

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

REPORTS & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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

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Annual Trustees Report for the year ended 31<sup>st</sup> March 2022

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The trustees present their report and the audited financial statement for the year ended 31st March 2022. 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

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Annual Trustees Report for the year ended 31<sup>st</sup> March 2022

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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	
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 2<sup>nd</sup> 1993.

Membership of the Rowan Organisation is open to all customers of the organisation and also to organisations affiliated to the Rowan Organisation. Currently there are 52 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 customers 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.

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### **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 five members on the Board of Directors which aims to meet 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

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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 taking place, we have continued to support people remotely, using innovative ways to communicate and support people as much as practicably possible. We have now returned to making face to face visits upon request, ensuring that we follow safeguarding practices.

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

We are providing person-centred support planning and employment support for patients who are in receipt of Personal Health Budgets and also support with their Payroll, Managed Accounts and DBS Vetting Services.

Areas we are currently working in are Bedfordshire, Luton & Milton Keynes, Birmingham – Cross City, Sandwell & West Birmingham, Birmingham & Solihull, Birmingham Mental Health Trust, Bolton, Buckinghamshire, Cambridgeshire & Peterborough, Coventry & Warwickshire, Doncaster, East Berkshire, Hertfordshire & West Essex, Herts Valley, Isle of Wight, Midlands & Lancashire, North Hertfordshire, Northampton, Nottingham, Nottinghamshire, Oxford, Shropshire, Slough, South West London, Staffordshire, Suffolk, Sutton, Telford, Tower Hamlets, Wandsworth, Warwickshire and Worcestershire.

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### **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 4372 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 4000 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 2000 customers and our Managed Accounts service has supported over 1700 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.

### **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 have maintained our ongoing support to people in receipt of our services 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.

We have now managed to work through our deficit management and have achieved a slight operating surplus in this financial year. This gives us a much more financially stable platform, in which we can drive the organisation forward with regards to tendering for new work and more importantly supporting our partner organisations, by providing excellent support to all customers.

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### **VAT Registration**

All of our services are now chargeable at the standard rate of VAT.

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 Reserves Policy clarifies our intention to maintain various reserves i.e. staff contingency, designated, restricted and general reserves.

### **Plans for the future**

Our aim for the future is to retain the current contracts in place and to support our partner organisations to enhance the support offered to their customers through Direct Payments and Personal Health Budgets.

We continue to seek new work across all local authorities within England and Wales and continuously search for new opportunities to tender for new work.

We are also working with a large numbers of CCG's and ICB's to support their roll out of Personal Health Budgets, although they do not utilise block contracts currently.

### **Funds held as Custodian**

All funds held on behalf of our customers are retained in their own individual accounts on the EML 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.

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### **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;
- 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.

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**Auditors**

A resolution proposing that Armstrongs 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: 26 January 2023

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## **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 2022 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 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.

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

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

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.

**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

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

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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 (i.e. gives a true and fair view).

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.

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### 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: *26 January 2023*

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 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>INCOME AND ENDOWMENTS FROM</b>					
<b>Donations and legacies</b>					
Donations and sundry income		103	-	103	978
<b>Charitable Activities</b>					
Local Authorities Service					
Agreements/Grants	2	564,778	-	564,778	672,213
<b>Income from Investments</b>		195	-	195	314
<b>Other</b>					
Other income	2	362,337	-	362,337	397,602
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>927,413</b>	<b>0</b>	<b>927,413</b>	<b>1,071,107</b>
<b>EXPENDITURE ON:</b>					
<b>Charitable activities:</b>					
Direct Payments/Advice & Information Services	3	834,767	-	834,767	1,009,255
<b>TOTAL EXPENDITURE</b>		<b>834,767</b>	<b>0</b>	<b>834,767</b>	<b>1,009,255</b>
<b>NET INCOME</b>	4	<b>92,646</b>	<b>0</b>	<b>92,646</b>	<b>61,852</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward at 1 April 2021		-68,277	0	-68,277	-130,129
<b>FUNDS CARRIED FORWARD AT 31 MARCH 2022</b>		<b>24,369</b>	<b>0</b>	<b>24,369</b>	<b>-68,277</b>

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 2022

	Notes	£	2022 £	£	2021 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	7		0		0
<b>CURRENT ASSETS</b>					
Stock		48		48	
Debtors	8	107,552		72,157	
Cash at bank and in hand		40,430		75,119	
		<u>148,030</u>		<u>147,324</u>	
<b>CREDITORS - amounts falling due within one year</b>	9	<u>-123,661</u>		<u>-215,601</u>	
<b>NET CURRENT ASSETS</b>			<u>24,369</u>		<u>-68,277</u>
<b>NET ASSETS</b>	10		<u>24,369</u>		<u>-68,277</u>
<b>FUNDS</b>					
<b>Unrestricted funds:</b>					
General		24,369		-68,277	
Designated					
			<u>24,369</u>		<u>-68,277</u>
<b>Restricted funds</b>	11		<u>0</u>		<u>0</u>
<b>Total charity funds</b>			<u>24,369</u>		<u>-68,277</u>


For the year ending 31st March 2022 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.

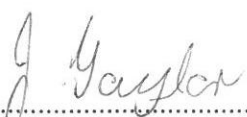
Directors' responsibilities:

- 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 26 January 2023 and signed on its behalf.

  
.....  
Anne Forwood, Director

  
.....  
Jackie Taylor, Director

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## Statement of Cash flows for the year ended 31 March 2022

	Notes	2022 £	2021 £
<b>Cash flow from operating activities</b>	<b>12</b>	(34,884)	58,783
<b>Cash flows from investing activities</b>			
Interest		195	314
Payments to acquire tangible fixed assets		-	-
Receipts from sales of tangible fixed assets		-	-
<b>Net cash provided by investing activities</b>		<u>195</u>	<u>314</u>
<b>Change in cash and cash equivalents in the year</b>		<u>(34,689)</u>	<u>59,097</u>
Cash and cash equivalent brought forward		75,119	16,022
Cash and cash equivalent carried forward		40,430	75,119

**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.

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Notes to the financial statements for the year ended 31 March 2022

**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 2022

- 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 financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**2) Incoming resources from charitable activities**

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Local Authorities funding	564,778	-	564,778	672,213
<b>Other Income</b>				
DBS Vetting Service	21,895	-	21,895	15,585
Pension Charges	8,086	-	8,086	11,905
Miscellaneous	12,457	-	12,457	9,514
Advertising	9,600	-	9,600	9,600
Support etc	153,740	-	153,740	130,158
Payroll Service	154,152	-	154,152	155,912
Other Coronavirus funding	-	-	0	10,479
Coronavirus job retention scheme grant	2,407	-	2,407	54,449
	<u>362,337</u>	<u>-</u>	<u>362,337</u>	<u>397,602</u>

## THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements continued for the year ended 31 March 2022

## 3) Total resources expended

		Direct Payment/ Advice & Information Services	Governance Costs	Total 2022 £	Total 2021 £
Staff costs	Staff time	668,671	-	668,671	789,711
LGPS Early retirement	Direct	0	-	0	28,812
Training (Staff & SFC)	Direct	1,096	-	1,096	0
Rent and service charge	Direct	9,379	-	9,379	13,830
Heat and light	Direct	0	-	0	0
Insurance	Direct	2,170	-	2,170	2,692
Telephone	Direct	7,579	-	7,579	13,234
Postage and stationery	Usage	17,365	-	17,365	27,999
Photocopying	Usage	931	-	931	889
Property refurbishment costs	Direct	0	-	0	0
Maintenance and cleaning	Usage	51	-	51	205
Licences	Direct	0	-	0	0
General expenses	Direct	876	-	876	8
Travelling expenses	Direct	12,285	-	12,285	7,947
Recruitment costs	Direct	0	-	0	0
Professional/Legal fees	Direct	500	-	500	1,000
Printing/Interpreting/Translation	Usage	0	-	0	128
Room hire	Usage	71	-	71	0
Hire purchase charges	Transaction	0	-	0	0
Bank charges	Transaction	1,730	-	1,730	1,180
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	-24,581	-	-24,581	-32,954
Computer Subscription/maintenance	Direct	116,168	-	116,168	136,290
Equipment	Direct	441	-	441	860
Equipment hire	Direct	0	-	0	0
Computer equipment	Direct	338	-	338	0
Staff security/Welfare	Direct	1,032	-	1,032	1,304
DBS Vetting Service	Direct	9,665	-	9,665	7,120
Redundancy	Direct	0	-	0	0
Relocation Costs	Direct	0	-	0	0
<b>Support costs</b>					
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>834,767</u>	<u>0</u>	<u>834,767</u>	<u>1,009,255</u>

## THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements continued for the year ended 31 March 2022

**4) Net incoming resources**

	<b>2022</b>	<b>2021</b>
	£	£
This is stated after charging:		
Depreciation	0	0
Operating lease rentals	19,157	24,126
<b>Auditors' remuneration</b>		
In their capacity as auditors	7,800	7,800
For accountancy services	1,200	1,200

**5) Staff costs**

	<b>2022</b>	<b>2021</b>
	£	£
Salaries and wages	602,602	718,283
Social security costs	41,780	44,381
Pension costs	24,289	27,048
	<u>668,671</u>	<u>789,712</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 (2021 £nil) were incurred for 0 (2021 0) members of the management committee.

There was 23 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:

	<b>2022</b>	<b>2021</b>
Advice and information	9	11
Administration and finance	19	23
Managerial	7	8
Technical support	0	0
Apprentices	0	0
	<u>35</u>	<u>42</u>

The total amount paid to key management personnel is £105,056 (2021 £100,221). The Charity consider its key management personnel to comprise of the chief executive and deputy chief executive.

## THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements continued for the year ended 31 March 2022

**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**

	<b>Fixtures &amp; Fittings £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 April 2021	170,436	170,436
Additions	-	0
Disposals	-	0
At 31 March 2022	170,436	170,436
<b>Depreciation</b>		
At 1 April 2021	170,436	170,436
Charge for the year	-	0
On disposals	-	0
At 31 March 2022	170,436	170,436
<b>Net book value</b>		
At 31 March 2022	0	0
At 31 March 2021	0	0
<b>8) Debtors</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	94,697	59,353
Other debtors	10,331	10,331
Prepayments	2,524	2,473
	107,552	72,157
<b>9) CREDITORS - amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank overdraft	0	0
Trade creditors	7,257	21,264
Other taxes and social security costs	28,488	7,144
Other creditors	87,916	187,193
	123,661	215,601

## THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements continued for the year ended 31 March 2022

**10) Analysis of net assets between funds**

	General funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	0	-	-	0
Current assets	148,030	0	0	148,030
Current liabilities	-123,661	-	-	-123,661
Long term liabilities	0	-	-	0
Net assets at 31 March 2022	24,369	0	0	24,369

**11) Movement in funds**

	At 1 April 2021 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2022 £
Unrestricted funds:					
General funds	-68,277	927,413	-834,767		24,369
Designated funds					
Vehicle replacement		-	-		0
Equipment replacement		-	-		0
Staff Contingency		-	-		0
Running and salary costs		-	-		0
	0	0	0	0	0
Total unrestricted funds	-68,277	927,413	-834,767	0	24,369
Restricted funds:	0	0	0	-	0
Total restricted funds	0	0	0	-	0
<b>Total funds</b>	-68,277	927,413	-834,767	-	24,369

## THE ROWAN ORGANISATION (Company Limited by Guarantee)

Notes to the financial statements continued for the year ended 31 March 2022

**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**

	2022	2021
	£	£
Net movement in funds	88,445	61,852
Add back depreciation charge	0	0
Deduct interest income shown in investing activities	(195)	(314)
Loss on disposal of tangible fixed assets	0	0
(Increase)/Decrease in debtors	(34,970)	(68,170)
Increase/(Decrease) in creditors	(88,164)	65,415
Net cash used in operating activities	<u>(34,884)</u>	<u>58,783</u>

**13) Lease commitments**

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

	2022	2021
	£	£
Buildings		
- within one year	9,722	15,455
- within two to five years	4,122	22,245
- over five years	-	-
	<u>-</u>	<u>-</u>

#### 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 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 £25,312.18 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 £24,289 (2021 £27,048). At 31 March 2022 £3,134 was outstanding (2021 £4,003)

#### 15) Related Party Disclosures

During the year ended 31 March 2022, management services amounting to £425 were provided to Tro@ Limited, the profit making arm introduced to support the charitable aims of the 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 2022 £1,505 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: Anne Forwood Vice Chair: Jackie Taylor

**Chief Executive**  
Debbie Houghton

**Deputy Chief Executive**  
Karen Smith

**Personal Health Budgets Lead**  
Steve Cotton

**Personal Health Budgets**  
Coventry  
Warwickshire  
Staffordshire  
Shropshire  
Telford & Wrekin  
London Boroughs  
Birmingham  
Worcestershire  
Northamptonshire  
Milton Keynes  
Bolton  
Buckinghamshire  
Herts Valley

**DP Locality Projects**  
Staffordshire  
Suffolk

**Support Planning & Brokerage**  
Derbyshire  
Knowsley

**Information Service**  
First Port of Call

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

**Head Office Services**  
Recruitment Line  
DBS Vetting Service  
Clerical Support

**DP Locality Projects**  
Conwy

**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