



COMPTON CARE GROUP LIMITED

Annual Report and Consolidated Financial Statements

Year Ended 31 March 2021

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Chairman & CEO Statement

Welcome to Compton's 2020-21 Annual Report.

As the world faced a crisis like no other, Compton Care swung into action.

We took brave and bold steps to not only ensure local people living with incurable conditions continued to receive the vital care they needed but we also stepped up to support and relieve some of the pressure on our NHS partners in the national fight against Covid-19.

Whilst many shut their doors, we opened ours, adapting our services and supporting more patients, families, and members of the community.

Like so many other individuals and groups, it goes without saying that Covid-19 has framed the work of Compton Care this year. But the pandemic has not meant that Compton's other work ground to a pause, in fact in some instances it has given us many new opportunities.

Throughout the report you'll read of how Team Compton rallied together to keep our services running. You'll learn about how we stepped up to support our NHS colleagues, opening a second IPU, taking on a district nursing caseload and extending our telephone and virtual support services to members of the public experiencing loss due to Covid-19. Our thanks go to the UK Government, Hospice UK and Wolverhampton CCG for their invaluable support and the funding of this essential and important work.

Despite the difficulties, the pandemic also provided us with some wonderful opportunities. You'll read about how we seized the opportunity to embrace digital, not only delivering services virtually but finding innovative ways to generate income online following the closure of our shops and cancellation of fundraising events.

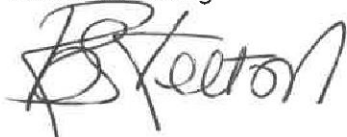
We were also able to continue to deliver on several of our planned activities including the opening of our much-anticipated Care Coordination Centre and clinical skills lab followed by our return to Wolverhampton city centre in the form of our Retail Plus Superstore.

We hope you'll read this report and share our sense of pride for the resilience and commitment of Team Compton. The last 12 months have not been easy, but they have adapted, stepped up and consistently continued to deliver excellent care to an increased number of patients with compassion and professionalism throughout the pandemic. Our grateful thanks and endless appreciation go to every single member of Team Compton, from those working on the front line to everyone who supported in the background. Because of them, local families affected by incurable illness were able to receive the vital care they needed.

We also wish to sincerely thank our exceptional community of supporters, volunteers, fundraisers, donors, shoppers, and partners whose kindness, generosity and love has meant so much. Your amazing support has kept us going through some of the toughest days in our nearly 40-year history.

All of us at Compton are hopeful that we'll emerge from this difficult time stronger than ever with new and improved ways of working. With your support we'll continue to do what we do best, help patients and families with incurable illnesses live their best life possible.

Thanks for reading



Ros Keeton
Chairman, Board of Trustees



Rachel Overfield
CEO & Director of Nursing & Supportive Care

TRUSTEES' ANNUAL REPORT

Strategic Report

Compton Care: Who we are

Our Vision

Compton Care will be a leader in redefining palliative care excellence in the UK.

Our Mission

Delivering accessible, innovative, influential care that creates extraordinary experiences for the people in our communities living with complex and incurable conditions.

Our Values

Excellence and Innovation

We define and deliver excellence in every area of our work; achieve it, demonstrate it, celebrate it. We strive to learn and improve every day.

Respect and accountability

We are helpful, courteous, and supportive; we demonstrate individual accountability for our behaviour and performance. We are guardians of Compton standards and reputation to create seamless care.

Community and partnership

We work collaboratively with colleagues within Compton and partner with patients, carers, and the health community to achieve the best outcomes for patients and families.

Passion and determination

We show boldness of vision and clarity of purpose, we inspire and encourage others to manage challenges with determination and are passionate advocates for our patients.

Compassion and empathy

We listen and engage without judgement, communicate with warmth, kindness and understanding. We put our patients, families, and supporters first.

Our Care Services

Compton Care is a registered charity providing care, encouragement and support for people living with complex and incurable conditions. Our principal object as set out in the Articles of Association is:

- *'to assist in the provision of care for people with advancing and progressive long-term health conditions and terminal illness who are principally resident in Wolverhampton, Dudley, Walsall, Sandwell and the counties of Shropshire and East Staffordshire and any additional locations as agreed by the Directors...*

Palliative care aims to treat or manage the symptoms a person may experience when living with an incurable illness, as well as provide support with their emotional, spiritual, or social needs.

At Compton Care we believe people are more than their diagnosis. We work with people to understand their unique needs, ambitions, and goals to create a unique package of care which can be accessed in the home (or chosen place of care) and/or by visiting our dedicated sites. Patients may benefit from accessing several services at once, or even dip in and out of care.

Compton Community Care - our team of specialist doctors, nurses and health and social care workers support families from the comfort of their own home (or chosen place of care). The team offer specialist clinical expertise, personal care, and practical and emotional support to address a wide range of palliative care needs. Visits are planned according to the needs of the family with night-sitting sessions for those requiring overnight support. The service also incorporates rapid response assistance for those with urgent care needs responding in 4 hours or less with the aim of helping to reduce unnecessary hospital admissions.

Compton Inpatient Care - an 18-bed unit where patients can access 24-hour clinical expertise, personal care, and emotional support from a multi-disciplinary team. Patients may be admitted for short stays on the unit for the purposes of symptom control and pain management, for respite care before being discharged or for end of life care.

Compton Living Well - a service which focuses on providing people with the knowledge, tools, and confidence to live an independent and quality life with their illness. Patients benefit from a wide range of support and resources including appointments and guidance from our clinical experts, taking part in therapeutic activities, the opportunity to attend a series of information workshops and programmes covering all aspects of life with an incurable illness and access to emotional and spiritual support.

Compton Family & Supportive Care Services - a collection of services that aim to support a patient's physical, emotional, and spiritual well-being. This type of care combines art therapy, complementary therapies, counselling, physiotherapy, social work, and spiritual care support. Most services are also available to family members, relatives and loved ones of Compton patients.

Compton Lymphoedema Care - offering specialist support for people living with Lymphoedema, a chronic condition which results in swelling caused by damage to the lymphatic system. The service offers those diagnosed the tools and confidence to manage and lead an independent life with their condition.

Compassionate Communities - providing and facilitating opportunities for Compton patients and other members of the community who are living with or affected by incurable illness to come together, share experiences, and improve well-being through dedicated support groups and networks.

Compton Bereavement Care - supporting family members, relatives and loved ones of Compton patients through their experiences of grief by providing qualified counsellors, trained bereavement volunteers and support groups. Compton Bereavement Care also offers specialist support for children and young people aged between 5 and 17.

Our services are provided by a multi-disciplinary team led by the Medical Director who is a Consultant in Palliative Medicine and the Director of Nursing & Supportive Care.

Public Benefit

Compton Care is registered with and regulated by the Care Quality Commission for the following regulated activities:

- Caring for adults under 65 and over 65.
- Treatment of disease, disorder, or injury.
- Diagnostic and screening procedures.

The quality of our services was last inspected by the Care Quality Commission in October 2019 and rated as 'Good'.

Compton Care benefits the public providing services free of charge to patients, families, and carers within our catchment area of Wolverhampton, Walsall, Dudley, Sandwell, East Shropshire, and East Staffordshire. Services are open to individuals over the age of 18 regardless of race, religion, sexual orientation, age, or diagnosis. The Trustees have referred to the Charity Commission's general guidance on public health when reviewing the aims and objectives of Compton Care and in planning future activities.

Support Services

A team of dedicated and specialist support services work tirelessly behind the scenes to ensure our clinicians and supportive care practitioners can deliver extraordinary patient care.

Compton Learning and Development deliver a range of education opportunities for Compton staff and external stakeholders to expand their knowledge and deliver best practice in their field.

Support service teams including those working in human resources, volunteering, communications and marketing, information technology, finance, estates, and administration help to ensure Compton Care remains compliant, visible, and fully-functional 7 days a week, 365 days a year.

Income Generation

Patients and families receive our care and expertise free of charge, however this care is not free to provide. Our income generation teams are responsible for raising over two-thirds of our annual running costs, equating to £8 million of the £12 million needed every year. Our income generation teams support and encourage individuals and businesses to raise this vital income through fundraising events and appeals, a weekly lottery and retail activities (charity shops and e-commerce).

Our Board of Trustees

In the reporting period, we welcomed two new Trustees to Compton Care. Both appointed January 2021, Andrew Rogers has a background in retail sales, marketing and finance and Julia Holden brings key skills in legal matters and charity duties and responsibilities.

Ros Keeton BDS, MCDH, DDPHRCs, FUW - Chairman of the Board

Ros is an experienced NHS Chief Executive and health care leader who combines a dental background with substantial leadership experience across the full range of health and social care settings. She was Chief Executive of an NHS Partnership Trust offering mental health, learning disabilities, and substance misuse services. Ros then led the highly respected Birmingham Women's NHS Foundation Trust one of only two specialist women's hospitals in the UK.

Dr Janet Anderson MB BS, FRCP, FRCPC, Dip.ObstRCOG - Vice Chair of the Board

Janet was a consultant paediatrician at New Cross Hospital for 25 years. She has strong interests in education and training regionally, nationally, and internationally and continues to be active in this role.

Gary Burke

After studying Business and Economics, Gary started his career in the aircraft industry working in Product Support. In 1981 Gary established the highly successful Burke Bros. moving group, the company has since expanded acquiring several other companies throughout the West Midlands and now includes industrial and private properties.

James Frederick McKinnon BSc (Hons), MSc

James has wide experience gained at many levels in a variety of global roles during a lengthy career with Goodyear Tire & Rubber Company. James has held senior finance and IT roles within the UK organisation, including Treasurer, Plant Controller and General Credit Manager, all of which also included extended European management responsibility.

Sumana Ray

As a director of an electrical manufacturing business in Wolverhampton, Sumana has vast commercial knowledge. She takes a specific interest in fundraising activities and in Compton Care's many volunteers.

Dr Manjeet Kaur Samra MB, ChB, MRCP, DRCOG, FRCGP

Manny has extensive experience as a GP working in Primary Care in Wolverhampton and surrounding areas. She has worked in both small and large practices and with diverse communities, with an interest and specialist knowledge in cancer services and end of life care.

Linda Annette Pascall MBA

Linda was appointed a trustee in 2020 and is a registered nurse, active coach, teacher, and mentor. She has held a series of senior roles within the NHS and has extensive professional training and experience.

Andrew Rogers

Andrew has enjoyed a successful career in the automotive industry for over 30 years. As a car enthusiast, he worked through various roles to ultimately gain a senior position within a large PLC. In 2018 he decided to take a break from PLC life and since then has worked as a self-employed consultant.

Helen Julia Holden LLB

Julia is a semi-retired solicitor, working part as a consultant and as a judge on the Oxford and Midland Circuit. She became managing partner of her law firm in the late 1980s. Her legal experience as a solicitor is wide, but predominantly in the fields of insurance law and large and complex personal injury.

Our Executive Leadership Team

In the reporting period, we saw the amalgamation of the CEO and the Director of Nursing & Supportive Care role. Rachel Overfield, a qualified nurse with extensive experience in transitioning and transforming clinical services and quality improvement and governance, joined Compton Care initially as Director of Nursing & Supportive Care in 2019 before taking on the additional role of interim CEO in August 2020 before full appointment in February 2021.

In the same year, the Director of Income Generation post was expanded to incorporate both Marketing and Partnerships disciplines as well as a Deputy CEO function. James Elliott, a qualified and highly experienced income generation and stakeholder engagement specialist, was appointed to the post in March 2021.

- Rachel Overfield RGN DPSN BSc (Hons): Chief Executive Officer & Director of Nursing & Support Services (appointed August 2020)
- James Elliott: Deputy Chief Executive Officer & Director of Income Generation, Marketing & Partnerships (appointed March 2021)
- Dr Fran Hakkak MBBS BSc MSc FRCP: Medical Director
- Val Turner FCIPD: Director of People & Organisational Development
- Russell Bulkeley FCA BFP: Head of Finance & Accounting
- Rebecca Brown: Associate Director of Clinical Governance, Compliance & Informatics

Our Staff

Compton Care has a dedicated team of 269 staff working across 27 different teams to provide extraordinary care and support to our patients, family members, supporters, donors, and stakeholders.

Our Volunteers

Our staff are supported by an army of volunteers who offer their time in a variety of roles including greeting callers and visitors to our reception, serving drinks and meals to patients, providing essential administration support, attending events, and sorting donations and serving customers in our charity shops. Compton simply could not deliver the vast range of services we do without the help of these heroes.

A Year in Numbers

A total of 3,563 patient referrals were made to Compton Care.

403 patients received 24-hour specialist care on our Inpatient Unit.

6,172 visits by doctors and nurses offering patients specialist support in their own home.

7,739 support sessions provided by our patient and carer support services including pre-bereavement and bereavement, social, spiritual, and emotional support.

19,945 calls received and managed through our care coordination team.

We hosted 96 virtual bereavement information hub sessions attended by 152 people.

We made 211 telephone befriending calls.

We hosted 15 'Understanding Bereavement' workshops which were attended by 75 people.

A year like no other (a year in review)

As the world faced a crisis like no other, Compton Care swung into action. We took brave and bold steps to not only ensure local people living with incurable conditions continued to receive the vital care they needed but we also stepped up to support and relieve some of the pressure on our NHS partners in the national fight against Covid-19.

Whilst many shut their doors, we opened ours, adapting our services and supporting more patients, families, and members of the community to ensure we could continue to be there for those who needed us.

Like so many other individuals and groups, it goes without saying that Covid-19 framed the work of Compton Care. But the pandemic has not meant that Compton's other work ground to a pause, in fact in some instances it has given us many new opportunities.

Keeping services running

On 23rd March 2020, the national stay at home directive saw us quickly adapt. Keeping our Inpatient Unit and Community Care services running became our priority. All available clinical staff were deployed to these areas to ensure those who needed vital or urgent face-to-face palliative care were able to access it. Our Community, Family & Carer, Living Well, Lymphoedema and Bereavement services all embraced digital technology ensuring families were still able to access support through phone and video consultations.

Stepping up in the fight against Covid-19

With cases rising and our NHS partners under so much pressure, we actively took the decision to step up and play our part in the national fight against Covid-19. With patients being supported at home, our empty Living Well Centre was turned into a second inpatient unit offering 7 additional beds for those with palliative care needs generously funded by Wolverhampton Clinical Commissioning Group ("CCG"). The unit enabled us to support those with palliative care needs who would usually have been cared for in a hospital setting, thus freeing up vital bed space in our local acute trust for Covid-19 patients. The unit proved a great asset with referrals to our Inpatient service up by 96% from 25 to 49 per month.

Throughout the pandemic, we continued to allow visitors to our Inpatient Unit. Whilst the restrictions over visitors to healthcare settings were completely necessary, to not allow patients to have their loved ones near at the most vulnerable and frightening of times went against the whole ethos of Compton Care and what we do. Patients were admitted one visitor per day and allowances were made in the most exceptional of circumstances. During this time, we were pleased to report zero evidence of internal transmission or acquisition of the virus.

In addition, we took on some of the caseload of our local NHS district nursing colleagues. Our Compton Community nursing team offer advice on pain management, symptom control and where possible prescribe medication. In addition, patients are also visited by their local NHS district nurse who supports with traditional nursing tasks including catheter care, wound dressing, and setting up syringe drivers (pumps that gradually administer medication). To reduce footfall into patient homes, especially vulnerable patients nearing the end of life, Compton agreed to deliver the whole care package including tasks usually undertaken by district nurses. We also extended our criteria to support those who would not normally be referred to Compton. Taking on this caseload enabled district nursing teams to focus on treating Covid-19 patients and kept vulnerable palliative patients in the community safe. Between April and June 2020, we completed 100 additional district nursing visits.

We also introduced a telephone befriending service recognising the impact the stay at home directive would have on those patients who were experiencing isolation and loneliness. A total of 211 calls were made between 1st April 2020 and 31st March 2021.

A new way to Live Well

Despite the difficulties of 2020, we were able to embed a new rehabilitative approach to our Living Well service centred around assisting to live independently, for as long as possible, with an incurable condition.

Embracing technology, we commenced a six-week virtual rolling programme of activities and workshops on various subjects including symptom management, nutrition, exercise, relaxation, planning and more. We have also delivered a series of success diversional therapy activities including music and craft therapy which have been extended to patients staying on our Inpatient Unit.

The addition of a physiotherapist to the service has ensured that, alongside Royal Wolverhampton Trust therapy services, we are delivering an effective palliative rehabilitation model.

We have also extended the services reach, opening a dedicated Living Well hub in our Retail Plus Superstore in the centre of Wolverhampton city centre. As lockdown restrictions lift, we look forward to welcoming the community to the space to learn more about the service and reach those with palliative care needs not yet known to Compton.

Expansion of emotional and bereavement support

This year we expanded our emotional support service helping people diagnosed with incurable illnesses and their families, as well as those experiencing grief, to build the tools and mechanisms to cope and move forward.

As well as supporting those with or affected by incurable illness, we also said we would expand the service to support those who are experiencing emotional distress because of Covid-19. This will include people who have lost someone because of Covid-19 as well as those who have survived the virus but are now living with various after-effects including ventilator psychosis, a form of post-traumatic stress disorder.

We implemented three levels of support ranging from telephone befriending sessions up to one-to-one counselling.

- Level 1: We offer informal social and community support delivered by our community engagement team including telephone befriending, virtual support groups, virtual bereavement information hubs and signposting to other services / providers as needed.
- Level 2: We offer practical, social, and emotional support delivered by social work and bereavement teams to include financial and legal advice, access to carer support groups and support from trained bereavement volunteers in both one-to-one and group settings (social distance regulations permitting).
- Level 3: We offer support for those with complex psychological needs delivered by the psychological therapies team. This includes one-to-one specialist counselling, which through the pandemic has been managed through telephone and virtual sessions. Our aim is to include some face-to-face sessions when safe to do so.

These three levels are now part of our core business as usual and will be further developed in the coming year to focus on a 'COVID-19' response that is required in the local community.

A dedicated space for Care Coordination

With Government guidelines permitting essential and safe construction throughout the pandemic, we were delighted to complete work on our Compton Care coordination centre. Funded in part by members of the 5/344 Transport & General Workers Union of the former Wolverhampton Goodyear factory, the centre officially opened on 8th September 2020 providing a single point of access for all referrals to Compton Care. The balance of the funding was provided through the Charity's reserves.

Our care coordination team triage referrals and provide support to referrers, healthcare professionals and patients and families alike, 5 days a week.

Plans to increase the service to 7 days a week and introduce social prescribing will be explored in 2021-22.

Clinical skills lab

Nestled in the heart of our care coordination building is a purpose-built clinical skills lab with state-of-the-art training facilities for our clinical staff to ensure they are suitably skilled, practiced and qualified to deliver great care. Since opening the lab, it has been utilised to induct new staff and deliver clinical training sessions to not only impart new skills but also refresher training. Over the next year we plan to extend our training offer to support the learning needs of external healthcare partners including those working in care homes and the ambulance service. External trainers will also be invited to utilise the space as well as deliver bespoke training to Compton staff.

Innovative income generation

Like so many charities, the financial impact of closing our 27 charity shops and cancelling our fundraising events has been enormous. Compton enters the 2021 financial year at a £2 million deficit with our income generation teams now working harder than ever to plug the shortfall.

However, during this period, we have been overwhelmed by the generosity and creativity of the public who rallied around to support us. We also adapted and found innovative ways to keep vital funds coming in including securing funding from the UK Government via grants and Wolverhampton CCG to fund the additional work completed as part of the wider Covid-19 efforts.

We were the first Wolverhampton charity to introduce a virtual quiz, streamed live over social media and attracting players from as far as Scotland, South Africa, Canada, and New York. Not only did the quiz help to keep weekly

funds coming in, but it also provided a fantastic sense of community and connection to the people around the world who were locked indoors.

In October 2020, during the brief period of easing of restrictions between lockdowns one and two, we opened our Compton Care Retail Plus superstore in Wolverhampton city centre, our largest retail until to date offering 10,000 square feet of fashion, furniture, electricals, a dedicated kids department and a brand-new range of giftware called 'Gifts that do good' all under one roof. The store also features a Compton Café so shoppers can pick up a drink and snack after a hard day's shopping. The store also features a hub space where community groups can gather to host events and initiatives for people living or supporting someone with an incurable illness, as well as those affected by bereavement of any kind.

The pandemic also saw us expand our digital e-commerce platforms including eBay, Shpock, and Depop ensuring customers could still shop online and keep vital funds coming in.

In December 2020 we launched our 'Christmas Like No Other' campaign which saw people donate, shop, attend virtual events and take part in our lottery Super Draw in their droves. Our annual Light Up A Life remembrance and fundraising event was moved online for the first time in its 30-year history; however, it didn't dampen the spirits of the wonderful Compton community who came together to show their solidarity and support the charity.

Section 172(1) statement (The Companies (Miscellaneous Reporting) Regulations 2018)

The Charity regularly reviews principal stakeholders and Compton engages with them. The stakeholder voice is brought into the boardroom throughout the annual cycle through information provided by the management team and by direct engagement with stakeholders themselves. The relevance of each stakeholder group may increase or decrease depending on the matter or issue in question, so the Board seeks to consider the needs and priorities of each stakeholder group during its discussions and as part of its decision making.

The Charity does not have a dependency on any supplier but deals with both large and small enterprises aiming to always pay within terms and build a long-standing relationship with its suppliers which is beneficial to both parties. Where it is practicable, local suppliers are included in tender processes.

Other disclosure requirements of this regulation are covered elsewhere in the Trustees report.

How we raise our money

So many of the incredible achievements in this review are only possible because of the generosity and kindness of amazing individuals, organisations, and trusts. Their donations and support have enabled us to make a real impact and improve the lives our patients and families.

- 741 people responded to our Compton Vs Covid Appeal in the Spring of 2020 generating upwards of £33,000
- 811 people donated over £44,000 in memory of a loved one as part of our 'Christmas like no other' appeal
- £219,000 was raised by our incredible community supporters through events, community organised initiatives or through various celebrations including birthdays, weddings and anniversaries
- Corporate partners donated £121,000 including £13,000 worth of gifts in kind including PPE for our clinical team and tablets so our patients could stay in touch with family
- £1,798,712 was donated by generous individuals leaving us a gift in their will
- A total of £837,395 was raised through ticket sales and donations by our Compton Lottery community
- Over 1,600 supporters raised £31,518 by playing the Compton Care Christmas Super Draw
- Over £30,000 was raised by supporters adding gift aid to their donated goods to our shops
- 2,778 customers raised over £72,000 through our online retail channels

Looking Forward to 2021-22

As we move into 2021-22 our priorities will focus on:

Digital technology

We want to leverage the use of digital technology maximising the benefits it can bring. We will do this by:

- Refining our current electronic health record.
- Working in collaboration with partner health services aligned to our Integrated Care System to ensure access to shared information.
- Having better connected technology that enables clinicians to provide services in a different way using technology as a foundation.
- Improving access to data and information through our website and intranet.

Clinical governance framework

The most important aspect of clinical governance is how we collectively and continuously improve the quality of clinical care we provide. We will do this by establishing a refreshed clinical governance framework that includes:

- Insight driven information to support planning, decision making and quality improvement methodology and projects.
- Our annual audit programme and quality improvement plan.
- Our patient and public information and engagement strategy and delivery plan.
- Effective incident and complaint management processes so that we can learn when things do not go to plan.
- Our safety culture methodology.

Partnerships

The key to expanding our reach and ensuring everyone who requires palliative, and end of life care support receives it lies in working in close partnerships with other health and social care providers. We will do this by:

- Extending our operating hours in some services so that there is more accessibility to advice and support outside core hours.
- Operating more services from within community hubs and spaces.
- Building partnerships with key health and social care providers and moving towards integrated and sustainable models of working.

Modernisation

To deliver the best care for our patients and families we need to ensure our facilities are robust and fit for purpose. We will be focusing on remodelling our current estate to modernise and make better use of our buildings. We will also utilise available space in our local communities to be close to patients, carers, and partners. We will also focus on improving our learning and nutritional standards.

A new approach to learning and development

We will be redesigning our learning and development approach, bringing greater focus on the internal needs of our Compton team as well as continuing to foster wider partnership approaches. We will do this by:

- Developing training programmes for our leadership and management teams.
- New volunteer roles and support.
- Embedding a workforce that is proactive and competent.
- Strengthen partnerships with universities/colleges/apprenticeships.
- Opportunities to deliver training/showcase to others.

Financial Review

Activity during the year

Activities by the Group resulted in an operating surplus of £240,506 (2020: deficit £1,206,548) during the financial year.

The year was dominated by the impact of the Covid pandemic, with income generation activities in all three areas (fundraising, lottery, and retail) severely impacted by a combination of cessation of trade and closures. Fundraising events were largely cancelled although it was possible to introduce several new virtual events. Lottery canvassing was curtailed on and off for over six months, unfortunately reversing much of the growth achieved in previous years, with cash collection from members in their homes also suspended throughout the first quarter. The worst hit sector however was the shop network, with the entire year negatively impacted by a combination of closures in lockdown, or reduced trading due to operating restrictions.

A key factor in the result for the year was the support provided from the Government which totalled nearly £3.9m, the main elements being from NHS England Emergency Funding, various retail grant schemes and the Job Retention Scheme.

Income

Total income for the year ended 31 March 2021 was £12,095,202 which was an increase of £854,927 on the previous year. The principal funding sources for the Group are donations and legacies 24.0% (2020: 31.9%), charitable activities 50.9% (2020: 25.9%), other trading activities 13.2% (2020: 39.4%), other income 10.5% (2020: 0.0%) and investments 1.4% (2020: 2.8%).

Donations and legacies remain an important source of income for the Group and the total income received in the year was £2,899,288 continuing to show the tremendous support Compton receives from the wider community. This was a decrease of £687,626, the previous year having included a generous one-off donation of £1,570,000 from the 5/344 Transport & General Workers Union of the former Wolverhampton Goodyear factory.

Charitable activities comprise the income received from the Clinical Commissioning Groups ('CCGs') along with other health care and governmental organisations. Income at £6,160,322 showed a large uplift of £3,248,133 from the previous year of which £2,601,207 related to Government grants from NHS England to assist Compton to continue to make available bed capacity and community support, on which basis the grant has been treated as unrestricted income. Income from CCGs rose £682,752, largely the consequence of Compton 'stepping up' during the pandemic during the spring and winter periods to provide extra beds and community support through enhanced and additional new services. Underlying grant funding remained static in the year, but additional funding was attracted through additional project work although educational activities further contracted. Additional funding is expected for 2021/22 following the commissioning of a full lymphoedema service, but a further reduction in the real value of other grant funding is anticipated as the external economic environment remains tight and uncertain.

Other trading activities comprise fundraising events along with income generated through the shop network and lottery operation, and because of the Covid pandemic, these income streams were severely hit during the financial year, falling £2,837,297 to £1,589,408. Of this fall, £2,724,700 is directly attributable to sales in the retail network, where shops were closed for over half the year, and working with operating restrictions at below capacity for the remainder of the year. During the year, three shops (Dudley, West Bromwich, and Wolverhampton - Skinner Street) were closed due to the pandemic, and a decision was made whilst closed for this to become permanent. However, in October 2020, a new city centre superstore (Retail+) was opened in Wolverhampton, and in the limited trading period available, the store performed very strongly indicating a future potential for growth and the ability to generate much needed funds in the future. With the shop network able to re-open in mid-April 2021, the upcoming financial year will be largely re-building back to pre-Covid activity levels although management continues to pursue an acquisition strategy to expand the network further although top-quality sites remain difficult to find in the catchment area. The lottery business generated its fourth consecutive record profit, albeit more a consequence of cost reductions rather than income growth with canvassing activities suspended for much of the year. The central fundraising activities also fell behind expectations with face-to-face events having to be largely cancelled although several virtual events were instigated to reduce the impact.

Investment markets, having ended 2019/20 significantly depressed, largely bounced back during 2020/21 although income was reduced. Compton's portfolio returned +20.3% (benchmark 19.3%) outperforming the benchmark with a continuation during the year of lower exposure to equity due to planned capital drawdowns. The Charity continues to hold a mixed portfolio of high-quality investments, with the investment strategy reviewed every six months by the Finance & Income Generation Committee along with the investment manager.

Expenditure

Costs associated with patient care decreased £137,779 driven by a £155,605 reduction in allocated support costs following high levels of expenditure on the Compton Hall estate in the prior year. Increases in staff costs, due to wage and pension inflation were mitigated by staff shortages largely due to the pandemic. Costs associated with raising funds through fundraising and trading activities decreased by £312,847 due to the closure of the shops during various lockdowns in the year and the requirement to cease face-to-face fundraising events.

Surplus

Overall, income exceeded net expenditure excluding investment gains by £240,506. The overall surplus for the year of £1,483,824 was stated after recognising the effect of realised and unrealised gains and losses on investments amounting to a net gain of £1,243,345.

Funds and Reserves Policy

The Trustees approved a new Reserves policy at their meeting held on 17th February 2021.

The total funds of the Charity at 31 March 2021 of £19,424,574 are split between:

- Restricted Funds £127,748
- Designated Funds £1,005,280
- General Fund £18,291,546

Restricted Funds

During 2020-21, donations totalling £220,398 were received from donors to enable specific projects to be undertaken. At the end of the financial year, £127,748 remained unspent, with the larger projects outstanding including the compassionate communities programme and West Midlands Ambulance Service end of life training (funded through Wolverhampton CCG) and a BAME support worker (funded through the Royal Wolverhampton NHS Trust). Most of the outstanding expenditure will be incurred during 2021/22.

Designated Funds

The Trustees have established two designated funds which are explained as follows:

Business Improvement & Innovation Fund (£282,209)

£431,825 was allocated in the year to facilitate cost reduction exercises where one-off termination costs are incurred such as dilapidations, asset and lease write-offs, IT automation and enhancements. During the year £149,616 was spent on shop closures (£95,008) and staff rationalisation plans (£54,608).

Development Fund (£723,071)

The Estates Strategy for the two main Compton Care sites (Compton Hall and The Cedars) remains on-going to establish the future needs of our facilities in line with our strategy to ensure they are updated, safe, user friendly and will allow us to care for more patients than ever before as we reach out to those who need us. Initial work undertaken has identified the need for substantial investment due to the age of our current facilities hence the Development Fund has been created to ensure we can meet this significant challenge.

The Development Fund set up to fund this investment amounted to £5,000,000 at 31 March 2017 with expenditure totalling £1,227,306 incurred in the three years ended 31 March 2020. During 2020/21, the main build was completed for the Care Coordination Centre with an additional £1,202,753 charged to the reserve.

The Development Fund was reviewed during 2020/21 and £1,846,870 was transferred to the General Fund being considered excess to requirements. The balance of £723,071 has been set aside for site consolidation (£367,862), patient / relative facility improvement (£203,309) and essential repairs (£151,900).

Fixed Asset Fund (£Nil)

During the year, the Fixed Asset Fund was closed, and the balance of £8,050,716 was transferred to the General Fund.

General Fund

The Trustees consider that to fulfil the Charity's obligations to the communities it serves, to existing and future patients and their families and to the paid staff of 269, it is a desirable objective for there to be unrestricted funds available at any time equivalent to at least twelve-month's running costs of the group (excluding one-off projects).

At 31 March 2021, the general fund of £18,291,546 represented approximately 19.3 months' expenditure (2020: 16.6 months). Continued investment in the infrastructure and service provision over the next year along with the continued impact of Covid-19 on our income streams is forecast to reduce the future level of reserves held.

The level of 'free reserves' (general fund less fixed assets) totalled £9,178,200.

Investment Policy

The Charity's main investment portfolio is professionally managed with the objective of preserving the real buying power of the assets and income.

The investments are managed as a 'moderate risk' portfolio with a mixture of equities, bonds and property assets within the ranges agreed by the Trustees after consultation with the investment managers. Individual investments within each category of the portfolio will vary according to market conditions and the portfolio is actively managed. Compton's policy is to negatively screen companies or sectors that are contrary to the values of the organisation such as follows:

- any companies with substantial activities in tobacco.
- any companies that might damage Compton Care's good name.

An ESG (Environmental, Social and Governance) overlay is embedded in our investment process, augmented by external rating systems Morningstar and Sustainalytics used by the investment managers.

The practice of holding a portfolio of investments with different and diversifying performance characteristics leaves the portfolio less exposed to movements in any asset class and the income generated continues to compare very favourably with the interest which would have been earned had the portfolio been invested in bank or building society accounts.

Overall, the portfolio continues to be sufficiently diversified and is producing reasonable returns and no major change in strategy is contemplated soon.

Governance

Constitution

The Charity was formed as a company limited by guarantee on 14 January 1982 and is governed by its Memorandum and Articles of Association. The Charity was incorporated in England and Wales.

As a company limited by guarantee it has no allotted share capital. Members of the company have a contingent liability arising from the guarantee given by each member to contribute, if required or on winding up, an amount not exceeding £1.

New Articles of Association

During 2020-21, the Board of Trustees approved an updated and modernised Articles of Association with the key changes relating to the process of appointment and termination of Trustees, the ability to have Board meetings digitally and the replacement of the Annual General Meeting with an Annual Members Meeting. The Charity Commission granted approval for the amendments with the revised Articles lodged at Companies House in December 2020.

Trustees

Trustees are appointed by the Board of Trustees at a Board meeting, but their appointment only takes effect once ratified by the majority of Company Members voting at a General Meeting or by written resolution. Under the Articles, Trustees are appointed for an initial three-year term, and a Trustee who is willing to continue in office may

serve up to a maximum of three terms of three years. After completion of their third three-year term, a Trustee may only be appointed for subsequent one-year terms where the Board decide it is in the best interests of the Company to do so.

The Chairman is elected by his or her fellow Trustees following a recruitment and selection process. The Chairman Ros Keeton was appointed with effect from 26 September 2018 and is serving an initial three-year term, due for re-appointment in September 2021.

Potential new Trustees are identified from a variety of sources including external recruitment, personal recommendation by members or the current Trustees. Often, but not exclusively, potential Trustees will have previously been associated with the work of the Charity perhaps as a volunteer, involvement in a support organisation or in the activities of a subsidiary company. Selection for appointment is based solely on the contribution it is believed the individual is likely to make to the development and delivery of the Charity's objectives having regard to their commitment, experience and in some instances, specialist skills.

Prospective Trustees are required to submit an expression of interest and provide references. A formal interview process is undertaken by a panel of existing Trustees and the candidates have an opportunity to meet key staff. For successful candidates, the appointment is approved by the full Trustee Board. On appointment, there is a formal induction process to consolidate the information previously gained and this is reinforced by a detailed "Induction Pack" documenting the relevant details. Trustees complete mandatory training and are encouraged to attend other internal and external training events.

The Charity's Trustees are also directors of the company for the purposes of company law. Trustee indemnity insurance is provided for the benefit of the Trustees.

Subsidiary Companies

The Charity has two wholly owned subsidiary companies which operate for the purpose of raising funds and promoting public awareness of the Charity. They are:

- Compton Care Trading Limited (registered company number 02328703) which operates 27 Charity shops and trading outlets.
- Compton Care Lottery Limited (registered company number 03188860), which operates regular lotteries.

Each subsidiary company gift aids any profits made to the Charity. Note 17 to the Accounts summarises their performance.

Corporate Governance and Internal Control

The Charity is governed by the Board of Trustees which is responsible for setting the strategic direction of the organisation, establishing policy, and agreeing the annual financial budget, business plan and monitoring progress against the budget. The Board meets regularly throughout the year. Overall responsibility for the day to day management of the organisation is delegated by the Board to the Chief Executive. The Chief Executive reports to the Chairman of the Board and together with the Medical Director, Director of Income Generation, Marketing & Partnerships, Head of Finance & Accounting, Associate Director of Clinical Governance, Compliance & Informatics, and the Director of People & Organisational Development attend all Board meetings.

Charity Governance

Responsibility for the governance structure of the organisation is split between several committees and the Executive Leadership Team. The make-up and responsibilities of these committees are described below. Trustees are encouraged to attend meetings of any of these committees and working groups where appropriate to their roles and interests. The Charity follows the Charity Governance Code.

Executive Leadership Team

The Executive Leadership Team meets at least twice a month and comprises the Chief Executive, the Medical Director, Director of Income Generation, Marketing & Partnerships, Head of Finance & Accounting, Associate Director of Clinical Governance, Compliance & Informatics, and the Director of People & Organisational Development. The meeting is chaired by the Chief Executive.

The Executive Leadership Team is responsible for strategic leadership, organisational development, external relationships, and environment, change leadership and organisational communication.

Covid-19 Governance Arrangements

At the Trustee Board in March 2020 interim emergency governance arrangements were agreed for the duration of the initial Covid-19 pandemic. A short-term Covid Governance Committee was convened to meet fortnightly. The key functions of the Committee included the quality and safety of clinical and support services, the impact of new ways of working, financial monitoring, and risk. The Chair of the Trustee Board led the Committee which was attended by members of the Executive Leadership Teams and selected Trustees.

The committee structure was adjusted to recognise the operational pressures during the pandemic with the Trustee Board and Committees agreeing to meet virtually during the crisis in line with Government guidelines.

The Covid-19 Committee ceased to operate at the end of July 2020 with day-to-day operational matters reverting to the full committee structure as follows:

Compliance & Clinical Quality Committee

The Committee structures were reviewed in 2021 and consequently, the former Compliance and Clinical Quality committees were merged to form the Compliance & Clinical Quality Committee.

This committee meets quarterly and is responsible for monitoring and assuring the board that structures, processes, and controls are fully compliant with regulators and commissioners. The Compliance and Clinical Quality Committee comprises Dr. Janet Anderson (Chairman and Trustee), Dr Manny Samra (Trustee), Joanna Watson (Trustee), Rachel Overfield (Chief Executive), Rebecca Brown (Associate Director of Clinical Governance, Compliance, and Informatics), Val Turner (Director of People & Organisational Development), Carly Manning (Associate Director of Nursing – Quality & Service Improvement) and Dr Fran Hakkak (Medical Director). Other specialist members of staff are invited to attend for specific agenda items.

The specific duties of the Committee are to:

- Maintain a strong awareness of the latest legislation and practices affecting or related to our work, environment and workforce and provide assurance to the Board of Trustees.
- Maintain a log of regulatory and commissioning obligations and requirements and report to the Board of Trustees.
- Scrutinise areas of risk and/or development and agree priorities and monitoring mechanisms.
- Utilise monitoring systems to evaluate progress and regular agreed intervals and recommend actions to mitigate risk as appropriate.
- To receive assurance that all systems and processes are integrated across all support functions and that a service culture is embedded across all support services.
- To receive assurance that all practice is evidence based and audit Compton Care policies to ensure compliance.
- To promote safety and excellence in patient care, monitoring patient experience through surveys, feedback, and complaints.
- To receive assurance that the excellence strategy is embedded and adhered to within Compton Care.
- To have overview responsibility for the relevant elements of the Excellence Strategy, agree priorities and monitor progress against key quality indicators.
- To have overview responsibility for compliance with the Care Quality Commission.
- To monitor the safety of clinical services including falls and infection prevention and control.
- To monitor clinical effectiveness including research, audit, National Institute for Health and Care Excellence and mortality reviews.
- To assure that there are processes in place to effectively safeguard children and adults.

Remuneration Committee

This committee is responsible for ensuring the remuneration arrangements support the strategic aims of the organisation. The committee comprises Ros Keeton (Chairman and Trustee), Dr Janet Anderson (Trustee) plus at least two additional Trustees from James McKinnon, Gary Burke, Linda Pascall and Sumana Ray, meeting at least once a year and as required. The Chief Executive, Val Turner (Director of People & Organisational Development) and Russell Bulkeley (Head of Finance & Accounting) attend to provide a briefing and give evidence. The main responsibilities of the Committee are to:

- Formulate and monitor the organisation's Remuneration Policy.
- Review the organisation's salary banding process and related remuneration and reward packages against agreed independent market benchmarking tools and ensure Compton Care salary and reward packages are equitable, fair and remain competitive.
- Approve the annual cost of living salary increase for all staff considering rates of inflation and known NHS, charity sector and commercial benchmarking in the given year.
- Approve any non-consolidated pay awards (bonus) as recommended by the Chief Executive which relates to the Compton Care policy in this matter.
- Determine the remuneration and reward package of the Chief Executive and other Directors who are considered to have senior level responsibility for the leadership and management of Compton Care.
- Approve pension arrangements and ensure that contractual terms on termination are fair to the individual and to Compton Care, that poor performance is not rewarded and, where possible, potential losses are mitigated.

People and Support Services Committee

The role of the People & Support Services Committee is to oversee the people and support services functions of Compton Care. This includes human resources, learning and development, volunteer services, estates, and IT. The committee serves to provide assurance to the Board of Trustees that all structures, processes, and controls are effective, fully compliant with the requirements of regulators and of the high standards expected of Compton Care.

The Committee comprises Linda Pascall (Chairman and Trustee), Julia Holden (Trustee), Rachel Overfield (Chief Executive), Val Turner (Director of People & Support Services) and Linda Hill (Head of Human Resources). Other specialist members of staff are invited to attend for specific agenda items. The main responsibilities of the Committee are to:

- Regularly review and approve all relevant policies and procedures.
- Provide a platform to discuss current concerns and risks.
- Ensure best practice is applied consistently across the organisation.
- Identify and consider the impact and mitigation of specific organisational risks.
- Review information received from working parties, listening events and forums across the organisation including the outputs from staff surveys.
- Update the Board on any legislation that could have an impact on Compton Care.
- Advise the Board on key performance indicators and data analysis.

Finance & Income Generation Committee

The committee is responsible for:

- Ensuring the financial viability of Compton Care, provide stewardship of the charitable assets and oversee the annual external audit.
- Providing assurance to the Board of Trustees that all financial and income generation structures, processes, and controls are fully compliant with regulators and commissioners, are effective and efficient and are of the high standards expected of Compton Care.

The committee comprises James McKinnon (Chairman and Trustee), Joanna Watson (Trustee), Janet Anderson (Trustee), Gary Burke (Trustee), Andrew Rogers (Trustee), Carl Peddie (Director of Compton Care Trading Limited and Compton Care Lottery Limited), Rachel Overfield (Chief Executive Officer), Russell Bulkeley (Head of Finance & Accounting) and James Elliott (Director of Income Generation, Marketing & Partnerships).

The committee meets four times a year and on other occasions as required to deal with specific matters raised by the Board. The specific duties of the Committee are to:

- To develop, approve and evaluate progress against the Income Generation strategy and recommend actions to mitigate risk.
- To maintain a strong awareness of the latest legislation, regulatory obligations, practices, and requirements affecting or related to income generation including the latest fundraising regulation and Gambling Commission obligations.
- To identify areas of risk and / or development opportunity, approving investment and agreeing priorities.
- To support and review KPIs via the dashboard ensuring appropriate monitoring mechanisms are in place which are specific to Income Generation.
- To review the financial position and income generation performance of Compton Care ensuring budget and achievement is realistic and proportionate to investment.
- To recommend the Reserves policy to the Board of Trustees and review the use of reserves.
- To recommend approval of the annual financial plan.
- Review the quarterly 24 month rolling forecast to ensure projections are reasonable and are aligned with the Trustees reserves policy initially approving any exceptions and escalating to the Board of Trustees for final approval.
- To set the accounting policies for Compton Care.
- To approve all banking arrangements and reviewing performance.
- To appoint external auditors and financial advisors and reviewing performance and ensuring adherence to Compton's constitution ensuring that auditors and investment advisors are reviewed and re-tendered according to guidelines.
- To liaise with the external auditors before, during and after the annual statutory audit, ensuring all key issues identified are satisfactorily resolved.
- To review internal audit reports prepared by the budgetary controller, ensuring all key issues identified are satisfactorily resolved.
- To monitor the performance of Compton Care's investment managers and advising them of Compton's funding requirements both in terms of new investments and the timing of potential drawdowns.
- To ensure all systems and processes are evidence based and integrated with Compton Care policy and function, supporting implementation and communication with no separation of discrimination existing in subsidiary functions.
- To escalate issues to the Board of Trustees as appropriate.

Risk Management

Compton Care has a comprehensive structure of internal controls to co-ordinate and manage risk within the organisation. This consists of lines of accountability through which issues of risk can be debated and the effectiveness of Compton Care's risk management arrangements assured.

The Board of Trustees has a duty to assure itself that Compton Care has properly identified the risks it faces, and that it has processes in place to mitigate those risks and they impact they have on the organisation and its stakeholders.

The major risk management strategies are summarised below:

- A risk register is updated regularly by the Senior Management Team supported by the Governance Team and is reviewed quarterly by the Executive Leadership Team and the Compliance Committee. The Compliance Committee is responsible for leading the risk management process.
- The establishment of robust policies and procedures to mitigate the identified risks, including the intervention of senior managers or Trustees in significant or sensitive transactions or issues.
- Internal audit of key areas on a rotational basis, utilising external advisors.
- The use of Key Performance Indicators ("KPIs") to monitor the progress of the Charity's activities. Performance against the KPIs is reported monthly and is reviewed at the Trustees' meetings together with the feedback from the various committees referred to above.
- The maintenance of appropriate levels of reserves as set out in the Funds and Reserves Policy.
- Insurance cover in key risk areas.

The Trustees use a risk register to regularly assess the risks and uncertainties that the Charity is exposed to.

The risk management strategy adopted by the Executive Leadership team is to identify, monitor, record, and manage risk on an operational and strategic basis. The risk register is a live document that is regularly reviewed and updated by the Senior Management Team. All risks have a risk owner from the Executive Leadership team who report on their areas of responsibility to the Compliance Committee at quarterly intervals. Significant risks are escalated to the Trustees for review. Sub-committees of the Board of Trustees have delegated responsibility to keep those risks specific to them under review and escalate to the Board where necessary.

In 2021, the five most significant risks are identified as follows:

1. Financial sustainability linked to the financial impact of Covid-19	
<u>Controls:</u> The Board and Executive and Senior Management Team regularly review the financial position including forecast and re-budgeting. Controlling expenditure. Cost reduction exercise completed as part of budget planning. Income Generation undertake on-going forecasts and mitigation planning. Business Improvement Sub-committee implemented.	<u>On-going actions:</u> Continual monitoring of income streams and additional cost impacts
2. Risk to business continuity as a result of Covid-19	
<u>Controls:</u> Controls in place to mitigate potential reduced levels of staffing with a focus on wellbeing initiatives. Covid testing in place and being used. Vaccination programme. Strict adherence to infection, prevention and control reducing risk of transmission.	<u>On-going actions:</u> Ongoing monitoring by Senior Management Team, changes implemented as per Government guidelines.
3. Risk of delayed clinical advice/admissions/reputational damage linked to poor on-site call handling out of hours	
<u>Controls:</u> Care Coordination has reduced the impact during working hours. Mobile phone has been provided for nurse on duty. New telephone system introduced to aid call management flows to correct service.	<u>On-going actions:</u> Moving the Rapid Response service to cover 24 hours, taking over management of calls overnight for patients and healthcare professionals thus improving communication and call handling out of hours. Care Coordination will operate over 7 days a week, allowing consistency in receiving referrals, acting on them and improved message taking.
4. IPU has a lack of processes, clinical skills and equipment to deal with tracheostomy and laryngectomy patients	
<u>Controls:</u> Any referrals risk assessed on an individual basis. Bedside processes for patients with artificial airways developed and equipment procured. Training package and competency package developed and being rolled out to staff.	<u>On-going actions:</u> Continue training roll out.
5. IT Security and Risk of Cyber Security Breach	
<u>Controls:</u> Encrypted wireless local area network / local area network completed. Any network ports not in use are disconnected from the network. Changed to Microsoft advanced threat protection. DSP toolkit completed submitted with improvement plan Regular communications sent to alert staff of known threats Preventing risk of cyber threats covered in data security training. Starters and Leavers process rolled out.	<u>On-going actions:</u> Expediting move over to O365 all users. Implementing multi-factor authentication on non-Compton owned devices. On-going monitoring of systems. Pursue Cyber Essential Accreditation. Use of IT risk matrix and regular scanning for vulnerabilities and timely resolution of those identified.

Trustees' Responsibilities

The Trustees, who are also directors of Compton Care Group Limited for the purposes of company law, are responsible for preparing the Trustees' 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 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.
- Make judgements and accounting 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 business.

The Trustees 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the Trustees is aware at the time the report is approved:

- There is no relevant audit information of which the charitable company's auditors are unaware, and;
- The Trustees have taken all steps that they should have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Charity arranges insurance to protect the Charity from loss arising from neglect or default of its Trustees or Officers and to indemnify the Trustees and Officers from the consequences of any neglect or default on their part. The cost of such insurance to cover the Officers and Trustees was £3,640 (2020: £3,033).

Fundraising

The Charity is registered with the Fundraising Regulator and will abide by its updated code of practice. We currently undertake a range of public facing fundraising activities including events, individual giving schemes, corporate fundraising, and a lottery programme.

New and improved standards relating to the Fundraising Preference Service, the Telephone Preference Service and the General Data Protection Regulation have been introduced and the Charity is currently working towards gaining ISO27001 accreditation. ISO27001 is internationally recognised and is seen as a benchmark standard in the UK public and private sector. By achieving ISO27001 certification, Compton will be able to demonstrate it has robust information handling mechanisms and controls that are in line with industry best practice and will provide reassurance that it is compliant with information governance standards and data protection principles.

In addition, policies and procedures relating to the protection of vulnerable people, the monitoring and oversight of any third-party professional canvassing and fundraising operations have all been introduced and all members of the income generation team will be trained to adhere to these standards.

Compliments and complaints are regularly monitored, culminating in an annual complaints return being submitted to the Fundraising Regulator. Supporter experience is a priority for all Compton Care income generations teams and as such any complaints will be investigated and dealt with in line with our updated complaints procedure. Six complaints were received throughout the 2020/21 financial year, all minor incidents across our fundraising and retail departments. An internal logging system is used to record, track and monitor these incidents and adhere to the guidance provided by the fundraising regulator.

The efficacy of all income generation streams is ensured through weekly commissioning and regulation updates within the Executive Leadership Team and by the Compton Care Compliance Committee, which will ensure continual monitoring and adherence to any emerging regulatory requirements.

Staff and Volunteers

At 31 March 2021, the number of paid staff was as follows:

	Paid staff		
	Full time	Part time	Total
Directors (Trustees)	-	-	-
Patient care and Learning & Development	65	98	163
Income Generation and marketing	46	44	90
Support Services	16	-	16
Total Compton Care Group – 31 March 2021	127	142	269
Total Compton Care Group – 31 March 2020	135	150	285

Staff

Staff levels over the past year have decreased in both full and part time positions. The transformation roles which were primarily fixed term to move the organisation forward have finished as projects completed and the associated staff concluded their contracts.

The previous year's appointment of a new Director of Nursing & Supportive Care has been an opportunity to look at resource levels and workforce plans to meet the changing needs of the services to support more patients and families. We have been able to support service changes and increase the use of agile, variable, and flexible working patterns which has given flexibility to the services and the number of patients we see whilst managing work life balance and our wellbeing strategy supporting our staff.

We have implemented a new Income Generation strategy which has seen improvements and efficiency savings in how we manage our retail business through the procurement process with amongst other efficiencies, a new route planning process for our stock collectors and better use of resources and technology in our teams.

Volunteer Support

Compton is extremely fortunate to have a large volunteer base dedicating their time across all areas of the organisation supporting our patients and families to ensure they receive the best care and services possible. Nearly 70% of our volunteers support our shops and lottery business, with the remaining 30% supporting the various clinical departments and support services.

Heading into the financial year, the pandemic forced all shops to close and necessary restrictions resulted in volunteers being unable to work in clinical areas. The pause in activity allowed the organisation to review volunteer functions and responsibilities and looks forward to welcoming back volunteers as activities re-commence.

However, Compton's support for patients and their families continued during the year, something that could not have been achieved without the volunteers' on-going dedication and support. The last twelve months has seen a lot of change for our volunteers during the Covid pandemic. With all our shops shut through Government guidance at certain points during the year, we have continued to have many volunteers working during the year. Our priority has been to manage their health and wellbeing and support volunteers who wish to remain offsite for health and other personal reasons. As with any volunteer environment, people choose to retire or stop their volunteering roles to support their families, go to university, manage their own health and wellbeing and other external changes which mean that each year we do see fluctuation in our numbers but we are always keen to recruit new volunteers in whatever role they give their time to Compton Care.

The Volunteer Services team are responsible for leading the recruitment and induction process of new volunteers, whilst developing new initiatives and services aimed at improving the volunteer experience and engaging the wider community. This includes having volunteers in our own team supporting our campaigns and managing our databases to support our understanding of what volunteers want from their experience and to help with volunteer communication and engagement.

The Trustees, who are themselves volunteers, along with the Executive Leadership Team and Compton as a whole, would like to thank all our volunteers for their hard work and selfless support, something that is greatly appreciated by our patients and their families.

Legal and Administrative Information

Charity Name	Compton Care Group Limited	
Charity Registration Number	512387	
Incorporation	Company Limited by Guarantee registered company number 01607631	
Registered Office and principal operating address	4 Compton Road West, Compton, Wolverhampton, West Midlands WV3 9DH	
Patrons	Mr J F Woolridge CBE DL Mr J Andrews MBE DL Mr T Leeks Mrs A Porter MBE Mr H Porter MBE	
President	The Right Reverend the Bishop of Wolverhampton	
Vice President	Dr G Kitchen, MRCS, LRCP, DMRT, FRCR	
Trustees / Directors	Mrs R Keeton	BDS, MCDH, DDPHRCs (Chairman)
	Dr J M Anderson	MB, BS, FRCP, FRCPCH, Dip.ObstRCOG (Vice Chairman)
	Mrs S Ray	
	Mr G Burke	
	Mr J F McKinnon	BSc (Hons), MSc
	Dr M K Samra	MB ChB MRCPG DRCOG FRCGP
	Mrs L A Pascall	MBA
	Mr A Rogers	(appointed 17 th February 2021)
	Mrs H J Holden	LLB (appointed 17 th February 2021)
	Mrs J Watson	FCA, MA (Hons) (resigned 28 th July 2021)
Senior Management Personnel		
Chief Executive	Miss R Overfield	RGN DPSN BSc Hons (appointed 1 st August 2020)
Medical Director	Dr F J Hakkak	MBBS BSc MSc FRCP
Director of Nursing & Supportive Care	Miss R Overfield	RGN DPSN BSc Hons
Director of Income Generation, Marketing & Partnerships	Mr J Elliott	(appointed 29 th March 2021)
Director of Income Generation	Mr HAW Shilliday	BA(Hons), PG Cert (Dev Mgmt) (Open) (resigned 20 th January 2021)
Director of People & Organisational Development	Mrs V Turner	FCIPD
Head of Finance & Accounting	Mr R Bulkeley	FCA BFP
Associate Director of Clinical Governance, Compliance & Informatics	Mrs R L Brown	
Company Secretary	Mr R Bulkeley	FCA BFP
Subsidiary Companies	Compton Care Trading Limited Chairman Mr JF McKinnon	
	Compton Care Lottery Limited Chairman Mr JF McKinnon	

Principal Bankers	Barclays Bank PLC, PO Box 777, Wolverhampton BX3 2BB
Investment Manager	Investec Wealth & Investment Limited, 30 Gresham Street, London EC2V 7QN
Solicitors	Anthony Collins Solicitors LLP, 134 Edmund Street, Birmingham B3 2ES
Auditor	Crowe U.K. LLP, Black Country House, Rounds Green Road, Oldbury, West Midlands B69 2DG

Streamlined Energy and Carbon Reporting

The Group's greenhouse gas emissions and energy consumption for the twelve months to 31 March 2021 are:

<u>Consumption</u>	kWh	<u>Emissions</u>	tCO ₂ e
Electricity	718,728	Electricity	168
Gas combustion	1,460,781	Gas combustion	269
Business travel	66,049	Business travel	16
Total in the year	2,245,558	Total in the year	453

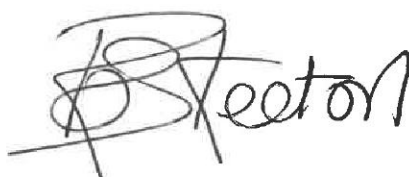
Intensity ratio - emissions per employee headcount - 1.63 tCO₂e

Energy efficiency measures

Compton undertakes on-going energy recording and monitoring activities. A schedule of preventative maintenance is also implemented; this gives regular servicing and maintenance of energy-consuming equipment and company vehicles. In addition, a recent energy audit identified potential energy efficiency measures which are currently being evaluated by the organisation.

This report, which incorporates the Strategic Report, was approved by the Board of Directors on 11 August 2021 and signed on its behalf by:

By Order of the Trustees



Ros Keeton
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPTON CARE GROUP LIMITED

Opinion

We have audited the financial statements of Compton Care Group Limited ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, Group Balance Sheet, Company Balance Sheet, Consolidated Statement of Cash Flows 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 the charitable company's affairs as at 31 March 2021 and of the group's 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group'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 Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual 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.

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 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 our audit:

- the information given in the Trustees' report, which includes the Directors' report and the Strategic report prepared for the purposes of company law, 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 included within the Trustees' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPTON CARE GROUP LIMITED (continued)

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report included within 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 and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement on page 17, 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

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 identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context were the Gambling Commission, CQC Regulations, General Data Protection Regulations and Employment legislation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPTON CARE GROUP LIMITED
(continued)

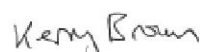
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the completeness and accuracy of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and Income Generation Committee about their own identification and assessment of the risks of irregularities, designing audit procedures over income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Kerry Brown
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
B69 2DG

Date: 21/08/2021

COMPTON CARE GROUP LIMITED**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**

Year ended 31 March 2021

	Note	2021			2020		
		Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
INCOME FROM:							
Donations and legacies	5	2,765,820	133,468	2,899,288	1,664,956	1,921,958	3,586,914
Charitable activities	5	6,073,392	86,930	6,160,322	2,812,125	100,064	2,912,189
Other trading activities	5	1,589,408	-	1,589,408	4,426,705	-	4,426,705
Other income	5	1,273,677	-	1,273,677	-	-	-
Investments		172,507	-	172,507	314,467	-	314,467
TOTAL		11,874,804	220,398	12,095,202	9,218,253	2,022,022	11,240,275
EXPENDITURE ON:							
Raising funds	6	3,717,403	249,498	3,966,901	4,094,342	230,523	4,324,865
Charitable activities	6	7,815,800	71,995	7,887,795	8,062,643	59,315	8,121,958
TOTAL		11,533,203	321,493	11,854,696	12,156,985	289,838	12,446,823
Net income / (expenditure) before net gains / (losses) on investments		341,601	(101,095)	240,506	(2,938,732)	1,732,184	(1,206,548)
Net gains / (losses) on investments	9	1,243,345	-	1,243,345	(548,774)	-	(548,774)
Transfers	13,14	-	-	-	1,570,000	(1,570,000)	-
		1,584,946	(101,095)	1,483,851	(1,917,506)	162,184	(1,755,322)
Tax on ordinary activities	2	(27)	-	(27)	-	-	-
NET MOVEMENT IN FUNDS	3	1,584,919	(101,095)	1,483,824	(1,917,506)	162,184	(1,755,322)
Reconciliation of Funds:							
TOTAL FUNDS brought forward	13 & 14	17,711,907	228,843	17,940,750	19,629,413	66,659	19,696,072
TOTAL FUNDS carried forward	13 & 14	19,296,826	127,748	19,424,574	17,711,907	228,843	17,940,750

All gains and losses recognised in the year are included above.

The surplus / (deficit) for the year for Companies Act purposes comprises the net income for the year for 2021 a surplus of £437,251 (2020: deficit £623,730).

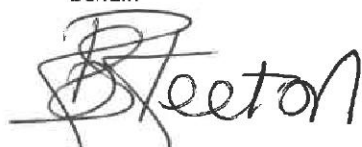
COMPTON CARE GROUP LIMITED (Company Number 01607631)**BALANCE SHEETS**

As at 31 March 2021

	Note	Group		Company	
		2021 £	2020 £	2021 £	2020 £
TANGIBLE ASSETS					
Tangible assets	8	9,113,346	8,050,716	9,107,995	8,041,084
Investments	9	6,696,105	6,651,084	6,716,107	6,671,086
		<u>15,809,451</u>	<u>14,701,800</u>	<u>15,824,102</u>	<u>14,712,170</u>
CURRENT ASSETS					
Stocks		37,940	31,520	-	-
Debtors	10	2,062,028	1,627,283	1,901,196	1,561,980
Cash at bank and in hand	11	2,395,433	3,068,465	1,757,626	2,207,186
		<u>4,495,401</u>	<u>4,727,268</u>	<u>3,658,822</u>	<u>3,769,166</u>
CREDITORS: amounts falling due within one year	12	(880,278)	(1,488,318)	(523,239)	(1,099,548)
NET CURRENT ASSETS		<u>3,615,123</u>	<u>3,238,950</u>	<u>3,135,583</u>	<u>2,669,618</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>19,424,574</u>	<u>17,940,750</u>	<u>18,959,685</u>	<u>17,381,788</u>
FUNDS					
Restricted funds	13	127,748	228,843	127,748	228,843
Unrestricted funds:					
Designated funds	14 & 15	1,005,280	11,823,410	1,005,280	11,813,778
General fund	14 & 15	18,291,546	5,888,497	17,826,657	5,339,167
	14 & 15	<u>19,296,826</u>	<u>17,711,907</u>	<u>18,831,937</u>	<u>17,152,945</u>
TOTAL FUNDS		<u>19,424,574</u>	<u>17,940,750</u>	<u>18,959,685</u>	<u>17,381,788</u>

The parent charity's net movement in funds for the year was a surplus of £1,577,897 (2020: deficit £1,722,638).

These financial statements were approved and authorised for issue by the Trustees on 11 August 2021 and signed on their behalf.



Ros Keeton
Trustee (Director)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2021

		The Group	
	Note	2021 £	2020 £
Cash flows from operating activities:			
Net cash (used in) operating activities	A	(486,639)	(656,564)
Cash flows from investing activities:			
Dividends and interest from investments		172,507	314,467
Purchase of property, plant, and equipment		(1,557,224)	(2,639,984)
Proceeds from sales of investments		1,588,155	3,101,641
Purchase of investments		(389,831)	(559,652)
Net (cash used) / provided by investing activities		(186,393)	216,472
Change in cash and cash equivalents in the reporting period		(673,032)	(440,092)
Cash and cash equivalents at the beginning of the reporting period		3,068,465	3,508,557
Cash and cash equivalents at the end of the reporting period	B	2,395,433	3,068,465

NOTES TO THE CASH FLOW STATEMENT

A. Reconciliation of net income to net cash flow from operating activities

	The Group	
	2021 £	2020 £
Net income / (expenditure) for the reporting period (as per the Statement of Financial Activities)	1,483,851	(1,755,322)
Adjustments for:		
Depreciation charges	494,594	420,963
(Gains) / losses on investments	(1,243,345)	548,774
Dividends and interest from investments	(172,507)	(314,466)
Taxation	(27)	-
Increase in stocks	(6,420)	(18,528)
(Increase) / decrease in debtors	(434,745)	231,758
(Decrease) / increase in creditors	(608,040)	230,257
Net cash (used in) operating activities	(486,639)	(656,564)

B. Analysis of cash and cash equivalents

	The Group	
	2021 £	2020 £
Cash in hand and equivalents	2,263,659	2,936,691
Notice deposits (less than 3 months)	131,774	131,774
Total cash and cash equivalents	2,395,433	3,068,465

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation or uncertainty in the preparation of the financial statements are as follows:

i) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities Act 2011 and the Companies Act 2006. There is no material impact from transition to the Charities SORP 2019.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

ii) Preparation of group accounts on a going concern basis

Since 31 March 2020, the consequences of the Covid-19 outbreak have significantly and adversely affected the purchasing of goods and services and the income generation capabilities of the Charity. However, during this time, the Charity has benefitted from several Government support packages, and the Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The review of our financial position, reserves levels and plan give Trustees confidence the Charity remains a going concern for the foreseeable future.

The Charity has performed a stress test analysis concerning the Covid-19 impact as part of the going concern assessment and the Trustees have considered the analysis and are confident the pandemic will not impact the future viability of the Charity.

Accounting convention

The financial statements are prepared under the historical cost convention except for fixed asset investments, which are included at market value.

Basis of consolidation

The statement of financial activities ("the SOFA") and balance sheet consolidate the financial statements of the charitable company and its subsidiary companies, Compton Care Trading Limited and Compton Care Lottery Limited for the financial year ended 31 March 2021. The results of the subsidiary companies are consolidated on a line by line basis.

The charity has also taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirements to present a charity only Statement of Cash Flows and certain disclosures about the charity's financial instruments within the consolidated financial statements.

No separate SOFA has been presented by the Charity alone as permitted by Section 408 of the Companies Act 2006.

Income**a) Donations and similar income**

Donations and similar income are included in income when they are received.

b) Legacies

Legacies are accounted for when probate has been granted and conditions for their receipt have been met and the amount can be quantified with reasonable accuracy. Material legacies receivable at the year-end are accounted for at their probate value. Legacies received in the form of property or investments are accounted for at the lower of probate or market value.

Approximately £1,365,000 of residual and pecuniary legacies have been notified to the Charity before 31 March 2021 but have not been recognised as income in the year as they do not meet the Charities SORP (FRS 102) income recognition criteria.

c) Grants receivable from health authorities and other bodies for activities in furtherance of the Charity's objects

Income due from health authorities and other bodies is included in the financial statements of the year when the service is provided.

d) Government Grants

Grants from government bodies and other sources are received for specific projects/costs and are recognised in accordance with their individual terms and conditions. Income is recognised when the charity has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received, and the amount can be reliably measured. Grant income will be deferred if received in advance of meeting performance conditions or if the funder specifically states that the income must be spent in a future accounting period.

e) Fees and other sundry income

All such income is accounted for in the year in which it is receivable by the Charity.

f) Gift Aid

Gift Aid is accounted for in the period the donation is received. Any Gift Aid on restricted donations are shown within restricted funds.

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

1. ACCOUNTING POLICIES (CONTINUED)**Allocation of costs**

Where it is possible, costs are allocated directly to main expenditure categories of the SOFA. Where this is not possible, costs are first allocated on estimated usage and then on an appropriate basis.

a) Patient care

Patient care costs represent expenditure in relation to all medical, nursing, and associated staff and the related costs of operating these functions.

b) Education

Education costs represent expenditure in relation to the running of the Learning and Development Centre including associated staff and other related costs.

c) Raising Funds

Raising Funds costs represent expenditure in relation to staff members who are directly engaged in fundraising and the related costs of the Fundraising Department and Trading Subsidiaries. These have been allocated between donations and legacies and other trading activities costs.

d) VAT

Irrecoverable VAT recovery is allocated to the associated cost.

Fund accounting

The Charity maintains various types of funds as follows:

a) Restricted funds

Restricted funds are used for specific purposes as laid down by the donor.

b) Unrestricted funds

Designated funds represent amounts, which have been put aside out of unrestricted funds at the discretion of the Trustees for projects. The designation is for administrative purposes only and does not legally restrict the Trustees' discretion to apply the funds.

General unrestricted funds represent amounts that are expendable at the discretion of the Trustees in the furtherance of the objects of the Charity. Such funds may be held to finance both working capital and capital investment.

Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Profits and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired after the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Tangible fixed assets

Freehold properties are stated in the balance sheet at cost or value at the date of receipt, less depreciation.

Tangible fixed assets are stated at cost less depreciation. Any expenditure on individual assets with a value below £2,500 is written off directly to revenue. Depreciation is provided in equal annual instalments over the estimated useful lives of the assets.

Costs incurred under refurbishment or building projects are allocated to assets under construction and upon completion of the works; these costs are re-classified under their appropriate tangible fixed asset headings.

No depreciation is charged on freehold land where the land element can be separately identified or Assets Under Construction until they are commissioned. The useful lives assigned to other assets are:

Freehold property	- 50 years
Fixtures and fittings	- 2 to 10 years
Motor vehicles	- 7 years

Stocks

Stocks, which comprise goods for resale, are stated at the lower of cost and net realisable value.

Goods donated for resale

The Charity receives donated goods for resale which it recognises at point of sale as the Trustees consider it to be impracticable to recognise such gifts on their receipt due to the large number of small value items received. As such, stocks of unsold donated goods are not valued for balance sheet purposes.

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

1. ACCOUNTING POLICIES (CONTINUED)

Debtors

Other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount after allowing for any trade discounts due. A provision for restructuring is recognised if, as part of a past event, the Charity has a present legal or constructive obligation that can be estimated reliably, and it is probable an outflow of economic benefits will be required to settle the obligation.

Pension costs

Most staff are members of either the National Health Senior Superannuation Scheme ("the NHS scheme") or a defined contribution scheme operated by the Charity. The schemes are funded by contributions from the Charity and employees. The NHS scheme is a defined benefits scheme; however, the nature of the scheme is such that the Charity cannot identify its share of the scheme's underlying assets and liabilities. In accordance with FRS 102, payments to the NHS scheme have been treated in the same way as contributions to the defined contribution schemes and the payments made by the Charity are charged against the profits of the year in which they become payable.

Employee benefits

a) Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

b) Employee termination benefits

Termination benefits are accounted for on an accruals basis and in line with FRS 102.

Operating leases

Rental costs under operating leases are charged to the SOFA as the lease charges are incurred.

During the prior year, a review was undertaken of all lease agreements and as a result, an adjustment has been made for lease incentives to be accounted for over the full term of the lease, or the break option if at the time of taking out the lease the length of occupancy is not certain.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affected current and future periods.

Judgements made by the Trustees in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year, are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed above.

The areas where these judgements and estimates have been made include:

- Depreciation and residual values - the Trustees have reviewed the asset lives and associated residual values of all fixed tangible assets, and in particular, the useful economic life and residual values of freehold buildings, fixtures and fittings and motor vehicles, and have concluded that the asset lives, and residual values are appropriate.
- Debtors - debtors include amounts due from external organisations and individuals. An allowance for doubtful debt will be maintained for any estimated losses resulting from the viability of these external organisations and individuals to make the required payments. Any allowance is based on the Group's regular assessment of the credit worthiness and financial conditions for those external parties included within debtor balances.
- Accrued income - accrued income includes legacy income amounts. In recognising accrued legacy income, the Trustees have considered the probability of receiving each legacy. Each legacy is carefully assessed to determine an appropriate allowance which reflects the possibility of not subsequently receiving the full legacy income amounts that the Charity is aware of. The allowance is based on the circumstances behind each legacy and the probability of receiving the income.
- £2,601,207 of income related to Government grants from NHS England to assist Compton to continue to make available bed capacity and community support, on which basis the grant has been treated as unrestricted income.

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

1. ACCOUNTING POLICIES (CONTINUED)**Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost except for investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

2. TAXATION

Compton Care Group Limited is a registered Charity and is thus exempt from taxation of its income and gains falling within Section 505 of the Income and Corporation Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives.

No tax charge has arisen in the trading subsidiaries, Compton Care Lottery Limited and Compton Care Trading Limited due to their policy of gifting all their taxable profits to Compton Care Group Limited each year. A small charge has arisen in the year due to tax timing differences.

The tax charge is based on the profit for the year and represents:

	2021	2020
	£	£
Corporation Tax		
UK Corporation Tax	-	-
Adjustments in respect of prior years	27	-
	<u>27</u>	<u>-</u>
Tax on profit on ordinary activities	<u>27</u>	<u>-</u>

The tax assessed for the year is lower than the standard rate of corporation tax in the United Kingdom at 19% (2020 - 19%). The differences are explained as follows:

Profit on ordinary activities before tax	1,483,851	(1,755,322)
Effects of:		
Profit on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 19% (2020 - 19%)	281,932	(333,511)
Charitable relief	(281,932)	333,511
Prior year adjustments	27	-
	<u>27</u>	<u>-</u>
Total tax charge for the year	<u>27</u>	<u>-</u>

3. NET INCOME

	2021	2020
	£	£
Stated after charging:		
Auditor's remuneration:		
For statutory audit services	15,700	15,120
For taxation services	3,435	3,760
Depreciation of tangible fixed assets	494,594	420,963
Profit on disposal of fixed assets	-	(2,287)
Operating lease rentals		
- property	515,341	465,234
- equipment	20,159	18,545
	<u>20,159</u>	<u>18,545</u>

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

4. STAFF COSTS

	2021	2020
	£	£
(a) Directors' remuneration	-	-
	<u> </u>	<u> </u>
(b) The average head count analysed by function was:		
	2021	2020
Patient care	170	176
Income generation	92	92
Support	18	20
	<u> </u>	<u> </u>
	280	288
	<u> </u>	<u> </u>
	2021	2020
	£	£
(c) Staff costs comprise:		
Wages and salaries	7,329,259	7,413,052
Social security costs	603,624	603,004
Pension costs	483,775	484,486
	<u> </u>	<u> </u>
	8,416,658	8,500,542
	<u> </u>	<u> </u>
	2021	2020
	£	£
(d) Key management personnel remuneration	633,215	616,009
	<u> </u>	<u> </u>
	2021	2020
	£	£
(e) Total redundancy and termination payments	55,875	-
	<u> </u>	<u> </u>

No Trustee or person related or connected by business to them, has received either any remuneration or expenses from the Charity during the year (2020 - None).

The Charity arranges insurance to protect the Charity from loss arising from neglect or default of its Trustees or Officers and to indemnify the Trustees and Officers from the consequences of any neglect or default on their part. The cost of such insurance to cover the Officers and Trustees was £3,640 (2020: £3,033).

The number of senior staff paid over £60,000 during the year (salary plus taxable benefits, excluding pension contributions) was:

	The Group		The Company	
	2021 No.	2020 No.	2021 No.	2020 No.
£60,001 - £70,000	1	2	1	2
£70,001 - £80,000	2	1	2	1
£90,001 - £100,000	1	1	1	1
£110,001 - £120,000	1	1	1	1

The total contributions in the year in respect of senior staff for the provision of defined benefit schemes amount to £22,844 (2020: £23,856). The number of senior staff to whom retirement benefits are accruing under defined benefit schemes respectively is 2 (2020: 2).

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

5. INCOME	2021 £	2020 £
Donations and legacies comprise:		
Donations and similar income	1,100,576	2,584,412
Legacies	1,798,712	1,002,502
	<u>2,899,288</u>	<u>3,586,914</u>
Charitable activities comprise:		
Grants receivable from Clinical Commissioning Groups	3,540,912	2,858,160
Government Grants – NHS England	2,601,207	-
Education income	18,203	54,059
	<u>6,160,322</u>	<u>2,912,189</u>
Other trading activities comprise:		
Fundraising events	57,305	127,197
Sales of goods and trading activities	928,722	1,081,280
Sales of donated goods subject to gift aid	603,381	3,218,228
	<u>1,589,408</u>	<u>4,426,705</u>
Other income comprises:		
Retail grants	747,865	-
Job Retention Scheme claims	525,812	-
	<u>1,273,677</u>	<u>-</u>
Aggregate donations from Trustees or related parties included above	<u>3,707</u>	<u>652</u>

6. TOTAL EXPENDITURE

	-----Direct costs-----			Allocated Support Costs £	Total 2021 £	Total 2020 £
	Staff Costs £	Deprec- iation £	Support Costs £			
Raising Funds						
Expenditure on raising donations and legacies	399,808	17,410	87,920	40,900	546,038	587,014
Expenditure on other trading activities	1,756,855	138,926	1,388,763	85,788	3,370,332	3,683,179
Governance costs	-	-	-	15,700	15,700	15,120
Investment management costs	-	-	34,831	-	34,831	39,552
	<u>2,156,663</u>	<u>156,336</u>	<u>1,511,514</u>	<u>142,388</u>	<u>3,966,901</u>	<u>4,324,865</u>
Charitable Activities						
Patient Care	6,029,051	336,999	1,012,620	241,834	7,620,504	7,758,283
Education	230,944	1,259	9,675	25,413	267,291	363,675
	<u>6,259,995</u>	<u>338,258</u>	<u>1,022,295</u>	<u>267,247</u>	<u>7,887,795</u>	<u>8,121,958</u>
	<u>8,416,658</u>	<u>494,594</u>	<u>2,533,809</u>	<u>409,635</u>	<u>11,854,696</u>	<u>12,446,823</u>

Property costs and the cost of central support services such as Human Resources, IT and Finance are allocated to activities by time spent or estimated usage.

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

7. ANALYSIS OF SUPPORT FOR CHARITABLE ACTIVITIES

	Patient Care £	Education £	Total 2021 £	Total 2020 £
Costs	7,620,504	267,291	7,887,795	8,121,958
Income:				
Grants receivable from Clinical Commissioning Groups	(3,540,912)	-	(3,540,912)	(2,858,160)
Course fees	-	(18,203)	(18,203)	(54,029)
	<u>4,079,592</u>	<u>249,088</u>	<u>4,328,680</u>	<u>5,209,768</u>

8. TANGIBLE FIXED ASSETS

Group	Freehold Land £	Freehold Buildings £	Fixtures & Fittings £	Motor Vehicles £	Assets Under Construction £	Total £
Cost						
At 1 April 2020	228,645	5,350,314	2,081,572	209,136	2,530,984	10,400,651
Additions	-	-	362,471	-	1,194,753	1,557,224
Transfers	-	3,535,655	190,082	-	(3,725,737)	-
Disposals	-	-	(20,895)	(16,671)	-	(37,566)
At 31 March 2021	<u>228,645</u>	<u>8,885,969</u>	<u>2,613,230</u>	<u>192,465</u>	<u>-</u>	<u>11,920,309</u>
Accumulated depreciation						
At 1 April 2020	-	1,363,322	851,091	135,522	-	2,349,935
Charge for the year	-	156,138	313,085	25,371	-	494,594
Disposals	-	-	(20,895)	(16,671)	-	(37,566)
At 31 March 2021	<u>-</u>	<u>1,519,460</u>	<u>1,143,281</u>	<u>144,222</u>	<u>-</u>	<u>2,806,963</u>
Net Book Value						
At 31 March 2021	<u>228,645</u>	<u>7,366,509</u>	<u>1,469,949</u>	<u>48,243</u>	<u>-</u>	<u>9,113,346</u>
At 31 March 2020	<u>228,645</u>	<u>3,986,992</u>	<u>1,230,481</u>	<u>73,614</u>	<u>2,530,984</u>	<u>8,050,716</u>

The net book value of Intangible assets included within Fixtures & Fittings is £87,263 (2020 - £121,565).

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

8. TANGIBLE FIXED ASSETS (continued)

Company	Freehold Land	Freehold Buildings	Fixtures & Fittings	Motor Vehicles	Assets Under Construction	Total
Cost	£	£	£	£	£	£
At 1 April 2020	228,645	5,350,314	2,056,609	209,136	2,530,984	10,375,688
Additions	-	-	362,471	-	1,194,753	1,557,224
Transfers	-	3,535,655	190,082	-	(3,725,737)	-
Disposals	-	-	(20,895)	(16,671)	-	(37,566)
At 31 March 2021	228,645	8,885,969	2,588,267	192,465	-	11,895,346
Accumulated depreciation						
At 1 April 2020	-	1,363,322	835,760	135,522	-	2,334,604
Charge for the year	-	156,138	308,804	25,371	-	490,313
Disposals	-	-	(20,895)	(16,671)	-	(37,566)
At 31 March 2021	-	1,519,460	1,123,669	144,222	-	2,787,351
Net Book Value						
At 31 March 2021	228,645	7,366,509	1,464,598	48,243	-	9,107,995
At 31 March 2020	228,645	3,986,992	1,220,849	73,614	2,530,984	8,041,084

Assets Under Construction comprise the construction costs and associated professional fees relating to the construction of the new Care Coordination Centre. The building was completed in the summer of 2020 and the costs were reclassified to the respective categories.

9. INVESTMENTS

	The Group		The Company	
	2021 £	2020 £	2021 £	2020 £
Listed UK Stock Exchange Investments	6,696,105	6,651,084	6,696,105	6,651,084
Shares in subsidiary companies	-	-	20,002	20,002
	6,696,105	6,651,084	6,716,107	6,671,086
(a) Listed UK Stock Exchange Investments			Group and Company	
			2021	2020
			£	£
Market value 1 April 2020			6,651,084	9,741,847
Additions at cost			389,831	559,652
Proceeds of disposals			(1,588,155)	(3,101,641)
Realised gains on disposals			102,699	550,134
Revaluation			1,140,646	(1,098,908)
Market value at 31 March 2021			6,696,105	6,651,084

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

9. INVESTMENTS (continued)

	Company	
	2021	2020
	£	£
(b) Shares in subsidiary companies at cost		
At 1 April 2020 and 31 March 2021	20,002	20,002

The Charity has two wholly owned subsidiary companies which operate for the purposes of raising funds and promoting public awareness of the Charity. The subsidiary companies operate only in England.

Compton Care Trading Limited (registered number 02328703) sells new goods (and donated goods as an agent of the Charity) in the charity's shops and is registered and incorporated in England and Wales.

Compton Care Lottery Limited (registered number 03188860) generates income from operating regular lotteries and is registered and incorporated in England and Wales.

10. DEBTORS

	The Group		The Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts owed by subsidiary undertakings receivable within one year	-	-	38,915	330,110
Other debtors	1,855,282	1,367,188	1,766,712	1,152,808
Prepayments	206,746	260,095	95,569	79,062
	<u>2,062,028</u>	<u>1,627,283</u>	<u>1,901,196</u>	<u>1,561,980</u>

11. CASH AT BANK AND IN HAND

	The Group		The Company	
	2021	2020	2021	2020
	£	£	£	£
Money Market accounts	131,774	131,774	-	-
Bank deposit accounts	2,114,699	2,719,969	1,696,631	2,076,165
Interest bearing accounts	2,246,473	2,851,743	1,696,631	2,076,165
Bank current accounts and cash in hand	148,960	216,722	60,995	131,021
	<u>2,395,433</u>	<u>3,068,465</u>	<u>1,757,626</u>	<u>2,207,186</u>

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	The Group		The Company	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	144,504	798,874	129,020	647,124
Other taxes and social security	134,391	142,954	119,608	125,872
Other creditors	36,910	118,710	36,910	111,592
Accruals and deferred income	564,473	427,780	237,701	214,960
	<u>880,278</u>	<u>1,488,318</u>	<u>523,239</u>	<u>1,099,548</u>

Deferred income included within Accruals and deferred income above comprise:

	The Group		The Company	
	2021 £	2020 £	2021 £	2020 £
Balance brought forward	124,848	135,252	13,320	30,502
Released in the year	(124,848)	(135,252)	(13,320)	(30,502)
Arising in the year	129,442	124,848	10,290	13,320
Balance carried forward	<u>129,442</u>	<u>124,848</u>	<u>10,290</u>	<u>13,320</u>

Deferred income at the year end represents lottery members' contributions taken in advance of £119,152 (2020 - £111,528) and income taken in advance for fundraising activities totalling £10,290 (2020 - £13,320).

13. RESTRICTED FUNDS

Group and Company	Balance 1 April 2020 £	Income £	Expenditure £	Transfers £	Gains and Losses £	Balance 31 March 2021 £
Restricted donations	<u>228,843</u>	<u>220,398</u>	<u>(321,493)</u>	<u>-</u>	<u>-</u>	<u>127,748</u>

Restricted donations are amounts received from donors to be spent on specified items. The balance at 31 March 2021 represents expenditure which had not been completed by this date but will be completed during 2021/22.

The largest outstanding item is £35,367 to fund a black, Asian and minority ethnic support worker in the community.

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

14. UNRESTRICTED FUNDS

The Trustees have designated certain of the charity's reserves as shown in the table below:

Group	Balance 1 April 2020 £	Income £	Expenditure £	Transfers £	Gains and Losses £	Balance 31 March 2021 £
Designated funds:						
Fixed assets fund	8,050,716	-	-	(8,050,716)	-	-
Development fund	3,772,694	-	(1,202,753)	(1,846,870)	-	723,071
Business improvement and innovation fund	-	-	(149,616)	431,825	-	282,209
	<u>11,823,410</u>	<u>-</u>	<u>(1,352,369)</u>	<u>(9,465,761)</u>	<u>-</u>	<u>1,005,280</u>
General fund	<u>5,888,497</u>	<u>11,874,804</u>	<u>(10,180,861)</u>	<u>9,465,761</u>	<u>1,243,345</u>	<u>18,291,546</u>
	<u>17,711,907</u>	<u>11,874,804</u>	<u>(11,533,230)</u>	<u>-</u>	<u>1,243,345</u>	<u>19,296,826</u>
Company	Balance 1 April 2020 £	Income £	Expenditure £	Transfers £	Gains and Losses £	Balance 31 March 2021 £
Designated funds:						
Fixed assets fund	8,041,084	-	-	(8,041,084)	-	-
Development fund	3,772,694	-	(1,202,753)	(1,846,870)	-	723,071
Business improvement and innovation fund	-	-	(149,616)	431,825	-	282,209
	<u>11,813,778</u>	<u>-</u>	<u>(1,352,369)</u>	<u>(9,456,129)</u>	<u>-</u>	<u>1,005,280</u>
General fund	<u>5,339,167</u>	<u>11,498,366</u>	<u>(9,710,350)</u>	<u>9,456,129</u>	<u>1,243,345</u>	<u>17,826,657</u>
	<u>17,152,945</u>	<u>11,498,366</u>	<u>(11,062,719)</u>	<u>-</u>	<u>1,243,345</u>	<u>18,831,937</u>

The Fixed Assets Fund represented the book value of the group / company's tangible fixed assets, principally land and buildings, held for use in the furtherance of the group / company's objects. This fund was closed during the year and transferred to the General Fund.

The Development Fund has been established to upgrade existing facilities and invest in new facilities to meet the medium-term strategic aims of the organisation. Following the completion of the Care Coordination build, the level of the fund was reviewed and surplus funds totalling £1,846,870 were transferred to the General Fund.

The Business Improvement and Innovation Fund was set up during the year to facilitate cost reduction exercises where one-off termination costs are incurred such as for dilapidations, asset and lease write-offs, IT automation and enhancements, and redundancies.

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

15. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

Group	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Fixed Assets:						
Tangible assets	9,113,346	-	9,113,346	8,050,716	-	8,050,716
Investments	6,696,105	-	6,696,105	6,651,084	-	6,651,084
Current Assets:						
Stocks	37,940	-	37,940	31,520	-	31,520
Debtors	2,062,028	-	2,062,028	1,627,283	-	1,627,283
Cash at bank and in hand	2,267,685	127,748	2,395,433	2,839,622	228,843	3,068,465
Creditors falling due within one year	(880,278)	-	(880,278)	(1,488,318)	-	(1,488,318)
	<u>19,296,826</u>	<u>127,748</u>	<u>19,424,574</u>	<u>17,711,907</u>	<u>228,843</u>	<u>17,940,750</u>

Company	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Fixed Assets:						
Tangible assets	9,107,995	-	9,107,995	8,041,084	-	8,041,084
Investments	6,716,107	-	6,716,107	6,671,086	-	6,671,086
Current Assets:						
Debtors	1,901,196	-	1,901,196	1,561,980	-	1,561,980
Cash at bank and in hand	1,629,878	127,748	1,757,626	1,978,343	228,843	2,207,186
Creditors falling due within one year	(523,239)	-	(523,239)	(1,099,547)	-	(1,099,547)
	<u>18,831,937</u>	<u>127,748</u>	<u>18,959,685</u>	<u>17,152,945</u>	<u>228,843</u>	<u>17,381,788</u>

16. SHARE CAPITAL

The company is limited by guarantee and therefore has no allotted share capital.

Members of the company have a contingent liability arising from the guarantee given by each member to contribute, if required or on winding up, an amount not exceeding £1.

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

17. TRADING SUBSIDIARIES

Compton Care Trading Limited sells new goods in the Charity's shops and is paid a commission for the marketing, distribution, and sale to customers of donated goods. Compton Care Lottery Limited generates income from operating regular lotteries.

A summary of the trading results is shown below:

	Compton Care Trading Limited £	Compton Care Lottery Limited £	Total 2021 £	Total 2020 £
Results				
Turnover	127,371	868,913	996,284	1,242,191
Cost of sales / prizes awarded	(36,817)	(160,250)	(197,067)	(251,623)
Gross profit	90,554	708,663	799,217	990,568
Administration and other costs	(50,593)	(299,886)	(350,479)	(437,963)
Other operating income	7,557	6,909	14,466	-
Net income from trading activities	47,518	415,686	463,204	552,605
Investment income	466	980	1,446	6,091
Net profit before Tax and Gift Aid	47,984	416,666	464,650	558,696
Tax on ordinary activities	(27)	-	(27)	-
Net profit before Gift Aid	47,957	416,666	464,623	558,696
Payments to Compton Care Group Limited under Gift Aid	(180,077)	(378,619)	(558,696)	(591,380)
Result for the financial year as reported by trading subsidiaries	<u>(132,120)</u>	<u>38,047</u>	<u>(94,073)</u>	<u>(32,684)</u>

Profits from the subsidiary companies payable under Gift Aid

Profits are recognised when paid, and so these remain within reserves of the trading subsidiaries at 31 March 2021 and will be paid across to the parent charity within nine months of the year end.

Investment income and other expenditure are included in the Consolidated Statement of Financial Activities under the appropriate headings.

The total turnover generated by the shops amounted to £1,411,055 (2020: £3,387,890) which comprises the sales of donated goods through Compton Care Group Limited and sales of giftware through Compton Care Trading Limited.

	Compton Care Trading Limited £	Compton Care Lottery Limited £	Total 2021 £	Total 2020 £
Aggregate of the assets, liabilities and funds				
Total assets	290,934	589,912	880,846	1,297,929
Creditors	(242,709)	(153,246)	(395,955)	(718,965)
	<u>48,225</u>	<u>436,666</u>	<u>484,891</u>	<u>578,964</u>
Funds				
Share capital	2	20,000	20,002	20,002
Reserves	48,223	416,666	464,889	558,962
	<u>48,225</u>	<u>436,666</u>	<u>484,891</u>	<u>578,964</u>

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

18. FINANCIAL COMMITMENTS	The Group		The Company	
	2021	2020	2021	2020
	£	£	£	£
Capital commitments				
Contracted for but not provided	-	1,217,933	-	1,217,933
Authorised but not yet contracted	327,030	18,500	322,030	18,500

The authorised amount for 2021 represents works to be performed on the main site to improve facilities for patients and relatives in and around the inpatient unit and an upgrade to the retail IT infrastructure.

Operating lease commitments

At 31 March 2021, the total future minimum lease payments under non-cancellable operating leases for the group was as follows for each of the following periods:

	2021		2020	
	Land and Buildings	Other Equipment	Land and Buildings	Other Equipment
	£	£	£	£
Leases amounts due:				
Not later than one year	297,416	19,341	286,838	17,280
Later than one year and not later than five years	479,482	25,027	448,965	25,316
Later than five years	15,799	1,162	-	-
	<u>792,696</u>	<u>45,530</u>	<u>735,803</u>	<u>42,596</u>

19. PARENT COMPANY RESULTS

As permitted by Section 408 of the Companies Act 2006, the income and expenditure account of the charitable company is not presented as part of these accounts. The Company's own income amounted to £11,718,764 (2020: £10,753,784) for the financial year with a resultant surplus of £1,577,897 (2020: deficit £1,722,638).

20. RELATED PARTY TRANSACTIONS

Transactions with Compton Care Trading Limited

The Charity received a Gift Aid donation of £180,077 (2020: £216,426) during the year.

The Charity paid a commission fee of £67,562 (2020: £160,911) for the marketing, distribution, and sale to customers of donated goods supplied in respect of the management of the retail premises.

The Charity received a licence fee of £9,500 (2020: £9,500) for the shared use of the retail premises as a charity retail shop.

At the Balance Sheet date, the Charity was owed £26,212 (2020: £319,314).

Transactions with Compton Care Lottery Limited

The Charity received a Gift Aid donation of £378,619 (2020: £374,954) during the year.

At the Balance Sheet date, the Charity was owed £12,704 (2020: £10,796).

Transactions with Burke Bros Wolverhampton Limited (50% owned by Trustee Mr G Burke)

The Charity paid £502 (2020: £2,288) for storage facilities.

NOTES TO THE ACCOUNTS

Year ended 31 March 2021

21. FINANCIAL INSTRUMENTS

	2021 £	2020 £
Financial assets measured at fair value	6,696,105	6,651,084

Financial assets measured at fair value comprise investments.

22. PENSION COMMITMENTS

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £483,775 (2020 - £484,486). Contributions totalling £Nil (2020 - £66,339) were payable to the fund at the balance sheet date.

23. COMPANY INFORMATION

The Charity, Compton Care Group Limited was formed as a company limited by guarantee

The company is registered in England and Wales.

The company's registered office is 4 Compton Road West, Compton, Wolverhampton WV3 9DH

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