

**MID-WARWICKSHIRE SOCIETY FOR
MENTALLY HANDICAPPED CHILDREN AND
ADULTS
A COMPANY LIMITED BY GUARANTEE –
NOT HAVING A SHARE CAPITAL**

**FINANCIAL STATEMENTS
31 MARCH 2022**

**Registered Company No: 2560195
Registered Charity No: 1040654**

**MID-WARWICKSHIRE SOCIETY FOR MENTALLY HANDICAPPED CHILDREN AND ADULTS
A COMPANY LIMITED BY GUARANTEE – NOT HAVING A SHARE CAPITAL**

YEAR ENDED 31st MARCH 2022

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

REFERENCE & ADMINISTRATIVE INFORMATION

CHARITY NAME: Mid-Warwickshire Society for Mentally Handicapped Children and Adults
and known as Way Ahead Support Services

CHARITY REGISTRATION NO: 1040654

COMPANY REGISTRATION NO: 2560195

REGISTERED OFFICE

4 Jephson Court
Tancred Close
Leamington Spa
CV31 3RZ

EXECUTIVE COMMITTEE

Sheila Cunningham
Gillian Williams
Karen Ralph
Alan Rhead
Michael Powell-Brett
Michael Porter
Amelia Tankard
Alan Newbold
Simon Hodges

Members of the executive committee are directors of the Company and Trustees of the Charity.

SENIOR MANAGEMENT TEAM

Louise De Bruyne	Chief Executive
Lorraine Plant	Finance Manager
Emile Oulton-Rowe	Central Operations Manager
Michelle Turner	Office Personnel Manager
Gary Ratcliffe	Registered Manager

SECRETARY

Amelia Tankard

**SENIOR STATUTORY
AUDITOR**

Steven R Mugglestone

AUDITORS

Michael Harwood & Co
Greville House
10 Jury Street
Warwick
CV34 4EW

BANKERS

Lloyds TSB Plc
73 The Parade
Leamington Spa
CV32 4BB

SOLICITORS

Band Hatton Button LLP
25 Warwick Road
Coventry
CV1 2EZ

Wright Hassell LLP
Olympus Avenue
Leamington Spa
CV34 6B

TRUSTEES' REPORT

The Mid-Warwickshire Society for Mentally Handicapped Children and Adults is a charitable company limited by guarantee, and is known as Way Ahead Support Services. The directors present their report and the audited financial statements for the year ended 31 March 2022. The directors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statements of the charity.

GOVERNING DOCUMENT

The company is a registered charity (Number 1040654) and a private company limited by guarantee, having no share capital (company number 2560195). The company was established under a Memorandum and Articles which established the objects and powers of the charitable company and is governed under its Articles of Association agreed at the EGM in March 2013. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The company is affiliated to the Royal Mencap Society and pays an annual affiliation fee.

OBJECTIVES

Way Ahead Support Services has been providing support in the Warwickshire Area for over 50 years.

Way Ahead provides a supportive, enabling service to vulnerable individuals including people with learning disabilities, people with mental ill health and individuals on the Autistic Spectrum.

The person-centred support provided is delivered in an enabling way, encouraging the individual to take control of their lives and to be as independent as possible.

Our aims and objectives are to fully support the person in developing and learning skills to the fullest extent of their abilities and to use these skills with confidence.

ACTIVITIES AND SERVICES

Way Ahead provide supported living for people living within 3 converted properties managed by the organisation.

The support is delivered between the hours of 7am and 10pm with a sleep-in provision as required.

This support is looked at holistically with the person at the centre of everything and is delivered 365 days a year.

Further support is provided to people living within their local communities and within their own homes, owned, rented or living with their families, we call this our Outreach Services. This support is provided with the same ethos, objectives and values.

Way Ahead also provide day opportunities. We call this our Activity Service. We provide our Activity Services both within our main Activity building and on a one-to-one basis. The activities we provide are centred around the wants and needs of the individuals participating. The activities are meaningful, empowering people to maintain and improve upon skills, try something new, work together and establish links with others in the local community, tackling the potential of social isolation and striving to support people in achieving the positive outcomes they are looking for.

**MID-WARWICKSHIRE SOCIETY FOR MENTALLY HANDICAPPED CHILDREN
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TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE

The year saw the Service emerging slowly from the restricted COVID world we had become accustomed to. Although the rest of the country seemed to return to normality at a much faster pace, we proceeded with caution and diligence, ever mindful of the need to protect all stakeholders from continuing localised outbreaks of COVID.

Whereas last year we received incredible financial support from the Local Authority in the form of various COVID grants covering costs for PPE and sick pay cover, these began to dry up meaning we had to dig into our reserves to cover costs. Having said that we are pleased to report that we ended the financial year with a modest surplus and still maintain a healthy financial position with five months of reserves in the bank.

Once again, the Trustees are indebted to the dedication of our staff in providing an exemplary service despite very trying circumstances. Recruiting new staff to the service is increasingly harder each year particularly with the dramatic rise in the cost of living. The rates of pay we are able to offer means we struggle to offer a package that can compete with other sectors. We are very grateful to our staff who put the needs of others to the fore-front of their work.

The early part of the year saw the gradual return of individuals to Netherfield where they could once again enjoy a full timetable of weekly activities. For those unable to join in person, the Zoom sessions also continued for individuals to access from home should they want to. As the year has progressed, many individuals have returned to the Service and are once again enjoying seeing their friends face to face. We were very proud to open our first Sensory Room at Netherfield. The room has proved very popular and provides a quiet haven for those who feel they need a calm relaxing environment to spend some time in. Our Sunday Lunch Club is well attended as is the new Monday morning Café.

The Trustees would like to extend their thanks to those in the local community who have kindly made a donation to the Service. We were awarded a grant from Coventry & Warwickshire CDA on behalf of Warwick District Council, to support our continuation of the provision of our services digitally to those individuals who have been unable to access their usual activities. Providing monthly newsletters and offering zoom sessions has helped people to feel less isolated. The grant has also helped us to promote our services locally to help reach the wider community. We are also very grateful to National Lottery Community Fund, Baron Davenport's Charity, Royal Mencap Society, Warwickshire Police Community Fund, The Grimmit Trust, Grand Provincial Lodge of Warwickshire, The Claverdon Fields Charitable Trust and Barratt Developments for their generous donations.

With the relaxing of COVID restrictions it enabled us to progress some much-needed maintenance on our properties. There have been some serious long-term issues that have now been resolved and all properties are currently up to date with regards to maintenance.

Trustees have continued to meet bi-monthly through the year where they are updated with the status of the Service. We review financial reports to ensure the costs remain within the budget set at the beginning of the financial year. Cashflow forecasts are analysed to identify any potential shortfalls. We also review the progress of the RAG reports which monitor individuals' files.

A sub team of Trustees have begun work with the SMT to look at Risk Assessment and Business Planning. The progress has been hampered by the advent of COVID but also by the delay in the Tender process by the Local Authority for new contracts due to begin in April 2023. The original date for the Tender delivery had been August but has continued to slip and to date, we still have not received the information from the Local Authority. This is making it extremely difficult to plan for the future as we currently are in the dark as to what the LA will put forward for next year when our contract is due for renewal.

To conclude, although we are relieved to be finally emerging from the shadow of COVID we know we still have a difficult time ahead. The Trustees are mindful that now more than ever we need to work hard together to minimise the risks that we face. The unknown factors of what the LA Tender will throw up coupled with rising costs and recruitment issues makes it a more challenging task than ever.

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TRUSTEES' REPORT

FINANCIAL REVIEW

The financial outturn reflected a small surplus of £12,098 for the year compared with a surplus of £228,579 on charitable activities in the previous year. The main reasons for the large reduction in the year end surplus was a combination of the charity's main form of income via charitable activities falling by £65,319 in the year, and a reduction of £98,674 in the COVID related grants received from both the local council and the national government when compared to the previous year. It was inevitable that the COVID grants would reduce over time as the benefits of the vaccine programme took effect. Overheads also rose in the year in total by some £37,946. It was still considered a positive outcome to show a small surplus in what was another challenging year for the charity, especially in the recruitment and retention of the frontline care staff. The charity continued to show a very healthy balance sheet position at the March 2022 year end although the coming year to March 2023 is again likely to prove a challenge to the Charity's management team and trustees.

PLANS FOR THE FUTURE

The Service faces new challenges that were difficult to predict. The sudden sharp rise in the cost of living makes it more difficult for us to recruit new staff putting more pressure on those that stay working in the Service. Increasing fuel costs and other expenditure will have an impact on reserves.

Not knowing what our terms of contract will look like next year makes managing these issues even more of a challenge. We don't know exactly what the Service will be expected to provide under the new terms or how it should be delivered.

The Trustees are confident however that we will work together to face whatever is coming and continue to support those in our Service and community.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity has an executive committee of up to 12 members who meet regularly and are responsible for the strategic direction and policy of the charity. At present the Committee has 9 members from a variety of professional backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Chief Executive along with the Senior Management Team.

The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met.

The Manager for our Learning Disabilities Services and the Activity Services Manager have responsibility for the day-to-day operational management of the charity, individual supervision of the staff and also ensuring that the team continue to develop their skills and working practices in line with good practice.

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TRUSTEES' REPORT

RECRUITMENT AND APPOINTMENT OF EXECUTIVE COMMITTEE

The Directors of the company are also charity Trustees for the purposes of charity law and under the company's Articles are known as members of the Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Executive Committee are elected to serve annually and must be re-elected at each Annual General Meeting.

The Executive Committee seeks to ensure that the needs of this group are appropriately reflected through the diversity of the trustee body. Business and care skills are well represented on the executive committee.

Some of the current members of the executive committee are related to individuals being supported by it and have long term connections with, and understanding of the charity.

TRUSTEE INDUCTION AND TRAINING

A copy of the Charity Commission's guide "The Essential Trustee" is distributed to all new trustees along with the Memorandum and Articles and the latest financial statements.

New Trustees are invited with opportunities to meet with the CEO and existing trustees to formalise their transition onto the Board.

STAFF TRAINING

Way Ahead are extremely proud of the dedication of the employees and their commitment to their continuous professional development (CPD).

All new staff commence a full induction into the service which includes the completion of the Care Certificate. This involves a full training schedule including titles such as Risk Assessment, Manual Handling, Person Centred Approach, Safeguarding, Equality and Diversity, First Aid and Medication to name some.

Existing staff complete the Care Certificate and regular CPD in line with Health and Social Care expectations and the changing needs of the individuals supported.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

The charity meets these criteria as it provides additional support to individuals supplementing that commissioned by the statutory authorities. The charity also subsidises rents for its properties if individuals experience hardship.

TRUSTEES' REPORT

RISK STATEMENT

The Trustees have a risk management strategy which reviews the major risks and implements strategies to minimise such risks. A risk register is maintained and reviewed at regular intervals.

Particular attention has been focused on the financial risks with all the changes made by Warwickshire County Council, and its impact on the charity. Health and Safety have also been regularly reviewed. Emphasis has been placed on the systems and procedures to mitigate risks.

The quality audit systems have been focused on with the internal 'Traffic Light' systems being upgraded for Quality audit processes.

A 'Good' report (dated 14th January 2020) was received via the latest CQC inspection and this report can be found on the CQC website: www.cqc.org.uk Monthly e-mails are received as updates from CQC referencing offsite reviews made against the organisation as part of continued assurances whilst CQCs usual inspection regime remains suspended following COVID

RESERVES POLICY

The charity has set an ideal level of unrestricted readily available funds equating to 6 months or 182 days' worth of overhead expenditure; these reserves being available to augment the resources provided by Social Services.

At the year end, the level of readily available funds represented a slight improvement on the previous year and represented 208 days' worth of annual overhead expenditure (2021: 202 days). This improvement reflects the careful monitoring of revenues and costs by the management and Trustees.

GOING CONCERN AND BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The charity made a small surplus of income over expenditure this year of £12,098 compared to the surplus of £228,579 achieved in the financial year to March 2021. The Trustees and Management were pleased with what was effectively a break-even result for the year, given what was another challenging year for Charities operating within the care sector. The small surplus reflects the very careful monitoring of revenues and costs but the Trustees recognise that moving forward, those revenues and costs will continue to come under pressure, especially given the challenges faced in recruiting and retaining care staff. Trustees are also aware that certain government grants that were previously available, are due to be phased out in the near future. However, the charity reflected a healthy unrestricted reserves position and liquid funds at March 2022, which should help buffer any potentially difficult operating conditions that may arise in the near future.

The trustees have considered the results of the current and previous financial years and have concluded that it remains appropriate to prepare the accounts on the going concern basis.

TRUSTEES' REPORT

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of Mid-Warwickshire Society for Mentally Handicapped Children and Adults Limited for the purposes of company law) are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year.

The Trustees have prepared the financial statements in accordance with FRS 102 (the Financial Reporting Standard applicable in the UK and Republic of Ireland). 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 (FRS102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Executive Committee are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board.



Amelia Tankard
Secretary

Dated: 17th NOVEMBER 2022

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Opinion

We have audited the financial statements of the Mid-Warwickshire Society for Mentally Handicapped Children and Adults Limited (the 'charitable company') for the year ended 31st March 2022 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

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' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF

MID-WARWICKSHIRE SOCIETY FOR MENTALLY HANDICAPPED CHILDREN
AND ADULTS

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Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustee's /Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities statement set out on page 7, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of our audit procedures, we evaluate the high-risk areas of the assignment that could potentially result in a material misstatement within the accounts. Such risky areas include revenue recognition, management override and understatement of liabilities. We mitigate these risks by a combination of:

- obtaining independent third-party evidence
- performing analytical procedures to ensure the accounts appear reasonable
- maintaining an air of professional scepticism throughout the audit process
- challenging management regarding the basis of accounting policies and any estimates included in the accounts.

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

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

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.



Steven R Mugglestone (Senior Statutory Auditor)
For and on behalf of Michael Harwood & Co
Chartered Accountants and Statutory Auditors
Greville House
10 Jury Street
Warwick
CV34 4EW

Dated: 18 NOVEMBER 2022

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account) for the year ended 31 MARCH 2022

	Notes	Unrestricted £	Designated £	Restricted £	Property Endowment Fund £	2022 Total £
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	2	4,321	-	46,592	-	50,913
Charitable activities	3	-	-	1,015,076	-	1,015,076
Investment income						
Bank interest		3	-	-	-	3
Rent		180,007	-	-	-	180,007
Other income		17,377	-	-	-	17,377
COVID-19 Related Grants Received	4	33,350	-	19,201	-	52,551
TOTAL INCOME AND ENDWOMENTS		<u>235,058</u>	<u>-</u>	<u>1,080,869</u>	<u>-</u>	<u>1,315,927</u>
EXPENDITURE ON:						
Raising funds	6	142	-	-	-	142
Charitable activities						
Housing management	6	87,382	-	-	-	87,382
Support services	6	31,434	-	1,184,871	-	1,216,305
TOTAL RESOURCES EXPENDED		<u>118,958</u>	<u>-</u>	<u>1,184,871</u>	<u>-</u>	<u>1,303,829</u>
NET INCOME FOR THE YEAR		116,100	-	(104,002)	-	12,098
TRANSFERS BETWEEN FUNDS		(109,070)	-	109,070	-	-
NET MOVEMENT IN FUNDS		7,030	-	5,068	-	12,098
FUND BALANCES BROUGHT FORWARD AT 1st APRIL 2021		984,363	12,864	15,428	280,000	1,292,655
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2022	15	<u>991,393</u>	<u>12,864</u>	<u>20,496</u>	<u>280,000</u>	<u>1,304,753</u>

The notes on pages 14 – 21 form part of these financial statements.
The surplus for the year arises from the company's continuing operations.

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account) for the year ended 31 MARCH 2021

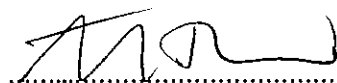
	Notes	Unrestricted £	Designated £	Restricted £	Property Endowment Fund £	2021 Total £
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	2	7,418	-	53,472	-	60,890
Charitable activities	3	-	-	1,080,395	-	1,080,395
Investment income						
Bank interest		6	-	-	-	6
Rent		189,273	-	-	-	189,273
Other income		12,673	-	-	-	12,673
COVID-19 Related Grants Received	4	96,333	-	54,892	-	151,225
TOTAL INCOME AND ENDWOMENTS		<u>305,703</u>	<u>-</u>	<u>1,188,759</u>	<u>-</u>	<u>1,494,462</u>
EXPENDITURE ON:						
Raising funds	6	7,270	-	-	-	7,270
Charitable activities						
Housing management	6	88,777	-	-	-	88,777
Support services	6	34,500	-	1,135,336	-	1,169,836
TOTAL RESOURCES EXPENDED		<u>130,547</u>	<u>-</u>	<u>1,135,336</u>	<u>-</u>	<u>1,265,883</u>
NET INCOME FOR THE YEAR		175,156	-	53,423	-	228,579
TRANSFERS BETWEEN FUNDS		41,506	-	(41,506)	-	-
NET MOVEMENT IN FUNDS		216,662	-	11,917	-	228,579
FUND BALANCES BROUGHT FORWARD AT 1st APRIL 2020		767,701	12,864	3,511	280,000	1,064,076
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2021	15	<u>984,363</u>	<u>12,864</u>	<u>15,428</u>	<u>280,000</u>	<u>1,292,655</u>

The notes on pages 14 – 21 form part of these financial statements.
The surplus for the year arises from the company's continuing operations.

BALANCE SHEET
31 MARCH 2022

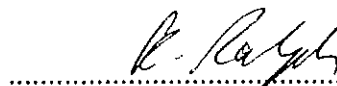
	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	10	574,452	605,264
CURRENT ASSETS			
Debtors	11	79,075	110,944
Cash at bank and in hand		673,592	595,167
		752,667	706,111
CREDITORS			
Amounts falling due within one year	12	(22,366)	(18,720)
NET CURRENT ASSETS			
		730,301	687,391
NET ASSETS			
		1,304,753	1,292,655
FUNDS AND RESERVES			
Unrestricted	15	966,393	959,363
Revaluation reserve	15	25,000	25,000
		991,393	984,363
Designated	15	12,864	12,864
Restricted	15	20,496	15,428
Property Endowment	15	280,000	280,000
		1,304,753	1,292,655

The financial statements were approved by the Trustees on 17th NOVEMBER 2022



Director

Mrs A. Tankard



Director

Mrs K. Ralph

The notes on pages 14 to 21 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities:		
Net cash used in operating activities:		
Net income for the year as per the Statement of Financial Activities	12,098	228,579
Adjustments for:		
Depreciation	33,384	34,242
Decrease / (increase) in debtors	31,869	56,030
Increase / (decrease) in creditors	3,646	(27,121)
	<u>80,997</u>	<u>291,730</u>
Cash flows from investing activities:		
Purchase of fixed assets	(2,572)	(1,995)
Change in cash and cash equivalents in the reporting period	<u>78,425</u>	<u>289,735</u>
Cash and Cash Equivalents at the beginning of the reporting period	595,167	305,432
Cash and Cash Equivalents at the end of the reporting period	<u><u>673,592</u></u>	<u><u>595,167</u></u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 MARCH 2022

1. ACCOUNTING POLICIES

a) **Basis of Accounting**

The charity is a public benefit entity.

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

The 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 SORP 2019 (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The presentation currency of the financial statements is the Pound Sterling (£).

Statement of Compliance

These financial statements have been prepared in accordance with the provisions of the Charities SORP 2019 (FRS 102)

b) **Going concern and basis of preparing the financial statements**

The trustees have considered the excess of expenditure over income incurred in the current and previous financial year and have concluded that it remains appropriate to prepare the accounts on the going concern basis. In forming this opinion, the trustees have taken account of the factors noted more fully on Page 6 of this Report.

c) **Income recognition**

General

All incoming resources are included in the Statement of Financial Activities as soon as the following three factors can be met:

- 1) entitlement – arises when a particular resource is receivable or the charity's right becomes legally enforceable;
- 2) high probability – when it is more likely than not that the income will be received;
- 3) measurement – when the monetary value of the income can be measured with sufficient reliability:

The following specific policies are applied to particular categories of income:

- General donations, gifts, subscriptions and legacies are brought into account when received.
- Donations and grants given for specific purposes are treated as income in the year of receipt. Unspent restricted income is included under restricted funds as it is fully committed.
- Income received in advance is accounted for in the accounting period to which it relates and is shown as deferred income within Creditors.

Government grants

- In response to the COVID -19 pandemic, the UK and Local Government made various grants available to businesses to support them through the economic uncertainties caused by the pandemic.
- These government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

d) **Resources expended**

General

All Expenditure is accounted for on an accruals basis inclusive of VAT and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 MARCH 2022

1. ACCOUNTING POLICIES (Cont'd)

Activities in furtherance of the charity's objects comprise the costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on a basis consistent with budgeted use of resources.

Expenditure categories

Expenditure is allocated to one of three functional categories which reflect the charitable activities of the company:

Fund-raising costs are those costs attributable to generating income for the charity and include staff costs and fees paid to external fundraising advisors.

Maintenance of Rental Properties The upkeep and associated costs of the various properties.

Support Services To support and supply the provision of clinics, workshops and other associated services. This also includes the provision of short-term care for people with a learning disability.

e) **Transfer between Funds** Represents the amount required to be transferred from unrestricted income to cover the deficit arising in the year on restricted activities.

f) **Fixed assets**
Fixed assets are stated at cost or valuation and in the case of donated assets at an approximate valuation. Items costing less than £100 are not capitalised.

Investments were reflected at their market value at the balance sheet date until their disposal in the year. Depreciation is provided to write off the costs of fixed assets over their estimated useful lives as detailed below: -

Property	over 50 years
Furniture and Equipment	15% to 30% reducing balance
Improvements to short leasehold property	over 21 years
Property refurbishment	over 10 years

However due to the specialist nature of the freehold property valued at £280,000 and referred to in Note 10, no depreciation has been provided on this property for the reasons outlined in the Note.

g) **Pension Costs**

The assets of the schemes are held separately from those of the company in an independently administered fund. The pension costs represent the contributions payable by the company to the funds.

h) **Operating leases**

Operating lease rentals are charged to the income and expenditure account as they become due.

i) **Fund accounting**

Unrestricted funds are available for use at the discretion of the Executive Committee in furtherance of the general objectives of the company.

Restricted funds are funds subject to specific restricted conditions imposed by donors. The purposes and use of the restricted funds are set out in note 15 to the financial statements

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 MARCH 2022

2. INCOMING RESOURCES FROM DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations and gifts	50,632	60,890
Tax refunds on Gift Aid donations	281	-
	<u>50,913</u>	<u>60,890</u>

We are very grateful to the following organisations and individuals who supported our activities in the year with their generous grants and donations: National Lottery Community Fund, Baron Davenport's Charity, Royal Mencap Society, Warwickshire Police Community Fund, The Grimmit Trust, The Grand Provincial Lodge of Warwickshire, The Claverdon Fields Charitable Trust and Barratt Developments.

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Social Services	<u>1,015,076</u>	<u>1,080,395</u>

4. COVID – 19 RELATED GRANTS RECEIVED

	2022	2021
	£	£
Government Grants – COVID 19 related Job Retention Scheme Grants	10,072	31,816
Local Government COVID Infection Control Grants	19,201	54,892
Local Government COVID 19 Support Grant Warwick County Council	-	64,517
Local Government Recruitment and Retention Grant	23,278	-
	<u>52,551</u>	<u>151,225</u>

5. INTANGIBLE INCOME FROM DONATED FACILITIES

The charity has the use rent free of a property. The intangible benefit arising from the rent-free use of the donated property is difficult to quantify given its specialist nature. The financial statements do not reflect this income.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 MARCH 2022

6. RESOURCES EXPENDED

	Housing Management	Support Services	2022 Total	2021 Total
	£	£	£	£
Expenditure on raising funds				
Staff costs, training and external advisors	-	142	142	7,270
Direct costs				
Wages	-	1,074,186	1,074,186	1,015,471
Motor & Travel	-	7,575	7,575	4,875
Office Rent and Rates	-	23,581	23,581	23,581
Materials & Costs re Day Activities	-	1,452	1,452	669
Luncheon Club Direct Costs	-	2,629	2,629	-
Utilities	25,168	7,621	32,789	34,533
Insurance	1,966	9,733	11,699	9,680
Telephone	2,350	11,420	13,770	15,293
Professional Fees	-	8,334	8,334	6,993
Staff Training	-	7,787	7,787	1,755
Recruitment & Adverts	-	918	918	875
Repairs Maintenance and Cleaning	28,976	5,792	34,768	46,846
Sundry Expenses	-	13,266	13,266	16,582
Bad Debts Recovered	-	2,297	2,297	(1,812)
Equipment Hire	-	3,974	3,974	7,374
Office Expenses	-	17,881	17,881	28,652
Support costs				
Depreciation	28,922	4,462	33,384	34,242
Governance Costs (below)	-	13,397	13,397	13,004
	<u>87,382</u>	<u>1,216,305</u>	<u>1,303,687</u>	<u>1,258,613</u>
Total Expenditure	<u>87,382</u>	<u>1,216,442</u>	<u>1,303,829</u>	<u>1,265,883</u>

Governance costs above include:	2022 £	2021 £
Audit Fee	10,680	10,680
Indemnity Insurance	1,503	1,325
Registration for Care Quality Commission	1,214	999
	<u>13,397</u>	<u>13,004</u>

7. NET INCOMING RESOURCES FOR THE YEAR

	2022 £	2021 £
This is stated after charging:		
Auditors Remuneration – Audit	10,680	10,680
Depreciation	33,384	34,242
Operating leases – Buildings and Equipment Rentals	25,574	28,974
	<u>70,638</u>	<u>74,906</u>

8. STAFF COSTS AND NUMBERS

	2022 £	2021 £
Staff costs during the year amounted to:		
Salaries	950,274	905,130
Social Security Costs	76,108	67,528
Pension Costs	43,264	42,813
Agency Costs	4,540	-
	<u>1,074,186</u>	<u>1,015,471</u>

Average number of staff on the payroll during the year	<u>48</u>	<u>49</u>
The number of full-time equivalent staff numbers were	<u>21</u>	<u>22</u>

No individual employee received remuneration above £60,000. Remuneration paid in aggregate to the key management personnel amounted to £162,450 (2021: £159,303).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 MARCH 2022

9. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No members of the Executive Committee received any remuneration during the year.

Expenses amounting to £Nil (2021: £Nil) were reimbursed to members of the Executive Committee. No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity.

Indemnity insurance has been purchased for the Trustees at a cost of £1,503 (2021: £1,325).

10. TANGIBLE FIXED ASSETS

COST OR VALUATION

	Improvements to short leasehold £	Improvements to Freehold Property	Freehold land and building £	Furniture and Equipment £	Total £
1 April 2021	393,025	29,166	625,197	145,441	1,192,829
Additions	-	-	-	2,572	2,572
31 March 2022	<u>393,025</u>	<u>29,166</u>	<u>625,197</u>	<u>148,013</u>	<u>1,195,401</u>
DEPRECIATION					
1 April 2021	350,000	4,666	107,693	125,206	587,565
Charge for year	21,511	583	6,828	4,462	33,384
31 March 2022	<u>371,511</u>	<u>5,249</u>	<u>114,521</u>	<u>129,668</u>	<u>620,949</u>
NET BOOK VALUE					
31 March 2022	<u>21,514</u>	<u>23,917</u>	<u>510,676</u>	<u>18,345</u>	<u>574,452</u>
31 March 2021	<u>43,025</u>	<u>24,500</u>	<u>517,504</u>	<u>20,235</u>	<u>605,264</u>

All the fixed assets are used in direct furtherance of the charity's objectives.

The charity's work focuses on help, care and support for vulnerable people and people with learning disabilities. Part of the support includes the provision of suitable accommodation at below market rent.

Freehold property includes £345,197 relating to a property situated in Warwick. The historical cost of this property was £60,628. A revaluation by Directors in October 2002 at £160,000 was incorporated in these accounts prior to improvements carried out in 2009 and 2010 costing £185,197. The property was re-valued by Heritage Property in July 2011 at a valuation of £400,000 on an open market basis, although that valuation is not reflected above.

The other freehold property located in Leamington was acquired following the merger on 1st February 2014 with another local charity, The Netherfield Management Committee. This property is reflected above at its valuation of £280,000 on 4th July 2011 by Hawkesford Chartered Surveyors on an open market basis, and taking into account the continued existence of a covenant restricting the use of the building. Because of the specialised nature and use of the property, the usage restriction, and the charity's policy to maintain it in good condition, no depreciation is provided and the property is valued at its valuation on acquisition, and which is considered to be a fair value.

Improvements to Freehold Property originally costing £29,166 above, relate to a freehold property that was donated to the charity a few years ago and is the property referred to in Note 5, Intangible Income from Donated Facilities.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 MARCH 2022

11.	DEBTORS	2022 £	2021 £
	Trade debtors	75,555	104,898
	Other debtors	-	4,000
	Prepayments and accrued income	3,520	2,046
		79,075	110,944

12.	CREDITORS	2022 £	2021 £
	Amounts falling due within one year:		
	Trade creditors	7,129	3,348
	Social security and other taxes	-	-
	Accruals	10,730	10,730
	Other creditors	4,507	4,642
		22,366	18,720

13. **PENSION COMMITMENTS**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension charge amounted to £43,264 (2021: £42,813).

14. **LEASING COMMITMENTS**

At 31st March 2022, the charity had total minimum lease commitments under non-cancellable operating leases over the remaining life of the leases of £ 15,073 (2021: £27,425).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 MARCH 2022

15. MOVEMENT ON RESERVES

	Balance 1 April 2021 £	Income in Year £	Expenditure In Year £	Transfers In Year £	Balance 31 March 2022 £
Restricted Funds					
Social Services	-	1,015,076	1,124,146	109,070	-
Sunday Luncheon Club	4,406	-	3,085	-	1,321
Digital Inclusion Project	-	14,625	14,625	-	-
Round the World Challenge	1,933	4,967	6,900	-	-
Grants re Core Running Costs	-	2,000	2,000	-	-
Purchase of Computer Tablets & Data SIMS	4,256	1,500	4,167	-	1,589
Provision of Virtual Sessions	2,833	10,000	7,288	-	5,545
COVID Testing	2,000	-	2,000	-	-
COVID Infection Control	-	19,201	19,201	-	-
Promotion of Way Ahead	-	13,500	1,459	-	12,041
	15,428	1,080,869	1,184,871	109,070	20,496
Unrestricted Funds					
Unrestricted Funds	959,363	235,058	118,958	(109,070)	966,393
Designated Funds	12,864	-	-	-	12,864
Revaluation reserve	25,000	-	-	-	25,000
	997,227	235,058	118,958	(109,070)	1,004,257
Property Endowment					
Brought forward	280,000	-	-	-	280,000
Total Funds	1,292,655	1,315,927	1,303,829	-	1,304,753

Restricted Funds

Social Services Fund – This represents the receipt and application of monies from Warwickshire County Council Social Services in respect of specific clients.

Sunday Luncheon Club - Grants received as contributions towards the costs of providing a Sunday lunch and social activities once a month to vulnerable adults. The Luncheon Club restarted in July 2021 at The Netherfield Centre, after being closed down since February 2020 due to the COVID restrictions.

Connecting People and Building Bridges (Digital Inclusion) - Grant received from National Lottery towards providing digital inclusion sessions to address the issues of isolation and loneliness amongst individuals with learning disabilities living in the Warwickshire area. The funding has been provided for digital signposting, providing a community resource library kiosk, promotion, resources and broadband upgrade.

Round the World Challenge - Funding received from the Royal Mencap Society to organise and support participants to attend physical activity sessions within a group and or community setting.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 MARCH 2022

Grants re Core Running Costs	-	Grants received specifically towards core running costs including towards staff costs of ensuring the provision of safe levels of support carers.
Purchase of Computer Tablets & Data Sims	-	Purchase of this digital equipment to loan out within the community.
Provision of Virtual Sessions	-	Due to COVID the activities at the Netherfield Centre are restricted from 48 individuals with Learning Disabilities attending to a maximum of 18, hence the funding can assist with providing Zoom sessions to reach other people that we would have supported.
COVID Testing and Infection Control	-	Grants towards the large cost involved in keeping our staff safe and being able to continue to provide our services.

Property Endowment Fund

This represents a freehold property that was acquired following the merger in February 2014 with another charity, Netherfield Management Committee. The property was subject to a restrictive covenant to ensure that it could only be used for charitable purposes.

Designated Fund

The designated fund represents monies set aside to meet major maintenance costs which may arise in respect of the charity's properties.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Net Current Assets	Total
	£	£	£
Property Endowment Funds	280,000	-	280,000
Restricted Funds	-	20,496	20,496
Unrestricted Funds	294,452	709,805	1,004,257
	-----	-----	-----
	574,452	730,301	1,304,753
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17. TAXATION

The company is a registered charity and is therefore exempt from taxation under Chapter 3 of Part 11 of the Corporation Taxes Act 2011.

18. CONTROLLING PARTY

The charity is a company limited by guarantee which means that it does not have an issued share capital and is therefore not controlled by any one person or entity.