day care and support at home services of 2.6% and 4.6% respectively. The decreases are in the main a result of covid, where day service has seen a reduction in the people supported pre-pandemic returning, and support at home packages of care have been reduced, additionally a residential contract in Herefordshire came to an end part way through the year. We also benefited from additional covid funding and some local authority fee uplifts. The Charity remains focussed on growth going forward to enable the organisation to transform more lives.

### Mix of Income



We have seen a positive shift in the Supported Living services within our portfolio, and a slight reduction in residential care. Day care and Support at Home reduced as a percentage of total income, due in part to reduced footfall following covid, but also a result of changes in local authority funding.

Our fundraising activities during the year resulted in donations of £2.6m for the full year. In 2021/22 we benefited from generous legacy donations of £2.3m, along with support from various Charitable Trusts and locally held fundraising events.

We have continued to actively review our asset base and working capital to ensure that the organisation's funds are working hard for the people we support.

### EXPENDITURE

Total expenditure increased in the year by 2.2%, reflecting in part, the increased costs as a result of covid, the uplift in employers NI contributions, as well as additional ever-increasing staffing costs. We saw an increase in the reliance on agency staffing, a result of covid and the sector wide shortage of staff. We continue to focus on the quality of care delivered, coupled with a drive to improve staff recruitment and retention. External and legislative requirements continue to put pressure on costs, such as inflation and the national living wage, combined with the challenge of continued low increases in our fee income.

Working capital management continues to be a priority, enabling the charity to be flexible in how we fund future growth. We maintain close working relationships with key local authorities to ensure

invoicing and the receipt of funds are carried out in a timely manner. Fee debtor balances have decreased again during the last year, a result of the continued focus of both FitzRoy and the local authorities working closely together to resolve issues as they arise.

## RESERVES POLICY

Maintaining financial sustainability is one of the key elements in the charity's on-going risk assessment. The Trustees and Executive team review the main risks to the charity as part of their annual procedures.

The general reserve target was reviewed in 2022 and a range of £5.8m to £9.9m was set considering the continuing growth of the charity and the need to cover short term risks and uncertainties, working capital requirements and contractual obligations to staff. We end the year with free reserves within the target range whilst remaining at prior year levels, as a result of the funds designated for future property and digital transformation works.

Operationally this level of free reserve is needed to address the significant challenges we anticipate over the coming years. In particular, recruitment and retention issues, the necessity to continue to offer attractive pay and benefit packages to our care staff against a backdrop of ever tightening local authority fee uplifts. We need to continue on our journey of digital transformation with online care planning, quality management tools and rostering being just some of the projects continuing into 2022/23. We also have a significant amount of work planned under our property strategy, all of these elements have resulted in a projected deficit for 2022/23, which contribute to our reliance on our free reserve level as it stands today. Cash reserves increased by £0.6m to £10.5m due to positive cash management, alongside good debtor control.

At 31 March 2022 FitzRoy held a total of £23.8m in reserves, with £0.6m Restricted, £14.1m Designated (made up of Fixed Asset fund of £11.7m and Maintenance & Redevelopment fund of £2.4m) and £9.1m Free Reserve. It is expected that the designated Maintenance & Redevelopment fund will be utilised during 2022/23 to facilitate maintenance of our property portfolio and to invest in new digital transformation projects or services.

	£k
<b>Restricted Funds:</b>	
Amenity, Friends & Development	608
<b>Designated Funds:</b>	
Fixed Asset Fund	11,677
Maintenance, redevelopment & transformation	2,416
<b>General Funds:</b>	
Free Reserve	9,122
<b>TOTAL FUNDS</b>	<b>23,823</b>

## INVESTMENT POLICY

The Memorandum and Articles of Association of the Charity provide the Trustees with the powers to make investments as they see fit. The investment strategy which has been set by the Trustees acknowledges that the greater part of the Charity's assets are invested in properties used for the Charity's purpose. It aims to invest those reserves of the Charity not utilised in the Charity's properties and in excess of a prudent cash reserve, to maintain the capital value in real terms over the longer term.

The small part of investments held in equities decreased this year to £11k from £15k in the previous year to March 2021. The capital value of investments increased this year with an unrealised gain in the year of £4k as a result of the changes in the stock market. The actual amount invested in the stock market at the end of the year, was £69.1k.

## RISKS AND UNCERTAINTIES

A risk register has been established for some years and is reviewed on a regular basis by each sub-committee as well as the trustee board, it is then formally updated annually. The principal risks and uncertainties identified are failure to complete our digital transformation & business systems programme, loss of income, staff recruitment & retention, along with any changes in regulation, fraud and pandemic. To manage these risks, we have a digital transformation and business systems strategy in place with a senior leadership team driving new ways of working, finance/operational process to address loss of income, processes in place to address the development of staff and their pay and benefits package, as well as tried and tested systems and procedures formulated to manage and mitigate the risks the charity faces.

In addition, we have a robust disaster recovery plan in place and have made a significant investment in our business systems, infrastructure & resource and will continue to prioritise this in the coming year, in order to ensure business continuity.

Given the nature of the sector that FitzRoy operates in, a key risk is delivering quality support to vulnerable adults, whilst actively working to minimise and protect those we support from any safeguarding issues.

We have seen a slight increase in inflation related fee increases compared to last year, however uplifts and the cost-of-living pressures remain critical challenges in the current environment of increased staffing costs along with recruitment difficulties facing the sector. In the medium-term, the sector continues to call upon the Government and Local Authorities to recognise the increasing funding pressure we face, specifically around the National Living Wage.

The overall vacancy rate of people that use our services reduced this year, as a percentage of income 2.7% (2021: 3.0%), a total of 24 (2021:38) vacancies at the end of the year. There are specific locations and specialised services where we continue to work closely with the local authorities to understand how best to ensure vacant beds match the needs of the individual's awaiting placement, and to understand the correct levels of demand in the area.

Long-term sustainability and liquidity remains a primary financial objective and the organisational strategy underpins this objective. Upward salary pressures, driven by legislation regarding the National Living Wage, compound this issue and mean we need to consistently review our processes for efficiencies, and our structure for opportunities to reduce our overhead base.

Being appropriately prepared for a major incident remains a critical priority with the continued review of our disaster recovery plan; this is actively reviewed by Executive team on a periodic basis.

## Structure, Governance and Management

The charity is incorporated as a company limited by guarantee and is governed in accordance with its Memorandum and Articles of Association.

### STATEMENT OF TRUSTEES' RESPONSIBILITIES AND CORPORATE GOVERNANCE

The Trustees constitute Directors of the Company for the purposes of the Companies Act 2006 and Trustees of the Charity for the purposes of the Charities Act 2011. A full list of all Trustees is given on page one.

In an effort to maintain a broad skills mix, Trustees regularly review the Board's ability to provide support to the officers of the charity and, in the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election. Over the years we have employed selective

advertising including social media channels, external recruitment consultants as well as more traditional networking opportunities to recruit Trustees. New Trustees are taken through an induction process that includes visits to a number of our services across the country to familiarise themselves with the running of the Charity. A number of our current Trustees have direct experience of learning disability within their own families.

Section 172 of the UK Companies Act 2006 states that all Trustees must act in accordance with a set of general duties. A Trustee of a charitable organisation must act in the way they consider, in good faith, would most likely promote the success of the charity for the benefit of its stakeholders as a whole, and in doing so have regard (amongst other matters) to the:

- likely consequences of any decisions in the long term
- interests of the charitable company's employees
- need to foster the charitable company's business relationships with suppliers, customers and other
- impact of the charitable company's operations on the community and the environment
- charitable company's reputation for standards and business conduct; and
- need to act fairly between members of the charitable company

The following paragraphs summarise how the Trustees fulfil their duties:

The Board of Trustees generally meets six times a year to assess the overall direction and governance of FitzRoy but regularly reviews the frequency of meetings to support the needs of the organisation. The Trustees delegate the exercise of certain functions in connection with the management and administration of the charity to seven sub-committees, the Finance Committee, Remuneration Committee, Nominations Committee, Quality Committee, Safeguarding Committee, Property Committee, and the People Committee. These groups meet regularly and report back to the Board on a regular basis and seek full ratification of certain decisions.

Each year the Trustees hold an extended all day strategy meeting with the Executive team. This provides an opportunity to reflect on the strategic direction of the charity, visit services, meet service users, review the major risks to the charity and undergo training.

A review of Board performance and Trustee chair performance is conducted annually by way of survey to each individual Trustee. The consolidated survey feedback is discussed with the full Board with recommendations forming part of the annual governance workplan.

### **People we Support & families**

We have a service user group, called Nationwide, where members of this group regularly report to the Board with their suggestions for the organisation. The board also meet with the Nationwide group socially on an annual basis.

An annual satisfaction survey is carried out, this is completed by the people we support and all external stakeholders, the results of which are reported back to this same group as well as the board of Trustees. The results are then used in various forms of external marketing communications including the FitzRoy news, communications with commissioners, donors, and families alike. The executive team, along with the board would reflect on suggestions, comments raised in the survey and feedback any actions.

### **Supporter & donors**

We work closely with our supporters and donors to ensure we are engaging with them effectively. They receive our supporter communications based on their personal preferences and are engaged with on a one-to-one level with the fundraising team and CEO where appropriate.

The income from our supporters and donor's links into the Finance Committee which meets four times per year, where budgets, forecasts and results are reviewed. A report from the Director of Transformation, Comms & Fundraising is reviewed by the main board on a bi-monthly basis.

We have a group of Ambassadors who are made up of long-term supporters of the charity, trustees are involved in the organised annual event to communicate the organisational strategy and get feedback from this valued group of supporters.

## Employees

The knowledge and expertise of our staff across the organisation is a critical asset and helps the charity to thrive. Every day their commitment means that we achieve our charitable objectives, and we place a huge emphasis on recognising the tremendous contribution they make.

The global pandemic has shown us more than ever just how extraordinary our staff are. During Covid, we continued to prioritise the wellbeing of our staff and conducted regular staff temperature checks and virtual meetings with all service managers and deputies.

Our front-line teams have embraced digital transformation, and we are utilising technology to engage with staff more, ensuring everyone who works for FitzRoy feels valued and achieves their potential.

Going forward, we are seeking to enhance how we engage with staff and will integrate small and more regular pulse surveys into our digital support planning tool. We are also committed to enabling greater communication and connection across the organisation. This will be by improving our commitment to Workplace and encouraging people to regularly access Office365 and our staff self service portal.

Our senior management and trustees often visit services to meet with staff, the people we support and their families. Although this has been restricted in the last year, plans are underway to resume this important activity. The leadership team also meet with regional management teams on a regular basis where valuable feedback from frontline staff is discussed.

## Suppliers

We value all our suppliers and have both local and national contracts, where appropriate. Communication transparency in dealing with suppliers is delegated to the Finance Committee and executive team who will discuss any major contracts and or supply issues as and when appropriate. Budgets, forecasts, and actual results are reviewed on a regular basis by the Finance Committee and the Board.

## Community & Environment

FitzRoy hold community fundraising events in order to engage the local communities where the people we support live. We have local volunteers who support in many ways, which may include gardening, enabling the people we support to carry out volunteer work themselves, have a void in their community or carrying out activities within a service.

The trustees recognise the importance of leading a charity that not only generates value for its beneficiaries, but also to the wider society. We recognise the environmental and climate risks, and we are committed to reducing, where possible, the impact of our operations and minimise our environmental impact. In order to achieve this FitzRoy ensures waste is recycled where possible, the most efficient light sources are used and will continue to ensure the use of the most energy efficient heating systems, double glazed sealed units are in place in order to reduce energy usage.

During the last financial year, FitzRoy used 3,650,239 kWh (2020, 4,167,259 kWh) of energy from gas and electricity, as well as 96,202 litres (2020, 84,174 litres) of diesel, petrol and heating oil. This resulted in total gross kg CO<sub>2</sub> of 823,454 (2020, 980,166) and an intensity ratio of tCO<sub>2</sub> of 0.02144 (2020, 0.02507) per £1m of income from care services.

The methodology used to produce these results was to collect the kWh, litres of diesel, petrol, and heating oil usage data from our various suppliers, we also used data collected from reimbursed business travel from our accounting systems. We then used the 'UK Government GHG Conversion

Factors for Company Reporting' to convert the source data into kg CO<sub>2</sub>e units and from then used our turnover for the year 2021/22 to produce our intensity ratio.

### **Modern Slavery**

The organisation are committed to preventing modern slavery in its charitable activities and supply chains. Modern slavery encompasses slavery, forced labour, human trafficking, and domestic servitude. A copy of our modern slavery statement can be found on our website.

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with the UK Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

All of the current Trustees have taken all reasonable steps which, to the best of their knowledge and belief they ought to have taken, to make themselves aware of any information needed by the Charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any information which they understand would be relevant to the audit of which the auditors are unaware.

The Charity is managed on a day-to-day basis by its Officers and Executive team under the leadership of the Chief Executive, who is appointed by and responsible to the Trustees.

The Board of Trustee's review and approve changes in remuneration to all staff annually, with delegated powers to the Remuneration Committee for senior staff remuneration and performance, which is measured against overall organisational KPI's.

### **FUNDRAISING PRACTICES**

FitzRoy is a charity primarily funded by local authorities, who pay for the care we provide. However, it is fundraising that enables us, particularly in an environment of shrinking care packages, to stay true to our values of providing transformative support.

Our supporters are very important to us, and we see our relationship with them as a partnership; working together to achieve something special for vulnerable people. Thank you to all the individuals, trusts and foundations, community groups and companies who have supported us this year.

We are proud of our fundraising practise and work hard to make sure we are fully compliant with all relevant regulations. FitzRoy is an organisational member of the Fundraising Regulator and the

Chartered Institute of Fundraising. We take our responsibilities to our supporters very seriously; we never buy supporter data from third parties or sell supporter data to any other organisation or charities. The fundraising team currently consists of 3.5 full-time equivalent professional fundraisers. We encourage all our colleagues based in our services across the country to fundraise. We support staff who fundraise for us with advice, materials, and practical help.

FitzRoy has several internal policies in place related to fundraising including an Individuals in Potentially Vulnerable Circumstances Policy. These are regularly reviewed by the Director of Fundraising, Communications and IT who reports to the Board of Trustees on all aspects of fundraising strategy.

We received no complaints during 2021-2022.

We are immensely grateful to all the people who donated, took part in our fundraising activities, and cheered us on through what was another extremely challenging year.

## **ORGANISATIONAL CHANGES**

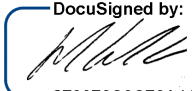
### **Board of Trustees**

There were no changes in the board of trustees during the year

### **Auditors**

A resolution proposing that Moore Kingston Smith be reappointed as auditors will be put to the Annual General meeting.

The Trustees' Report and Strategic Report were approved by the Trustees in their capacity as Directors of the company on 7th July 2022 and are signed on their behalf by:

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279876C8C76A416...

**Martin Kyndt**

Trustee and Chair of the Board of Trustees

## Independent Auditor's Report to the Members of FitzRoy

### Opinion

We have audited the financial statements of Fitzroy Support ('the 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 Cash Flow Statement 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 FRS 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 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 there is 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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 trustees' responsibilities statement set out on page 15, 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

### 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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
*Moore Kingston Smith LLP*  
9C630C582AA840D...

Date  
12/7/2022

Andrew Stickland (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street  
London  
EC2A 2AP

## Statement of Financial Activities for the year ended 31 March 2022 (Incorporating an income and expenditure account)

	Notes	Unrestricted Funds	Restricted Funds	Total to 31 March 2022	Total to 31 March 2021
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and Legacies		2,327,692	255,263	2,582,955	358,523
Charitable Activities - Income from care services		38,406,478	-	38,406,478	39,093,609
Investment income & interest receivable		11,269	-	11,269	15,501
<i>Other:</i>					
Gain on sale of fixed asset		33,800	-	33,800	655,521
<b>Total Income</b>	2	<b>40,779,239</b>	<b>255,263</b>	<b>41,034,502</b>	<b>40,123,154</b>
<b>Expenditure on:</b>					
Raising Funds		236,583	-	236,583	170,702
Cost of care services		38,584,199	290,999	38,875,198	38,093,328
<b>Total Expenditure</b>	3	<b>38,820,782</b>	<b>290,999</b>	<b>39,111,781</b>	<b>38,264,030</b>
<b>Net income/(expenditure)</b>		<b>1,958,457</b>	<b>(35,736)</b>	<b>1,922,721</b>	<b>1,859,124</b>
Net gains/(loss) on revaluation of investments	5	3,395	-	3,395	7,964
Transfers	8	(19)	19	-	-
<b>Net movement of funds</b>		<b>1,961,833</b>	<b>(35,717)</b>	<b>1,926,116</b>	<b>1,867,088</b>
<i>Reconciliation of funds:</i>					
Total funds brought forward	8	21,253,147	643,748	21,896,895	20,029,807
<b>Total funds carried forward</b>	8	<b>23,214,980</b>	<b>608,031</b>	<b>23,823,011</b>	<b>21,896,895</b>

\* There are no recognised gains and losses other than those stated above.

\* All of the above results derive from continuing activities.

\* The notes on pages 26 to 33 form part of these financial statements.

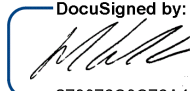
## Balance Sheet as at 31 March 2022

Company Registration Number: 2699902

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	4				
Property			11,486,269		11,593,905
Equipment			190,825		193,568
			<u>11,677,094</u>		<u>11,787,473</u>
Investments	5		69,134		65,739
			<u>11,746,228</u>		<u>11,853,212</u>
<b>Current assets</b>					
Debtors	6	5,148,176		3,872,220	
Bank deposits		10,008,890		9,759,970	
Cash at bank and in hand		493,634		387,477	
		<u>15,650,700</u>		<u>14,019,667</u>	
Creditors: amounts falling due within one year	7	(3,573,917)		(3,975,984)	
<b>Net Current Assets</b>			<u>12,076,783</u>		<u>10,043,683</u>
Total assets less current liabilities			<u>23,823,011</u>		<u>21,896,895</u>
<b>Total Net Assets</b>			<u>23,823,011</u>		<u>21,896,895</u>
<b>Funds</b>					
Restricted income funds	8,9		608,031		643,748
Designated funds	8,9		14,092,664		12,125,803
Unrestricted income fund	8,9		9,122,316		9,127,344
<b>Total charity funds</b>	8,9		<u>23,823,011</u>		<u>21,896,895</u>

The notes on pages 26 to 33 form part of these financial statements.

The financial statements were approved by the Board and authorised for issue on 7<sup>th</sup> July 2022 and signed on its behalf by:

DocuSigned by:  
  
 279876C8C76A416...  
**Martin Kyndt**

Trustee and Chair of the Board of Trustees

DocuSigned by:  
  
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**Dawn Jacobs**  
 Chair of the Finance Committee

## Cash Flow Statement for the year ended 31 March 2022

	Notes	2022	2021
		£	£
<b>Net cash inflow from operating activities</b> (See note below)		<b>630,723</b>	<b>2,785,945</b>
<b>Cash flows from investing activities:</b>			
Interest received		9,823	13,879
Investment income		1,447	1,622
Purchase of tangible fixed assets	4	(320,716)	(190,241)
Proceeds on investments/sale of fixed assets		33,800	954,184
<b>Net cash from investing activities</b>		<b>(275,646)</b>	<b>779,444</b>
<b>Cash flows from financing activities:</b>			
Repayment of borrowings		-	-
Interest paid		-	-
<b>Net cash used in financing activities</b>		<b>-</b>	<b>-</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>355,077</b>	<b>3,565,389</b>
<b>Cash at start of year</b>		<b>10,147,447</b>	<b>6,582,058</b>
<b>Cash at end of year</b>		<b>10,502,524</b>	<b>10,147,447</b>
<b>(Decrease)/Increase in Cash</b>		<b>355,077</b>	<b>3,565,389</b>

### I. Reconciliation of net income to net cash inflow from operating activities

	2022	2021
	£	£
Net incoming resources	1,926,116	1,867,088
Return from investments	(11,269)	(15,501)
(Gains)/losses on investments	(3,395)	(7,964)
Bank interest paid	0	0
Depreciation charge	431,095	803,431
Surplus on sale of asset	(33,800)	(659,763)
Decrease/(Increase) in debtors	(1,275,956)	(51,973)
Increase/(Decrease) in creditors	(402,068)	850,627
<b>Net cash inflow from operating activities</b>	<b>630,723</b>	<b>2,785,945</b>

The notes on pages 26 to 33 form part of these financial statements.

## Notes to the Financial Statements for the year ended 31 March 2022

### 1. ACCOUNTING POLICIES

#### a) Basis of accounting

FitzRoy is a public benefit entity, and the Trustees consider it to be a going concern. The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments. They accord with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice – Accounting and Reporting by Charities issued in 2015 (SORP 2015) and Companies Act 2006. The accounts have been prepared under FRS 102 and SORP 2015.

The following are the principal accounting policies, which have not changed in the year.

#### b) Going concern

Covid-19 affected us all in different ways, we are very lucky to be able to say that we have seen minimal impact on our fee income for the years ending March 2022 and 2021. We continued to be affected in our day service offering, the income lost is mainly due to the people we support who are self-funded, who have moved their funding elsewhere, resulting in a full year reduction for 2021/22 of £72k. We continue to produce detailed forecasts which cover the current financial year and 3 years hence, these are reviewed by the Finance Committee and board post year end. Despite 2022/23 projection being a deficit position, the following years return to surplus. Given our strong reserves position which enables us to carry out the work set out in our strategy, the focused KPIs set for 2022/23, the Trustees have concluded that the charity can meet its debts as they fall due and consequently the charity continues to adopt the going concern basis in preparing its financial statements.

#### c) Fund accounting

Unrestricted funds comprise Designated Funds and the General Fund/Free Reserve and represent the accumulated net surplus of unrestricted income over expenditure. They are available for use by the Charity in furtherance of its general objectives. Designated funds comprise unrestricted funds which have been set aside at the discretion of the Trustees for specific purposes. Restricted funds are funds subject to specific restrictive conditions imposed by donors. Interest income is allocated to the various funds according to cash balances and investments attributable to them. The purpose and use of the designated and restricted funds are set out in the notes to the financial statements.

#### d) Income

Income is accounted for on a receivable basis, except donations which are credited in the year in which they are received. The charity's income largely comprises of contracts for care services, recognised as the service is delivered. Legacies are regarded as receivable when it is probable that the legacy will be received, and its value can be measured reliably.

Income from Government grants is accounted for when the charity has entitlement to the funds, any conditions attached to the grants have been met and it is probable that the income will be received, the amount can be measured reliably and is not deferred. The Furlough scheme has been utilised by the charity in 2021/22 to mitigate losses incurred as a result of shielding staff, the amount received was £103k.

#### e) Expenditure

The expenditure is classified under categories which reflect the use of the resource. Central costs are allocated to cost of care services, this being over 99% of total direct expenditure. Irrecoverable VAT is included in expenditure.

#### f) Tangible fixed assets

The costs of acquisition of and adaptation to freehold properties, excluding the land value, are depreciated over their useful lives

## Notes to the Financial Statements *continued...*

Properties are split into their component parts and associated useful lives are:

- Bathrooms - 10 years
- Boilers and heating - 15 years
- Bricks and mortar - 100 years
- Electrical re-wire - 30 years
- Kitchens - 15 years
- Lifts - 40 years
- Roofs (*flat & pitched*) - 25 & 50 years
- Specialised baths - 10 years
- Windows and doors - 25 years

Other tangible fixed assets are stated at cost including any incidental expenses of acquisition and depreciated by equal annual instalments over the expected useful lives of the assets, which are as follows:

- Computers - 4 years
- Furniture and equipment - 4-8 years
- Motor vehicles - 4 years
- Office fixtures and fittings - 10 years
- Short leasehold properties - the length of the lease/ contract

Any expenditure below £2,000 is included in the Statement of Financial Activities.

**g) Investments**

Investments are stated at market value. All gains and losses on revaluations are shown in the Statement of Financial Activities. Income from the investments is recognised in the year in which it arises.

**h) Financial Instruments**

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments in accordance with FRS102. Basic financial instruments are initially recognised at the transaction value and subsequently measured at their settlement value.

**i) Debtors**

Fee and other debtors are measured at their recoverable amounts, prepayments are valued at the amount prepaid at 31 March 2022.

**j) Operating leases**

Operating lease rentals are charged to the Statement of Financial Activities as they become due.

**k) Creditors**

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

**l) Liquid resources**

Cash at bank represents non-interest-bearing bank balances that form the day to day working capital of the Charity. Bank deposits represent funds not required immediately held in interest bearing accounts typically for fixed periods.

**m) Key judgements & estimates**

The Charity makes an estimate on the recoverable value of fee and other debtors. When assessing the impairment of these debtors, management considers factors including the ageing profile of the debtors and historical experience. £130,265 bad debt provision is included within the debtor balances in note 6. The charity estimates the useful lives of fixed asset components. The estimates and associated assumptions are based on historical experience within the charity and also by utilising guidance from the NHF (National Housing Federation). Dilapidation accruals are also estimated based on works required over the life of the repairing lease and historical experience.

## Notes to the Financial Statements continued...

### n) Pension costs

The Charity participates in both defined benefit (multi-employer) and defined contribution schemes which require contributions to be made to separately administered funds. Contributions to the charity's defined contribution pension schemes are charged to the statement of financial activities in the year in which they are incurred. In the case of the multi-employer, defined benefit pension scheme where it is not possible to identify the underlying assets and liabilities relating to the individual participating employers, contributions for these schemes are also charged to the statement of financial activities in the year in which they are incurred.

### 2. INCOME

Income from Local Authorities relates to care services provided, the charity also benefited from government covid and furlough grants, £1560k & £642k respectively. £255,263 (2021 £224,268) of income from donations & legacies is classified as restricted, all other income was unrestricted.

### 3. EXPENDITURE

	Staff Costs £	Other Costs £	Total 2022 £	Total 2021 £
<i>Expenditure on:</i>				
Cost of Care Services				
Direct	30,687,591	4,882,764	35,570,355	35,493,817
Support	1,858,825	-	1,858,825	1,523,544
Marketing	-	52,509	52,509	44,530
Business Systems	-	238,346	238,346	277,534
Depreciation	-	15,549	15,549	18,037
Recruitment/Training/Insurance	-	174,958	174,958	144,062
Office & administration	-	782,677	782,677	436,535
Governance	138,000	43,979	181,979	155,269
	<b>32,684,416</b>	<b>6,190,782</b>	<b>38,875,198</b>	<b>38,093,328</b>
<i>Expenditure on raising funds:</i>				
Fundraising and publicity costs	154,506	82,077	236,583	170,702
<b>Total Outgoing Resources</b>	<b>32,838,922</b>	<b>6,272,859</b>	<b>39,111,781</b>	<b>38,264,030</b>

Expenditure included in the current year of £290,999 (20/21 £239,322) is classified as restricted against the cost of care services.

	2022 £	2021 £
<b>Total resources expended are stated after charging:</b>		
Auditor's remuneration –		
Audit services	38,592	34,984
Other services	-	-
Depreciation of fixed assets	431,095	803,431
Lease Payments –		
Land & buildings	254,519	221,679
Plant, Equipment & Vehicles	338,893	365,872

## Notes to the Financial Statements continued...

	£	£
Other costs, analysed above as Governance, cover the following categories:		
Auditor's remuneration	38,592	34,984
Trustee meeting costs	4,048	-
Governance related professional fees	1,018	3,285
Trustee expenses	321	-
	<b>43,979</b>	<b>38,269</b>

Governance costs include audit fee, trustee related expenses, and an allocation of staff costs to support the internal audit, statutory reporting, and strategic planning roles.

	2022	2021
	£	£
Staff costs during the year amounted to:		
Salaries	25,779,643	25,589,226
Redundancy costs	6,193	23,499
Social security costs	2,051,916	1,860,337
Employer's pension contributions	794,084	781,509
Apprenticeship levy	116,480	110,230
Other forms of employee benefits	132,672	87,286
	<b>28,880,988</b>	<b>28,452,087</b>
Agency staff costs	3,950,605	3,484,269
	<b>32,831,593</b>	<b>31,936,356</b>

	Number 2022	Number 2021
The average number of full-time equivalent including overtime and non-contracted staff but excluding agency staff was:		
Care provision	966	1002
Fundraising	3	3
<b>Total</b>	<b>969</b>	<b>1,005</b>

	Number 2022	Number 2021
The average number of staff, comprising both part and fulltime employees, during the year, analysed by function was:		
Care provision	1331	1,407
Fundraising	6	6
<b>Total</b>	<b>1337</b>	<b>1,413</b>

## Notes to the Financial Statements continued...

At 31 March 2022, the Charity employed 508 (2021: 545) full time staff and 716 (2021: 872) part time staff. The total emoluments of employees earning more than £60,000 per annum (including benefits in kind but excluding employer's pension contributions) fall within the following bands:

	Number 2022	Number 2021
£60,001 - £70,000	-	-
£70,001 - £80,000	2	2
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£120,001 - £130,000	-	-
£130,001 - £140,000	1	1

For the above members of staff, pension contributions amounting to £36,890 (2021: £33,229) were paid into a money purchase plan. Total salaries and benefits paid to key management personnel & directors amounted to £554,567 (2021 £540,971).

The Trustees neither received nor waived any remuneration during the current or preceding financial years. Travel expenses for their meetings reimbursed during the year amounted to £321 (2021: £0), with the majority of meetings continuing to be held online. The Charity operates a strict expenses policy that has been reviewed and approved by the Chairman and the Trustees and is applicable to all staff, Directors and Trustees. There are no transactions with related parties which require disclosure (2021: none).

#### 4. TANGIBLE FIXED ASSETS

	Freehold property £	Assets under construction £	Long leasehold £	Short leasehold £	Computers £	Furniture & Equipment £	Total £
<b>Cost</b>							
At 1 April 2021	14,181,879	283,061	789,451	662,360	323,511	1,309,406	17,549,668
Additions	89,062	121,955	-	44,520	-	65,179	320,716
Disposals	-	-	-	-	-	-	-
<b>At 31 March 2022</b>	<b>14,270,941</b>	<b>405,016</b>	<b>789,451</b>	<b>706,880</b>	<b>323,511</b>	<b>1,374,585</b>	<b>17,870,384</b>
<b>Depreciation</b>							
At 1 April 2021	3,153,418	-	789,451	379,977	323,511	1,115,838	5,762,195
Charge	222,464	-	-	140,709	-	67,922	431,095
Disposals	-	-	-	-	-	-	-
<b>At 31 March 2022</b>	<b>3,375,882</b>	<b>-</b>	<b>789,451</b>	<b>520,686</b>	<b>323,511</b>	<b>1,183,760</b>	<b>6,193,290</b>
<b>Net book value</b>							
At 31 March 2021	11,028,461	283,061	-	282,383	-	193,568	11,787,473
<b>At 31 March 2022</b>	<b>10,895,059</b>	<b>405,016</b>	<b>-</b>	<b>186,194</b>	<b>-</b>	<b>190,825</b>	<b>11,677,094</b>

## Notes to the Financial Statements continued...

### 5. INVESTMENTS

	2022	2021
	£	£
Market Value at 1 April 2021	65,739	57,775
Sale proceeds	-	-
Net unrealised investment gain/(losses)	3,395	7,964
Market Value as at 31 March 2022	69,134	65,739

Investments are analysed as follows:

Government Bonds	14,000	14,000
UK Equities	30,084	29,245
UK Investment Trusts	20,203	17,647
UK Unit Trusts	4,847	4,847
TOTAL	69,134	65,739

### 6. DEBTORS AND PREPAYMENTS

	2022	2021
	£	£
Fee debtors	2,196,868	2,747,587
Accrued income	192,492	543,689
Other debtors	2,435,345	199,622
Prepayments	323,471	381,323
	5,148,176	3,872,221

Other debtors includes an accrual for £2.3m from a notified legacy

### 7. CREDITORS: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	681,156	542,268
Accruals and deferred income	1,990,757	1,966,283
Other creditors	377,099	985,062
Taxation and social security	524,905	482,371
	3,573,917	3,975,984

Deferred income of £845k (2021 £751k) relates to invoicing for care services in late March 2022, relating to services provided during April 2022.

## Notes to the Financial Statements continued...

### 8. FUNDS

	Balance at 1 April 2021	Incoming resources & unrealised loss	Outgoing resources	Inter fund transfers	Balance at 31 March 2022
	£	£	£	£	£
Amenity, Friends & Development Fund	643,748	255,263	(290,999)	19	608,031
<b>Restricted funds</b>	<b>643,748</b>	<b>255,263</b>	<b>(290,999)</b>	<b>19</b>	<b>608,031</b>
<b>Designated funds</b>					
Fixed asset funds	11,787,473	33,800	(431,095)	286,916	11,677,094
Maintenance and redevelopment projects	338,330	-	(139,060)	1,820,870	2,020,140
Transformation fund	-	-	-	395,430	395,430
<b>sub-total</b>	<b>12,125,803</b>	<b>33,800</b>	<b>(570,155)</b>	<b>2,503,216</b>	<b>14,092,664</b>
<b>General fund</b>	<b>9,127,344</b>	<b>40,748,834</b>	<b>(38,250,627)</b>	<b>(2,503,235)</b>	<b>9,122,316</b>
<b>Total funds</b>	<b>21,896,895</b>	<b>41,037,897</b>	<b>(39,111,781)</b>	<b>-</b>	<b>23,823,011</b>

#### Restricted Funds

The Amenity, Friends and Development fund relates to monies raised for specific projects in services or central support functions, as well as unexpended donations resulting from specific appeals to be applied on development projects and smaller projects across the activities of the Charity. Transfers take place from this to the Fixed Asset fund because of expenditure on capital items. Inter fund transfers represents designated funds previously classified as restricted funds, in recognition that the restriction placed on these funds has been fulfilled.

#### Designated Funds

The Fixed Asset Fund represents the net book value of unrestricted funds already invested in properties and other fixed assets. The Maintenance and Redevelopment Projects Fund represents estimated amounts required to fund the on-going refurbishment and maintenance programmes of properties in the next financial year, with the Transformation fund enabling us to invest in new digital transformation projects or services.

### 9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Balance at 31 March 2022 £
Tangible fixed assets	11,677,094	-	11,677,094
Investments	69,134	-	69,134
Net Current Assets	11,468,752	608,031	12,076,783
Creditors: amounts due after more than one year	-	-	-
<b>Total</b>	<b>23,214,980</b>	<b>608,031</b>	<b>23,823,011</b>

## Notes to the Financial Statements *continued...*

### 10. PENSION SCHEMES

The Charity contributes towards three employee pension schemes. The Creative Personal Pension Scheme is a money purchase plan with the Charity contributing between 4% and 10% of members' salaries, and up to 3% for the Auto Enrolment Scheme. The NHS and Local Government Pension Scheme (LGPS) are both schemes we continue to pay into as a result of staff transferring in under TUPE. Both LGPS schemes have carried out valuations in 2019, allocating the FitzRoy share of liabilities which total £5.1k over the next 3 years. Contributions for both NHS and LGPS schemes vary and are advised by either the NHS or LGPS administrating bodies.

### 11. OPERATING LEASE COMMITMENTS

	Land & Buildings	Plant, Equipment & Vehicles	Other	Land & Buildings	Plant, Equipment & Vehicles	Other
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Total future minimum lease payments under operating leases, expiring:						
Within one year	180,983	226,076	20,153	239,454	226,311	29,352
In the second to the fifth year	302,919	398,697	11,311	521,964	456,527	31,261
After five years	128,494	-	-	145,819	-	-
<b>Total</b>	<b>612,396</b>	<b>624,773</b>	<b>31,464</b>	<b>907,237</b>	<b>682,838</b>	<b>60,613</b>

### 12. CAPITAL COMMITMENTS

No significant capital commitments at the time of signing, however we continue to invest in our business systems and properties.

### 13. TAXATION

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period.

### 14. RELATED PARTY TRANSACTIONS

There were no related party transactions carried out during the year.

# FitzRoy

transforming lives

FitzRoy transforms lives every day, supporting people with learning disabilities to do the simple things that make a real difference to their everyday life.

Our values – See the Person, Be Brave and Be Creative - guide us each step of the way and are as important now as when the charity first began.

Our vision is a society where people are treated as equals, regardless of their disability.

Our mission is to transform lives by supporting people with learning disabilities to lead the lives they choose.

## Join the conversation



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