

**THE ROWAN ORGANISATION
(Company Limited by Guarantee)**

REPORTS & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

**Company Number 2783681
(England and Wales)**

Registered Charity Number 1017932

**ARMSTRONGS BISHOP SIMMONS LIMITED
Chartered Accountants
Gethin House
36 Bond Street
Nuneaton
Warwickshire
CV11 4DA**

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Annual Trustees Report and Financial Statements for the year ended 31 March 2021

CONTENTS

Page

1 - 8	Annual Trustees Report/ Company Information
9 - 13	Report of the Auditors
14	Statement of Financial Activities
15	Balance Sheet
16	Statement of Cash Flows
17-25	Notes forming part of the Financial Statements
26	Management Structure

THE ROWAN ORGANISATION (Company Limited by Guarantee)Annual Trustees Report for the year ended 31st March 2021

The trustees present their report and the audited financial statement for the year ended 31st March 2021. These comply with current statutory requirements and the charity's governing documents.

Reference and Administrative Information

Charity No.	1017932
Company No.	2783681
Registered Office Principal address	Unit 7 Colliers Way Old Arley Coventry CV7 8HN
Auditors	Armstrongs Bishop Simmons Limited Chartered Accountants and Statutory Auditors Gethin House 36 Bond Street Nuneaton Warwickshire CV11 4DA
Bankers	Santander Corporate Banking Bridle Road Bootle Merseyside L30 4GB
Solicitor	Mr David Dumbleton Rotherham & Co 8 & 9 The Quadrant Coventry CV1 2EG

In addition we have sought employment law advice from our insurers.

Senior Management Group

Chief Executive
Deputy Chief Executive

Mrs Deborah Houghton
Mrs Karen Smith

THE ROWAN ORGANISATION (Company Limited by Guarantee)Annual Trustees Report for the year ended 31st March 2021

The following Directors/Trustees have served on the Board of Management during the year:

Mrs A Forwood	Chair
Mrs J Taylor	Vice Chair
Ms D Cambray	
Mrs D Clews	
Mrs J Caldwell	(resigned 1 September 2021)
Mr J D Blore	(resigned 15 September 2021)
Cllr R Jarvis	

Structure, Governance and Management
Governing document

The Rowan Organisation is a company limited by guarantee incorporated under Memorandum of Association on 26th January 1993, which established the objects and powers of the charitable company and is governed by its Articles of Association (Company Registration No.2783681) and registered as charity No.1017932 on March 2nd 1993.

Membership of the Rowan Organisation is open to all service users of the organisation and also to organisations affiliated to the Rowan Organisation. Currently there are 76 members on the register. Liability of members is limited to £1 in the event of the charity winding up.

It is not necessary to become a member of the organisation in order to access its services, however if individuals choose to become a member they become entitled to stand for election to represent service users on the Board of Management and to vote at the AGM.

Appointment of Trustees

As per our Articles of Association the members of the Board of Directors who are also Trustees of the charity are elected at the Annual General Meeting to serve a period of two years. The number of places on the Board is 21 of which 16 are representatives of service users and 5 are representatives of affiliated organisations. In addition there is provision to allow up to 4 co-options. The Board of Directors is authorised to appoint new directors to fill casual vacancies arising from unfilled positions or the retirement, resignation or death of an existing director.

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Annual Trustees Report for the year ended 31st March 2021

Trustees' induction and training

New trustees are provided with induction training and are issued with an induction pack with relevant documentations which includes details of the roles and responsibilities of charity trustees. Trustees are also given an opportunity to participate in training events organised for staff members and we have a number of core training modules and optional training modules which are open to all trustees. In addition, trustees attend relevant training seminars and conferences which are of interest to them and relevant to their role.

Organisation

Currently there are seven members on the Board of Directors which meets quarterly. The work of the Board is supported by two sub-committees, Finance & Development Committee and Personnel Committee. Sub-committees meet as necessary throughout the year but their normal frequency is quarterly. Trustees are encouraged to be a part of one or both of the sub-committees.

The Chief Executive is responsible for the day to day operation of the organisation and has the delegated authority for operational matters, within the policies and procedures of the organisation.

A copy of the Management Structure of the organisation is attached.

Related parties

The Rowan Organisation is funded in main by Local Authorities for the provision of services to disabled and older people, and by Clinical Commissioning Groups (CCGs) to support people in receipt of a Personal Health Budget. The Rowan Organisation is affiliated to a number of disability/charitable organisations. Likewise a number of disability/charitable organisations are affiliated members of the Rowan Organisation and these bodies can nominate representatives for election to the Board of Directors of the Rowan Organisation as stated above. A full list of affiliated organisations is available on request.

A number of Board members are in receipt of our services and therefore are beneficiaries of the services that the organisation provides on a normal service level basis. All our trustees are unpaid volunteers.

Aims, Objectives and Activities

The principal purpose of the organisation, as defined by the Memorandum of Association, is to support disabled and older people to further their independence. We are also committed to the empowerment of disabled and older people by supporting them to overcome the barriers, both physical and attitudinal

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Annual Trustees Report for the year ended 31st March 2021

which prevent them from being in control of their lives. The provision of direct payments support services enable disabled and older people to live more independently within the community and enable them to exercise more choice and control over the way that they live their lives.

We provide Support Planning and Brokerage Services, Direct Payments Support Services (Independent Living Schemes), Personal Health Budget Support Services, Advice & Information Services, Payroll Services, Managed Accounts, Training, Recruitment line, DBS Vetting Service and Personal Assistants (PA) registers.

Our current area of operation covers England and Wales.

Achievement and Performance

We continued to provide Direct Payments support and Personal Health Budget support services on behalf of a number of local authorities and CCGs. With the Covid 19 Pandemic, we have experienced a lower than normal rate of referrals during this difficult time, however we have continued to support people remotely, using innovative ways to communicate and support people as much as practicably possible.

Growth in the uptake of Managed Accounts and Payroll Services has also been affected by the Pandemic, although in the latter part of the year, this once again continued to grow.

This year we have started a new 12 months secondment with Birmingham and Solihull Mental Health Trust, based in the acute inpatients wards at the Oleaster Hospital in Birmingham. The remit of this secondment is for our ILA's to work with the staff and patients on the wards, to introducing a person centred approach to the discharge process. This will put the patient at the centre of their discharge plan identifying outcomes to focus on, reducing the possibility of a crisis that leads to a re-admission into hospital.

Currently we are providing Direct Payments Support and/or associated services in Anglesey, Carmarthenshire, Bath & North East Somerset, Birmingham, Blackburn, Bristol, Cambridgeshire, Cheshire, Conwy, Denbighshire, Derby, Derbyshire, Doncaster, Essex, Flintshire, Gloucestershire, Gwynedd, Hillingdon, Hull, Lancashire, Leeds, Leicester, Leicestershire, London, Merseyside, North East Lincolnshire, Norfolk, Northamptonshire, Nottingham, Nottinghamshire, Richmond, Rotherham, Sheffield, Slough, South West London, Staffordshire, Suffolk, Surrey, Telford, Thurrock, Vale of Glamorgan, Warwickshire, West Sussex, Wiltshire, and Worcester.

We are providing person-centred support planning and employment support for patients who are in receipt of Personal Health Budgets, through NHS Continuing

THE ROWAN ORGANISATION (Company Limited by Guarantee)Annual Trustees Report for the year ended 31st March 2021

Health Care (Adults) or Continuing Care (Children) and the CCG local offers (including funding for patients under Section 117 of the Mental Health Act). Areas we are currently working in are Bassetlaw CCG, Birmingham & Solihull CCG, Bolton CCG, Buckinghamshire CCG, Cannock Chase CCG, Coventry & Rugby CCG, Croydon CCG, Doncaster CCG, East Berkshire CCG, East Staffordshire CCG, Herts Valley CCG, Ipswich & East Suffolk CCG, Mansfield and Ashfield CCG, Merton CCG, Milton Keynes CCG, Newark and Sherwood CCG, North East Lincolnshire CCG, North Hertfordshire CCG, North Staffordshire CCG, North Warwickshire CCG, Northampton CCG, Nottingham City CCG, Nottingham North and East CCG, Nottingham West CCG, Oxford Health Foundation Trust, Richmond CCG, Rushcliffe CCG, Sandwell and West. Birmingham CCG, Shropshire CCG, Telford & Wrekin CCG, South East Staffordshire CCG, South Warwickshire CCG, Staffordshire and Surrounds CCG, Sutton CCG, Tower Hamlets CCG, Wandsworth CCG, Wandsworth Children's CCG and Worcestershire CCG.

Public Benefit

The Rowan Organisation is committed to enabling disabled and older people to live independently and take control of their lives by providing support, advice and information. During the year over 5328 disabled people, including children, young people, older people and their carers, benefited from provision of our services as mentioned above. Our Information Service dealt with over 7200 queries during the year, this is in addition to the support provided by our locally based Independent Living Advisers. Our salary service provided payroll service to over 3000 customers and our Managed Accounts service has supported over 2000 accounts.

The provision of the above services, to eligible individuals, has been free at the point of delivery as per our funding agreement with Local Authorities and CCGs. However, in the majority of areas, some aspects of the services we provide are now funded directly from customers, Personal Budget or Personal Health Budget funding. Enabling individuals to have more choice over who provides their support and how it's delivered focusing on personal outcomes, which fits with our ethos by providing increased opportunity for choice and control. However it comes with it's own challenges for individuals and for ourselves, in relation to cash flow.

Risk Management

As reported in previous years, we continue to benefit from our business interruption insurance cover as was proposed as part of our review of the Disaster Recovery Plan. We have evaluated the risks associated with the Pandemic throughout the year and being supported by the Furlough Scheme that was offered by the Government, supported us to maintain our ongoing support to

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Annual Trustees Report for the year ended 31st March 2021

people in receipt of our services and enabled us to continue to work throughout the whole of the year, with minimal interruption to our services.

Finance Review

Our Chief Executive oversees the financial activity across the organisation. Our income and expenditure is monitored closely in order to maximise our assets and to reduce monies owed.

We continue to experience a period of austerity measures this year ensuring that non essential expenditure is reduced wherever possible. In addition, we have made efforts to maximize our income and have introduced a profit making arm in order to support the charitable aims of the Organisation. Due to the COVID 19 restrictions, we were unable to progress with the profit making arm during this financial year, however plans are in place for us to start to launch this more proactively in the new financial year.

Once again our Deficit Management Plan has supported us to retain a considerable operating surplus this year and this has enabled us to make significant inroads into our debt. However, with the pandemic hitting all similar charitable organisations such as ourselves, we have not managed to clear the deficit in its entirety in this year. We are hopeful to have done this by the end of March 2022.

VAT Registration

An increasingly large proportion of the full range of our services are now chargeable at the standard rate of VAT because of the move towards providing services to individual customers, as opposed to block contracts, which has led to HMRC regarding these services as VATable.

Our VAT Registration No. 936687177

Investment Policy

The Board of Management has considered the most appropriate policy for investing funds and has determined that Santander provides us with sufficient banking provision. As our reserves increase over the coming years, we will again consider where best to invest these monies.

Reserves Policy

It is the company's policy to aim to have designated funds to meet the necessary expenditure when it arises and also to maintain adequate working capital. Our

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Annual Trustees Report for the year ended 31st March 2021

Reserves Policy clarifies our intention to maintain various reserves i.e. staff contingency, designated, restricted and general reserves and we are actively working towards the restoration of a sufficient balance of reserve funds by the end of March 2022.

Plans for the future

We continue to seek new work across all local authorities within England and Wales and are working alongside a number of CCGs to support them with the roll out of Personal Health Budgets.

Following the review of our Managed Accounts Service on the PFS platform and communicating with our stakeholders, it was agreed that we would only offer this solution in relation to our Managed Accounts Service, due to the benefits it brings to the funding authorities.

Funds held as Custodian

All funds held on behalf of our customers are retained in their own individual accounts on the Pre-Paid Financial Services platform, specifically for the purpose of facilitating payments to customers, their Personal Assistants and to an ever increasing range of providers. The funding is received from Local Authorities and CCGs for the benefit of the individuals who are entitled to receive these payments, in line with each area's contractual agreements.

Trustees/Directors' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year, 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 these financial statements, the trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgments and estimates that are reasonable and prudent;

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Annual Trustees Report for the year ended 31st March 2021

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for 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 auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

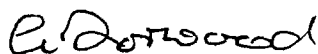
Auditors

A resolution proposing that Bishop Simmons Limited, Chartered Accountants be re-appointed as auditors of the charitable company and to authorise the Board to fix their remuneration, will be put to the members at the Annual General Meeting.

Small company provisions

This report has been prepared in accordance with the Statement of Recommended Practice — Accounting and Reporting by Charities and in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the directors and signed on their behalf:



Mrs A Forwood
Director/Trustee
Dated: 24 November 2021

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Independent Auditor's Report to the Trustees of The Rowan Organisation

Opinion

We have audited the financial statements of The Rowan Organisation (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, 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.

Material uncertainty related to going concern

We draw attention to the Financial Review paragraph in the Annual Trustees Report which acknowledges that although the charitable company has made a surplus in the year, there is still a significant deficit of funds carried forward.

The initial Deficit Management Plan prepared by the Senior Management Team in January 2019, to be closely monitored and reviewed by the Board was initially to cover the next 15 months (i.e. to 31 March 2020). In 2020 this was then extended by 12 months to 31 March 2021. However, due to the sudden but significant impact that the pandemic had across the UK during the final quarter of 2020, the plan was further extended by 12 months to 31 March 2022. This plan continues to be updated

THE ROWAN ORGANISATION (Company Limited by Guarantee)

year on year as circumstances change. The current predictions show sufficient surpluses to clear the deficit funds brought forward in full by 31 March 2022, and a small surplus for the following year subject to the unknown impact of the ongoing pandemic.

As stated in the Financial Review paragraph of the Annual Trustees Report the deficit of funds carried forward indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Trustees' Report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 7 and 8, 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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.

Our approach was as follows:

We assessed the risks of material misstatement in respect of fraud by making enquiries of management during the audit.

Based on the results of our risk assessment we designed our audit procedures to identify the non-compliance with such laws and regulations identified below.

We considered the risk of fraud in management override of controls and in response, we incorporated testing of the journal entries.

We also considered the risk of fraud in revenue recognition and in response, we incorporated testing of the accuracy and cut-off of deferred revenues as well as

THE ROWAN ORGANISATION (Company Limited by Guarantee)

covering all the normal assertions (completeness, cut-off, existence/occurrence, accuracy, presentation and disclosure).

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant is that which relates to the Health and Safety at Work etc, Act 1974.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment 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 purpose 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.

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Armstrongs Bishop Simmons Limited

Armstrongs Bishop Simmons Limited
Statutory Auditor
Date: 24 November 2021

Gethin House
36 Bond Street
Nuneaton
Warwickshire
CV11 4DA

Armstrongs Bishop Simmons Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 March 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME AND ENDOWMENTS FROM					
Donations and legacies					
Donations and sundry income		978	-	978	785
Charitable Activities					
Local Authorities Service					
Agreements/Grants	2	672,213	-	672,213	660,720
Income from Investments		314	-	314	1,260
Other					
Other income	2	397,602	-	397,602	391,095
TOTAL INCOME AND ENDOWMENTS		1,071,107	0	1,071,107	1,053,860
EXPENDITURE ON:					
Charitable activities:					
Direct Payments/Advice & Information Services	3	1,009,255	-	1,009,255	1,040,041
TOTAL EXPENDITURE		1,009,255	0	1,009,255	1,040,041
NET INCOME	4	61,852	0	61,852	13,819
Reconciliation of funds:					
Total funds brought forward at 1 April 2020		-130,129	0	-130,129	-143,948
FUNDS CARRIED FORWARD AT 31 MARCH 2021		-68,277	0	-68,277	-130,129

The statement of financial activities includes all gains and losses for the year. All income and expenditure derive from continuing activities.

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Balance Sheet as at 31 March 2021

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible fixed assets	7		0		0
CURRENT ASSETS					
Stock		48		48	
Debtors	8	72,157		3,987	
Cash at bank and in hand		75,119		16,022	
		<u>147,324</u>		<u>20,057</u>	
CREDITORS - amounts falling due within one year	9	<u>-215,601</u>		<u>-150,186</u>	
NET CURRENT ASSETS			<u>-68,277</u>		<u>-130,129</u>
NET ASSETS	10		<u><u>-68,277</u></u>		<u><u>-130,129</u></u>
FUNDS					
Unrestricted funds:					
General		-68,277		-130,129	
Designated				-	
		<u></u>	<u>-68,277</u>	<u></u>	<u>-130,129</u>
Restricted funds	11		<u>0</u>		<u>0</u>
Total charity funds			<u><u>-68,277</u></u>		<u><u>-130,129</u></u>


For the year ending 31st March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

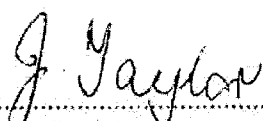
Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements were approved by the Directors on 24 November 2021 and signed on its behalf.


 Anne Forwood, Director


 Jackie Taylor, Director

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Statement of Cash flows for the year ended 31 March 2021

	Notes	2021 £	2020 £
Cash flow from operating activities	12	58,783	11,062
Cash flows from investing activities			
Interest		314	1,260
Payments to acquire tangible fixed assets		-	-
Receipts from sales of tangible fixed assets		-	-
Net cash provided by investing activities		<u>314</u>	<u>1,260</u>
Change in cash and cash equivalents in the year		<u>59,097</u>	<u>12,322</u>
Cash and cash equivalent brought forward		16,022	3,700
Cash and cash equivalent carried forward		75,119	16,022

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2021

1) Summary of significant accounting policies

The following policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements:

a) General information and basis of preparation

The Rowan Organisation is a private company limited by guarantee incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to support disabled and older people to further their independence.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011, the Companies Act 2006 and the UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS102 Section 1A.

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

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

b) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Incoming resources from local authorities is accounted for as the charity earns the right to Consideration by its performance.

Grants in kind relates to rent of direct payment offices and is treated as incoming resources from charitable activities in the period at a reasonable estimate.

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2021

b) Incoming Resources (continued)

Voluntary income i.e gifts/donations are accounted for once the conditions for receipt have been met and there is a reasonable assurance of receipt. The value of services provided by volunteers is not included.

- c) Restricted funds are to be used for specific purposes as laid down by the donor. However, there is no restricted funds in this financial year.
- d) Grants for the purchase of fixed assets or for the specific project are credited to restricted income resources/funds when receivable. Depreciation on the fixed assets purchased with such grants is charged against the restricted fund.
- e) Unrestricted funds are incoming resources receivable or generated for the objects of the Charity. Local Authorities funding/grants and any donations which does not have a condition imposed by the donor are treated as unrestricted funds.
- f) Designated funds are unrestricted funds earmarked by the Board of management for particular purposes.
- g) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered. Any VAT recoverable under the partial exemption scheme is shown separately in note 3. Expenditure are allocated to activities/cost centres to which it relates. Charitable expenditure comprise of those costs incurred by the charity in the delivery of its activities and its services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them. Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.
- h) Stock of purchased goods are stated at the lower of cost of net realisable value.
- i) Staff costs overheads expenses are allocated to activities on the basis of staff time spent on those activities.
- j) Depreciation is provided on tangible fixed assets at rates calculated to write off the full cost less estimated residual value of each asset over its estimated useful life. The principal rates in use are:

Motor Cars	2 years straight line or 50,000/60,000 miles which ever comes first.
Fixture and Fittings	7 years straight line
Electronic Equipment	3 years straight line

Items which are under £ 1000 are written off in the year of their purchase as per Board of Management Policy.

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 March 2021

- k) Fixed tangible assets are stated at cost less accumulated depreciation. Depreciation is provided as stated above.
- l) Pension costs. The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities for the period to which they relate.
- m) Investment income is included when receivable.
- n) Finance and Operating Lease Transactions - Assets acquired under finance leases are capitalised in the balance sheet and are depreciated in accordance with the company's normal policy. The outstanding liabilities under such agreements are included in creditors. Rental applicable to operating leases where substantially all the benefits and risks of the ownership remain with the lessor are charged to the statement of financial activities in the year in which they fall due.
- o) Deferred income - income where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance of performance its recognition is deferred and included as creditors.
- p) Going concern - The trustees have considered the deficit management plan and the working capital requirements for the period of 12 months from the date of this report and have reasonable expectation that the Charity has adequate resources to continue its operations for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis for the preparation of the annual trustees report and accounts.

2) Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Local Authorities funding	672,213	-	672,213	660,720
Other Income				
DBS Vetting Service	15,585	-	15,585	23,500
Pension Charges	11,905	-	11,905	13,086
Miscellaneous	9,514	-	9,514	500
Advertising	9,600	-	9,600	800
Support etc	130,158	-	130,158	166,222
Payroll Service	155,912	-	155,912	186,987
Other Coronavirus funding	10,479	-	10,479	-
Coronavirus job retention scheme grant	54,449	-	54,449	-
	<u>397,602</u>	-	<u>397,602</u>	<u>391,095</u>

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements continued for the year ended 31 March 2021

3) Total resources expended

		Direct Payment/ Advice & Information Services	Governance Costs	Total 2021 £	Total 2020 £
Staff costs	Staff time	789,711	-	789,711	842,832
LGPS Early retirement	Direct	28,812	-	28,812	0
Training (Staff & SFC)	Direct	0	-	0	836
Rent and service charge	Direct	13,830	-	13,830	18,833
Heat and light	Direct	0	-	0	0
Insurance	Direct	2,692	-	2,692	5,774
Telephone	Direct	13,234	-	13,234	11,693
Postage and stationery	Usage	27,999	-	27,999	29,639
Photocopying	Usage	889	-	889	1,933
Property refurbishment costs	Direct	0	-	0	3,150
Maintenance and cleaning	Usage	205	-	205	764
Licences	Direct	0	-	0	0
General expenses	Direct	8	-	8	4,069
Travelling expenses	Direct	7,947	-	7,947	26,536
Recruitment costs	Direct	0	-	0	2,848
Professional/Legal fees	Direct	1,000	-	1,000	25
Printing/Interpreting/Translation	Usage	128	-	128	0
Room hire	Usage	0	-	0	361
Hire purchase charges	Transaction	0	-	0	0
Bank charges	Transaction	1,180	-	1,180	2,100
Loss on disposal of assets		0	-	0	0
Depreciation of equipment	Usage	0	-	0	0
Depreciation of vehicles	Usage	0	-	0	0
VAT reimbursement	Direct	-32,954	-	-32,954	-24,781
Computer Subscription/maintenance	Direct	136,290	-	136,290	85,832
Equipment	Direct	860	-	860	371
Equipment hire	Direct	0	-	0	0
Computer equipment	Direct	0	-	0	0
Staff security/Welfare	Direct	1,304	-	1,304	2,134
DBS Vetting Service	Direct	7,120	-	7,120	11,040
Redundancy	Direct	0	-	0	4,812
Relocation Costs	Direct	0	-	0	240
Support costs					
Management cost	Usage	-	-	-	-
Audit fees	Direct	9,000	-	9,000	9,000
Insurance	Usage	-	-	-	-
Telephone	Usage	-	-	-	-
Postage and stationery	Usage	-	-	-	-
Photocopying	Usage	-	-	-	-
Travelling expenses	Usage	-	-	-	-
Expenses	Usage	-	-	-	-
		<u>1,009,255</u>	<u>0</u>	<u>1,009,255</u>	<u>1,040,041</u>

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements continued for the year ended 31 March 2021

4) Net incoming resources

This is stated after charging:	2021 £	2020 £
Depreciation	0	0
Operating lease rentals	24,126	31,368
Auditors' remuneration		
In their capacity as auditors	7,800	7,800
For accountancy services	1,200	1,200

5) Staff costs

	2021 £	2020 £
Salaries and wages	718,283	772,057
Social security costs	44,381	49,410
Pension costs	27,048	26,177
	<u>789,712</u>	<u>847,644</u>

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

No trustee or director received remuneration nor are accruing retirement benefits via the company defined benefit pension scheme. Travel cost and expenses amounting to £nil (2020 £nil) were incurred for 0 (2020 0) members of the management committee.

There was 34 members of staff accruing benefits under auto-enrolment.

The average number of employees during the year, calculated on the basis of full time equivalents analysed by function was as follows:

	2021	2020
Advice and information	11	13
Administration and finance	23	24
Managerial	8	9
Technical support	0	0
Apprentices	0	0
	<u>42</u>	<u>46</u>

The total amount paid to key management personnel is £100,221 (2020 £104,094). The Charity consider its key management personnel to comprise of the chief executive, finance strategic lead and the business and development strategic lead.

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements continued for the year ended 31 March 2021

6) Taxation

As a charity, The Rowan Organisation is exempt from corporation tax on income and gains falling within section 505 of the Taxation and Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

7) Tangible fixed assets

	Fixtures & Fittings £	Total £
Cost		
At 1 April 2020	170,436	170,436
Additions	-	0
Disposals	-	0
At 31 March 2021	<u>170,436</u>	<u>170,436</u>
Depreciation		
At 1 April 2020	170,436	170,436
Charge for the year	-	0
On disposals	-	0
At 31 March 2021	<u>170,436</u>	<u>170,436</u>
Net book value		
At 31 March 2021	<u>0</u>	<u>0</u>
At 31 March 2020	<u>0</u>	<u>0</u>
8) Debtors	2021	2020
	£	£
Trade debtors	59,353	-17,554
Other debtors	10,331	10,201
Prepayments	2,473	11,340
	<u>72,157</u>	<u>3,987</u>
9) CREDITORS - amounts falling due within one year	2021	2020
	£	£
Bank overdraft	0	0
Trade creditors	21,264	22,272
Other taxes and social security costs	7,144	12,249
Other creditors	187,193	115,665
	<u>215,601</u>	<u>150,186</u>

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements continued for the year ended 31 March 2021

10) Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	0	-	-	0
Current assets	147,324	0	0	147,324
Current liabilities	-215,601	-	-	-215,601
Long term liabilities	0	-	-	0
Net assets at 31 March 2021	-68,277	0	0	-68,277

11) Movement in funds

	At 1 April 2020 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2021 £
Unrestricted funds.					
General funds	-130,129	1,071,107	-1,009,255	-	-68,277
Designated funds					
Vehicle replacement		-	-		0
Equipment replacement		-	-		0
Staff Contingency		-	-		0
Running and salary costs		-	-		0
	0	0	0	0	0
Total unrestricted funds	-130,129	1,071,107	-1,009,255	0	-68,277
Restricted funds:	0	0	0	-	0
Total restricted funds	0	0	0	-	0
Total funds	-130,129	1,071,107	-1,009,255	-	-68,277

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements continued for the year ended 31 March 2021

Purpose of Designated Funds

Currently there are no designated funds.

Purpose of Restricted Funds

Currently there are no restricted funds.

12) Reconciliation of net movements in funds to net cash flow from operating activities

	2021	2020
	£	£
Net movement in funds	61,852	13,819
Add back depreciation charge	0	0
Deduct interest income shown in investing activities	(314)	(1,260)
Loss on disposal of tangible fixed assets	0	0
(Increase)/Decrease in debtors	(68,170)	28,119
Increase/(Decrease) in creditors	65,415	(29,616)
Net cash used in operating activities	<u>58,783</u>	<u>11,062</u>

13) Lease commitments

The charitable company has non cancellable operating lease with an annual commitment expiring:

	2021	2020
	£	£
Buildings		
- within one year	15,455	29,210
- within two to five years	22,245	15,298
- over five years	-	-
	<u>-</u>	<u>-</u>

THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements continued for the year ended 31 March 2021

14) Pension Commitment

The Rowan Organisation operated a funded pension scheme, established under Warwickshire County Council Pension Fund, providing benefits based on final salary up until 31 March 2018.

The assets of the scheme are held separately from those of the charity.

At 2016, the pension scheme was 82% funded and there was a deficit recovery period over 19 years to make that up to 100% funded. The common employer contribution rate if the scheme was 100% funded is 29.2%, however The Rowan Organisation was paying an employer contribution rate of 31.4% which included an element of deficit recovery.

From 31 March 2018, The Rowan Organisation is an exited scheme employer. Therefore, there are no employees contributing to the scheme from that date. The Pension Fund instructed its actuary to calculate an exit payment in accordance with Regulation 64 of the Local Government Pension Scheme Regulations 2013. The exit payment due to the Pension Fund from the Rowan was £993,000. As the Rowan is unable to pay the exit payment, the Pension Fund have entered into a legal agreement with the Rowan and the County Council (as guarantor) to confirm that the County Council will meet the outstanding liabilities regarding the exit payment in place of the Rowan. The Rowan still remain liable for the outstanding early retirement strain payment of £28,812.18 and have entered into a repayment agreement with the pension fund to repay this from 1 February 2021 by 115 instalments of £250 and a final instalment of £62.18. At 31 March 2021 £28,312.18 was outstanding.

Following the closure of the Local Authority final salary pension scheme, all new employees, were offered a stakeholder pension scheme instead. Any existing employees who have not joined a pension scheme as yet and the employees who were formerly in the Local Authority pension scheme will be able to join the new auto enrolment scheme if they so choose.

The pension cost and charge represents contributions payable by the charity to the fund, to the stakeholder pension scheme and to the new auto enrolment scheme. The contributions amounted to £27,048 (2020 £26,177). At 31 March 2021 £4,003 was outstanding (2020 £3,952).

15) Related Party Disclosures

During the year ended 31 March 2021, management services amounting to £792 were provided to Tro@ Limited, the profit making arm introduced to support the charitable aims of the Organisation. Tro@ Limited also donated £130 to The Rowan Organisation. Mrs D Houghton and Mrs K Smith, the chief executive and deputy chief executive respectively of the Rowan Organisation are also directors of Tro@ Limited. At 31 March 2021 £1,080 was owed to The Rowan Organisation.

The Rowan Organisation

Personnel Sub-Committee
Chair: Anne Forwood

Finance and Development Sub-Committee
Chair: Anne Forwood

Board of Management
Chair: Jackie Taylor Vice Chair: Anne Forwood

Chief Executive
Debbie Houghton

Deputy Chief Executive
Karen Smith

Personal Health Budgets Lead
Steve Giffon

Personal Health Budgets
Coventry
Warwickshire
Staffordshire
Shropshire
Telford & Wrekin
Lebanon Boroughs
Birmingham
Walsworthshire
Northamptonshire
Wiltshire
Buldon
Buckinghamshire
Herts Valley

Head Office Services
Training
Charity Administration
IT
Managed Accounts Service
Payroll Service

DP Locality Projects
Staffordshire
Suffolk

Support Planning & Brokerage
Derbyshire
Knowsley

Information Service
First Point of Call

Head Office Services
Recruitment Line
DBS Vetting Service
General Support

DP Locality Projects
Conwy
Denbighshire
Gwynedd

Welsh Office Services
HR & Personnel
Organisational Finance
Managed Accounts Service
Payroll Service

Board of Management

Senior Management

Direct Payment Support

Support Planning & Brokerage

Health Budgets

Core Services