



Company Reg no: 1887850

Registered Charity no: 516557

BIRMINGHAM RATHBONE SOCIETY

(COMPANY LIMITED BY GUARANTEE)

REPORT OF THE COUNCIL

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

BIRMINGHAM RATHBONE SOCIETY

REPORT OF THE COUNCIL AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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BIRMINGHAM RATHBONE SOCIETY

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021

The Trustees, who are also directors of the charitable company (the Charity) for the purposes of the Companies Act, submit the Annual Report and the audited financial statements for the year ended 31 March 2021.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting by Charities" (FRS 102) in preparing the annual report and the financial statements of the Charity.

Reference and Administrative details

Charity Number:	516557
Company Number:	1887850
Principal and Registered Office:	Morcom House, Ledsam Street, Ladywood, Birmingham, B16 8DN

Directors and Trustees:

The directors of the Charity are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees; or the Council of Management; or the Council.

The Trustees serving during the year and since the year end were as follows:

Chair:	James Larner FCA
Honorary Treasurer:	Dr Alastair Rae
Vice-Chair:	Dominic Bradley (resigned 09.11.2020)
Vice Chair:	Dhiren Katwa (appointed 30.11.2020)
Other trustees:	Rajinder Bains
Patrons:	Lord Mayor of Birmingham Sir Reginald Eyre Bruce Tanner DL (deceased 17.12.2020)
Honorary President:	John Crabtree OBE, Lord Lieutenant, West Midlands

BIRMINGHAM RATHBONE SOCIETY

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Chief Executive:	Chris Bates BA, MA
Director of Finance and Administration:	Sally Vernon BA, FCA (resigned 19.02.21) Vaani Nirantharakumar BSc, ACMA (appointed 11.01.21)
Company Secretary:	Sally Vernon BA, FCA (resigned 19.02.21) Vaani Nirantharakumar BSc, ACMA (appointed 22.02.21)
Auditors:	Haines Watts Birmingham LLP 5-6 Greenfield Crescent Edgbaston Birmingham B15 3BE
Bankers:	Unity Trust Bank plc 9 Brindley Place 4 Oozells Square Birmingham, B1 2HE Aldermore Bank plc 1st Floor, Block B, Western House Lynch Wood Peterborough, PE2 6FZ
Website:	www.rathbone.co.uk

Structure, Governance and Management

Governing Document

Birmingham Rathbone Society is a company limited by guarantee governed by its Memorandum and Articles of Association. It is registered as a charity with the Charity Commission. The Charity is registered with a maximum of 96 members and anyone may become a member on condition of their membership being approved by a majority of the Council of Management. As at 31 March 2021 there were 28 members (28 in 2020, each of whom agrees to contribute £1 in the event of the Charity winding up.

BIRMINGHAM RATHBONE SOCIETY

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021

Appointment of Trustees

As set out in the Articles of Association potential Trustees must be recommended by the Trustees or proposed by a member qualified to vote at any general meeting. New Trustees are appointed at a general meeting unless to fill a casual vacancy where the office will only be held until the following annual general meeting when he or she will be eligible for re-election. At each annual general meeting one third of the Trustees must retire from office but will be eligible for re-election.

The Council appoints a Chairperson, Vice-Chairperson and Treasurer. The office holder must stand down at the end of every two year period but may offer themselves for re-election. No officer may be re-appointed for more than ten years in aggregate.

Trustee Induction and Training

New Trustees undergo an induction visit to brief them on their legal obligations under charity and company law; the content of the Memorandum and Articles of Association; the committees and decision making processes; the business plan and recent financial performance of the Charity. During the induction visit they meet the Chief Executive and the Chair of the Council of Management.

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Council of Management, which currently has no maximum number of members, administers the Charity. The Council meets quarterly and there are sub-committees covering Performance and Services, both of which also meet quarterly, and a Remuneration Committee which meets as and when required.

A Chief Executive is appointed by the Trustees to manage the day to day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for all operational matters across the organisation.

In accordance with the Charity's Articles of Association the Council of Management also appoints a Secretary, which is not an honorary position. No member of the Council may occupy the salaried position of Secretary.

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REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021

Remuneration of Senior Management Team

The Charity has a written Salary Review Policy and a longstanding salary grading structure covering all roles across the organisation which was originally set by the Remuneration Sub-Committee and ratified by the Council of Management. The Council of Management reviews staff salaries annually, considering all relevant factors including the current economic climate and the nature of the organisation's contracts, to determine any annual salary percentage increase. Annual pay awards have the effect of adjusting all the grades and pay points on the Birmingham Rathbone Salary Scale and any rate increase is applied consistently across all employees of all staff grades including those of the Senior Management Team.

Risk Management

The Trustees have a risk management strategy which comprises:

- an annual review of the risks the Charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the review; and
- the implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

The key risks and uncertainties that have been identified and are being managed are:

- safety of staff and clients in the new COVID-19 environment;
- risks in relation to safeguarding young people and vulnerable adults;
- continued uncertainty regarding changes in public policy and the impact of significant public spending cuts;
- ensuring that external quality requirements are met;
- ensuring that contract requirements are met.

The organisation has robust safeguarding policies and procedures which incorporates undertaking enhanced DBS checks at least every two years and safeguarding training for all staff and volunteers. The organisation's representatives attend the Birmingham Safeguarding Adults Board meetings.

The Charity maintains sufficient levels of reserves in accordance with the Trustees' reserves policy and continues to purchase suitable houses and partner with relevant organisations across the city to expand its provision of supported accommodation.

BIRMINGHAM RATHBONE SOCIETY

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021

Objectives, Strategies Activities

Birmingham Rathbone is established for charitable purposes only to promote the welfare and advance the education of those children, young people and adults who are in need of special care and attention as a result of the educational difficulties they either experience or have experienced. These difficulties will have usually caused them to attend schools for children with special educational needs or special classes within mainstream schools.

Birmingham Rathbone exists to ensure that people with learning difficulties achieve their full potential and participate fully in the life of the community.

Birmingham Rathbone believes that:

- all people are of equal worth;
- everyone can learn;
- everyone should be allowed equal access to education, training, employment, accommodation, leisure and community facilities; and
- everyone should have the opportunity to be part of, and make a contribution to, the community in which they live.

The main objectives for the year continued to be those as set out in the Charity's Mission Statement to enable people with learning difficulties to achieve their full potential as follows:

- to identify and advocate for the provision of a range of services to enhance the quality of life for people with learning difficulties;
- to protect clients and ensure their needs are met safely during the continuing COVID-19 crisis
- to promote and conduct relevant research;
- to provide information and advice for parents, professionals, members, volunteers and a concerned general public;
- to provide and innovate services to meet identified needs; and
- to evaluate the effectiveness of services and, by disseminating the findings, extend knowledge and improve practice.

The Charity's strategies for achieving its main objectives are:

- to form partnerships with a range of relevant organisations;
- to develop and maintain relationships with key statutory agencies;
- to offer flexible solutions to funders ensuring our provision meets the needs of our clients, funders and inspection regimes;
- to engage with the corporate sector for partnership, sponsorship, secondment and funding opportunities;
- to form and support service user constituency groups for consultation and support in their chosen activities;
- to expand provision taking account of demographic changes.

BIRMINGHAM RATHBONE SOCIETY

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021

Birmingham Rathbone offers Supported Living, Tenancy Support, Home Support (Home Care) and Crisis Support to assist people with mild to moderate learning difficulties to live with self-confidence, choice and control over their independence. The main areas of activity during the year were Housing and Supported Living Services. The Charity's services are provided in partnership with Birmingham City Council's Vulnerable Adult health & Social Care team; the Care Quality Commission; Social Care and Health (City of Birmingham and Sandwell Borough Council), Big Lottery Funding and Housing Associations in Birmingham in a variety of accommodation settings. The Charity also delivers a contract with ESF funding through Birmingham City Council (PURE) to help vulnerable people into training, education and employment.

A comprehensive needs assessment of clients enables the Charity to tailor its services to the individual's personal needs so that the client can live the way that they want to live in their community setting. Support may concern areas such as health and well-being; budgeting skills; life skills; attaining recognised academic qualifications or seeking meaningful employment. This is regularly updated. During the COVID-19 pandemic business and organizational risk assessments have been carried out and regularly updated, along with individual client and staff risk assessments relating to the risk and impact of possible infection.

Our Vulnerable Adults with Learning Disabilities service has been awarded the maximum 4 stars for excellence and inspection grades in recent years have achieved A in all five areas of:

- Assessment and Support Planning
- Security, Health and Safety
- Safeguarding and Protection from Abuse
- Fair Access, Diversity and Inclusion
- Client Involvement and Empowerment

Our Home Support Service was awarded Good in all categories by the Care Quality Commission in October 2017.

Our Supported Living Service was graded as silver by Birmingham City Council in November 2018.

The Charity continues to search for additional suitable domestic properties to increase accommodation provision for its Housing and Supported Living services.

Volunteers

The Charity welcomes the input of volunteers to enhance its activities. The contribution made by volunteers in the year was not significant and no particular activity was reliant on the services of volunteers.

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REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021

Achievements and Performance

During the year we:

- continued full delivery of our City Council contracts for accommodation based and floating support for vulnerable people with learning difficulties/disabilities in Birmingham;
- had the above contracts extended for a further year to the end of June 2022;
- continued to deliver the Rebuild My Life Project to support people with learning difficulties/disabilities in crisis in Birmingham;
- continued to make regular reports on the rebuild My Life Project to the Big Lottery Fund;
- continued to deliver the PURE contract on behalf of the City Council;
- partnered Cloud's End in providing support to people in Birmingham with learning disabilities who have a problem with hoarding;
- continued to deliver the Home Care service under the Framework Agreement with the City Council;
- continued to deliver the Supported Living service under the Framework Agreement with the City Council;
- continued to seek appropriate properties for purchase;
- carried out a programme of improvement to all our properties;
- developed our Investor in People standard accreditation through an interim review in March 2021;
- continued to upgrade our IT infrastructure, replacing the main servers and operating system;
- continued to develop the skills base of our staff through formal training qualifications;
- continued to develop our commitment to service user involvement through surveys and feedback; and facilitated client input into the City Council's consultation on future services for vulnerable people; and
- continued to develop and maintain relationships with key statutory agencies and funders (e.g. Birmingham City Council; and strategy groups (e.g. the Birmingham Homelessness Partnership Board);
- All of the above was delivered in the context of the Covid-19 pandemic, operating to a very high standard of infection control and successfully protecting clients and staff from infection.

The Charity measures its success by various criteria, including

- annual surveys from all clients accessing our services;
- regular client forums encouraging feedback and dialogue (suspended during the pandemic and replaced by seeking individual feedback from clients);
- regular monitoring of safeguarding, complaints and compliments at management meetings;
- monitoring of achievements and financial performance against prescribed outcomes set by funders;
- self-assessment returns including reports to CQC and to Birmingham City Council; and during the pandemic, daily and weekly reports to the regulator and funders;

BIRMINGHAM RATHBONE SOCIETY

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021

- external quality checks and accreditations e.g. CQC (Good), Vulnerable People (Excellent) and Matrix for Information, Advice and Guidance and Investors in People accreditation.

The Trustees are of the opinion that throughout the year the Charity complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

The Charity does not employ any external fundraisers and complies with the Fundraising Regulator's voluntary regulation scheme.

Overall the Charity produced a surplus of £205,047 for the year ended 31 March 2021.

The organisation continued to deliver Housing and Supported Living Services and produced a total unrestricted surplus of £193,873 as shown in the SOFA.

The Charity's principal funding continued to be derived from Birmingham City Council and Sandwell Metropolitan Borough Council for Vulnerable People and Home Support, supplemented by a grant from The National Lottery Community Fund supporting the Rebuild My Life project of 5 years from September 2016, offering crisis support to people with learning difficulties in Birmingham. It also continued delivery of the PURE (Placing vulnerable urban residents into employment) project which, funded by the European Social Fund through Birmingham City Council, assists vulnerable Birmingham residents into employment, education or training using a range of coordinated interventions to help overcome barriers into the employment market.

Plans for the Future

In the forthcoming year the Charity's key objectives are to:

- ensure safe working practices for the protection of clients and staff as we continue face the threat of COVID-19 and its variants;
- expand supported housing services and home care through Supporting People/Social Care & Health;
- expand Supported Living services through Birmingham City Council's Framework Agreements;
- successfully deliver our part of the PURE ESF project;
- continue to meet the National Information, Advice and Guidance Standards;

BIRMINGHAM RATHBONE SOCIETY

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021

- continue to develop our staff;
- secure replacement contracts for services to vulnerable people with learning disabilities in Birmingham.
- continue working towards Investors in Excellence;
- continue to extend our range of partnerships;
- work to extend our delivery to include a wider range of opportunities for people with learning difficulties;
- continue to develop and maintain relationships with relevant statutory agencies and funders, including Birmingham City Council, to remain a key supplier of services; and
- purchase/source new properties to increase our available accommodation to support independent living for people with learning difficulties and disabilities.

Reserves Policy

The Charity is constantly reviewing its cost base and implementing efficiencies with a view to maintaining liquid reserves. During the year considering the impact of the COVID-19 pandemic the Trustees reviewed the reserves policy and determined that the Charity's minimum free reserves requirements should be the equivalent of six months' expenditure. After designating funds for purchase of property of £750K The Charity's free reserves as at 31 March 2021 were £ 991,612, (2020 £1,509,099). The free reserves are equivalent to 6.7 months' expenditure at current levels.

The Trustees regularly review the appropriateness of the reserves policy with regard to the current environment in which the Charity operates. Its Vulnerable People and PURE contracts incur a retention of 10% of the annual earnings value until the end of each contract year due to a payment by results element. We are continuing to deliver our contracts during the COVID-19 pandemic. The Trustees believe the level of reserves held to be appropriate at this time.

Awareness of relevant audit information

In accordance with company law, as the Charity's Trustees, we certify that:

- in so far as we are aware, there is no relevant audit information of which the Charity's auditors are unaware; and

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REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021

- as the Trustees of the Charity we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Haines Watts Birmingham LLP were reappointed at the Annual General Meeting in November 2020.

This report was prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

Approved by the Board of Trustees on 23rd August 2021 and signed on their behalf by:

Chairman:..........James Larner

Treasurer:..........Alastair Rae

BIRMINGHAM RATHBONE SOCIETY

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Report of the Council 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 that give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the net income or expenditure, of the Charity for the year. In preparing those 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 judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BIRMINGHAM RATHBONE SOCIETY FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of Birmingham Rathbone Society (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the entity's activities, funders, suppliers and wider economy. The Trustees' view on the impact of COVID-19 is disclosed in the Report of the Council.

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. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BIRMINGHAM RATHBONE SOCIETY FOR THE YEAR ENDED 31 MARCH 2021

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 the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BIRMINGHAM RATHBONE SOCIETY FOR THE YEAR ENDED 31 MARCH 2021

We obtained an understanding of the legal and regulatory framework applicable to both the charitable company itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the trustees and other management. The most significant were identified as the Companies Act 2006, the Charities Act 2011 and the Charities SORP (FRS102).

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquires of management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Whilst our audit did not identify any significant matters relating to the detection of irregularities including fraud, and despite the audit being planned and conducted in accordance with ISAs (UK), there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity would likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 Report of the Independent Auditors.

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 auditors' 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.



Kevin Hodgetts (Senior Statutory Auditor)
for and on behalf of Haines Watts Birmingham LLP
5-6 Greenfield Crescent
Edgbaston
Birmingham
B15 3BE

Date: 23 August 2021

BIRMINGHAM RATHBONE SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021
INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Income:					
Donations and legacies	3	810	-	810	44,598
Charitable Activities:					
Housing and Supported Living	4	1,833,424	-	1,833,424	1,799,937
Training and Education					-
Grant for Crisis Support	4	-	102,709	102,709	102,516
Investment income	5	5,797	-	5,797	14,287
Other			17,461	17,461	4,521
Total Income		<u>1,840,031</u>	<u>120,170</u>	<u>1,960,201</u>	<u>1,965,859</u>
Expenditure on:					
Raising Funds		-	-	-	-
Charitable Activities:					
Housing and Supported Living		1,646,158	-	1,646,158	1,675,068
Crisis Support		-	91,535	91,535	101,279
Other grant			17,461	17,461	
Total Expenditure	6	<u>1,646,158</u>	<u>108,996</u>	<u>1,755,154</u>	<u>1,776,347</u>
Net gains/losses on Investments		-	-	-	-
Net income/(expenditure)	8	<u>193,873</u>	<u>11,174</u>	<u>205,047</u>	<u>189,512</u>
Transfers between funds		-	-	-	-
Net Movement in Funds		<u>193,873</u>	<u>11,174</u>	<u>205,047</u>	<u>189,512</u>
Reconciliation of funds:					
Total Funds Brought Forward		2,264,715	44,943	2,309,658	2,120,146
TOTAL FUNDS CARRIED FORWARD		<u>2,458,588</u>	<u>56,117</u>	<u>2,514,705</u>	<u>2,309,658</u>

The statement of financial activities includes all gains and losses recognised in the year.
For comparatives see Note 2.

The Notes on pages 18 to 31 form part of these financial statements.


BALANCE SHEET AS AT 31 MARCH 2021

	Notes	2021 £	2020 £
Fixed assets:			
Tangible assets	11	716,973	758,611
Investments	12	4	4
Total Fixed Assets		<u>716,977</u>	<u>758,615</u>
Current assets:			
Debtors	13	181,819	236,962
Cash at bank and in hand		1,735,597	1,432,871
Total Current Assets		<u>1,917,416</u>	<u>1,669,833</u>
Creditors: amounts falling due within one year	14	(119,687)	(118,790)
Net current assets		<u>1,797,729</u>	<u>1,551,043</u>
Total assets less current liabilities		2,514,705	2,309,658
Creditors: amounts falling due after more than one year		-	-
Net Assets	21	<u><u>2,514,705</u></u>	<u><u>2,309,658</u></u>
Charity Funds:			
Unrestricted Funds	21	2,458,588	2,264,715
Restricted Income Funds	21	56,117	44,943
		<u><u>2,514,705</u></u>	<u><u>2,309,658</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to charitable small companies.

The financial statements were approved by the Council of Management on 23rd Aug 21 and authorised for issue and signed on their behalf by:

Chairman:


James Larner


Alastair Rae

The Notes on pages 18 to 31 form part of these financial statements.

BIRMINGHAM RATHBONE SOCIETY

CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
<i>Net cash provided by (used in) operating activities</i>	23	303,444	152,170
Cash flows from investing activities:			
Dividends, interest and rents from investments		5,797	14,287
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(6,515)	(376,086)
<i>Net cash provided by (used in) investing activities</i>		<u>(718)</u>	<u>(361,799)</u>
Cash flows from financing activities:			
<i>Change in cash and cash equivalents in the year</i>			
Cash and cash equivalents at 1 April		<u>1,432,871</u>	<u>1,642,500</u>
<i>Cash and cash equivalents at 31 March</i>		<u><u>1,735,597</u></u>	<u><u>1,432,871</u></u>
Cash and cash equivalents consists of			
Cash at Bank and in Hand at 31 March		<u><u>1,735,597</u></u>	<u><u>1,432,871</u></u>

The Notes on pages 18 to 31 form part of these financial statements.

BIRMINGHAM RATHBONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies

Basis of Accounting

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

The financial statements of the charitable company, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The Charity has taken advantage of section 402 of the Companies Act 2006 and has not produced group accounts on the basis that both of its subsidiary companies are immaterial.

The financial statements have been prepared under the historical cost convention on the going

1. Accounting Policies (Continued)

Restricted Funds

Restricted Funds are funds for which the donor has specifically restricted the purpose for which they can be used. The amount remaining in the funds represents the monies still remaining for future expenditure, or funds represented by assets purchased partly or fully from restricted funds.

When a time-limited restriction on an asset has expired or been released or where funds received for restricted purposes are expended on the purchase of assets over which there is no further restriction the cost of the asset is shown as a transfer to the unrestricted funds.

Unrestricted Funds

Unrestricted Funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Income

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

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

All income is allocated to the general fund unless otherwise restricted by the donor. No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Report of the Council.

Expenditure

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

BIRMINGHAM RATHBONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies (Continued)

Charitable activities represent the costs incurred directly in providing the services of the Charity including direct staff and other direct costs.

Support costs comprise central administration costs in support of the Charity's activities and are allocated on the basis of full time equivalent staff numbers in each activity.

Pension Costs

Contributions in respect of the Charity's Group Personal Pension Scheme are charged to the Statement of Financial Activities in the year in which they are payable to the Scheme.

Operating Leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against income as incurred.

Fixed Assets and Depreciation

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Assets with a cost of less than £1,500 are not capitalised as immaterial.

The Charity enjoys the use of a considerable amount of equipment provided by various funding agencies in addition to that acquired from its own resources. Grants received for such equipment are credited to the Statement of Financial Activities in the year of receipt.

Depreciation is provided with the intention of writing off the costs of tangible fixed assets over their useful lives. The provision is calculated as follows:

Office Equipment, Fixtures and Fittings;	20%-33% straight-line
Motor Vehicles;	20% straight-line
Freehold Buildings;	2 - 4% straight-line
Leasehold Land and Buildings;	evenly over the remaining lease period

BIRMINGHAM RATHBONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Prior Year Statement of Financial Activities

		Unrestricted Funds	Restricted Funds	Total
	Notes	2020 £	2020 £	2020 £
Income:				
Donations and legacies	3	44,598	-	44,598
Charitable Activities:				
Housing and Supported Living	4	1,799,937	-	1,799,937
Training and Education			-	-
Grant for Crisis Support	4		102,516	102,516
Investment income	5	14,287	-	14,287
Other		4,521		4,521
Total Income		<u>1,863,343</u>	<u>102,516</u>	<u>1,965,859</u>
Expenditure on:				
Charitable Activities:				
Housing and Supported Living		1,673,378	1,690	1,675,068
Crisis Support			101,279	101,279
Total Expenditure	6	<u>1,673,378</u>	<u>102,969</u>	<u>1,776,347</u>
Net income/(expenditure)		189,965	(453)	189,512
Transfers between funds		-	-	-
Net Movement in Funds		<u>189,965</u>	<u>(453)</u>	<u>189,512</u>
Reconciliation of funds:				
Total Funds Brought Forward			45,397	2,120,146
TOTAL FUNDS CARRIED FORWARD			<u>44,944</u>	<u>2,309,658</u>

BIRMINGHAM RATHBONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3. Donations	2021	2020
	£	£
Unrestricted Donations	<u>810</u>	<u>44,598</u>

There were no donations from Trustees during the year (2020 £Nil).

4. Income from charitable activities

	2021	2020
	£	£
Unrestricted Income:		
Housing and Supported Living:		
B'ham City Council Supporting People	731,433	747,928
Income from Housing	563,657	545,864
Sandwell MBC/City of Birmingham Social Care and Health	489,894	457,319
Birmingham City Council ESF funded PURE project	48,435	48,826
Other income	5	
	<u>1,833,424</u>	<u>1,799,937</u>
Restricted Income:		
Rebuild My Life Crisis Support funded by the Community Fund	102,709	102,516
Other income	17,461	
	<u>120,170</u>	<u>102,516</u>

5. Investment Income

	2021	2020
	£	£
Bank Interest	<u>5,797</u>	<u>14,287</u>

BIRMINGHAM RATHBONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

6. Expenditure on Charitable Activities

	Direct Staff Costs 2021 £	Other Direct Costs 2021 £	Allocated Support Costs 2021 £	Total 2021 £	Total 2020 £
Charitable Activities:					
Housing and Supported Living	985,268	470,010	190,879	1,646,158	1,675,068
Rebuild My Life Crisis Support	72,047	12,497	6,992	91,535	101,279
Other Grants	16,121	1,340		17,461	
Total Resources Expended	1,073,436	483,847	197,871	1,755,154	1,776,347

Support costs are allocated to activities on the basis of full time equivalent staff numbers in each activity subject to available funding.

Charitable Activities: Includes expenditure of £106,014 (2020 £102,969) from restricted funds.

7. Support Costs

	2021 £	2020 £
Staff Costs (management, finance, IT, personnel, quality and administration)	161,268	136,043
Head Office Premises Costs	4,253	4,467
Administration and Overheads	23,110	36,679
Governance Fees	9,240	9,516
	197,871	186,705

BIRMINGHAM RATHBONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

8. Net Income	2021	2020
	£	£
Net Income is stated after charging:		
Depreciation of assets	48,153	30,023
Profit on disposal of fixed assets	-	-
Operating lease rentals:		
Land and buildings	52,741	52,741
Auditors' remuneration:		
Audit services	9,240	8,110
Trustees' remuneration and expenses	-	-

9. Employees' Information

The average number and full time equivalent persons employed during the year was:

	2021		2020	
	No	FTE	No	FTE
Housing and Supported Living	45	38	44	39
General Administration and Finance	4	3	3	3
	<u>49</u>	<u>41</u>	<u>47</u>	<u>42</u>

Staff Costs

	2021		2020	
	£		£	
Wages and salaries	1,084,614		1,065,419	
Social security costs	89,607		91,250	
Employer's contribution to defined contribution pension schemes	60,483		59,436	
	<u>1,234,704</u>		<u>1,216,105</u>	

BIRMINGHAM RATHBONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

10. Costs of Key Management Personnel

For employees earning over £60,000 per annum
excluding pension contributions:

	2021 No	2020 No
£70,001 - £80,000	<u>1</u>	<u>1</u>
	2021 £	2020 £
Total amounts paid to Defined Contribution Schemes	<u>4,837</u>	<u>4,742</u>
	2021 No	2020 No
Staff to whom retirement benefits are accruing under Defined Contribution Schemes	<u>1</u>	<u>1</u>

None of the trustees have been paid any remuneration, received expenses or received any other benefits from an employment with their charity or a related entity (2020: £Nil).

The total employee benefits of the Charity's key management personnel, comprising the Trustees and the Senior Management Team, was £233,679 (2020: £217,089).

BIRMINGHAM RATHBONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

11. Tangible Fixed Assets

	Office Equipment Fixtures & Fittings £	Freehold Land & Buildings £	Total £
Cost			
At 1 April 2020	254,752	815,782	1,070,533
Additions	6,515	-	6,515
Disposals	-	-	-
At 31 March 2021	<u>261,266</u>	<u>815,783</u>	<u>1,077,049</u>
Accumulated Depreciation			
At 1 April 2020	175,483	136,440	311,923
Charge for year	19,017	29,136	48,153
Disposals	-	-	-
At 31 March 2021	<u>194,500</u>	<u>165,576</u>	<u>360,076</u>
Net Book Value			
At 31 March 2021	<u>66,766</u>	<u>650,206</u>	<u>716,973</u>
At 31 March 2020	<u>79,269</u>	<u>679,342</u>	<u>758,611</u>

The £815,783 accumulated cost of freehold land and buildings at 31 March 2021 includes both freehold land, which is not depreciated, and freehold buildings, which are depreciated. As the Trustees consider that it is not practical to accurately derive a split between freehold land and freehold buildings for presentational purposes, the associated cost has been combined above.

BIRMINGHAM RATHBONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

12. Investments		2021	2020
Investment in wholly owned Subsidiaries		£	£
Cost			
2 Ordinary shares in Rathbone Europe Limited		2	2
2 Ordinary shares in Rathbone West Midlands Ltd		2	2
		<u>4</u>	<u>4</u>
		<u>4</u>	<u>4</u>
Name	Activity of Subsidiary	Capital and Reserves	
		2021	2020
		£	£
Rathbone West Midlands Ltd	Dormant	<u>2</u>	<u>2</u>
Rathbone Europe Limited	Dormant	<u>2</u>	<u>2</u>
		<u>2</u>	<u>2</u>
13. Debtors		2021	2020
		£	£
Trade debtors		137,601	226,754
Prepayments and Accrued Income		42,366	8,664
Other debtors		1,852	1,544
		<u>181,819</u>	<u>236,962</u>
		<u>181,819</u>	<u>236,962</u>
14. Creditors: amounts falling due within one year		2021	2020
		£	£
Trade creditors		43,394	34,868
Other taxation & social security costs		24,065	24,831
Accruals		41,009	59,091
Deferred Income (note 15)		11,219	-
		<u>119,687</u>	<u>118,790</u>
		<u>119,687</u>	<u>118,790</u>

BIRMINGHAM RATHBONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

15. Deferred Income	2021	2020
	£	£
At 1 April	-	-
Income received for services to be provided in the following financial year:		
Rental Income	5,846	-
Housing and Supported living	5,373	-
Income received in prior years released for services provided in the current financial year:		
Rental Income	-	-
Housing and Supported living	-	-
At 31 March	<u>11,219</u>	<u>-</u>

16. Pension Scheme Commitments

The Charity operates a defined contribution pension scheme. The assets of this scheme are invested separately from those of the Charity in independently administered funds. The overall scheme, being sponsored by Birmingham Rathbone Society, is based upon the Charity's undertaking to contribute 6.4% (2020 6.4%) of qualifying employees' basic remuneration and the legal minimum under auto enrolment rules for other staff. The total amount of outstanding contributions at the year end was £0 (2020 £0)

17. Constitution

The Charity is incorporated in England and Wales and is limited by guarantee.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

18. Corporation Taxation

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

19. Related Parties

There are no related party transactions during the period. (2020: £nil).

BIRMINGHAM RATHBONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

20. Leases

Total future minimum operating lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than one year	52,741	52,741
Later than one and not later than five years	90,496	143,236
	<u>143,236</u>	<u>195,977</u>

21. Analysis of Funds

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Total 2020 £
Representation of Fund Balances				
Tangible Assets	716,977	-	716,977	758,615
Cash at Bank and in Hand	1,676,635	58,962	1,735,597	1,432,871
Net Current Assets/(liabilities)	64,977	(2,845)	62,132	118,172
Total Net Assets	<u>2,458,588</u>	<u>56,117</u>	<u>2,514,705</u>	<u>2,309,658</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

22. Analysis of Funds (continued)

	1 April 2020 £	Income £	Expend- iture £	Transfer Funds £	31 March 2021 £
Restricted Funds:					
Thursday Club	389	-	-	-	389
Donations for Cromer Road Development	32,938	-	-	-	32,938
Umberslade Road Centre Funding RML funded by The National Lottery Community Fund	5,766	-	-	-	5,766
Covid 19 Business Grant	5,850	102,709	(91,535)	-	17,023
	-	17,461	(17,461)	-	-
Other sundry restricted donations	-	-	-	-	-
Total Restricted Funds	44,943	120,170	(108,996)	-	56,117
Unrestricted Funds - general	2,264,715	1,840,031	(1,646,158)	(750,000)	1,708,588
Unrestricted Funds - designated	-	-	-	750,000	750,000
Total Funds	2,309,658	1,960,201	(1,755,154)	-	2,514,705

Restricted Funds

The Thursday Club fund is the remainder of a donation restricted to supporting a social club for people with learning difficulties and is expended on the costs of undertaking relevant social activities.

The Umberslade Road Centre fund consists of monies for improvements and equipment relating to town gardens and for the work previously undertaken at the Charity's Umberslade Road Garden Centre.

Rebuild My Life (RML) funded by The National Lottery Community Fund is a 5 year grant from September 2016 to enable the provision of short term support to people with learning difficulties and disabilities who are in crisis.

Donations for Cromer Road development were restricted for specific renovations at the Charity's former leasehold learning centre.

The Covid Business Grant was introduced in May 2020, to support adult social care providers in England for infection prevention and control.

Unrestricted Funds

The trustees have designated £750,000 for the purchase of property to be used in the delivery of charitable activities

BIRMINGHAM RATHBONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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

	2021	2020
	£	£
<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	205,047	189,512
Adjustments for:		
Depreciation charges	48,153	30,023
Dividends, interest and rents from investments	(5,797)	(14,287)
(Increase)/decrease in debtors	55,143	(67,246)
Increase/(decrease) in creditors	898	14,168
<i>Net cash provided by (used in) operating activities</i>	<u>303,444</u>	<u>152,170</u>

