

**EDUCATION AND SERVICES FOR PEOPLE  
WITH AUTISM LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT AND GROUP FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**REGISTERED CHARITY NO: 1037868**

**COMPANY NO: 2909953**

**EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

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**For The Year Ended 31 March 2021**

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## EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED

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### Board of Trustees Report including Strategic Report For the year ended 31 March 2021

The Trustees submit their annual Board of Directors' report including Strategic Report, together with the audited consolidated financial statements of the Charity and its subsidiaries for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies, set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective October 2019).

### STRATEGIC REPORT

#### Objectives and Activities

The objectives of Education and Services for People with Autism Limited (ESPA) and its subsidiary undertakings are for the public benefit to promote the health and wellbeing of people with autism, learning disabilities, communication, social or behavioural conditions, by enhancing the quality of life of such persons, in particular by:

- Providing or assisting in the provision of education, training and employment opportunities for such people and advancing the education of others with autism, learning disabilities, communication, social or behavioural conditions;
- Providing accommodation, support and services to meet the needs of these individuals; and
- Carrying out or commissioning of research to improve the quality of life for autistic people and publish the useful results of such research.

ESPA's Mission Statement is:

*"Enabling people across the autism spectrum to enjoy rewarding and fulfilling lives"*

We currently support 224 people in a wide range of person centred services including:

- Independent Specialist Further Education College
- Residential services
- Independent Supported Living services
- Domiciliary support
- Community enablement
- Day and vocational opportunities
- Vocational opportunities

The majority of the people we support have additional or associated difficulties and disabilities including: learning disabilities, mental health conditions, ADHD, OCD, sensory and communication difficulties and display behaviours that challenge. We currently employ 578 highly skilled, trained and committed staff.

All of our services share a common vision which is to provide everyone with the highest quality autism specific support and education that is tailored to meet their needs, wishes and expectations.

Our primary objectives for the coming year are to:

- Continue to offer the highest quality autism specific, person centred and compassionate care and support
- Work in partnership with all stakeholders to ensure individuals achieve excellent personal outcomes
- Develop new services and support arrangements to meet the needs of others on the autism spectrum
- Achieve best practice through continuous quality improvement
- Ensure resources are allocated to meet strategic objectives
- Recruit and train a high quality and professional workforce
- Evidence public benefit and social value in all charitable activities

## EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED

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### Board of Trustees Report including Strategic Report For the year ended 31 March 2021

- Demonstrate best value.

Our long term ambition is to continue to be a leading regional autism specific Charity and build on our excellent track record and reputation. We aim to continue to develop new and innovative services in direct response to the changing needs of the people we support, identifying gaps in provision and services procured by Local Authorities. With strong financial management, we will continue to ensure that resources are invested in areas of the Charity that meet the longer term strategic objectives of the organisation. We have a clear accommodation strategy that we are continuing to work towards, which has involved a review and re-provision of some of our current buildings to ensure they meet the changing needs of the Charity, expectations of funders and the needs of people being referred. This work will continue over the coming years and will support ESPA's continued growth and diversification.

We measure the success of our work by:

- The positive outcomes people achieve and the quality of life they enjoy
- The growing numbers of people we support
- Feedback from individuals, families and other health and social care professionals
- Self- assessments, internal and external inspections and audits.

#### Public Benefit

In all the Charity's planning and activities the Trustees have reviewed and considered the Charity Commission's general guidance on public benefit. As a registered Charity, public benefit and social value are embedded within our charitable objectives and mission. ESPA provides tangible benefits to the public through providing high quality care and education for people on the autism spectrum.

All of our support and education aim to enhance people's independence and improve health and well-being outcomes, towards reducing their reliance on health and social care services, reducing health inequalities and increasing their economic independence.

Through our day-to-day work of supporting people with autism to become valued and accepted members of their community; we support the sustainability of other organisations and charities; provide volunteers; educate the public about autism and associated disabilities and provide practical support to community groups and clubs.

As a large and growing regional employer we are constantly creating new job opportunities for local people and to help reduce unemployment. In line with our Equal Opportunities Policy we are keen to attract a diverse workforce especially those who may experience social or economic barriers to employment or may be at risk of discrimination including people with disabilities or due to a person's ethnicity, nationality or religion.

Our commitment to public benefit is exemplified through our two trading subsidiaries: Autism Works and ESPA Research. Autism Works is a software testing company that employs people on the autism spectrum as software testers. This recognises that many of the autistic characteristics can be a commercial asset in this field of work. The company has been highly commended for the quality of their work through some very high profile customers. Autism Works business plan aims to continue to grow its workforce offering more real work opportunities to people on the spectrum. ESPA Research's aims are to improve the quality of life for people on the autism spectrum through high quality publishable research investigations.

### Board of Trustees Report including Strategic Report For the year ended 31 March 2021

#### Objectives and Activities

The significant charitable activities undertaken by ESPA are:

#### Adult Social Care

##### a) Residential Homes

ESPA operates 14 residential homes across Newcastle, Sunderland and Durham. We currently support 74 (2020: 75) people in these services. Residential services currently represent 56% (2020: 59%) of the Charity's income.

Each service is unique and individually tailored to meet the needs, wishes and expectations of the individuals living there. These services range from single person apartments to shared living arrangements. Most of the people we support have challenging and complex needs. Many individuals also have additional or associated difficulties or disabilities, therefore all our services offer intensive and specialist support in highly structured, autism-specific environments. All our homes offer 24 hour person centred care and support and staffing levels are based upon the actual assessed needs of the people they support. Each person receives structured and consistent support from highly skilled, experienced and knowledgeable staff. 292 (2020: 298) staff are currently employed in the residential services.

Each individual has a Person Centred Plan which enables us to understand what is important to them and what they want from their lives. The setting of realistic personal goals ensures that individuals achieve positive outcomes in all aspects of their life. The primary measure of the success of our residential services is the positive life outcomes the individuals achieve and their families' satisfaction with the support we offer. Feedback is consistently captured through on-going dialogue, Service User Reviews and Satisfaction Surveys. Internal quality assurance processes including Senior Management Audits all support the continuous quality improvements of services, contract and Care Quality Commission (CQC) compliance and best practice. CQC inspections provide an independent assessment of quality, safety and compliance and 11 homes have been awarded an overall rating of 'Good', two have been awarded an 'Outstanding' and one was rated 'Requires Improvement.' All areas for improvement were immediately addressed.

For some people our residential services provide an excellent stepping stone towards a more independent future.

##### b) Domiciliary Agency

ESPA's Domiciliary Agency has three branches across the North East: Sunderland, Newcastle and Middlesbrough. This enables us to support people across the region. We always ensure that through individual service designs and Person-Centred Plans, the people we support remain at the heart of everything we do.

We are committed to providing each person with high quality care and support that is autism specific, person-centred, flexible and responsive. We aim to enable each person to live as independently as possible and to become a valued and respected member of their community. Everyone receives an individual package of care and support to meet their specific needs, wishes and aspirations to enable them to enjoy a lifestyle of their choice.

We offer support in a variety of ways depending on people's needs and preferences. Support can be provided for specific hours during the week up to 24-hours a day. We currently offer a wide range of services through the Agency including:

- Supported living services
- Community enablement
- A core and cluster service
- Day provision from a community hub

Over the past 12 months the Agency has maintained financial stability and represents 18% (2020:19%) of overall income and it currently employs 107 (2020:107) staff.

### Board of Trustees Report including Strategic Report For the year ended 31 March 2021

The Domiciliary Agency is currently supporting 32 individuals. We have 7 supported living services, 6 community enablement services and 11 people are supported from a community hub in Stockton. Burnfoot Court, is a core and cluster service funded through Individual Service Funds (ISF's). It currently supports 5 tenants in individual bungalows.

#### c) Day and Vocational Services

The Croft Centre in Sunderland is a creative and innovative, community-based day provision that offers person-centred programmes of meaningful and stimulating activities for people across the autism spectrum, many of whom have additional or associated difficulties or disabilities. The Croft Centre also incorporates a vocational project 'Deliver me Timbers'. In addition to the extensive range of activities offered within the building, people also take part in a wide range of activities in the local and wider community.

Everyone in our residential services has the opportunity to take full advantage of all of these day opportunities. It also offers specialist full and part-time day placements for people living at home. These placements are commissioned by Local Authorities or purchased directly through Personal Budgets, Direct Payments or Individual Service Funds. We currently support 25 people for day placements from across the region. The Croft Centre is open for 44 weeks a year and it currently employs 30 staff.

### Education

#### a) Independent Specialist Further Education College

ESPA operates an Independent Specialist Further Education College that is based within the North East of England, with day sites in Sunderland, Newcastle and Middlesbrough. Students have access to residential accommodation in Sunderland and Newcastle. The College offers day and residential placements for young people on the autism spectrum between the ages of 16 and 25 years. Most students are local however some come from across the country to access this specialist provision.

As we support students across the autism spectrum, each College site is specifically tailored to meet the needs of students with similar abilities and needs. Person-centred goals and transition plans ensure that each person achieves their personal ambitions. In March 2021 we were supporting 94 (2020: 85) students across the sites. We offer a 38 week academic year, but can offer residential placements for up to 52 weeks and respite. The College now represents 22% (2020: 21%) of the Charity's overall income and employs 147 (2020: 139) staff.

We have earned an excellent reputation and have a good track record of offering students a high quality, autism specific and person centred learning experience, towards them achieving positive educational and personal outcomes in preparation for life after College. We remain confident that we will see further growth in student numbers and income in coming years. We are also continuing to significantly invest in our College buildings to offer state of the art educational and residential facilities that will provide us with the capacity for growth and to enable us to meet the needs of increasingly complex and challenging learners.

The College offers each student a bespoke, innovative and creative curriculum. All our learning sessions are designed to be engaging, enjoyable, individualised and challenging. Each person has a programme of study tailored to their specific needs and aspirations. We consistently aim to develop the whole person and blend our autism specific core curriculum (Social Communication, Emotional Literacy and Behaviour Self-Management) with academic and vocational subjects. College learning sessions occur in a variety of settings, many of which are community based. Work experience, employability skills, enterprise and independence feature highly within the College's learning activities.

## **EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

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### **Board of Trustees Report including Strategic Report For the year ended 31 March 2021**

#### **Subsidiaries**

##### **a) Autism Works**

Autism Works Limited is a wholly owned trading subsidiary of the Charity, offering independent software testing services. Established in 2010, its primary objective is to employ people on the autism spectrum, giving them the opportunity for sustainable employment and to reduce their reliance on state benefits. The company currently employs five people, three of whom have Asperger Syndrome. Our Business Plan demonstrates our commitment to create opportunities for many more people to gain meaningful employment as the enterprise grows.

##### **b) ESPA Research**

ESPA Research is also a wholly owned subsidiary of the Charity. Incorporated in 2009, its aims are to improve the quality of life for people on the autism spectrum through high quality publishable research investigations. It currently employs two people and the majority of their work is carried out from a laboratory in Sunderland's Business Innovation Centre.

#### **Achievements and Performance**

This has been a very challenging 12 months for ESPA due to the Covid-19 pandemic. This has impacted on all of the Charity's services and objectives. Our priority throughout the year has been the health, safety and wellbeing of our staff and everyone we support.

All our residential and supported living services continued to operate within Government restrictions. The College sites all remained open but attendance has fluctuated significantly across the year due to families decisions to self-isolate and the option of home or blended learning.

In consultation with Local Authorities and families, and robust risk assessments, some services closed temporarily for periods, offered a reduced programme or were suspended. This included The Croft Centre, Ware Street and some domiciliary community enablement packages of support. As restrictions are lifting we have plans in place to build all services back up to their original capacity.

Although we have experienced some challenging times the staff across the organisation have been exceptional. Their positivity, creativity and commitment throughout the pandemic has been outstanding and unwavering. The home based activities and events arranged to keep people happy and engaged were so varied and inspirational. These stories have been celebrated and shared through the Chief Executive Bulletins. Throughout the Board of Trustees have shared their thanks and appreciation to all staff.

The focus on supporting the Charity through these unprecedented times has had an impact on ESPA's ability to achieve the majority of its defined strategic objectives for this financial year so these will continue into 2021/22.

The Trustees however are pleased to report that during this period the Charity has managed to maintain its financial stability and business continuity. It is now beginning to refocus on organisational development and growth.

#### **Directors and Central Management**

Over the past 12 months ESPA has needed to invest a significant amount of time and effort in achieving realistic inflationary increases from Local Authorities and resolving on-going funding issues that were impacting on the Charity's cash flow. Some remain outstanding but overall good progress has been made. The fees the College is receiving through the NE12 commissioning framework remains a significant concern. We are trying to engage with Commissioners to try and reach a satisfactory outcome for both parties.

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### **Board of Trustees Report including Strategic Report For the year ended 31 March 2021**

We have continued to comply with the National Living Wage (NLW) and accommodate the significant 6.2% increase in hourly rates within the budgets. All other salary changes were announced in September 2020 and backdated to the 1<sup>st</sup> April. ESPA's standard hourly rates remain slightly higher than the NLW. There are however some variations aligned to specific contractual requirements.

In September 2020 the Teesside day College site relocated to Tithebarn House in Stockton. To accommodate the growing student numbers and a more complex population more space was needed. It is also enabling the curriculum to be expanded.

During the pandemic the Charity received some additional funding from the Government to support us with some of the increased costs and pressures in residential and domiciliary services. This has funded infection control equipment, covered staff salaries whilst isolating, supported testing and training and contributed towards staff recruitment. As visiting into care homes was prohibited for many months we were able to use some of the grant funding to subsidise the cost of installing safe visiting spaces in most gardens. These will be installed over the next few months.

Following the departure of our Behaviour Nurse Specialist, who led on Positive Behaviour Support (PBS) across the organisation, this role was reviewed. We split the responsibilities between two posts: PBS and Quality Assurance Lead and PBS Training and Development Lead. Together they are working towards a better integration of PBS, quality assurance and training, all of which are intrinsically linked and focus on supporting everyone to enjoy a good and meaningful quality of life.

In July 2020 Investors in People conducted their 24 month review of our Silver Accreditation. Overall feedback was very positive about our management of the pandemic and our ability to maintain business continuity. Following a cash benefit analysis we have decided not to renew our accreditation.

The Charity continues to meet all legislative and contractual requirements. We have continued to develop systems to evidence compliance with the General Data Protection Regulations (GDPR). We are in the process of working towards meeting all standards within the Data Security Protection Toolkit which will be reviewed and updated annually.

During October and November our new Insurers conducted an in-depth audit of ESPA's systems and practices. They provided a brief report and only highlighted 2 recommendations, both in relation to GDPR which have been actioned.

Across the year a working group was developed to systematically review and update the Charity's policies, procedures and guidance. This ensures they reflect best practice and are relevant to all ESPA services.

There were no Local Authority or Health advertised supported living or domiciliary tender opportunities over the previous 12 months. A number of Councils have taken the option to extend current Framework contracts for an additional year. Therefore during 2021/22 we are anticipating the need to make a number of applications to retain current contracts and apply to deliver new services. In March 2021 however, we did apply to become an approved provider on Stockton's new Residential Care framework and are awaiting a decision.

We continue to pride ourselves on the quality of our staff training and commitment to the continuous professional development for everyone. Due to the pandemic we have needed to make significant adjustments to our training which has been achieved without compromising on quality. Most training has successfully been done remotely. We are currently conducting a training needs analysis for each service to enable us to develop bespoke training programmes designed around the actual needs of the people they support.

We have appointed a SharePoint Specialist who began reviewing and upgrading our management system. Work however has been delayed due to other time pressures but we are confident that the project plan will be reinstated in the coming weeks.

### Board of Trustees Report including Strategic Report For the year ended 31 March 2021

We have developed and maintained excellent relationships with an extensive range of health and social care professionals and agencies. This is enabling us to meet the more diverse and complex needs of our learners and service users.

#### Residential Services

All residential services have continued to operate within the Government restrictions. This has been a significant challenge especially managing this impact on everyone we support and their families. All staff have done an amazing job in keeping people happy and safe. Their sensitivity and creativity have ensured people remained engaged in fun and meaningful activities to help minimise the negative impact of the pandemic on their lives. These achievements have been celebrated and shared across the organisation, some of which were published in a local newspaper.

Over the year the residential services have remained financially stable although securing fee increases and inflationary rises from Local Authorities has continued to be challenging and time consuming.

On 31<sup>st</sup> March we were supporting 74 people across our 14 residential services and had 7 voids. Covid-19 has had a significant impact on our ability to progress with some very strong referrals for these placements. Throughout this period regular contact has been maintained with Local Authorities and this work is now restarting.

Services have needed to accommodate regular Covid testing and the demands of data reporting. This has been very time consuming and is adding further pressures on services. Staff started to receive vaccines in December 2020 and most staff and service users have now had at least their first injection.

All CQC inspections have been suspended over the year. A new Strategy on the future of CQC activities is being introduced and changes will be accommodated to ensure continued compliance.

Residential Managers have continued to meet, albeit virtually. The regular cycle of meetings now incorporate Clinical Meetings attended by a representative from the Psychiatric Partnership. The Psychiatrists now also deliver specialist training to support Managers and staff teams to meet individuals' increasingly complex mental health needs.

#### Domiciliary Agency

Over the year staff in our supported living services and core and cluster have been highly creative in ensuring the people they support have stayed safe and continue to enjoy a full and meaningful life. As these people are living in their own homes, there has been slightly fewer restrictions due to the pandemic.

After closing from April to July and following a robust risk assessment Ware Street began a phased reopening. Everyone who wanted to attend was offered a reduced programme and the majority have now built up to their full contracted hours. During periods of closure and through reduced numbers, staff were either furloughed or provided essential support into other services.

As with all CQC regulated services, inspections were suspended during 2020/21. However, between April 2020 and March 2021 the Teesside PBS Framework Local Authorities conducted a quality assurance audit. We were awarded 96% and received very positive feedback.

The Ware Street contract will be retendered for April 2022 which we are keen to retain. We have developed and managed this service from the outset and have gained an excellent reputation with families and professionals. As part of the process Stockton Borough Council have been conducting a review of the service and model to inform the new specification. The service is currently supporting 12 people on two to four day programmes in line with the agreed Recovery Plan. These are gradually increasing as restrictions continue to be lifted. We are now considering new referrals and will be supporting some individuals to transition from The Croft Centre in Sunderland.

## **EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

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### **Board of Trustees Report including Strategic Report For the year ended 31 March 2021**

Burnfoot Court currently supports 5 tenants in their own bungalows. A 6<sup>th</sup> person is currently being assessed and we are working with Newcastle to develop a new supported living service for another person. We have begun to recruit the additional staff. Due to the pandemic the Council have taken the option to extend this contract until 31<sup>st</sup> July 2022.

Our supported living service in North Tyneside is still currently supporting two people and the staff team is now more established and stable. There is still a service user void but this is not being actively filled at this stage. In the Sunderland service there is also a void. A number of Local Authorities have expressed interest but for various reasons these placements did not proceed.

We have been approached by a specialist housing provider who is keen to work in partnership with ESPA to develop new supported living services. Having an established housing partner is often an advantage when responding to new tenders or mini-competitions. We were initially exploring the first development to be in Northumberland but they are about to publish a new framework through which all future services will be commissioned. ESPA will be submitting an application. We are also in early discussions with Stockton and North Tyneside about two new potential supported living services.

#### **ESPA College**

Despite ongoing funding challenges the College has remained financially stable. However currently the majority of placements are procured through a regional framework which has seen negligible inflationary increases over recent years which has not reflected the College's significant increase in expenditure. We are striving to have a conversation with Commissioners to explore our options.

On the 31<sup>st</sup> March 2021 learner numbers had increased to 94 compared to 85 in the previous year and we are anticipating further growth during 2021/22. This along with Government restrictions on community access, including work placements and General Further Education Colleges and the increasing complex learner population has put significant pressure on all sites. We are however confident that with the Government's recently published roadmap out of lockdown we will be able to reintroduce these opportunities.

Restrictions have impacted on our admissions process for new learners which has been much more reliant on paper based assessments. Virtual tours were produced to help learners and families make more informed decisions about placements.

Demand for post College social programmes has continued to increase. This is a positive transition opportunity for some learners and a new business opportunity for the Charity. The aim is to develop this as a discrete provision. To accommodate this plans are in place for a new build studio in the grounds of South Hill for September 2021. North Rye will become the North of Tyne base in September 2022. The new Teesside site, Tithebarn could already accommodate a small programme within the building.

Strong relationships have been maintained with Local Authorities, SEND Teams and local feeder schools and Colleges, albeit remotely. We have maintained our excellent reputation for supporting more challenging learners to achieve good educational and personal outcomes.

Work has continued at Ashleigh in Newcastle to convert the building to create 11 ensuite bedrooms for learners and young people. This includes two respite rooms which are in high demand. We are receiving a number of referrals for residential placements but recruitment has been challenging.

In February we finally heard that our grant application to Karten Media had been successful. This will fund an interactive sensory room based at South Hill, but will be a resource for the whole College. A timescale for installation is being determined.

### **Board of Trustees Report including Strategic Report For the year ended 31 March 2021**

Virtual meetings have enabled ongoing effective planning, communication, management and consultation. This has included the Student Committee and Advisory Board. Observations of Teaching and Learning have continued within the sites and we have seen a significant increase in teaching assessed as 'Outstanding'.

The College published its annual Self-Assessment Report (SAR) and Quality Improvement Plan (QIP) in December 2020. Mini SARs were also created for each site to reflect their uniqueness. These documents and Quality Reports have been shared with the Advisory Board and link Trustees on ESPA's Board.

Ofsted preparation has continued across the year and excellent progress has been made in developing systems and practices and evidencing outcomes and impact. We were anticipating our inspection in autumn 2021. However, recent announcements are indicating that for Colleges rated 'Good' or 'Outstanding' this is likely to be delayed. They continue to be Ofsted ready and feel confident of a positive inspection.

#### **Day and Vocational Services**

The Croft Centre has been significantly impacted by the pandemic. In April 2020 the service closed and staff were either redeployed or furloughed following full consultation with Local Authorities and families. The service began a phased re-opening in September with reduced numbers and programmes. Due to places being spot purchased by a number of Local Authorities securing the continued funding was a challenge despite the Governments Supplier Relief Programme. Therefore in January 2021 when the new lockdown began we reduced the service down from 5 to 2 days so everyone received some access without the risk of ESPA losing income. Again staff were either redeployed or furloughed. This is likely to continue until after Easter when the programme will gradually begin to be extended.

Over the past 12 months due to restrictions no one from our residential services have been able to attend The Croft Centre and all social events were cancelled.

#### **Autism Works**

It has been another very busy year for the Autism Works team. For the past year they have all been working from home which due to the nature of the enterprise this has had no impact on the business. As a result they have now reduced their office space.

The majority of their contracts, primarily with Johnson and Johnson, have continued during 2020 and will be sustained throughout 2021. However one large contract for an NHS function was suspended which has had a short term financial impact. This contract is expected to restart in the coming months.

We have reviewed the terms and conditions of the testing team and are working towards supporting one of them to become Test Manager. This aims to free up the Managing Director to negotiate new contracts and enable us to expand the team and appoint Trainees or Apprentices.

#### **ESPA Research**

The past year has been very productive and the enterprise has retained its financial stability through another generous donation from the Robert Luff Foundation, funded research and donations.

The team's primary focus has been the completion of the a2milk research trial for autism and ADHD. The publication of the papers on the biochemical and behavioural findings were delayed following a request for further research into the digestive properties of the milk. The intention was to publish all papers together however a2milk have been reluctant to publish as the research results did not identify any benefits over the control milk. Papers will be published soon.

ESPA Research continue to try and develop research partnerships and collaborations some of which will hopefully lead to future funded research. All visits and conferences have been cancelled during the year due to national restrictions.

### Board of Trustees Report including Strategic Report For the year ended 31 March 2021

New studies are being explored into Vitamin D levels in people with autism and their families. This has a particular relevance due to the Coronavirus pandemic. A protocol has been drafted and ethics approval is being sought. They are aiming to develop more accurate and less invasive methods of analysing Vitamin D levels.

A co-morbidities paper was published in April 2020 and the team are in discussion about producing further peer reviewed papers pertinent to screening and treating comorbidities in autism. On-going mini projects on baby milk and cheeses are now expanding and partners think that potential findings may be significant.

#### Plans for future periods

Our Strategic Plan for April 2021 to March 2023 clearly defines ESPA's plans and processes, targets, expected outcomes and timescales, that will enable the Charity to build on its many achievements and retain its financial strength. Uncertainties however, in relation to on-going restrictions due to the Coronavirus means some plans and timescales are indicative and will continue to be reviewed across the year.

ESPA's key priorities and strategic objectives for April 2021 to March 2023 have been formally approved by the Board of Trustees. Progress against objectives is monitored and reported through the Board of Trustees Meetings and the Charity's management and meeting structures.

The key strategic objectives are summarised below:-

#### Governance and Central Management

- To ensure ESPA's continued financial strength with resources allocated according to priorities
- Increase income through growth in existing and new activities
- To implement the Charity's Accommodation Strategy
- To recruit, train and develop a high quality workforce
- To ensure compliance with legislative and contractual requirements and best practice
- To evidence best practice and the achievement of positive outcomes.

#### Residential Services

- To ensure the on-going financial strength and growth of residential services
- To deliver the highest quality person centred and autism specific support
- To ensure all homes continue to meet legislative requirements, local and national policy and best practice
- To achieve and sustain 94% occupancy
- To ensure resources are allocated to meet strategic priorities and objectives
- All services to maintain a 'Good' rating by the CQC but recognised for some outstanding practices.

#### Domiciliary Agency

- To ensure the Agency's financial strength to support its on-going development
- To ensure the Agency continues to meet legislative and contractual requirements and evidences best practice
- To ensure each person receives the highest quality person centred and autism specific support
- Everyone supported achieves positive personal outcomes and enjoys a good quality of life
- To remain on Local Authority frameworks and retain current contracts
- To increase income through new support contracts
- To ensure staffing and management structures meet actual needs within income.

## **EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

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### **Board of Trustees Report including Strategic Report For the year ended 31 March 2021**

#### **ESPA College**

- To ensure the College's financial strength in order to provide the resources to support excellence in teaching and learning
- To increase income through increased student numbers and diversifying College activities
- Students achieve excellent educational and personal outcomes
- To further develop College systems and activities to improve the quality of teaching and learning
- To improve employability outcomes
- To develop a new social care programme for College leavers.

#### **Day and Vocational Services**

- To ensure the ongoing financial stability of day and vocational services
- To offer an extensive menu of high quality autism specific activities within the building and community
- To extend the range of activities in direct response to people's needs, wishes and interests
- To develop more vocational and volunteering opportunities.

#### **Autism Works**

- To maintain financial strength to support the continued growth and development of the enterprise
- To build on current contracts and secure new clients
- To recruit and train a skilled workforce.

#### **ESPA Research**

- To ensure the financial viability and growth of ESPA Research
- To produce high quality research for the public good
- To continue current research projects and engage in new partnerships
- To enhance marketing to raise the profile of the enterprise.

**Board of Trustees Report including Strategic Report  
For the year ended 31 March 2021**

**Financial Review**

The consolidated statement of financial activities reports an operating surplus of £1.163m for the year ended March 2021 in comparison with £1.086m last year. The Charity has managed to maintain its financial position during a difficult year, and achieve a surplus, which exceeded our initial expectations. The financial austerity within social care remains a challenge for the Charity due to continued pressure on budgetary constraints within the NHS, local authorities, and the legislative impact of the National Living Wage (NLW). These pressures have been supported throughout the pandemic with additional funding from Central Government. Any surpluses that we generate are used to build up funding for investment in future projects and will enable the organisation to maintain its future strategic objectives.

In 2020-21, we generated total income for the year of £15.332m (2020: £14.893m) an increase of 2.94% on the previous year. The marginal increase in the year was due to the increased demand for College education and Domiciliary Agency placements, along with the Covid-19 funding support from the local authorities has enabled the Charity to show marginal growth in the income levels of charitable activities. During the year we have continued to see an increase in demand for both College services and adult social care placements. The pandemic restrictions continued longer than we anticipated throughout 2020/2021 and difficulties in recruitment and onboarding of new staff ended any opportunities of growth within the residential services. The College has continued to be challenged with the NE12 Funding Framework due to marginal inflationary increases and pressure on student fees. Student numbers and placement fees have increased in the year and the forecasted student numbers for 2021-22 is encouraging.

Fee income from statutory bodies represents 94.40% (2020: 96.82%) of the total income and as part of the strategic planning process, the Board of Directors and management are continuing to look at diversifying into other income streams. Adult social services decreased by 2.89% to £11.07m (2020: £11.41m), which is reflective of higher occupancy levels and the continued demand for new placements. Education fees increased by 12.71% to £3.39m (2020: £3.01m), an increase in funding from the ESFA and an increase in student numbers have impacted on this year's results. Grant income increased by 249.13%, with grants received in the year totalling £414,259 (2020: £118,656), which includes £11,200 from the Work force development fund, £260,231 from Government Covid-19 funds, £115,808 from the job retention scheme and £27,021 from the EFA Capital Fund.

During 2020-21, our total charitable expenditure increased to £14.169m (2020: £13.807m), up 2.62% on the previous year. Analysis of our expenditure shows, adult social services at 70.56% (2020: 70.96%) and education fees at 27.47% (2020: 27.00%) of our total expenditure. Support costs in the year were £1.55m or 10.13% of total revenues (2020 - £1.50m, 10.05%). The current economic conditions and financial austerity within social care remain a challenge for ESPA, but despite marginal growth in the Education funding and nominal inflationary increases in Local Authority income, we have continued to remain focused on driving efficiencies and optimising costs to maintain a healthy surplus for the year.

The balance sheet remains in good shape at the current financial year end. The organisation has invested funds of £0.11m (2020: £0.44m) in fixed assets during the year. The main investment in the year was in cyber security and the upgrade of the organisations Information and Communications Technology (ICT). This investment is aimed at ensuring the safety of the organisations communication throughout the services, while ensuring a strong platform for staff and students to benefit from the latest technology

At the end of the financial year the group has total net assets of £16.583m (2020: £15.420m) based on reporting a total net surplus of £1.163m.

The organisation continues to invest in short-term cash deposits, as these funds arise from fees received in advance. In 2021 the return on investments totalled £0.6k (2020: £18.3k), this being a decrease of 96.78% (2020: 0.0% increase). During the financial year the Charity has retained a strong cash flow due to new placements now settled in to the income stream within the local authorities, cash flow monitoring ensures that all funds will be maintained long term.

### Board of Trustees Report including Strategic Report For the year ended 31 March 2021

The Bank of England base interest rate of 0.1% will continue to reduce our return on these short term investments. The Trustees are mindful of the investment policy and the rate of return has been continually monitored during the year to ensure that we are maximising any return on such funds.

ESPA Research Limited, our trading subsidiary, recorded financial results in the year as shown in note 23. In the current financial year we have seen a decrease in the ability to generate funds through grants and donors for the pure research activities. The company has made distributable profits in the year and the Board have recommended that these funds are retained within the company to fund current cash flow requirements. The outstanding intercompany loan is repayable on demand and the ESPA Board of Directors is reassured of the ability to meet this obligation. They continue their support for the trading subsidiary by defining its strategic objectives and will ensure the financial support required for the continued research activities it performs.

Autism Works Limited, our trading subsidiary, which was incorporated for the trading activity of IT software testing, recorded the financial results in the year as shown in note 23. During the year the enterprise team of Autism Works has successfully maintained a working relationship with Johnson & Johnson to develop new contracts (Covid-19), while retaining the involvement in existing contracts. During the duration of the Covid-19 crisis Autism Works saw a reduction in turnover of 20.73% in the year with some contracts being placed on hold during the pandemic. The results achieved in the year, although negative was controlled by mitigating risks and uncertainty on the existing contracts to ensure maximum revenues were achieved. The company continues to work on new and existing contracts with Johnson & Johnson and the ESPA Board of Directors continue their support based on the positive forecasts and the financial stability offered on future contracts.

#### Reserves Policy

The reserves policy is designed to reflect the underlying risks facing the Charity and to ensure that ESPA has an appropriate level of reserves to safeguard its operation and the services to people with autism spectrum conditions.

ESPA holds restricted funds in accordance with the donors' requirements. In addition, ESPA has established a designated reserve for the management of the fixed assets of the Charity, with the future requirements of the portfolio determined in accordance with the strategic planning process.

The Trustees have considered the minimum level of free reserves i.e. excluding restricted and designated reserves, required to support the Charity's operations. The free reserves required is between three and five months average budgeted expenditure, with three months being the optimum. Relevant factors include projected financial performance including cash flow requirements, risk management and assessment of the risks to the Charity's income streams.

Following this review, the Trustees have determined that the minimum required level of free reserves is £3.54m (2020: £3.45m), which is in line with the actual free reserves at 31 March 2021 of £8.19m (2020: £6.90m). This high level of reserves represents the trustees factoring in the effect of the pandemic on income and increased some of the risk factors on some areas of the organisation. While the actual reserves are higher than required, our expectation is that, over the period of the strategic plan they will be in line with the required level.

The requirement and underlying factors are considered annually and the minimum reserves requirement is, therefore, expected to change over time.

#### Investment Policy

Whilst the Charity has wide powers to invest monies the Trustees are mindful of:

- The need to maximise income by pursuing an investment policy that produces the best investment return reasonably obtainable.

## **EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

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### **Board of Trustees Report including Strategic Report For the year ended 31 March 2021**

- The necessity to safeguard the assets of the Charity by not making investments of a speculative or volatile nature.
- The need to maintain a level of reserves in cash in order to meet both the foreseen and unforeseen obligations of the Charity.

It has been the policy of the Trustees for some time and continues to be current policy that liquid reserves will be maintained in cash deposits and the Trustees will continue to look at ways of maximising the income from such deposits. This policy is reviewed and scrutinised regularly by the Trustees.

#### **Going Concern**

At the date of signing these financial statements, the world is still being affected by Covid-19. Although the vaccine has been developed and implemented throughout the UK there is still no certainty that there won't be further waves of infection.

During the duration of the Covid-19 crisis the Charity followed all Government and Public Health advice to protect the safety of our residents, students and staff. As a key response by the Charity a specific Covid-19 risk register was produced to ensure that immediate and long term risks were identified, along with the action required to mitigate these risks.

A key risk was financial stability, the Trustees have reviewed our financial position and financial forecasts, taking into account the assumptions underlying those forecasts and the impact for the potential risks affecting them. As a result of this review, the Trustees therefore consider that there is a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due. As a consequence, they continue to support the going concern basis in accounting in preparing the annual accounts.

#### **Structure, Governance and Management**

##### **Structure**

Education and Services for People with Autism Limited, known as ESPA, is a registered Charity (No.1037868) and a company limited by guarantee (No.2909953) and is governed by its Memorandum and Articles of Association incorporated on the 18<sup>th</sup> March 1994 and as amended on 19<sup>th</sup> December 2012.

The Charity has two wholly owned subsidiary undertakings, ESPA Research Limited and Autism Works Limited, both trading companies. The principal activities of the trading companies are Research and ICT software testing.

##### **Organisational Structure**

The Board of Trustees is currently made up of 7 Trustees, comprising a mix of suitable qualified members. The Trustees are appointed and then become Directors of the Company for the purpose of the Companies Act 2006. The Trustees, all of whom are also Directors of the Charity, are listed on page 18, along with the key management of the organisation. Since April 2020 there have been no changes in Board membership. Their skills, qualifications and experience continue to provide strong governance towards the Charity:

- Setting and maintaining the visions, mission and values
- Developing and reviewing strategic priorities and objectives
- Setting operational plans and reviewing performance
- Ensuring compliance with the governing document and the law
- Ensuring accountability including the Charity Commission and Companies House
- Effectively managing resources and funds so it can meet its charitable objectives.

### **Board of Trustees Report including Strategic Report For the year ended 31 March 2021**

The Board ordinarily meets at least three times a year and holds an Annual General Meeting. However due to the pandemic meetings have been virtual and more frequent. All Board members give their time freely and none of them receive remuneration from the Charity. The Trustees have established a management structure to guarantee the effective governance and strategic management of ESPA and to ensure that the Charity meets its objectives. The Board delegates authority for the day-to-day management to the Chief Executive and the Finance Executive.

ESPA's two trading subsidiaries each have a Board of Directors, one of which is also a Trustee of the Charity. Meetings are also attended by ESPA's Chief Executive and Finance Executive. The Trustees of ESPA receive formal reports of the Companies activities through regular Board Meetings and papers.

The Board set, monitor and review the salaries of the management team and all salaries are benchmarked against appropriate comparable organisations.

#### **Recruitment, Appointment and Induction of New Trustees**

The aim of the Charity is to ensure that the Board of Trustees have a broad mix of skills and backgrounds. The process for recruiting new Trustees is based on an evaluation of the diverse skills and experience needed to govern the Charity. The skills mix of the Board is formally reviewed on an annual basis. On this review, the Board will identify any gaps in skills, knowledge and experience and try to identify individuals who can extend and compliment current membership. It is normal practice that before election, Trustees will receive an Induction Pack that contains everything they need to know about the Charity, their general responsibilities and key Policies and Procedures.

New Trustees are invited to spend time with the Executive Management Team as part of their induction. Prospective Trustees are also invited to visit services to further develop their understanding of the work of the Charity. They also receive additional training and updates relevant to their roles and responsibilities.

#### **Trustees' Indemnity**

As permitted by the Articles of Association, each of the Trustees has the benefit of an indemnity which is a qualifying third party indemnity as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year, and is currently in force.

#### **Related parties**

None of the Trustees receive remuneration or benefit from their work with the Charity. Any connection or conflicts with individuals, contractors or similar organisations are disclosed to the Board of Trustees. There were no related party transactions in the year as L. Moxon who is a Member and is the wife of P.M. Moxon, has retired in her role as a Consultant Trainer for ESPA.

#### **Staff Members**

None of our work at ESPA would be possible without the dedication, hard work and commitment of our staff especially during this very challenging year. ESPA is fortunate in employing so many staff members who share our values and provide an exceptional service to the people they support. We operate a robust recruitment process, with a commitment to retaining and rewarding staff, while also ensuring that all staff are offered excellent training and personal development.

Consultation with staff members exists at all levels, with the aim that all views are taken into account when decisions are made. During the year, regular communications are provided to staff through individual meetings, team meetings and bulletins. ESPA understands and values the differences in people and has a commitment to creating an environment that treats each individual fairly.

## **EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

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### **Board of Trustees Report including Strategic Report For the year ended 31 March 2021**

The Charity commit's to employment policies which follow best practice, based on equal opportunities in employment and aims to ensure that all employees and job applicants are treated fairly and consistently regardless of their sex, marital status, race, colour, religion, nationality or ethnic or national origins, disability, age, sexual orientation and trade union membership/non membership.

#### **Fundraising**

ESPA does not actively raise funds externally or use professional fundraisers/commercial participators to actively raise funds to further charitable activities. The Charity does sometimes receive donations from our supports which are used to help further the lives of the individuals we support. In the course of their work some staff teams host events that showcase the talents of the people they support. Any funds raised are reinvested into resources.

#### **Risk Management**

We are aware of the requirements of the Charities Act 2011 in relation to statements on fundraising and are reviewing our processes to ensure compliance.

The Charitable Group operates a formal Risk Management Procedure that provides oversight and accountability for the management of risk across all levels of the group.

Risk is managed by the Trustees, Executive Management Team and relevant members of the Senior Management Team. Our Risk Management Procedure and process are in place to identify the strategic and operational risks to the Charity, current controls, monitoring processes and further action to be taken that will minimise the potential impact and likelihood upon the group.

All information is incorporated into the group wide Risk Register, which is reviewed and approved annually by the Board of Trustees. This was last reviewed in June 2021.

The main risk categories as defined by the group are divided into four categories:

- Strategic
- Operational
- Financial
- People

Overall the areas of residual risk that would have the highest (most significant) impact on ESPA have been assessed as:

- Employee absences
- A major incident/investigation
- Economic environment/Government budget cuts
- Severe injury or death of a service user, student or staff member (due to the increasingly complex and challenging needs of the people being supported)
- Changing legislation, Government policy and impact on commissioning strategies and funding
- Increased competition from other providers
- Expenditure exceeds income
- Retaining existing contracts or not being awarded new contracts
- Failure to retain or attract staff.

The risk management process demonstrates that through management review and current controls, it significantly reduces the potential impact and likelihood of risk in all areas. The Risk Register clearly defines further action to be taken within the group, which has been reflected in the strategic objectives for 2021/23.

## **EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

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### **Board of Trustees Report including Strategic Report For the year ended 31 March 2021**

#### **Statement of Trustees Responsibilities**

The Trustees (who are also Directors of Education and Services for People with Autism Limited) are responsible for preparing the Trustees Annual Report (including the Strategic 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue to operate.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group, and hence for taking reasonable steps for 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 company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **AUDITORS**

The auditors, Azets Audit Services, will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

The Report of the Trustees including the Strategic Report was approved by the Board of Trustees on 15 June 2022 and signed on its behalf by:



**Paul Shattock**

**Chairman**

**EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**For The Year Ended 31 March 2021**

<b>Charity Registration Number:</b>	1037868
<b>Company Registration Number:</b>	2909953
<b>Trustees and Directors:</b>	P E G Shattock (Chairman) P M Moxon Prof M Hooper R Jordan S Robinson G Young Dr M Maskey
<b>Chief Executive:</b>	Ms L Lane
<b>Key Management:</b>	L Lane - Chief Executive K T Hardy - Finance Executive P G Cahill - College Principal M Elstob - General Manager
<b>Company Secretary:</b>	K T Hardy
<b>Registered Office:</b>	North House Ferryboat Lane Sunderland Tyne and Wear SR5 3RL
<b>Auditors:</b>	Azets Audit Services 32 Brenkley Way Bleazard Business Park Seaton Burn Newcastle upon Tyne NE13 6DS
<b>Bankers:</b>	Barclays Bank PLC Barclays House 5 St Ann's Street Quayside Newcastle upon Tyne NE1 3DX

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

**Opinion on financial statements**

We have audited the financial statements of Education and Services for People with Autism Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the group Statement of Financial Activities, the group and parent charitable company Balance Sheet, the group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and parent charitable company's affairs as at 31 March 2021, and of the group's 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the trustees' annual report (including the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

**Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees (who are also the directors of the parent 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 group and parent 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 group or parent 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 auditor under the Companies Act 2006 and report in accordance with this 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk 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.

**Use of our report**

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

*Graham Fitzgerald*  
Azets Audit Services

Graham Fitzgerald BA FCA DChA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services  
Accountants  
Statutory Auditor  
32 Brenkley Way  
Blezard Business Park  
Seaton Burn  
Newcastle upon Tyne  
NE13 6DS

15 June 2022

**EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

**Consolidated Statement of Financial Activities (Incorporating an income and expenditure account)  
For The Year Ended 31 March 2021**

**Income and Expenditure Account**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
<b>Income and endowments from:</b>					
Donations and legacies	2	230,629	-	230,629	80,853
Charitable activities	3	14,483,348	414,260	14,897,608	14,541,875
Other trading activities	4	203,227	-	203,227	252,376
Investments	5	590	-	590	18,341
<b>Total income</b>		<b>14,917,794</b>	<b>414,260</b>	<b>15,332,054</b>	<b>14,893,445</b>
<b>Expenditure on:</b>					
Charitable activities	6	13,781,908	387,239	14,169,147	13,807,217
<b>Total expenditure</b>		<b>13,781,908</b>	<b>387,239</b>	<b>14,169,147</b>	<b>13,807,217</b>
<b>Net income / (expenditure)</b>		<b>1,135,886</b>	<b>27,021</b>	<b>1,162,907</b>	<b>1,086,228</b>
<b>Transfers between funds</b>	20	<b>27,021</b>	<b>(27,021)</b>	-	-
<b>Net movement in funds</b>	20	<b>1,162,907</b>	<b>-</b>	<b>1,162,907</b>	<b>1,086,228</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	20	15,420,111	-	15,420,111	14,333,883
<b>Total funds carried forward</b>	20	<b>16,583,018</b>	<b>-</b>	<b>16,583,018</b>	<b>15,420,111</b>

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

**EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

**Balance Sheet  
at 31 March 2021**

	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
<b>Fixed assets</b>					
Tangible assets	13	9,058,143	9,265,584	9,033,025	9,243,857
Investments	14	-	-	20	20
<b>Total fixed assets</b>		<b>9,058,143</b>	<b>9,265,584</b>	<b>9,033,045</b>	<b>9,243,877</b>
<b>Current assets</b>					
Debtors	15	3,938,896	5,280,199	3,975,190	5,392,990
Cash at bank and in hand		5,612,030	3,235,558	5,542,736	3,061,889
<b>Total current assets</b>		<b>9,550,926</b>	<b>8,515,757</b>	<b>9,517,926</b>	<b>8,454,879</b>
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	(1,448,703)	(1,695,301)	(1,428,911)	(1,648,198)
<b>Net current assets</b>		<b>8,102,223</b>	<b>6,820,456</b>	<b>8,089,015</b>	<b>6,806,681</b>
<b>Total assets less current liabilities</b>		<b>17,160,366</b>	<b>16,086,040</b>	<b>17,122,060</b>	<b>16,050,558</b>
<b>Creditors: amounts falling due after more than one year</b>	17	<b>(577,072)</b>	<b>(665,670)</b>	<b>(577,072)</b>	<b>(665,670)</b>
<b>Provisions for liabilities</b>	19	<b>(276)</b>	<b>(259)</b>	<b>-</b>	<b>-</b>
<b>Net assets</b>		<b>16,583,018</b>	<b>15,420,111</b>	<b>16,544,988</b>	<b>15,384,888</b>
<b>Charity Funds</b>					
Restricted funds	20	-	-	-	-
Unrestricted funds	20	16,583,018	15,420,111	16,544,988	15,384,888
<b>Total charity funds</b>	20	<b>16,583,018</b>	<b>15,420,111</b>	<b>16,544,988</b>	<b>15,384,888</b>

The financial statements were approved and authorised for issue by the Board on 15 June 2022.

Signed on behalf of the board of trustees:



Paul Shattock - (Chairman)

Company registered number: 2909953

The accompanying notes form part of these financial statements.

**EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

**Statement of Cash Flows and Consolidated Statement of Cash Flows  
For The Year Ended 31 March 2021**

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash flow from operating activities	22	2,591,288	337,771	2,682,992	290,310
<b>Net cash flow from operating activities</b>		<b>2,591,288</b>	<b>337,771</b>	<b>2,682,992</b>	<b>290,310</b>
Cash flow from investing activities					
Receipts from sales of tangible fixed assets		-	4,854	-	4,854
Payments to acquire tangible fixed assets		(105,264)	(444,331)	(92,593)	(435,390)
Interest received		590	18,341	590	18,341
<b>Net cash flow from investing activities</b>		<b>(104,674)</b>	<b>(421,136)</b>	<b>(92,003)</b>	<b>(412,195)</b>
Cash flow from financing activities					
Repayment of long term loans		(85,380)	(146,338)	(85,380)	(146,338)
Interest paid		(24,762)	(27,500)	(24,762)	(27,500)
<b>Net cash flow from financing activities</b>		<b>(110,142)</b>	<b>(173,838)</b>	<b>(110,142)</b>	<b>(173,838)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>2,376,472</b>	<b>(257,203)</b>	<b>2,480,847</b>	<b>(295,723)</b>
<b>Cash and cash equivalents at 01.04.2020</b>		<b>3,235,558</b>	<b>3,492,761</b>	<b>3,061,889</b>	<b>3,357,612</b>
<b>Cash and cash equivalents at 31.03.2021</b>		<b>5,612,030</b>	<b>3,235,558</b>	<b>5,542,736</b>	<b>3,061,889</b>
Cash and cash equivalents consists of:					
Cash at bank and in hand		5,612,030	3,235,558	5,542,736	3,061,889
<b>Cash and cash equivalents at 31.03.2021</b>		<b>5,612,030</b>	<b>3,235,558</b>	<b>5,542,736</b>	<b>3,061,889</b>

# EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED

## Notes to the financial statements For The Year Ended 31 March 2021

### 1 Accounting policies

#### 1.1 Company information

The Charity is a private company limited by guarantee and is incorporated in England and Wales. The address of its registered office is North House, Ferryboat Lane, Sunderland, Tyne and Wear. SR5 3RL.

The members of the company are the Trustees named on page 18. 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.

#### 1.2 Basis of preparation

The Group and Charity financial statements have been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting standard applicable in the UK and Republic of Ireland (FRS 102) " (SORP) issued in October 2019 and the "Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102). They also comply with the reporting requirements of the Companies Act 2006 and the Charities Act 2011.

The Group and Charity constitutes a public benefit entity as defined by FRS 102.

The Group and Charity financial statements have been prepared on a going concern basis, under the historical cost convention, modified to include certain items at fair value.

The principal accounting policies applied in the preparation of the Group and Charity financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Monetary amounts in these financial statements are stated in pounds sterling and are rounded to the nearest whole £1.

#### 1.3 Going Concern

In order to assess the appropriateness of the going concern assumption basis, the Trustees have considered the Group's financial position, reserves and forecasts for the foreseeable future. At the time of approving the financial statements, the trustees have considered the assumptions underlying those forecasts and the impact of Covid-19 for the potential risks affecting them. After a review, the Trustees therefore consider that there is a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due. There are no material uncertainties about the Group's ability to continue as a going concern.

#### 1.4 Basis of consolidation

The financial statements of the Charity and its two subsidiary Companies are consolidated, on a line by line basis to produce the Group financial statements. The consolidated entity is referred to as 'the Group'.

The Charity has taken advantage of the exemption in section 408 of the Companies Act 2006 from disclosing its individual statement of financial Activities.

#### 1.5 Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

##### a. Donations

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

##### b. Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity.

##### c. Government grants

Income from government grants is recognised when the Charity has entitlement to the funds and any performance conditions attached to the grants have been met.

##### d. Legacies

Legacies are recognised at the earlier of the Charity being notified of an impending distribution or the legacy being received.

## EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED

### Notes to the financial statements For The Year Ended 31 March 2021

#### 1.6 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- a. Costs of raising funds includes the costs associated with any fund raising and publicity.
- b. Expenditure on charitable activities includes costs of grant awards and other direct costs incurred towards achieving the Charity's charitable objectives.
- c. Expenditure on governance relate to the corporate management of the organisation. They include the audit fee and insurance costs for the corporate management.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

#### 1.7 Allocation of support cost

All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. Where support costs cannot be directly attributed to one or more categories they are apportioned on the basis of time spent. The analysis of these costs is included in note 7.

#### 1.8 Operating leases

Operating lease rentals are charged to the SOFA on a straight line basis over the term of the lease.

#### 1.9 Pension costs

The Charity operates a defined contribution scheme for the benefit of its employees. Pension contributions payable for the year are recognised as an expense and as a liability, after deducting amount already paid.

#### 1.10 Foreign currency

Transactions in foreign currencies are translated to sterling at the exchange rate ruling at the date of transaction. Exchange differences arising are taken to the SOFA.

#### 1.11 Taxation

The Charity is an exempt Charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Taxation that may arise within the Group through its subsidiary undertakings is accounted in accordance with FRS 102 section 29 'Income tax'.

#### 1.12 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

<i>Asset Category</i>	<i>Rate</i>
Freehold land	nil
Freehold buildings	2% Straight line
Short leasehold buildings	2% Straight line and over the life of the lease
Plant & Machinery	over 5 years
Fixtures, Fittings & Equipment	over 5 years
Computer equipment	over 3 years
Motor vehicles	over 4 years

#### 1.13 Investments

Investments are stated at cost at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries which consist of ordinary share capital are carried at cost less impairment.

#### 1.14 Debtors

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid.

## EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED

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### Notes to the financial statements For The Year Ended 31 March 2021

#### 1.15 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash held in current accounts and deposit accounts with UK Banks. All deposits are ready realisable.

#### 1.16 Creditors and provisions

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

#### 1.17 Financial instruments

The Group has chosen to adopt section 11 and 12 of FRS 102, identifying and classifying financial instruments as 'basic' and 'other'. The Group has identified assets that qualify for 'basic' financial instruments only.

##### a. Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, are initially recognised at transaction value unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost, using the effective interest method.

##### b. Financial liabilities

Basic financial liabilities, including trade creditors, bank loans, and other creditors, are initially recognised at transaction value unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest method.

#### 1.18 Fund accounting

##### Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

##### Unrestricted funds

##### a. Designated

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

##### b. General

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Transfers from general funds to restricted funds are made when the income for a specific activity does not cover the full costs. Transfers between designated funds and general funds are determined by the Trustees where deemed appropriate.

**EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

**Notes to the financial statements  
For The Year Ended 31 March 2021**

**2 Income from donations and legacies**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Donations		150,629	-	150,629	853
Donations - Robert Luff Foundation	23	80,000	-	80,000	80,000
		<u>230,629</u>	<u>-</u>	<u>230,629</u>	<u>80,853</u>

Income from donations and legacies was £230,629 (2020 - £80,853) of which £Nil (2020 - Nil) was attributable to restricted funds and £230,629 (2020 - £80,853) was attributable to unrestricted funds.

**3 Income from charitable activities**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Adult services fees	11,076,901	-	11,076,901	11,406,440
College fees	3,396,231	-	3,396,231	3,013,141
Grants	-	414,260	414,260	118,656
Other	10,216	-	10,216	3,638
	<u>14,483,348</u>	<u>414,260</u>	<u>14,897,608</u>	<u>14,541,875</u>

Income from charitable activities was £14,897,608 (2020 - £14,541,875) of which £414,260 (2020 - £118,656) was attributable to restricted funds and £14,483,348 (2020 - £14,423,219) was attributable to unrestricted funds.

During the year the Group and Charity received no capital grants (2020 - £Nil), which has no unfulfilled conditions or other conditions attached. Other forms of grant assistance from which the Group and Charity has benefitted amounts to £414,260 (2020; £118,656).

**4 Income from other trading activities**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Garden furniture income		-	-	-	1,621
Subsidiary undertakings income	23	203,227	-	203,227	250,755
		<u>203,227</u>	<u>-</u>	<u>203,227</u>	<u>252,376</u>

Income from other trading activities was £203,227 (2020 - £252,376) of which £Nil (2020 - £Nil) was attributable to restricted funds and £203,227 (2020 - £252,376) was attributable to unrestricted funds.

**5 Income from investments**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Interest received	590	-	590	18,341
	<u>590</u>	<u>-</u>	<u>590</u>	<u>18,341</u>

The group's investment income arises from money held within interest bearing deposit accounts and is attributable to unrestricted funds.

**6 Analysis of expenditure on charitable activities**

	Note	Activities undertaken directly £	Support costs £	2021 £	2020 £
Adult services fees		9,211,726	785,321	9,997,047	9,797,221
College fees		3,129,180	762,500	3,891,680	3,728,468
Subsidiary undertakings expenditure	23	275,861	4,559	280,420	281,528
		<u>12,616,767</u>	<u>1,552,380</u>	<u>14,169,147</u>	<u>13,807,217</u>

£387,239 (2020 - £22,080) of the above costs were attributable to restricted funds. £13,781,908 (2020 - £13,785,137) of the above costs were attributable to unrestricted funds.

## EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED

### Notes to the financial statements For The Year Ended 31 March 2021

#### 7 Allocation of support costs

Support costs are allocated to activities on a relevant basis to the nature of the underlying cost, including headcount, time spent or in proportion to resources used.

Support cost (Current Year)	Note	Adult services fees	College fees	Trading Activities	2021
		£	£	£	£
Governance	8	10,241	10,241	4,559	25,041
Management		117,606	117,606	-	235,212
Finance		114,780	114,779	-	229,559
Human resources		29,327	29,327	-	58,654
Maintenance		62,234	62,234	-	124,468
Training		38,344	15,522	-	53,866
Multi disciplinary team		64,149	64,150	-	128,299
Facilities (incl. rental)		24,239	24,240	-	48,479
Admin and Office costs		324,401	324,401	-	648,802
<b>Total support and governance costs</b>		<b>785,321</b>	<b>762,500</b>	<b>4,559</b>	<b>1,552,380</b>

Support costs are made up of:

Staff Costs	426,440	403,618	-	830,058
Other Costs	358,881	358,882	4,559	722,322
<b>Total support and governance costs</b>	<b>785,321</b>	<b>762,500</b>	<b>4,559</b>	<b>1,552,380</b>

Support cost (Prior Year)	Note	Adult services fees	College fees	Trading Activities	2020
		£	£	£	£
Governance	8	10,118	10,118	4,398	24,634
Management		111,293	111,294	-	222,587
Finance		122,954	122,953	-	245,907
Human resources		32,047	32,047	-	64,094
Human resources		61,054	61,055	-	122,109
Maintenance		38,916	13,356	-	52,272
Training		63,674	63,674	-	127,348
Multi disciplinary team		52,269	52,268	-	104,537
Facilities (incl. rental)		266,506	266,507	-	533,013
Admin and Office costs		758,831	733,272	4,398	1,496,501
<b>Total support and governance costs</b>		<b>758,831</b>	<b>733,272</b>	<b>4,398</b>	<b>1,496,501</b>

Support costs are made up of:

Staff Costs	429,938	404,379	-	834,317
Other Costs	328,893	328,893	4,398	662,184
<b>Total support and governance costs</b>	<b>758,831</b>	<b>733,272</b>	<b>4,398</b>	<b>1,496,501</b>

#### 8 Governance costs

	2021	2020
	£	£
Auditor's remuneration:	18,410	18,528
- Audit of the charity's annual accounts	4,559	4,398
- Audit of the charity's subsidiary undertakings	2,072	1,708
Trustees' indemnity insurance	25,041	24,634

#### 9 Net income for the year

Net income is stated after charging:	2021	2020
	£	£
Depreciation of tangible fixed assets	312,625	299,952
Loss on sale of tangible fixed assets	80	(3,848)
Operating lease rentals - land and buildings	101,725	181,137
Operating lease rentals - equipment	151,734	136,689

**EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

**Notes to the financial statements  
For The Year Ended 31 March 2021**

**10 Staff costs and remuneration of trustees and key management personnel**

The total group staff costs and employees benefit's was as follows:

	2021	2020
	£	£
Wages and salaries	10,391,312	10,093,673
Social security costs	641,595	615,378
Pension costs	273,772	270,338
	<u>11,306,679</u>	<u>10,979,389</u>

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

	2021	2020
	Number	Number
Charitable activities	543	541
Management and administration of the charity	35	34
Subsidiary undertakings	7	7
	<u>585</u>	<u>582</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2021	2020
	Number	Number
£60,001 - £70,000	-	-
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1
	<u>2</u>	<u>2</u>

The key management personnel of the Group are the Trustees and Management listed on page 19. Total salary and employee benefits received by key management personnel during the year amounted to £327,784 (2020: £326,496) plus pension contributions of £21,036 (2020: £21,061).

The trustees neither received nor waived any emoluments during the year (2020: £Nil).

During the year no trustees (2020: 4) were reimbursed expenses totalling £Nil (2020: £1,350), which represented accommodation, travel and subsistence expenses incurred for attendance at the Trustees' meetings. A total of £Nil (2020: £655) was paid directly to third parties. As permitted in the Articles of Association, Trustee indemnity insurance was purchased at a total cost of £2,072 (2020: £1,708).

**11 Interest payable and similar charges**

	2021	2020
	£	£
Bank loans and overdrafts	24,762	27,500
	<u>24,762</u>	<u>27,500</u>

**12 Taxation**

Education and Services for People with Autism Limited is a registered charity and as such its income and gains falling within s.50S ICTA 88 or s.256 TCGA 92 are exempt from corporation tax to the extent that they are applied to its charitable activities. No material corporation or deferred tax charge has arisen in its subsidiary undertakings.

**EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

**Notes to the financial statements  
For The Year Ended 31 March 2021**

**13 Tangible fixed assets**

Group	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
<b>Cost or valuation:</b>						
At 01.04.2020	11,480,211	248,711	617,390	28,574	323,214	12,698,100
Additions	37,856	12,129	11,661		43,618	105,264
Transfers		(7,549)	(31,747)		(59,057)	(98,353)
Disposals						
<b>At 31.03.2021</b>	<b>11,518,067</b>	<b>253,291</b>	<b>597,304</b>	<b>28,574</b>	<b>307,775</b>	<b>12,705,011</b>
<b>Depreciation:</b>						
At 01.04.2020	2,422,496	196,044	523,759	19,440	270,777	3,432,516
Charge for the year	207,910	24,543	36,931	4,057	39,184	312,625
Eliminated on disposals		(7,548)	(31,711)		(59,014)	(98,273)
<b>At 31.03.2021</b>	<b>2,630,406</b>	<b>213,039</b>	<b>528,979</b>	<b>23,497</b>	<b>250,947</b>	<b>3,646,868</b>
<b>Net book value:</b>						
At 31.03.2021	8,887,661	40,252	68,325	5,077	56,828	9,058,143
At 01.04.2020	9,057,715	52,667	93,631	9,134	52,437	9,265,584
Charity	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
<b>Cost or valuation:</b>						
At 01.04.2020	11,480,211	209,297	617,390	28,574	320,106	12,655,578
Additions	37,856		11,661		43,076	92,593
Transfers		(7,549)	(31,747)		(59,057)	(98,353)
Disposals						
<b>At 31.03.2021</b>	<b>11,518,067</b>	<b>201,748</b>	<b>597,304</b>	<b>28,574</b>	<b>304,125</b>	<b>12,649,818</b>
<b>Depreciation:</b>						
At 01.04.2020	2,422,496	176,607	523,759	19,440	269,419	3,411,721
Charge for the year	207,910	16,098	36,931	4,057	38,349	303,345
Eliminated on disposals		(7,548)	(31,711)		(59,014)	(98,273)
<b>At 31.03.2021</b>	<b>2,630,406</b>	<b>185,157</b>	<b>528,979</b>	<b>23,497</b>	<b>248,754</b>	<b>3,616,793</b>
<b>Net book value:</b>						
At 31.03.2021	8,887,661	16,591	68,325	5,077	55,371	9,033,025
At 01.04.2020	9,057,715	32,690	93,631	9,134	50,687	9,243,857

Tangible fixed assets with a net book value of £6,188,628 (2020 - £6,298,885) have been pledged as security for liabilities of the group and charity. These assets have restricted title.

**EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

Notes to the financial statements  
For The Year Ended 31 March 2021

**14 Fixed asset investments**

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Market Value as at 1 April 2020	-	-	20	20
Additions	-	-	-	-
Disposal	-	-	-	-
Impairment	-	-	-	-
<b>Market Value as at 31 March 2021</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>20</b>

The Charity holds 100 per cent shareholdings in the two subsidiary undertakings within the Group, these are valued at cost of £20 (Espa Research Limited £10 and Autism Works Limited £10) (see note 23).

**15 Debtors**

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade debtors	1,896,540	2,464,290	1,885,392	2,456,413
Amounts owed by group undertakings	-	-	99,344	227,913
Other debtors	98,643	78,893	91,742	69,050
Prepayments and accrued income	1,943,713	2,737,016	1,898,712	2,639,614
	<b>3,938,896</b>	<b>5,280,199</b>	<b>3,975,190</b>	<b>5,392,990</b>

**16 Creditors: amounts falling due within one year**

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans and overdrafts	87,352	84,134	87,352	84,134
Trade creditors	153,581	191,817	153,581	191,620
Fees in advance	68,735	300,262	68,735	272,512
Payments received on account	651,362	673,763	650,226	670,286
Other tax and social security	172,182	166,802	164,645	155,986
Accruals and deferred income	315,491	278,523	304,372	273,660
	<b>1,448,703</b>	<b>1,695,301</b>	<b>1,428,911</b>	<b>1,648,198</b>

**EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

**Notes to the financial statements  
For The Year Ended 31 March 2021**

**17 Creditors: amounts falling due after more than one year**

	<b>Group 2021</b>	<b>Group 2020</b>	<b>Charity 2021</b>	<b>Charity 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans	577,072	665,670	577,072	665,670
	<u>577,072</u>	<u>665,670</u>	<u>577,072</u>	<u>665,670</u>

Bank loans include aggregate amounts of £Nil (2020 - £6,135) which fall due after five years and which are repaid by instalments. The payment terms and interest rates of each creditor for which an amount falls due after one year are given below:

The bank loans are secured by legal charges and a debenture dated 21/04/1995 over various freehold land and buildings of the Group and Charity.

	<b>Group 2021</b>	<b>Group 2020</b>	<b>Charity 2021</b>	<b>Charity 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
2.50% above LIBOR secured loan repayable on 22 June 2025	79,985	103,995	79,985	103,995
0.75% above LIBOR secured loan repayable on 2 November 2023	497,087	561,675	497,087	561,675
	<u>577,072</u>	<u>665,670</u>	<u>577,072</u>	<u>665,670</u>

**18 Operating lease**

At 31 March 2021 the Charity and the Group had total commitments under non-cancellable operating leases for Land and Buildings and Equipment as follows:

	<b>Group 2021</b>	<b>Group 2020</b>	<b>Charity 2021</b>	<b>Charity 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Operating lease payments falling due:				
Within one year	162,762	139,770	148,873	116,723
Between one and five years	89,788	96,700	89,788	96,700
After more than five years	-	-	-	-
	<u>252,550</u>	<u>236,470</u>	<u>238,661</u>	<u>213,423</u>

**19 Provisions for liabilities**

	<b>Group 2021</b>	<b>Group 2020</b>	<b>Charity 2021</b>	<b>Charity 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 01.04.2020	-	-	-	-
Deferred tax provision	276	259	-	-
At 31.03.2021	<u>276</u>	<u>259</u>	<u>-</u>	<u>-</u>

The tax provision relates to the deferred taxation within the subsidiary undertaking and is resultant of a timing issue.

**EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED**

**Notes to the financial statements  
For The Year Ended 31 March 2021**

**20 Fund reconciliation**

<b>Group (Current Year)</b>	<b>Balance At 01.04.2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains / (losses) £</b>	<b>Transfers £</b>	<b>Balance At 31.03.2021 £</b>
<b>Unrestricted funds:</b>						
General reserve	6,904,331	14,917,794	(13,781,908)	-	149,082	8,189,299
<b>Designated funds</b>						
Fixed asset fund	8,515,780	-	-	-	(122,061)	8,393,719
<b>Total unrestricted funds</b>	<b>15,420,111</b>	<b>14,917,794</b>	<b>(13,781,908)</b>	<b>-</b>	<b>27,021</b>	<b>16,583,018</b>
<b>Restricted funds:</b>						
Tyne and Wear Care Alliance	-	11,200	(11,200)	-	-	-
ESFA - Independent Specialist Providers	-	20,652	-	-	(20,652)	-
ESFA - Independent Specialist Providers	-	6,369	-	-	(6,369)	-
Job retention scheme	-	115,808	(115,808)	-	-	-
Covid 19 Support funds	-	260,231	(260,231)	-	-	-
<b>Total restricted funds</b>	<b>-</b>	<b>414,260</b>	<b>(387,239)</b>	<b>-</b>	<b>(27,021)</b>	<b>-</b>
<b>Total funds</b>	<b>15,420,111</b>	<b>15,332,054</b>	<b>(14,169,147)</b>	<b>-</b>	<b>-</b>	<b>16,583,018</b>
<b>Group (Prior Year)</b>						
<b>Unrestricted funds:</b>						
General reserve	6,107,814	14,774,789	(13,785,137)	-	(193,135)	6,904,331
<b>Designated funds</b>						
Fixed asset fund	8,226,069	-	-	-	289,711	8,515,780
<b>Total unrestricted funds</b>	<b>14,333,883</b>	<b>14,774,789</b>	<b>(13,785,137)</b>	<b>-</b>	<b>96,576</b>	<b>15,420,111</b>
<b>Restricted funds:</b>						
Tyne and Wear Care Alliance	-	22,080	(22,080)	-	-	-
The Wolfson Foundation	-	70,000	-	-	(70,000)	-
ESFA - Independent Specialist Providers	-	20,652	-	-	(20,652)	-
ESFA - Independent Specialist Providers	-	5,924	-	-	(5,924)	-
<b>Total restricted funds</b>	<b>-</b>	<b>118,656</b>	<b>(22,080)</b>	<b>-</b>	<b>(96,576)</b>	<b>-</b>
<b>Total funds</b>	<b>14,333,883</b>	<b>14,893,445</b>	<b>(13,807,217)</b>	<b>-</b>	<b>-</b>	<b>15,420,111</b>

EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED

Notes to the financial statements  
For The Year Ended 31 March 2021

20 Fund reconciliation (continued)

Charity (Current Year)	At 01.04.2020 £	Income £	Expenditure £	Gains / (losses) £	Transfers £	At 31.03.2021 £
<b>Unrestricted funds:</b>						
General reserve	6,890,835	14,634,568	(13,501,489)	-	152,473	8,176,387
Designated funds	8,494,053	-	-	-	(125,452)	8,368,601
Fixed asset fund						
<b>Total unrestricted funds</b>	<b>15,384,888</b>	<b>14,634,568</b>	<b>(13,501,489)</b>	<b>-</b>	<b>27,021</b>	<b>16,544,988</b>
<b>Restricted funds:</b>						
Tyne and Wear Care Alliance	-	11,200	(11,200)	-	-	-
ESFA - Independent Specialist Providers	-	20,652	-	-	(20,652)	-
ESFA - Independent Specialist Providers	-	6,369	-	-	(6,369)	-
Job retention scheme	-	115,808	(115,808)	-	-	-
Covid 19 Support funds	-	260,231	(260,231)	-	-	-
<b>Total restricted funds</b>	<b>-</b>	<b>414,260</b>	<b>(387,239)</b>	<b>-</b>	<b>(27,021)</b>	<b>-</b>
<b>Total funds</b>	<b>15,384,888</b>	<b>15,048,828</b>	<b>(13,888,728)</b>	<b>-</b>	<b>-</b>	<b>16,544,988</b>
<b>Charity (Prior Year)</b>	<b>At 01.04.2019 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains / (losses) £</b>	<b>Transfers £</b>	<b>At 31.03.2020 £</b>
<b>Unrestricted funds:</b>						
General reserve	6,140,683	14,444,034	(13,503,609)	-	(190,273)	6,890,835
Designated funds	8,207,204	-	-	-	286,849	8,494,053
Fixed asset fund	14,347,887	14,444,034	(13,503,609)	-	96,576	15,384,888
<b>Total unrestricted funds</b>	<b>14,347,887</b>	<b>14,444,034</b>	<b>(13,503,609)</b>	<b>-</b>	<b>96,576</b>	<b>15,384,888</b>
<b>Restricted funds:</b>						
Tyne and Wear Care Alliance	-	22,080	(22,080)	-	-	-
The Wolfson Foundation	-	70,000	-	-	(70,000)	-
ESFA - Independent Specialist Providers	-	20,652	-	-	(20,652)	-
ESFA - Independent Specialist Providers	-	5,924	-	-	(5,924)	-
<b>Total restricted funds</b>	<b>-</b>	<b>118,656</b>	<b>(22,080)</b>	<b>-</b>	<b>(96,576)</b>	<b>-</b>
<b>Total funds</b>	<b>14,347,887</b>	<b>14,562,690</b>	<b>(13,525,689)</b>	<b>-</b>	<b>-</b>	<b>15,384,888</b>

Fund descriptions

- a) Unrestricted funds
- b) Designated funds
- c) Restricted funds

The General reserve represents the free funds of the charity which are not designated for particular purposes.

The Fixed asset fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of tangible fixed assets less bank loans and hire purchase.

The restricted fund represents funds that have been received and are to be used for a specific purpose.

Notes to the financial statements  
For The Year Ended 31 March 2021

21 Analysis of net assets between funds

Group fund balances at 31 March 2021 are represented by:

	Unrestricted funds	Designated funds	Restricted funds	2021
	£	£	£	£
Tangible fixed assets	-	9,058,143	-	9,058,143
Investments	-	-	-	-
Current assets	9,550,926	-	-	9,550,926
Current liabilities	(1,361,351)	(87,352)	-	(1,448,703)
Long term liabilities	(276)	(577,072)	-	(577,348)
<b>Total</b>	<b>8,189,299</b>	<b>8,393,719</b>	<b>-</b>	<b>16,583,018</b>

Group fund balances at 31 March 2020 are represented by:

	Unrestricted funds	Designated funds	Restricted funds	2020
	£	£	£	£
Tangible fixed assets	-	9,265,584	-	9,265,584
Investments	-	-	-	-
Current assets	8,515,737	-	-	8,515,737
Current liabilities	(1,611,167)	(84,134)	-	(1,695,301)
Long term liabilities	(259)	(665,670)	-	(665,929)
<b>Total</b>	<b>6,904,331</b>	<b>8,515,780</b>	<b>-</b>	<b>15,420,111</b>

Charity fund balances at 31 March 2021 are represented by:

	Unrestricted funds	Designated funds	Restricted funds	2021
	£	£	£	£
Tangible fixed assets	-	9,033,025	-	9,033,025
Investments	20	-	-	20
Current assets	9,517,926	-	-	9,517,926
Current liabilities	(1,341,559)	(87,352)	-	(1,428,911)
Long term liabilities	-	(577,072)	-	(577,072)
<b>Total</b>	<b>8,176,387</b>	<b>8,368,601</b>	<b>-</b>	<b>16,544,988</b>

Charity fund balances at 31 March 2020 are represented by:

	Unrestricted funds	Designated funds	Restricted funds	2020
	£	£	£	£
Tangible fixed assets	-	9,243,857	-	9,243,857
Investments	20	-	-	20
Current assets	8,454,879	-	-	8,454,879
Current liabilities	(1,564,064)	(84,134)	-	(1,648,198)
Long term liabilities	-	(665,670)	-	(665,670)
<b>Total</b>	<b>6,890,835</b>	<b>8,494,053</b>	<b>-</b>	<b>15,384,888</b>

22 Notes to the Cash Flow Statement

a) Reconciliation of net income / (expenditure) to net cash flow from operating activities

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Net income / (expenditure) for the year	1,162,907	1,086,228	1,160,100	1,037,001
Interest receivable	(590)	(18,341)	(590)	(18,341)
Interest payable	24,762	27,500	24,762	27,500
Depreciation of tangible fixed assets	312,625	299,952	303,345	293,873
(Profit) / loss on disposal of tangible fixed assets	80	(3,848)	80	(3,848)
Provisions less payments	17	179	-	-
(Increase) / decrease in debtors	1,341,303	(1,362,962)	1,417,800	(1,329,880)
Increase / (decrease) in creditors	(249,816)	309,063	(222,505)	284,005
<b>Net cash flow from operating activities</b>	<b>2,591,288</b>	<b>337,771</b>	<b>2,682,992</b>	<b>290,310</b>

## EDUCATION AND SERVICES FOR PEOPLE WITH AUTISM LIMITED

### Notes to the financial statements For The Year Ended 31 March 2021

#### 22 Notes to the Cash Flow Statement (continued)

##### b) Analysis of changes in net funds (current year)

	At 01.04.2020	Cash flows	Non-cash changes	At 31.03.2021
	£	£	£	£
Cash at bank and in hand	3,235,558	2,376,472		5,612,030
Loans due within one year	(84,134)	85,380	(88,598)	(87,352)
Loans due after more than one year	(665,670)		88,598	(577,072)
	<u>2,485,754</u>	<u>2,461,852</u>	<u>-</u>	<u>4,947,606</u>

##### b) Analysis of changes in net funds (prior year)

	At 01.04.2019	Cash flows	Non-cash changes	At 31.03.2020
	£	£	£	£
Cash at bank and in hand	3,492,761	(257,203)		3,235,558
Loans due within one year	(145,875)	146,338	(84,597)	(84,134)
Loans due after more than one year	(750,267)		84,597	(665,670)
	<u>2,596,619</u>	<u>(110,865)</u>	<u>-</u>	<u>2,485,754</u>

#### 23 Subsidiary undertakings

The charity has two wholly owned non-charitable subsidiary undertakings ESPA Research Ltd (company number 6862992) and Autism Works Ltd (company number 7402411) which are registered in England and Wales. The registered address for both subsidiary undertakings is North House, Ferryboat Lane, Sunderland, Tyne and Wear. SR5 3RL.

Autism Works Ltd is used for the trading activities of software testing and ESPA Research Ltd is used for academic research and non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the SOFA. Any available profits are gifted to the charity, during the current financial year the subsidiaries have generated a small profit/loss on its trading activities but these have been retained in the year to fund current working capital.

A summary of the results of the subsidiaries is shown below:

	Autism Works Limited		ESPA Research Limited	
	Total 2021	Total 2020	Total 2021	Total 2020
	£	£	£	£
Turnover	147,477	186,057	27,750	36,698
Cost of sales	(156,082)	(145,622)	(3,235)	(5,263)
Gross profit	(8,605)	40,435	24,515	31,435
Administrative expenses	-	-	(122,558)	(122,960)
Other operating income	-	-	108,000	108,000
Profit/(Loss) on ordinary activities	(8,605)	40,435	9,957	16,475
Corporation tax repayable/(payable)	1,455	(7,683)	-	-
Retained (Loss)/Profit in subsidiary	<u>(7,150)</u>	<u>32,752</u>	<u>9,957</u>	<u>16,475</u>
The aggregate of the assets, liabilities and funds was:				
Assets	80,616	194,388	76,845	116,130
Liabilities	(20,332)	(126,954)	(99,079)	(148,321)
Reserves	<u>60,284</u>	<u>67,434</u>	<u>(22,234)</u>	<u>(32,191)</u>

Included within the operating income figure of Espa Research Limited, donations received during the year were £80,000 (2020: £80,000), with the largest donor being the Robert Luff Foundation of £80,000 (2020: £80,000). These funds are unrestricted and have been shown within the Group total of donations and legacies (note 2), with the balance of operating income and turnover of £28,000 (2020: £28,000) shown under trading activities (note 4).

ESPA Limited (The Charity) is prepared to provide continuing support to the trading subsidiaries.

Notes to the financial statements  
For The Year Ended 31 March 2021

24 Pensions

The charity operates a defined contribution scheme for eligible employees and contributions are charged in the statement of financial activities as they accrue. The charge for the year was £273,772 (2020: £270,338). From February 2014, all employees have been automatically enrolled into the defined contribution scheme and the charity contributes between 1% and 10% of pensionable salaries.

The defined contribution liability is wholly allocated to unrestricted funds and is charged to the charitable activities in proportion to the staffing costs incurred.

Total pension commitments which are included in the balance sheet amount to £45,522 (2020: £43,069).

25 Events after the end of the period

On 15 September 2021 Education and Services for People with Autism Limited completed on the sale of a residential building at 1-7 Mowbray Road, Sunderland, which was a education hall of residence for people with autism spectrum disorders. The building was sold at market value for £380,500.

26 Related party transactions

The charity has taken advantage of the exemption conferred by paragraph 33.1A of FRS 102, 'related party transactions', that transactions with wholly owned subsidiaries do not need to be disclosed.

During the year education consultancy work to the value of £Nil (2020: £3,550) has been charged to Education and Services for People with Autism Limited by L. Moxon. L. Moxon is the wife of P.M. Moxon, who is a trustee of the Charity. At the year end, the outstanding balance owed to L Moxon was £Nil (2020: £Nil).

27 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
<b>Financial assets</b>					
Debt instruments measured at amortised cost:					
- Trade debtors	15	1,896,540	2,464,290	1,885,392	2,456,413
- Amounts owed by group undertakings	15	-	-	99,344	227,913
- Other debtors and accrued income		1,798,074	2,563,741	1,753,135	2,466,401
- Cash at bank and in hand		5,612,030	3,235,558	5,542,736	3,061,889
		<u>9,306,644</u>	<u>8,263,589</u>	<u>9,280,607</u>	<u>8,212,616</u>
<b>Financial liabilities</b>					
Measured at amortised cost					
- Bank loans and overdraft	16/17	664,424	749,804	664,424	749,804
- Trade creditors	16/17	153,581	191,817	153,581	191,620
- Accruals		125,377	79,850	114,258	74,897
		<u>943,382</u>	<u>1,021,471</u>	<u>932,263</u>	<u>1,016,321</u>