

# **COMMUNITY INTEGRATED CARE**

(A Company Limited by Guarantee)

## **REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2021**

Charity Registration Number: 519996

OSCR Number: SC039671

Company Registration Number: 02225727

# Community Integrated Care – Year ended 31 March 2021

## 2020/2021 Report and Financial Statements

### 1. Introduction

- 1.1. The Voice of the People We Support and their Families
- 1.2. GameChangers' Statement
- 1.3. Chair's Statement
- 1.4. Chief Executive Officer's Statement
- 1.5. Our Vision, Purpose & Values

### 2. Trustees Report

- 2.1. Coronavirus crisis
- 2.2. Older Peoples Services (EachStep) division disposal
- 2.3. Best Life Possible
- 2.4. Our achievements
- 2.5. Supporters Thank You
- 2.6. Financial Report
- 2.7. Risk Management
- 2.8. Going Concern and Statutory Statements
- 2.9. Reference & Administration Details
- 2.10. Structure, Governance & Management
- 2.11. Statement of Trustees Responsibilities
- 2.12. Auditors Report

## 1. Introduction

### 1.1 Voice of the People We Support and their Families

Throughout the Covid-19 pandemic, our charity has taken many measures to ensure that the people we support and their families remain connected, despite the restrictions on contact and visiting. In extremely challenging and emotional circumstances, our teams have embraced opportunities to ensure the people we support keep in touch with their loved ones, whether virtually through platforms such as FaceTime and Zoom, or through in-person window visits or socially distanced outdoor pods.

At such an uncertain and worrying time for many, it has been vital that the loved ones of the people we support were able to feel connected to our charity too. So, within a few weeks of lockdown, we launched weekly family webinars to keep loved ones advised of our ongoing response to the pandemic. Hosted by our Managing Directors, these provided reassurance and support when it was needed most and there follows a small selection of the feedback we have received from families and loved ones during this time:

*“We have all been able to video call my uncle and chat to him on the telephone. What has been welcoming is the brilliant Facebook group so that we are able to see pictures of our uncle enjoying himself with the great staff. It must be so hard for all the staff with all the added measures in place but still managing to look happy and create brilliant memories.”*

*“Thank you for the meeting - I can't believe you go to the trouble to keep us posted in such a transparent way and the care my dad receives is second to none.”*

Our Quality Advisors are a group of people we support, who are employed by the charity as experts in providing feedback on the care and support delivered by the charity. Pre-pandemic, their primary role was to visit services and complete quality audits, providing us with the benefit of their experience. Despite opportunities to visit services being extremely limited due the pandemic, they have continued to use their profile throughout our charity to drive key initiatives, including:

- James Brooks, who is employed as a Quality Advisor in the North East, appearing on Sky News alongside our CEO, Mark Adams, talking about how Covid-19 had impacted people with learning disabilities.
- Supporting a campaign to encourage colleagues and the people we support to protect themselves by getting their winter flu jab.
- Supporting the charity's “Protect You, Protect Me” campaign, which encourages colleagues to stay safe during the pandemic, including using PPE properly and getting vaccinated when invited to do so.

The Quality Advisors are currently planning a schedule of audits and other activities for 2021/22, when the lifting of restrictions allows.

## **1.2 GameChangers' Statement**

GameChangers is the charity's employee forum, made up of 60 colleagues from around the organisation who represent the views of their colleagues on the issues that matter to them most. They also play a key role in supporting and advising the Executive Team and Senior Leadership Team on a variety of topics and projects. GameChangers has contributed to some key pieces of work this year, in particular, working with our People Team in various focus groups and influencing several high-profile initiatives, including:

- Capability Framework and Service Leader Development Programme.
- Behavioural Framework.
- Pay Framework.
- Performance & Talent Framework.
- Diversity & Inclusion Strategy.
- Wellbeing Strategy.

In the year, the charity launched a GameChangers recruitment campaign to introduce fresh perspectives and insights from around the organisation, with training received from employee relations experts, ACAS, over the summer of 2021. With new GameChangers in post, plans are being made for 2021/22, with immediate priorities including the creation of a policy review sub-group, embedding a fixed meeting schedule for the renewed forum and further communications training and support for employee representatives.

## **1.3 Chair's Statement**

I would like to extend my endless gratitude to everyone within our charity who has given everything to keep themselves and those around them safe and well over the last year. Social care is not a 9-5 job. The people we support are often described as our second families, and I can only imagine the sense of responsibility that our colleagues have felt as they have coped in providing them with care, as well as looking after their own families at home.

In 2021, as we continue to navigate our way through the Covid-19 pandemic, we can also look forward to picking up speed on many of the exciting areas of development for our charity. Later this year we will be unveiling our strategy refresh, which will breathe fresh life into the existing We Dare strategy. A number of ground-breaking projects will also help us fast-forward our commitment to deliver the best life possible for our colleagues and the people we support.

We've made great strides in recent years in our participation in sporting, artistic and cultural initiatives, and we are honoured to be the official social care partner for the Rugby League World Cup 2021. This is a significant moment for our charity and is one that creates a wealth of exciting opportunities for our communities.

We want to become a truly great place to work and many of our colleagues are actively involved in shaping this, most recently through our Engagement & Diversity survey. We are doing more to understand how we can address the issue of diversity in our communities and have teamed up with the Employers Network for Equality & Inclusion to better understand how we can improve.

Keeping our charity fit for the future means that we need to be responsive to the changing needs of our sector. In 2021 we will continue to enhance our use of technology, with a clear ambition to be viewed as innovators in social care.

Seeing the people we support receive their vaccines brought a real sense of relief and whilst the challenges of the pandemic are by no means over, the momentum around the vaccine roll-out means that we can look forward with optimism and hope.

On behalf of the Board of Trustees, let me offer a huge thank you to all our colleagues for their support. I am excited about the future of our charity in the post Covid world and I hope that this is shared by all connected to the charity.

#### **1.4 Chief Executive Officer's Statement**

2020/21 was a year like no other and the last twelve months will undoubtedly live in our memories forever. For most of us, it was a time of uncertainty, anguish and very sadly, loss. But also, a time when we saw the very best of each other, and what we are, too.

The charity set out for an exciting 2020/21 – planning our inaugural “We Dare Day” in March, delivering new projects and initiatives, and coming together for a wonderful programme of events. Little did we know that what would transpire would look so very different, but that the spirit and heart that makes our charity so special would flourish stronger than ever. Within just a few months, Coronavirus was the only headline. We closed our doors, turned our dining rooms into home offices, and shifted our entire focus onto keeping people safe. All of our lives had changed in the blink of an eye.

This Annual Report in part chronicles the outstanding work of our teams in the most unprecedented of times. Not just keeping the people we support safe and well but ensuring that people continued to live the best lives possible. From staying fit and active, to maintaining links with loved ones, we describe how we made happen the things we had perhaps taken for granted before. At a time when it would have been easy to be the opposite, the families of the people we support have been patient, understanding and incredibly appreciative to our teams for everything they've done. That support and gratitude has been an overwhelming source of motivation when it was needed most.

Our partners and communities supported us in a way we could have only imagined. They donated, delivered and devoted their time to enhance the lives of our colleagues and the people we support. They've played an immeasurable role in our response to the pandemic and we couldn't be more grateful. If there's a silver lining to be taken from the last 12 months, it's the fact that our social care colleagues have rightly cemented their status as the backbone of our society. Something that we, of course, already knew.

With unimaginable changes to the way they work and the immense personal sacrifices they've made, our people have adapted to everything that has been asked of them, and then some. There are no words to explain how proud I am, and how it has personally been my honour to lead our charity during this crisis.

My commitment has always been to ensure that social care gets the respect, recognition and reward it deserves. After this last year, this commitment could not be stronger. We will not lose sight of what we've accomplished and will build on this to achieve much-needed reform in our sector. As the vaccine roll-out progresses and our scientists learn more about how we can live alongside Covid-19, we will all return to some sense of normality. When this time comes, I hope we're able to reflect on the most profoundly challenging year and feel proud of the immense part our charity has played. We must also remember the untimely loss of 114 of our people supported and 3 our colleagues who passed away from coronavirus – they will all be missed.

Turning to the future, during the year ending 31 March 2021 we made the decision to focus on independent living services which make up close to 81% of the charity's activities by revenue. This has resulted in a decision to sell our older peoples care home (EachStep) division. Contracts for the sale were exchanged on 23 April 2021, with completion (subject to the satisfaction of certain conditions precedent) expected before 31 October 2021. Whilst we are saddened to see a large number of colleagues leaving the charity, we firmly believe that the transaction will represent the best opportunity for both the remaining charity and the transferring services.

We have also begun work on refreshing our 5-year strategy with the next phase being titled "the Best Life Possible". This is an exciting evolution of our journey so far with a renewed focus on delivering truly person-centred care to the people we support, as well as investing in our colleagues and the communities in which we work.

## 1.5 Our Vision, Purpose & Values

We believe that having a disability should not mean exclusion from opportunity, dignity or equality and our mission is to change lives by delivering world class support to people with care needs and by being a leading employer of exceptional people.

The Charity's ethos underpins everything it does: we are proud of our people, we care with passion, and we believe in the potential of every person we support and every colleague we employ. Chosen by our people, our vision statement is simply "Your Life, Your Choice". We believe this impactful statement sets out what it is we want Community Integrated Care to achieve – a society in which people are in control of their own lives.

The Charity's ambitious and uncompromising attitude is reflected in its five key values:

- **INCLUDE** the people we support, our staff, our partners and the communities we work in.
- **DELIVER** the best possible outcomes for the people we support and the partners we work with.
- **ASPIRE** to be the best at what we do.
- **RESPECT** individual choice and promote inclusion, rights and independence.
- **ENABLE** individuals to meet their needs and fulfil their aspirations.

In conjunction with these values and as part of our strategic plan, the organisation has adopted an ambitious communication strategy to encourage staff to be bold and brave in achieving the Charity's aims and objectives under the motto of "We Dare" to:

- challenge the expectations and perceptions of the social care sector by delivering world-class support and ambitious models of care;

- enrich the lives of the people we support, their loved ones and the communities we work in;
- ensure that our colleagues, customers and communities receive the best support from our central Support Services;
- champion the amazing people who work in the care sector, to enable them to make the most of their talents;
- speak up for those whose voices are not always heard and challenge discrimination;
- be brave and imaginative in finding new ways to make the world a better place; and
- bring our goals to life by investing our resources in our colleagues, customers and communities.

## 2. Trustees Report

### Incorporating the Directors and Strategic Report

#### 2.1 Coronavirus crisis

With the emergence of Covid-19, the charity took swift and decisive action ahead of Government advice to prioritise the safety of its people, including those we support and our colleagues.

In February 2020, a Coronavirus Response Team was formed, led by the Director of Strategic Projects, whose first priority and overall commitment was to ensure that all decisions were in the best interests of our colleagues, the people we support and their loved ones. The team focused on maintaining open and honest communications with everyone involved in the charity – from our colleagues on the frontline, who were dealing with changing advice on a daily basis, to the families of the people supported, who were understandably anxious about the wellbeing of their loved ones.

A dedicated online Coronavirus Resource Hub was established, which was accessible on any device at any time, and soon after a 24-hour Coronavirus helpline was launched, ensuring sure that advice was always available on the new rules, regulations and restrictions. At every juncture, our teams responded quickly, flexibly and always compassionately - from quickly changing processes and systems to on-boarding thousands of new recruits, to sourcing and supplying millions of pieces of PPE and to delivering hundreds of treat boxes for our colleagues.

Throughout the pandemic, our teams have never lost sight of our commitment to keeping people supported safe, happy and well. As the impact of the pandemic was quickly felt by our teams, in March 2020 we announced our Emergency Pay Response, which provided support to colleagues in two key ways; an enhanced hourly pay rate for several months throughout the pandemic and an improved sick pay offer for any colleague affected by Covid-19.

We knew that we wanted to make our colleagues feel reassured and relieved, as well as demonstrate our commitment to do the right thing and this investment of over £1m helped many in their time of need. The table below provides a summary of actions taken during the pandemic:

17,500,000 items of PPE	374 media interviews	2,324 job offers	76 Covid-19 updates and videos	210,000 mins of live colleague events	52 webinars with families
-------------------------	----------------------	------------------	--------------------------------	---------------------------------------	---------------------------

## 2.2 Older Peoples Services (EachStep Division) Sale

The charity has focused increasingly on independent living services to the extent these now account for over 80% of revenue. Our strategy sees this focus growing and the charity made the decision to exit the provision of older peoples care and nursing home services. On 23 April 2021, the charity exchanged contracts for the sale of the division, with completion expected no later than 31 October 2021.

We are sad to see so many brilliant and dedicated people leave the charity but believe they have a bright future as part of a dedicated care and nursing home business.

The charity will record an overall loss on the sale of £2.1m. The accounting treatment of the sale will be spread over two reporting periods. Accounting standards require the charity to prudently impair the value of the assets sold below net book value by £5.6m in 2020/21 and then a gain of £3.5m will be recorded on those sold above net book value when the sale completes in 2021/22.

## 2.3 Best Life Possible

In the year, the charity began work on refreshing its strategy, building on the existing We Dare strategy. We Dare will continue to power our charity with “The Best Life Possible” strategy providing an additional focus for the charity’s activities over the next 5 years. Many of the elements of the Best Life Possible refresh are continuations and developments of the work we have been doing in We Dare and which are detailed within this report. Best Life Possible takes all this work and really looks at what the Charity needs to deliver across its 3 core stakeholder groups to bring our vision of a life well-lived for all the people we support to fruition.

The Best Life Possible strategy is all about delivering truly person-centred care to the people we support and setting our frontline colleagues up for success. So, as well as being armed with our We Dare values, the focus will be on our three core stakeholders, namely:

- **Customers** (people we support) - partnering with people who choose CIC to help increase independence, maximise potential and fulfil their aspirations with dignity and respect.
- **Colleagues** - offering our colleagues a career they love, that values and rewards them appropriately, and provides opportunities for learning and personal growth.
- **Communities** - helping to shape an inclusive society that recognises people who have support needs as valued citizens and enables their potential, supports the people who deliver and benefit from social care, and champions the importance of the social care sector.

There are three strategic projects and initiatives, sitting under four main objectives, the first three of which also reinforce the We Dare “Power of Three” strategy, as follows:

- Service Quality & Innovation (Customers)
- Career Opportunities (Colleagues)
- Community Engagement (Communities)
- Sustainable Economics

We will know if we have delivered on the strategy, if in five years we have achieved:

### **Service Quality & Innovation**

- Community Integrated Care will be a consistent top-ranked provider against overall quality indicators.
- People we support and their family & friends will be highly satisfied with, and active promoters of our charity.

### **Career Opportunities**

- Community Integrated Care will have a highly engaged and stable workforce and will be an inclusive community where everyone can be themselves.
- Colleagues will have the tools, skill and opportunity to success, and will be recognised and fairly rewarded for the jobs they do.

### **Community Engagement**

- Our community projects will achieve a high level of social return on investment and will attract substantial funds from charitable donations and grants.

### **Sustainable Economics**

- Community Integrated Care will have strong partnerships with commissioners that will be reflected in industry-leading rates of contract acquisition and retention.
- A stable annual operating surplus (excluding donations and grants).
- A 40% reduction in carbon emissions per person supported compared to 2020.

## **2.4 Our Achievements in 2020/21**

### **Standing up for social care**

Continuing our fight for proper recognition, funding and respect for the social care sector, the charity led the way in championing social care and the commitment and dedication of those who work within it across different media outlets during the year, including:

**In April** - alongside our partners in the National Care Forum, joint research unearthed the true impact of Covid-19 in care. Following coverage by BBC News, this led to increased focus on the role of the sector during the pandemic.

**In June** - questions were asked of the Government regarding the lack of testing for people with learning disabilities and colleagues in the North East represented the charity, and the care sector, on BBC News.

**In July** - CEO, Mark Adams, responded to comments made by the Prime Minister about the care sector across various media outlets and was quoted by the Labour leader in Parliament.

**In September** - CEO, Mark Adams, participated in the all-party Coronavirus Parliamentary Group. He used the stage to highlight the need for families to see loved ones and how independent living services were not being given regular testing like their care home counterparts.

### **A charity on the frontline**

The British public witnessed the realities of life on the frontline of the pandemic in social care for the first time in a BBC Panorama documentary, which the charity helped in making. As the presence of Covid-19 first became felt, it was recognised that our colleagues – and hundreds of thousands of other social care workers like them – would be critical to the national response. With the focus largely on the NHS, we knew that we could not allow their contribution to be overlooked and the programme followed our frontline colleagues, as they worked through the day-to-day challenges presented by the pandemic.

The Panorama documentary, “The Forgotten Frontline”, charted the story of four months at EachStep Blackley care home and grabbed national attention. It was the top trending topic across social media platforms, with thousands of people reaching out to share messages of thanks and support for our colleagues and their counterparts. The programme won the Best Current Affairs award at the Royal Television Society Journalism Awards 2021.

CEO, Mark Adams, said... *“The Forgotten Frontline was the first opportunity for the public to see, in any real detail, life on the frontline of social care during the pandemic. It brought into sharp focus the support that the sector urgently needed and the valiant efforts of social care workers in the toughest of circumstances. This programme made a difference, changing attitudes and increasing the focus on care. We would therefore like to thank our colleagues, the families of the people we support, and the team at the BBC for their trust in our charity and their unwavering understanding of the importance of this film.”*

### **Keeping people active**

The pandemic impacted all aspects of the charity especially those people supported. Many faced challenges that meant they couldn’t see their loved ones or enjoy their usual daily activities. As a result, a range of initiatives were introduced to help support and uplift their mental and physical wellbeing.

### **We Dare rainbows**

Rainbows quickly became the symbol of hope throughout the pandemic, with pictures springing up in windows across the country. To mark the postponement of the charity’s inaugural We Dare Day event in March, we took a moment to show our support for the wider social care sector and asked our colleagues and the people we support to design their own We Dare Rainbows, with hundreds displayed in the windows of our services and our colleagues’ homes as a mark of unity.

### **Our virtual get-togethers**

The reality of lockdown meant that people supported could not access the community groups that had become such an integral part of their personal lives, so we set out to create a virtual platform to keep people engaged and motivated. Joining forces with our partners, we delivered over 100

exciting and accessible online activity sessions. These events were great in keeping energy high amongst teams, encouraging maximum participation to combat boredom and isolation, with sessions led by Leeds Rhinos Rugby League Foundation, Portsmouth Football Club, Liverpool's creative hub (Bluecoat), and our very own DJ Ged!

Director of Partnerships and Communities, John Hughes, said... *"From chair-based exercise to live cook-along sessions, these activities have been a roaring success. They've been made possible by fundraisers who have enabled our charity to invest in exciting projects like this. A special thanks to our partners who have delivered exceptional virtual sessions and donated their time to our people."*

### **Care To Play**

With months of lockdown in prospect, new, exciting and accessible activities were created for the people supported to enjoy from the comfort of their homes. We were proud to launch a unique table tennis training programme across hundreds of our services, so that everyone in social care could learn, play and enjoy this adaptable sport. Named "Care To Play", the programme became particularly important during periods of lockdown when being socially distanced was required and helped keep the people supported physically and mentally stimulated whilst exercise outdoors was still limited.

Throughout the past two years, we have been piloting the use of table tennis in a range of our care settings – from delivering activity sessions in specialist dementia care homes to utilising it in mental health talking therapies - proving the sport to be an inclusive, engaging and low-cost activity. The outcomes from these projects allowed us to collaborate with Table Tennis England, who helped deliver almost 200 table tennis starter packs to our care services, at a time when they were needed most. The Care To Play website provides a 13-minute training video that allows people who provide the care and support to help enable those supported to enjoy playing table tennis.

### **Rugby League Arts and Activity Tool**

We teamed up the Rugby Football League and the Rugby League World Cup 2021 to create a special arts and activity toolkit, designed for the people we support during lockdown as a fun and entertaining resource. With plenty of interactive features, the toolkit was shared across our charity, and special prizes were awarded for sharing artwork across social media.

### **Active at home**

In partnership with Leeds Rhinos and the Rugby Football League, the charity created the "Active At Home Activity Toolkit". This resource was designed to encourage colleagues and people supported alike to get involved in easy-to-adapt exercises at home, boosting mental and physical wellbeing at a time when it was needed most. Through a series of warm-ups, stretches and different forms of cardio exercise, the charity was able to provide an educational source that was fun, inviting and enjoyed by many.

## Keeping connected

Like many throughout the year, being separated from families, friends and loved ones was one of the most difficult challenges faced by the people we support. To help combat this, we set about creating new and novel ways to keep people connected whilst they couldn't be together. These included:

- **Messages of love**

After weeks of limited contact, our colleagues were keen to make sure that the people we support stayed in touch with their loved ones in as many ways as they could, including using social media to share special messages of love.

- **Window visits**

Wherever possible, our colleagues arranged socially distanced window visits, even using headphones and tablets to enable people to communicate through the glass. The team at Applegarth on Teesside made Mother's Day special by setting up an outside visiting area, allowing the people we support and their parents to spend some time together – with a hot flask of tea and chocolates included!

- **Virtual visits**

Across the country, services embraced technology and virtual visiting increased using FaceTime, Zoom and WhatsApp, with our colleagues exploring every avenue to keep people supported in contact with their loved ones.

- **An emerald anniversary**

Despite care homes being in lockdown, the team at EachStep Blackburn was determined to help resident Norma Campbell and her husband, Harry, celebrate their 55th wedding anniversary by arranging a delivery of flowers and a special FaceTime video call. The team at the home said it was an honour to help Harry and Norma celebrate their special day using modern technology.

- **Family webinars**

Within a few weeks of the first lockdown, a schedule of weekly webinars was established for the families of people we support to update them on the charity's response to the pandemic. Hosted by our Managing Directors via Zoom, over 500 loved ones joined the webinars to get the information and reassurance they needed.

## Showing our appreciation

Throughout the year we took every opportunity to get the message across to our colleagues how much we valued them and how grateful we were for the efforts. Examples included:

- **Letters to children**

We knew that it wasn't just the wellbeing of our teams that had been affected. Between home-schooling and lockdown restrictions, children were also having to adapt to many changes. With this in mind, we sent personalised thank you letters to our smallest, honorary members of Community Integrated Care - the children of our colleagues, who had done a brilliant job of cheering-up their parents, grandparents, siblings, aunts and uncles throughout the crisis.

- **Treat boxes**

During the peak of the first wave, we delivered treat boxes, containing snacks, drinks and sweets to all our services. These were just a small token of appreciation for everyone's efforts on the front line.

- **Thank you e-cards**

As we adjusted to new ways of working, we wanted to ensure that even when we were apart, we always had ways to show our colleagues some love! Special e-cards of thanks were created for people to download and send and brighten someone's day.

- **Summer Stars**

Our seasonal reward and recognition schemes have always been an important way to shine a well-deserved light on our incredible colleagues. This year, Summer Stars took on a whole new meaning, with over 200 nominations and 40 winners. We were also grateful to Britvic, British Apple and Pears, Modibodi and Singa, for making large donations to our colleagues and services.

- **Spreading Christmas cheer**

Christmas is usually a very special time for our teams. With everyone doing everything they could to create the festive magic in the most difficult circumstances, we wanted to do our bit to make our colleagues feel magical too. CEO, Mark Adams, hand-signed Christmas cards to all 5,794 of our colleagues and enclosed a voucher as a small thank you and we supersized our annual Christmas Crackers campaign, with double the number of winners and a special gift of a Christmas hamper. For the first twenty-four days of December, we ran a prize-a-day raffle, with jewellery, spa days and sports memorabilia offered as prizes.

## **Colleague wellbeing**

At a time when many people were unsure how to feel in themselves, the charity sought out professionals who could offer support, advice and tips for our colleagues, partnering with health and wellbeing experts to provide a wealth of practical and engaging resources. A number of virtual activities were hosted, including:

- **Top tips for wellbeing**

Collaborating with Tim Holmes, an independent health and wellbeing specialist, the charity formulated an interactive resource, called Top Tips for Wellbeing. The document promoted easy-to-adopt tips on how to maintain a healthy physical and mental lifestyle, both in the workplace and at home. Advice was given on creating a better environment, particularly for those working from home during the pandemic, and information was provided on building positive routines to mindfulness, such as nutrition and hydration. Each written section of the resource was accompanied by a short video clip, packed with inspirational ideas.

- **Mindfulness with Russell Treasure**

Recognising that the impact of the pandemic was not only felt physically but mentally too, we sought the help of mindfulness coach and expert, Russel Treasure. Over a two-week period, 11 online mindfulness training sessions were held, open to all colleagues. The sessions took place throughout the day, during evenings and weekends, to ensure all teams had the chance to take part. Key skills were also provided to help colleagues adopt mindfulness techniques throughout everyday life, as well as techniques to build these into their busy routines. Through classes that taught mindfulness at home alongside mindfulness at work, around 400 people from our workforce downloaded or participated in one, or more, of the sessions. As a result of positive feedback, a follow-up event was held.

As we headed into the year, we had big plans to mark our Charity Times “Charity of the Year 2019/20” award by holding our very first organisation-wide celebration - We Dare Day. While the pandemic initially put these plans on hold, by August we were thrilled to be able to return to the event with “The Big Walk & Talk Week”, which comprised:

- **Walk** - with lockdown restrictions easing across the UK, we challenged our teams to get outside and get walking! The goal was set for 1,092km - the distance between our most northerly service in Thurso and our most southernly service in Dorset. By the end of this incredible week, we had collectively achieved over 3,000km.
- **Talk** - the event also had a bigger meaning too. Like many other organisations, 2020/21 saw us take a moment to stop and reflect on our approach to diversity and inclusion. We asked our teams to reflect on our charity’s founding principles during their walks and share their ideas on how we could make sure that equality remains at the heart of the charity.

### **Diversity and Inclusion**

As part of our Big Walk & Talk Week, colleagues told us that they wanted to make a clear commitment to making diversity and inclusion as one of our charity’s key priorities. As a result, we appointed The Employers Network for Equality and Inclusion, independent experts in the field, to carry out a full diversity audit. This involved people from across all levels and roles within our charity, with one-to-one interviews, surveys and virtual focus groups, giving people the opportunity to share their lived experiences and tell their stories. All of this knowledge will help build a clear plan for the future to ensure we are creating a fair and equal environment for all to thrive.

### **Celebrating Black History Month**

In October, we celebrated Black History Month, recognising the contributions and culture of our black colleagues and people supported. This included virtual movie nights honouring the seminal film “Black Panther” and an online cookery session celebrating Jamaican heritage, with colleagues and teams embracing the event.

## Employment of disabled persons

The charity is a Disability Confident Employer, which means we guarantee an interview for candidates with a disability provided they meet the essential criteria for the role. If the applicant has a disability, which makes it difficult for them to submit a completed application form, a submission via an alternative format will be accepted as a reasonable adjustment. When interviewing, we will explore possible reasonable adjustments to a post taking into account a candidate's disability.

## Fantastic fundraising

To give the charity a boost after an extremely tough few months, we made it our mission to get as many of our colleagues as possible involved in a whole host of exciting fundraising activities. As well as generating support from the public for the work of our incredible teams, we raised a huge £40,000 in donations. These important funds were used to put plenty of smiles on the faces of the people we support, giving them opportunities to stay active, have fun and keep in touch with their loved ones. Fundraising events included:

- **Care with Hair** - with hairdresser salons closed, we asked people to become DIY stylists, creating their very own 'lockdown looks' and donating what they would have paid at the salon to the charity. The response was incredible, with rugby stars, footballers and our own colleagues taking on the challenge. We saw everything from rainbow mohawks to multi-coloured beards, raising an incredible £22,000!
- **Careistmas Jumpers** - the run up to Christmas saw the charity launch its £10k for Christmas Day campaign, which aimed to purchase gifts and create special seasonal moments for the people we support. For the very first time, we created limited edition Christmas jumpers & T-shirts, which quickly became the must have fashion item of the festive season! Inspiration for the festive design came from Carol Maher, a lady we support in the North West, and her Support Worker, Jennifer Wallace. The pair had submitted the winning entry in our annual internal Christmas card competition, beating hundreds of brilliant designs to the top spot.
- **'No Secret Santa' Secret Santa** – launched in December, this campaign allowed the public to donate the money they would have usually spent on a Secret Santa gift to the charity instead. CEO, Mark Adams, said... *"We wanted to give people the opportunity to make a Christmas wish come true for someone supported in social care, whilst also allowing people to make a gesture on behalf of their loved ones that would be remembered forever. With our 'No Secret Santa, Secret Santa' campaign, we gave people the chance to make a real difference. With lockdown and restrictions meaning that the people we support had far less access to enjoy a normal Christmas in their community, this seasonal support was never more vital."*

In 2020, we are proud to have raised over £40,000 - thanks to the huge support from our colleagues, communities, and partners.

## **Sporting visits**

Manchester City football star, Ilkay Gündogan, enjoyed a 30th birthday with a difference when he celebrated his big day with people supported by the charity. Selflessly, the midfielder marked his milestone birthday by making special socially distanced visits to EachStep Blackley and St Anne's House in Tameside. After what had been a challenging few months for both services, seeing the star arrive with gifts for everyone lifted spirits and brought lots of smiles. Samantha Brennan, the charity's Managing Director for the North West, said... *"We were absolutely blown away when Ilkay approached us to celebrate his 30th birthday with our charity. The impact of coronavirus and lockdown on the social care sector has been very tough, so this incredible gesture provided a real boost. In these services, football is an absolute passion, so it was a dream come true for many to spend time with their football hero."* Click on the following link to watch the moment when Ilkay surprised the people we support:

<https://youtu.be/wswDKnGrD3I>

Ilkay Gündoğan said... *"It was amazing to meet the teams at Community Integrated Care and to hear about their hard work during the pandemic. I had such a great time meet the people living at EachStep and St Anne's House, having a chat and sharing some gifts. They told me that it was a special day for them, but it was even more special for me! It's a birthday I'll always remember."*

St Helens RFC legend, Paul Sculthorpe, Rugby League World Cup 2021 (RLWC2021) and Rhino Rugby League teamed up to bring a special surprise marking National Learning Disability Week in June. The Saints and Great Britain star visited one of our Supported Living services, Mill Point, in St Helens, bringing gifts to the people we support and our colleagues, including a range of Rugby League activity equipment, helping them stay active throughout the pandemic. Paul Sculthorpe said... *"It was brilliant to see everyone's faces light up when I arrived. You could see how much it meant to them, being such massive fans. For me, it was important to show them some support at a tough time and to celebrate National Learning Disability Week. This visit shows how important the RLWC2021 partnership with Community Integrated Care is."* Click on the following link to watch the moment when Paul made his surprise visit:

<https://youtu.be/p9QKxK6FFbM>

## **Sporting partnerships**

Betfred Super League paid tribute to our key workers by prominently featuring the charity's logo in the stands at its behind-closed-doors games. Robert Elstone, CEO of Super League, said... *"Since the return to action, Betfred Super League has been proud to recognise our partnership with Community Integrated Care and celebrate the invaluable support provided by them within our communities. We have always been inspired by our partnership but in these turbulent times, we can only imagine the scale of the daily challenge faced by their teams across our communities. We are immensely proud to be associated with such life changing and much-needed interventions. The social care sector, alongside the NHS, has been on the frontline of the Coronavirus pandemic and our sport is unique in supporting an Official Social Care Partner. So, it is our privilege to highlight Community Integrated Care in our stadiums and allow the time to reflect on our gratitude for every member of the organisation."*

The Rugby League Council recognised the role played in the pandemic by the charity by awarding CEO, Mark Adams, with the RFL President's Award, presented Clare Balding OBE.

RLWC 2021 and the charity also launched a ground-breaking inclusive Volunteer Programme. This world-first project, supported by Sport England's Major Events Fund, will see the charity create a range of accessible and aspirational volunteering opportunities for hundreds of people who have care and support needs, running throughout 2021 and continuing in the months following the tournament. Early plans include the recruitment of experts to advise tournament organisers, the creation of school assemblies to educate young people on inclusion, and opportunities to volunteer with the RLWC2021 team. If you would like to learn more about this project, please contact [RLWC@c-i-c.co.uk](mailto:RLWC@c-i-c.co.uk).

### **Caring in Covid**

The National Care Forum's 'Caring in Covid' project documented the heroic efforts of the social care sector throughout the crisis and has now been published in an eBook. Everyone working in the sector faced the same universal challenge and that was to keep society's most vulnerable safe. The charity was proud to have three stories featured in this prestigious publication, highlighting the remarkable work of our colleagues and partners. In the eBook, you can read about the charity's key role in BBC Panorama's "The Forgotten Frontline", which documented the many challenges that the charity and wider care sector faced in the early stages of the battle against Covid-19.

The story of one of our colleagues, David Young, a Support Worker from Caithness in Scotland, is also highlighted. The article highlights David's own personal sacrifices, explaining why he made the extraordinary decision to move into his greenhouse for the majority of the pandemic to protect those around him. Our incredible community partners also received a tribute for lightening the load in the most difficult of times. Partners, including the sporting giants Leeds Rhinos, Widnes Vikings, Liverpool FC, Middlesbrough FC and Portsmouth FC, all gave thousands of hours of support to our charity and we share more about this in the publication.

The eBook will be included in the British Library, allowing future generations to read about the sacrifices made by care workers throughout the crisis. CEO and Non-Executive Director for the National Care Forum, Mark Adams, said... *"Throughout the pandemic, care workers have been the backbone of society, many making huge personal sacrifices to ensure they continue to deliver world-class care and support to the most vulnerable. All of these stories highlight the huge challenges many have faced, and I hope this book will raise the profile of the incredible work our frontline carers do for society every day."*

You can read the NCF's Caring in Covid eBook by clicking on the following link:

<https://www.nationalcareforum.org.uk/ncf-caring-in-covid-project/>

## **Awards Success**

The charity was proud to have won or been shortlisted in twenty-one national awards and a whole host of the charity's people, teams, partnerships and projects were recognised across six different events, including the following:

### **National Care Awards**

- Outstanding Care in a Crisis - EachStep Blackley (Winner)
- Best Care Manager - Michelle Phillips
- Best Dementia Care Manager - Michelle Phillips
- Care Personality - Mark Adams (Winner)

### **Great British Care Awards**

- Care Employer - Community Integrated Care
- The Care Innovator Award - Community Integrated Care Learning Disability Super League
- Care Home Worker Award - Catherine Khan, Priors Court, Scotland (Highly Commended)
- Care Team Award - School Close
- The Putting People First Award - Pineview
- The Care Innovator Award - Tees Alive & Middlesbrough
- The Housing with Care Award - Audomar Bracho, Cherry Tree House
- Care Innovator - Community Integrated Care with Portsmouth FC
- Frontline Leaders Award - James Sainsbury

### **Skills For Care Accolades**

- Best Employer
- Most effective collaborative approach to new models of care for the Learning Disability Super League (Winner)

### **Digital Technology Awards**

- Best Non-For-Profit Digital Project

### **Internal Communication National Awards**

- Best Crisis Response - Coronavirus (Award of Excellence)
- Best Team (Award of Excellence)

### **Internal Communications North Awards**

- Best Campaign for #DareToShare (Commendation)
- Best video for our We Dare strategy launch (Commendation)
- Best In-House Team (Winner)
- Double win at the National Care Awards

The charity was honoured with two prestigious accolades at the 22nd National Care Awards and after a year of championing the social care sector in the national media, CEO, Mark Adams, won the 'Care Personality' award, which was selected by an independent panel and is given to the individual that the judges believe has made the biggest contribution to the care sector in the previous twelve months. The team at EachStep Blackley Care Home in Manchester was also recognised, winning the 'Outstanding Care in a Crisis' award, recognising the extraordinary efforts of everyone at the care home.

### **Age Exchange achievements 2020/21**

Age Exchange is a charity based in Blackheath, London. It's mission is to reduce isolation and loneliness, to promote intergenerational understanding, to improve the quality of life and care for older people and those with dementia, and to support carers to maintain their own health and wellbeing through the provision of reminiscence arts.

- Finalists in the Dementia Care Awards in the Outstanding Dementia Care Resource category for the Reminiscence Arts Activity Boxes, which had been created in response to the pandemic.
- The Caring Together service supported 150 people living with dementia and their carers virtually during the pandemic. The virtual day care service:
  - provided over 109,000 minutes of support calls to our Caring Together and day care services users;
  - delivered 1,476 reminiscence arts activity boxes and singing and movement DVDs; and
  - provided 1747 hours of support through zoom groups and face to face groups in the periods they were able to meet.
- Worked in partnership with The Tower Hamlets Carers Centre and The Diamond Club in Catford to support an additional 60 older people to find their 'Happy Place' through on-line reminiscence sessions and activity boxes.
- Provided training for a range of organisations including the Imperial War Musuem Network, South London and Maudsley NHS Trust, The Centre for Social Innovation in Poland, Goldsmiths University and The Royal Museums Greenwich.
- Launched an on-line art gallery called 'Lockdown' to showcase the creativity of people living with dementia and the work they had produced from the Age Exchange activity boxes, which can be viewed by clicking on this link - [www.ageexchangegallery.org.uk](http://www.ageexchangegallery.org.uk).
- Worked in partnership with Combat Stress to celebrate their 100-year anniversary creating a film and a series of podcasts to record the mental health journey of veterans with PTSD. The podcasts have been listened to nearly 5,000 times and the film has had seven virtual screenings during the year.
- Continued the aging volunteering programme, with 71% of volunteers saying they had made new friends volunteering at Age Exchange and 100% said they would recommend it to a family member or friend.
- Supported volunteers who were shielding, with weekly newsletters and support calls to keep them connected.

## Reaching new people

The charity established itself in East Sussex for the first time, with the opening of the newly redesigned Supported Living service, Greenacres. This purpose-built service includes six one-bedroom apartments with outdoor space, offering independent community living for people with learning disabilities and autism. Having undergone a huge re-development as part of the Transforming Care agenda, the service includes a number of bespoke elements aimed at delivering the most therapeutic living environment for those living there. Curved walls and modular furniture all feature in the bespoke apartments, aligning with the Positive Behavioural Model of Support. This collaboration with East Sussex County Council, NHS England and Inclusion Housing will return people, who have for decades lived outside of the county in institutionalised settings, back to their homes in East Sussex. COO of Independent Living, Karen Sheridan said... *“Our charity was founded in 1988 as one of the pioneers of the ‘Care in the Community’ agenda, with the continued aim of supporting people to leaving long-stay institutionalised settings to lead fuller, better lives in the community – and over 30 years on we’re honoured to continue doing that here at Greenacres. We exist to deliver world class support to people with care needs so they can live the best lives possible. That’s why we’re delighted to have worked so positively with our commissioning and housing partners, enabling people to move back to their home county alongside their family, friends and local community.”*

In the past 12 months, the charity has opened another 31 new services, supporting 162 people.

## Innovations in Care

For many, the events of 2020 understandably meant that opportunities for innovation were limited, however, the charity did not rest on its laurels. Instead, it continued to implement life-changing technology, forged new partnerships and met the demands of the pandemic with new ways of working. These included:

- **Nourish** - the roll-out of this digital care planning system was completed by the end of the year in all the Independent Living services, with just the Extra Care and EachStep Care teams still to reap the benefits of this transformative platform in 2021.
- **Hive** - we know that in order to do their best work, our colleagues need to feel listened to, informed and valued. Feedback is essential to making this happen, so we have always considered our engagement surveys a vital tool in this process. By partnering with engagement experts, Hive, we took our approach one step further and through Hive’s survey platform put the consultation process in the hands of our leaders, which meant at a local level that colleagues could play an active role the planning process.
- **Technology Enabled Care** - over the last decade, there have been major developments in the specialist assistive technologies available to social care providers. These are now so sophisticated in their capability that they allow organisations like ours to completely transform our product and create new models of care that are flexible, tailored to the person supported and sustainable in the future. Pre-pandemic, it had been intended that this would be a two-year project but following the first wave of the pandemic, the charity was approached by one of its commissioning partners in the North West to introduce a range of technology-based

innovations. This included the creation of a virtual care centre for the people we support, which was on-hand to provide both planned and ad-hoc video support when needed. Throughout 2021, we aim to introduce Technology Enabled Care approaches throughout the organisation, so that we can meet the needs of the sector as an innovative, modern and responsive care provider.

### **Bringing new experience to our team**

We welcomed new and familiar faces to our organisation to help continue driving the charity towards a better and brighter future, including:

**John Hughes** - who re-joined the charity as Director of Partnerships and Communities, having previously worked in the Marketing and Communications team for over a decade. In his new role, John leads the development and promotion of the charity's national corporate partnerships with major sporting, arts, cultural and academic institutions.

**Keith Rhodes** - who joined the Board of Trustees. Keith has held a number of roles throughout his career in financial services, primarily focussed on treasury activities, risk management, oversight and prudential regulation. This has included establishing appropriate frameworks and policies for the management and oversight of risks.

### **Remembering those we have lost**

The tragic impact of the pandemic has been felt far and wide. Despite seeing the very best of our charity and what it stands for throughout the crisis, the loss of life has been devastating. Throughout the pandemic, the charity has lost 117 much-loved people - 114 people we support and 3 colleagues. Each person who has passed away made a special contribution to the lives of everyone around them and all are missed. In these most difficult of times, our teams have pulled together to be there for each other and for loved ones, as well as continuing to provide the very best care to the people we support.

### **Paying tribute**

Whilst everyone who has lost someone special will grieve in their own way, we want to come together, as a family, to remember those we have lost, celebrate their lives and comfort the people who meant the most to them. When the time is right in 2021, we will unveil a permanent memorial to those who have passed away at our Head Office in Widnes and at our regional offices, where possible. We will open a permanent Book of Memoriam as a safe space to share feelings and memories, or simply to leave a message of condolence. Last but not least, we will be arranging a Celebration of Life Event to share our thoughts and feelings.

## 2.5 Supporters - thank you

We would like to express our thanks to those organisations and people who have supported the charity throughout year, including:

- Sport England
- SCVO
- Nesta
- Greater Manchester CVO
- Merseyside Sports Partnership
- Western Power
- Croda
- ACS
- Cheshire Community Fund
- B&Q
- National Lottery Foundation
- Renova
- Rugby Football League
- Super League
- Rugby League World Cup 2021
- Table Tennis England
- Widnes Vikings
- St Helens RFC
- Leeds Rhinos
- Portsmouth FC and Pompey in the Community Foundation
- Middlesbrough FC Foundation
- Liverpool FC Foundation
- EFL Trust
- Scotland RL
- NHS England
- Disability Rights UK
- Open Eye Gallery
- Alun Kirby
- Tadgh Devlin
- The Good Things Foundation
- Veolia
- Singa
- Modibodi
- Britvic
- Xiaomi
- Fane
- English Tea Shop
- BT
- Lunya
- Armitage CE Primary School
- Ilkay Gundogan
- Leroy Sane
- Peter Mata'utia
- Oliver Ashall-Bott and Georgina Stanway
- James and Ted Chapelhow
- Willie Isa
- Brian Carney
- Terry O'Connor

## 2.6 Financial Review

The financial results for the year are set out on pages 43 - 61.

The charity group (including Age Exchange) recorded total income for the year of £142,240k representing an increase of 8% on the year to 31 March 2020 (£131,365k). Total expenditure for the group (excluding exceptional items) increased by 7% to £141,745k (2020: £132,454k). Despite the significant headwinds faced by the charity in the year, it has seen a return to an operating surplus with net income of £495k excluding the exceptional impairment (2020: net expenditure £1,089k). It should be noted that £738k of the net income figure relates to surpluses generated on the sale of assets rather than a return on charitable activities. The charity had budgeted an operating surplus but in the context of the year, the charity is satisfied that its underlying activities are sustainable and that it should see a return to operational surplus in the year ahead.

The exceptional expenditure relates to the impairment of assets included in the sale of the Older Peoples Services (EachStep) division. The overall loss on sale will be £2.1m. As the assets have been separately valued in the sale, the impairment review takes place at individual asset level rather than the cash generating unit as a whole. £5.6m impairment is accounted for in the current year's accounts and a profit on sale of £3.5m will be accounted for in 2021/22

The charity group segments its results by operating division – a summary of the result for the year ended 31 March 2021 is presented below:

			£'000		
	Income	Operational staff costs	Direct costs	Support costs	Net Income
North West	35,548	28,195	2,534	4,407	412
North East	31,962	25,019	2,043	4,162	738
Scotland	24,716	18,185	1,197	3,369	1,965
South and Central	19,101	15,986	1,620	2,768	(1,273)
Older People Services	27,904	21,714	7,030	3,501	(4,341)
Coronavirus Job Retention Scheme	1,678				1,678
Grants, donations & fundraising	396				396
Other Income	935				935
Exceptional item- impairment of fixed assets				5,625	(5,625)
Loss on joint venture				12	(12)
	<u>142,240</u>	<u>109,099</u>	<u>14,424</u>	<u>23,844</u>	<u>(5,127)</u>

### Reserve policy

Group reserves as at 31 March 2021 have reduced to £33.8 m (2020: £38.1m). Within this balance are restricted reserves of £6.4 (2019: £7.4m) represented by a mixture of freehold and leasehold land and buildings donated to the charity by several local authorities and public bodies. Disposal of these buildings is subject to the approval of the donating authority.

Free reserves of the group as at 31 March 2021 stood at £5.7m. This is calculated as the unrestricted reserves of £27.2m less the carrying value of tangible fixed assets not covered by capital grants of £21.5m.

The charity adopted a revised reserves policy during the year. The policy requires the charity to meet both a capital adequacy test and liquidity ratio. These tests have been met and the Trustees are satisfied with the size of the reserve and the structure of the balance sheet. Trustees remain

committed to the reserves policy and will look to rebuild reserves from future surpluses. Trustees review the policy and level of reserves on a regular basis and consider it prudent and appropriate to recognise the need to maintain the policy under review, as the mix of assets and liabilities changes in the balance sheet as a result of the active management of the portfolio of services.

### **Investment policy**

The charity has the power to make investments which the Board of Trustees deem to be appropriate in meeting its charitable objectives. The Finance and Investment Committee ensures that procedures and safeguards are in place to ensure that the charity's resources are managed appropriately, are in accordance with its charitable purpose and that the return from assets and capital employed meets the expectations and approval of the Board of Trustees. The charity itself does not currently hold any financial investments but places surplus cash in interest bearing accounts with investment grade rated UK financial institutions. The group holds investments through an endowment fund within its subsidiary, Age Exchange, which is reviewed throughout the year by three of its Trustees. As at 31 March 2021, the investments were valued at £112k (2020: £94k).

### **Cash flow**

Net cash inflows from operating activities increased to £6.2m (2020: £4.4m), with a net inflow from investing activities at £1.5m (2020: £1.4m). Cash balances as at 31 March 2021 increased to £19.9m (2020: £12.7m).

### **Long term borrowing**

Secured loans have reduced to £3.1m (2020: 3.4m), including consolidation of long-term borrowing by Age Exchange of £328k.

### **Pension liabilities**

The charity is obliged under FRS102 to provide for its share of any reported pension deficit at the balance sheet date from those benefit schemes of which it is a member. The Local Government Pension Scheme for Dumfries and Galloways is in surplus of £63k as at 31 March 2021 (2020: deficit of £867k). The Local Government Pension Schemes for Greater Manchester reported combined net pension assets of £1.0m as at 31 March 2021 (2020: £1.2m). The charity is unable to recover any surplus in these schemes through either reduced contributions in the future or through funds from the scheme and therefore movements have not been recognised in the statement of financial activities (SOFA) for the year.

### **Subsidiary undertakings**

The charity has three active subsidiary undertakings, namely Person Centred Housing (PCH), Technology Integrated Care LLP (TIC) and Age Exchange (AE). PCH and AE are limited companies by guarantee with Community Integrated Care being the sole member. TIC is a subsidiary which is a 50% partner of a joint venture LLP.

### **Related parties and interests**

Details of related party transactions and interests in other group companies are set out in Note 21 on page 61.

### **Funds held on behalf of residents**

The charity has responsibility over residents' personal monies totalling £6.7m as at 31 March 2021 (2020: 6.1m) but does not have beneficial ownership. Therefore these funds, which are held as cash by banks other than the charity's principal banker, are excluded from the financial statements.

### **Trustee indemnity insurance**

The Board of Trustees has the benefit of Trustee indemnity insurance cover of £10m which is authorised in the Articles of Association. Such insurance was in force during the year ended 31 March 2021 and remains in force in relation to certain losses and liabilities, which the Trustees may incur to third parties in the course of acting as a Trustee (Director) of the charity or of any subsidiary undertaking.

### **Fundraising policy**

The charity's fundraising activity is largely represented by in-house events, legacies, corporate fundraising with local companies and national partners and gifts from trusts and foundations. It does not currently use professional fundraisers or commercial partners to help it deliver its work. The charity complies with current regulations and best practice set out by regulatory and professional membership bodies - The Fundraising Regulator, the Institute of Fundraising, the Scottish Charity Regulator (OSCR) and the Scottish Council for Voluntary Organisations (SCVO). Due to the nature and logistics of delivering fundraising across multiple sites, it is aware that the potential for breaches of fundraising compliance exist and manages and minimises these risks through implementing compliance policies with a focus on training and inductions for new starters, quality checking and audits. It engages proactively and works with the Fundraising Regulator and other professional bodies to ensure that any concerns raised are addressed as a priority. There has been one reported fundraising complaint received in the 2019/20 financial year, which has been addressed and the matter has now been closed. The charity employs a code of conduct to protect vulnerable people, which all fundraisers must adhere to, and has published its Adults in Vulnerable Circumstances Policy to ensure all staff have full guidance in this area. The charity's registration with the Fundraising Regulator and commitment to following, reviewing and consulting on the Code of Fundraising Practice includes safeguarding its supporters' interests.

## **2.7 Risk Management**

The charity's approach to risk management is based on the principle that risk management capability must be embedded across all areas of the charity to be effective. The charity operates a "Three Lines of Defence" model, through which we are clear on roles and responsibilities for managing risk. This is supported by a system of internal controls and regular assessments which are undertaken by second and third lines to confirm the effectiveness of the risk and control frameworks in relation to both the current and emerging risk profile. The Board's Audit and Risk Committee is responsible for oversight of the corporate risks and for the escalation of issues to the wider Board of Trustees.

Central to the risk culture is the safety and soundness of the charity, the high-quality support and care provided to the people we support and meeting obligations to stakeholders, including commissioners, regulators, the families of the people we support, colleagues and the communities in which the charity operates. The Board of Trustees and senior management team are responsible for setting and clearly communicating a strong risk culture through their actions and words, and proactively addressing any identified areas of weakness or concern.

The Risk Management strategy consists of:

- ensuring all principal, top and emerging risks are identified and assessed;
- ensuring risk appetite is clearly articulated and influences the charity’s strategic plan;
- a clearly defined risk culture which emphasises risk management throughout all areas of the business while maintaining independent oversight;
- ongoing analysis of the environment in which the charity operates to proactively address potential risk issues as they arise; and
- support for commercial decisions, colleagues and the people we support with appropriate risk processes, systems and controls.

Board assurance that the risk management framework is operating as expected is provided by internal audit which is conducted by a third party. As a result of the pandemic the internal audit plan was modified but nine audits were still completed, with all providing reasonable assurance, or better, that controls were operating effectively. The overall control opinion for the year provided by internal audit was that the charity had an adequate and effective framework for risk management, governance and internal control. Further enhancements were identified to ensure that it remains effective and these are being implemented.

**The principal risks the charity actively monitors and manages**

Principal risk category	Risk Appetite	How is this risk managed
<p><b>Quality of care</b> is the risk of not delivering the standard of care necessary to meet the needs of the people we support.</p>	<p>The charity is committed to providing good care and support. This involves a defined set of qualitative and quantitative objectives and supporting risk appetite measures, supported by contractual relationships with commissioners and regulatory oversight and inspection.</p>	<p>The effective management of this risk is at the core of the charity’s purpose. To this end, it has a comprehensive framework in place across first and second lines to ensure the risk operates within appetite. Oversight is provided by the Quality and Standards Committee with matters escalated to the Board as required. Supporting management of this risk is:</p> <p>Quality Assurance Framework supported by appropriate management information.  Adequate levels of resourcing to ensure contractual commitments can be delivered safely.  A comprehensive policy framework and supporting procedures.  Role specific training.  Whistleblowing policy and process.  Complaints management.  Services of concern process and critical issues log.</p>
<p><b>Financial resilience</b> is the risk of surplus and cash generation not meeting the operational and strategic needs of the charity and placing in</p>	<p>The charity business model is primarily an outsourced provider of social care to vulnerable people for local authorities. It is dependent upon public sector funding. The charity has a very limited appetite for financial risk and seeks to ensure that it retains a strong balance sheet and appropriate levels of liquidity to meet all</p>	<p>The Board approves the annual financial plan and supporting risk appetite measures. Ongoing oversight is provided by the Board Sub-Committees, in particular the Finance and Investment Committee. This includes the identification of non-core assets for disposal. Operational management of the risk is supported by:</p>

Principal risk category	Risk Appetite	How is this risk managed
jeopardy the ongoing viability of the charity.	liabilities as they fall due and ensure the ongoing viability of the business through the economic cycle. The charity seeks to ensure it has a diversified portfolio of contracts and actively manages concentration risk to ensure there is no overreliance on any particular contract or commissioner. Investment to meet the changing demands of the sector is funded by surplus generated from the ongoing operations of the charity and the disposal of assets regarded as non-core.	Budget process. Monthly financial reporting including detailed and appropriate MI. Forecasting to ensure an appropriate forward-looking view. Effective risk/reward assessment for all new commitments. Continuous review of the ongoing financial viability of individual services. Clearly articulated reserve, liquidity and borrowing policies approved by the Board and overseen by the Finance and Investment Committee.
<p><b>Compliance with regulatory and statutory requirements</b> is the risk of failing to identify, monitor and comply with relevant laws, regulations and expectations in the charity's operations, failure to engage effectively with regulators or inform them in a timely way of any failure to meet expectations, providing inaccurate, misleading or false information to regulators or statutory bodies or failing to respond to requests for information in a timely way.</p>	The charity operates in a highly regulated sector. Failure to meet these expectations would result in risk of harm to the people supported and the colleagues employed by the charity. It would result in unacceptable levels of reputational risk and could result in the closure of services and/or the charity. It therefore has no appetite for operating outside regulatory and statutory requirements or expectations.	<p>The charity aims to operate within the letter and spirit of regulatory requirements at all times. There are clear operating guidelines within the charity setting out how engagement with regulators and other statutory agencies is to take place, whenever a new service is made available or a new initiative is undertaken. Supporting this compliance is:</p> <p>An open and proactive relationship with regulators and other statutory bodies at all times. Active and ongoing management of the charity's market oversight rating from the CQC. Policies and procedures which reinforce a culture of regulatory compliance. A Quality Assurance Framework which reinforces compliance with regulatory and statutory requirements. Mandatory role specific training. Appropriate levels of resource to ensure that all statutory and regulatory expectations are met and that the charity operates in a safe and secure environment for the people it supports, its staff and other stakeholders. Safeguarding policy and training. A clear governance model which ensures appropriate oversight of all regulatory requirements.</p>
<b>People risk</b> is the risk of not having sufficiently skilled and motivated	The ability to manage this risk is heavily impacted by the available financial resources to recruit and retain the necessary capacity	The charity's risk management is focused on improving the quality of recruitment and improving the retention of staff. Oversight of this

Principal risk category	Risk Appetite	How is this risk managed
<p>colleagues who have the capabilities to deliver the services which the charity has contracted to deliver, who are clear on their responsibilities and accountabilities and who behave in a way that is aligned to the values and business purpose of the charity.</p>	<p>and capability to deliver services to the people supported. The charity is prepared to accept a high level of turnover and the employment of agency staff as a consequence of the challenging employment market from which it sources staff, recognising that this will mean that it will not always be able to deliver the highest quality of care to which it aspires.</p>	<p>risk is provided by the Board’s Workforce Committee. Supporting management of this risk at an operational level is:</p> <p>Charity-wide engagement strategies including GameChangers, recognition and long service schemes.</p> <p>Regular assessment of employee engagement through surveys and roadshows.</p> <p>Maintenance of a well-being fund to assist employees in difficulty.</p> <p>Implementation of an improved employee value proposition - “The Deal”.</p> <p>Investment in Learning and Development.</p> <p>Investment in recruitment and onboarding and induction to improve retention.</p>
<p><b>Strategic business risk</b> is the risk of significant loss and or damage (including to reputation) arising from the charity’s decisions that impact on the long-term interests of its stakeholders, from the failure to execute strategic plans or from an inability to adapt to a changing external development.</p>	<p>The charity operates in a high-risk sector, with a high reliance on public sector funding and in a rapidly evolving external environment with the potential for major structural change. It is engaged in the delivery of a strategic plan aimed at responding to these challenges by refocusing the charity and creating a platform for future sustainable growth. This will include ceasing to provide services where that cannot be undertaken profitably. This necessarily involves acceptance by the Board of a higher level of strategic risk than has been the case in the recent past and places significant management stretch across the whole organisation. Failure to deliver the plan would place the ongoing financial viability of the charity at risk.</p>	<p>Ownership of the strategy rests with the Board. The Board provides approval and ongoing oversight of the strategy through its regular meetings and supporting committees.</p> <p>Individual Executive Team members have specific responsibilities for the delivery of the different strategic initiatives.</p> <p>The charity has a business development function responsible for retaining existing profitable contracts and winning new profitable contracts.</p> <p>Reputation risk arising from the execution of the strategy, for example around the decision to cease to provide a service, is managed in the first instance by the CEO with escalation to the Board as required.</p> <p>Strategic Business Risk is overseen at Board level as a specific item on the Strategic Risk Register.</p> <p>The charity actively seeks to influence the development of public policy, led by engagement by the CEO and Chair with public sector bodies and key influencers.</p>
<p><b>Operational risk (including reliance on information and information security)</b> is the risk of loss resulting from inadequate or failed internal processes, projects and or systems or from</p>	<p>The charity is prepared to tolerate a level of operational risk exposure within agreed thresholds and limits. A level of resilience risk from internal and external events is tolerated. However, immediate steps are taken to minimise the impact on the people supported through recovery within defined timescales. Operational risks are likely to impact on the charity’s reputation and</p>	<p>The charity has a comprehensive set of policies which seek to identify operational risks and set out how they are to be managed and mitigated. This is supported by an enterprise-wide communication and training programme.</p> <p>Investment in systems and processes to ensure a satisfactory level of operational efficiency.</p> <p>Specific risk tolerances are agreed by the Executive Team and the Board, as appropriate.</p>

Principal risk category	Risk Appetite	How is this risk managed
external events including, for example, a cyber attack. It includes legal risk, and operational risks associated with the strategy. The primary responsibility for managing these risks rests in the first line in the delivery of services in accordance with the policies and procedures of the charity with oversight provided by the second line functions.	financial viability and tolerances need to be set accordingly.	Key risk tolerances are included within the annual risk appetite statement approved by the Board. Breaches of risk tolerance are escalated to the Board and its Sub-Committees as appropriate. A comprehensive information management and digital investment strategy including agreed protocols for the management of data, testing of new applications. This is supported by enterprise-wide Cyber Essentials accreditation and annual third-party penetration testing. The charity has an enterprise-wide Business Continuity Plan and Disaster Recovery Plan in place, which is tested regularly and reviewed annually by the Board.

## 2.8 Going concern and statutory statements

### Going Concern

Accounting standards require the Board of Trustees to consider the appropriateness of the going concern basis when preparing financial statements. In early 2020, the group began to be impacted by the Covid-19 pandemic and by March 2020 had decided to invest reserves in its front-line workforce through enhanced pay and sick-pay benefits, as well sourcing additional PPE and specialist decontamination services. During the year therefore, the financial and operational resilience of the group was well-tested. Since the year end, we have seen some additional costs persist but the annual budget predicts a return to surplus and we are confident this can be achieved. In order to consider the appropriateness of the going concern basis, we have prepared forecasts to, 30 November 2022. With a net cash position of £19.9m as at 31 March 2021 and a forecast that the balance will be in excess of £35m, the group is confident that it has adequate resources to continue operational activities for 12 months from the date of this report and that it has sufficient cash to meet all loan repayment commitments.

### Public Benefit

- The Board of Trustees has given due consideration to the Charity Commission’s published guidance on the operation of the public benefit requirement by looking at the charity’s activities undertaken during the year and can demonstrate that the services provided continue to have an identifiable benefit, are directly related to the aims of the charity, and that benefit is to the public or a section of the public. The Board of Trustees is satisfied that the charity meets the tests with regard to public benefit and that the charity provides tangible benefit to a large section of the public by providing care services for vulnerable adults, adults with learning difficulties, mental health concerns, autism or physical disabilities. It also provides care for the elderly in care homes and in the community, offering care for those with nursing, dementia and end of life palliative care requirements.

- Community Integrated Care is a not-for-profit organisation which encompasses services from northern Scotland to the south coast of England. The charity works with the vulnerable and challenging adults and does not restrict members of the public from being able to benefit by virtue of the ability to pay or where a person lives. One of the founding aims of the charity is to promote inclusion for individuals supported in the communities in which they live. This can be challenging due to the barriers relating to social exclusion such as stigma, access or discrimination. The charity helps to bridge this gap by building relationships in the community, by having a “can do” approach to integration and provides benefits to the people we support in community activities, including employment opportunities and education. It also offers opportunities to other members of the public through volunteering, community events and sharing the use of some of our facilities.
- The charity supports the establishment of social inclusion groups to empower the individual, which can be clearly identified through the care we provide and the partnerships we develop. All its services are publicly funded by Local Authorities, Health Authorities or Clinical Commissioning Groups, although it does care for a small number of self-funded members of the public. Its aim is to provide highest quality of care for anyone in need regardless of the service user’s situation. Care service contracts with public sector bodies must demonstrate value for money whilst also maintaining high standards of care.
- Our recognisable benefit is to those individuals who, for whatever reason, are unable to live independently and require support to ensure that they have fulfilled lives and the people we support are encouraged to try new things and to be independent. The charity continues to innovate and meet new challenges for the services it provides by, for example, the introduction of assistive technology and support to help individuals lead independent lives.
- The charity encourages the employment of those who live with a disability within the organisation and has established forums for the people supported to hold regular meetings and participate in peer review of the services we deliver. Such peer review reports form the basis of a powerful method of quality of care provided and assist in the development of innovative approaches to how future care and support could be delivered. As user involvement is now at the heart of health and social care policy, across Community Integrated Care this is at the heart of everything we do. Ideas continue to develop which reflect this theme, based on the principles of personalisation, co-production and empowerment and Community Integrated Care will continue to harness the voice of the people who choose to be supported by us to inform every element of the charity’s operations.

### **Post Balance Sheet Event**

On 21 June 2021 Community Integrated Care merged with Life Opportunities Trust, a £6m turnover social care charity based in Herefordshire.

## 2.9 Reference & Administration Details

### **Life President:**

Dr David Robertson

### **Board of Trustees:**

Elizabeth Raper (Chair)

Greg Beales (resigned 9 October 2020)

Teresa Fenech

Shaun Gallagher

Simon Learoyd

Nigel Lemmon

David McIntosh (Senior Independent Trustee)

Amanda de Ryk

Philip Smyth (Deputy Chair)

Heather Tierney-Moore

Keith Rhodes

Jay Muthu (appointed 22 June 2021)

Wallace Dobbin (appointed 22 June 2021)

Mandy Wearne (appointed 22 June 2021)

Sue Tunmore (appointed 22 June 2021)

### **Company Secretary:**

David Hedley

### **Chief Executive Officer:**

Mark Adams

### **Charity and Company registrations:**

England and Wales:

519996

Scotland:

SC039671

Company Registration Number:

02225727

### **Registered Office Address:**

Community Integrated Care

2 Old Market Court

Miners Way

Widnes

Cheshire

WA8 7SP

### **Principal Bankers:**

Lloyds Bank Plc

53 King Street

Manchester

M2 4LQ

### **Auditors:**

BDO LLP

### **Solicitors:**

Weightmans LLP

3 Hardman Street  
Spinningfields  
Manchester M3 3AT

100 Old Hall Street  
Liverpool  
L3 9QJ

**Internal Auditors:**

RSM Risk Assurance Services LLP  
Festival Way  
Festival Park  
Stoke-on-Trent ST1 5BB

**Investment Managers:**

Cazenove Capital Management  
12 Moorgate  
London  
EC2R 6DA

The charity's principal object is to promote, for the public benefit, the relief of those in need because of youth, age, ill-health, or disability throughout the United Kingdom. In December 2020, the charity's objects were amended by special resolution of the Board of Trustees and with Charity Commission and OSCR approval, to include the ability to raise public awareness of the needs and welfare of the people it supports, their family and carers.

## **2.10 Structure, Management & Governance**

### **Board of Trustees ("the Board")**

For the purposes of the Companies Act 2006, the Trustees are also the Directors of the charity. The Board consists of up to 15 Trustees, including the Chair, Deputy Chair and a Senior Independent Trustee, and has the diversity, expertise and experience to satisfy its legal obligations, safeguard the assets of the charity, provide leadership and strategic direction whilst complementing and supporting the Executive Team who manage the charity on a day-to-day basis.

A Trustee skills matrix is maintained by the Company Secretary and development opportunities are reviewed on a regular basis to ensure the Board continues to meet the changing needs and demands of the charity. An external governance review was commissioned in 2019 in accordance with the recommendations of the Charity Governance Code. It concluded that the Board was working effectively and the Board agreed to implement its recommendations in full. In the year, the Board has undertaken a performance evaluation of its effectiveness and of its Chair, comprising a written survey for completion by Trustees, 1:1 conversations between the Chair and Trustees, and 1:1 conversations between the Senior Independent Trustee and Trustees and the Executive Team. Its goals were to reaffirm that the governance arrangements were fit for purpose against the changing social care and charity landscape and that they remained consistent with the charity's aims and objectives.

Trustees are appointed by external advertisement and serve a three-year term before facing retirement or re-election up to a maximum of nine years in office. New Trustees receive a programme of induction which includes service visits, a presentation by the senior management team and access to an electronic reading room, which contains an overview of the charity and key documents concerning its constitution, governance arrangements and the roles and responsibilities of Trustees. The Trustees are not remunerated but do receive reasonable out of pocket expenses for attending Board meetings, in accordance with the Trustee expenses policy.

The Board meets at least four times a year to monitor performance against strategy, utilising a fully comprehensive suite of documents through which the charity meets its obligations to the Charities Commission and OSCR, satisfies the requirements of the Charities Act and company law, and delivers its underlying objectives and responsibilities stated within its Memorandum and Articles of

Association. Whilst the Board retains individual and collective responsibility for ensuring compliance and Board effectiveness, it delegates elements of risk management and gains additional assurance and recommendations through a scheme of delegation and the use of Sub-Committees, all of which have written terms of reference and which are reviewed and approved on an annual basis.

The charity follows the Charity Corporate Governance Code, adhering to its seven principles, as well as the five core principles of the Scottish Governance Code, as detailed below:

<b>England</b>	<b>Scotland</b>	<b>Activities</b>
Organisational purpose	Organisational purpose	The Board periodically reviews its charitable purposes and the strategic KPIs. The Board is clear about the charity's purpose and will deliver, through the strategy refresh, a clear and sustainable business plan.
Leadership	Leadership	The Board and individual Trustees take collective responsibility for decisions, making sure the charity's values are reflected in its work.
Integrity	Board behaviour	Collectively the Board is independent in its decision making, safeguards the charity's reputation and acts in the best interests of the charity and its stakeholders.
Decision-making, risk and control	Control	The Board has established and monitors effective delegation, control and risk assessment management systems. The Board is clear that its primary purpose is strategic.
Board effectiveness	Effectiveness	The Board regularly reviews its performance and works as an effective team, using a balance of skills, backgrounds and knowledge to make informed decisions.
Diversity		The Board has trustees with a wide variety of perspectives, experiences and skills and is

		supportive of the principles of equality and diversity.
Openness and accountability		The Board ensures the charity has legitimacy in representing its beneficiaries and stakeholders and takes seriously its responsibility for building public trust and confidence in its work.

### Sub-Committees

The Board of Trustees operates a number of Sub-Committees to support and deliver the organisation's strategic priorities through detailed understanding and assurance on specific areas of delegated risk and compliance. The following committees have been operational in the period. Sub-Committees meet quarterly and an outline of the terms of reference for each is noted below:

Audit and Risk Committee	Remuneration and Nominations Committee
Quality and Standards Committee	Workforce Committee
Finance and Investment Committee	Scotland Committee

**The Audit and Risk Committee** has three primary areas of responsibility: ensuring the accuracy of external financial reporting, including the relationship with external auditors; the appointment and oversight of internal auditors and oversight of the risk and control framework in the charity.

**The Quality and Standards Committee** acts as an oversight committee in connection with the regulatory compliance and delivery of care and support services and takes assurance that the charity is well led, with effective systems and processes in place in order to comply with health and social care legislation and best practice. The Committee reviews key performance indicators receives operational reports and monitors the complaints process and feedback from the people supported, their families and staff, to ensure that individuals lead rewarding lives and achieve the best possible outcomes.

**The Finance and Investment Committee** provides guidance and support at all stages of the business planning cycle, from formulating the strategic financial plan through to finalising the annual budget and business plan. The Committee reviews performance against plans and forecasts for the year, including an oversight of all significant projects involving both investment and divestment of resources and capital, seeking Board approval, as necessary. In conjunction with the above, the Committee monitors the level of reserves and liquidity against policy and reports its findings and recommendations to the Board accordingly.

**The Remuneration and Nominations Committee** is primarily responsible for ensuring good practices are in place in relation to all relevant legislative and regulatory requirements of the Board by establishing, amending and monitoring the corporate governance processes and practices of the organisation. The Committee has responsibility for the appointment, evaluation of performance and development of the Board, Trustees and the Executive Team and has delegated authority to determine the remuneration of the Chief Executive and the Executive Team and the approval and monitoring of systems for appraising the Executive Team.

**The Workforce Committee** scrutinises organisational development and workforce strategies and recommending approval to the Board. It is responsible for taking assurance that core human resource policies are regularly reviewed and are compliant with appropriate legislation/regulatory requirements including the CQC's Well Led Framework, the Care Inspectorate's National Care Standards and the Scottish Social Services Council Fit to Practice Framework. Workforce strategies include those for reward, pay and recognition and the Committee takes assurance that arrangements are in place to manage the workforce against agreed KPIs and that there is appropriate training, engagement and feedback from staff.

**The Scottish Committee** reviews delivery of the agreed strategy and improvement plans for Scotland against key internal milestones. The Committee considers plans and progress with organisational development in Scotland and oversees initiatives that are in place to develop relations, the corporate profile and partnership workings in Scotland.

### **Advisory groups**

The Board has the power to establish ad-hoc working groups and advisory Boards as and when required, utilising both internal and external professionals as necessary. During the year one such group was established (the Ethics Committee), with the purpose of advising on decisions relating to the regulations and restrictions brought about by the pandemic and to formulate the charity's policy response. The Committee met on three occasions during the pandemic. In addition, during a year which saw increased risks for the charity and often rapid changes in the legislative and regulatory landscape, a schedule of informal Board meetings was also established to maintain Board oversight in between the scheduled, formal Board meetings.

### **Executive Management structure**

The Chief Executive Officer is authorised to manage the charity on a day-to-day basis under a written scheme of delegation from the Board, which is reviewed annually. The Chief Executive Officer has an Executive Team which is responsible for the delivery of the strategic plan and it meets formally on a monthly basis, in order to review the key performance indicators for the organisation and to keep abreast of developments in the organisation generally. The Senior Leadership Team brings together the most senior managers from Operations and Support Services to further develop ownership and delivery of the strategic plan and meets with the Executive Team formally on a fortnightly basis.

### **Workforce**

As at 31 March 2021 the charity had a workforce headcount of 5,836 including regular bank staff. According to the report "*The state of the adult social care sector and workforce in England*" published in October 2020 by Skills for Care, the sector average colleague turnover is 30%. During the year the charity achieved retention of 80.7% giving a sector beating turnover of 19.3%. The charity uses employee Net Promoter Scores to measure employee engagement and achieved a score of +26 which is classed as "Excellence". Despite these achievements, the charity is all too aware of the workforce challenges facing the sector and will continue to invest in developing its employee value proposition.

### **Statement by the Trustees in performance of their statutory duties in accordance with s172(1) of the Companies Act 2006**

The Trustees consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the charity for the benefit of its members

as a whole (having due regard to the stakeholders and matters set out in s172(1) (a-f) of the Act) in the decisions taken during the year ended 31 March 2021. By reference to the strategic plan for 2018 to 2023 and the work being undertaken to refresh this with The Best Life Possible work referred to in this report:

- The plan is designed to have a long-term beneficial impact on the charity and to contribute to its success in delivering better quality, more person-centred services for the people we support. The seven indicators of success are further supported by the statement on the “Power of Three” – a strategic commitment that everything done is for the benefit of colleagues, people supported and communities.
- Colleagues are fundamental to everything the charity does and to providing the best quality care to the people it supports. We aim to be a responsible employer in our approach to the pay and benefits our colleagues receive. The health, safety and well-being of our colleagues is one of our primary considerations in the way we do business. This year the charity has continually asked what more could be done for colleagues to help with challenges they have faced and has invested in both the tangible (our coronavirus pay response) and the intangible (investment in wellbeing support and activities).
- As a charity regulated by the Care Quality Commission in England and the Care Inspectorate in Scotland, there is a duty to provide care services that are safe, effective, caring, responsive and well-led. The Trustees, in their decision making, always consider not only regulatory commitments but also what more can be done to improve the quality of services and for the people supported.
- The charity aims to act responsibly and fairly in dealing with suppliers by creating strategic relationships and operating fair payment principles, as well as open and transparent co-operation with regulators, all of whom are integral to the successful delivery of the strategic plan. We value all our suppliers and have annual contracts and quarterly service review meetings with our key suppliers.
- As Trustees are custodians of the charity, the strategic plan is intended to secure a robust and sustainable charity that will continue to be able to fulfil its purpose for many years to come. The impact upon decision making of this aim is clear delivered through Board and Sub-Committee structure, which has appropriate oversight of the both the investment and reserves policies. It is the intention to behave responsibly and ensure that management operate the business in a responsible manner and with the highest standards of business conduct and good governance by adopting a robust risk management process, setting and reviewing Board risk appetite and implementing specific measures to ensure compliance.
- With specific reference to the decision to dispose of the Older Peoples Services (EachStep) division, the Trustees have considered the historic and future markets trends related to publicly funded bed prices, the increasingly challenging regulatory environment and the surplus return generated by these assets and believe that the proceeds of sale can better serve the needs of the charity’s stakeholders through investment in independent and supported living services. The additional focus brought about by the sale will also allow greater efficiencies to be driven in back-office services in the future.
- The details of how the charity approached the key decisions in response to the Covid-19 pandemic is discussed in section 2.1 of the Trustees report (page 6)

## **Streamline Energy and Carbon Reporting (SECR)**

Under Statutory Instrument (SI 2018/1155) and the Environmental Reporting Guidelines, the charity is required to report on greenhouse gas emissions and energy consumption. In discharging duties under this and the Government's Energy Saving Opportunity Scheme, the charity engaged external expertise to review the portfolio of operating sites, calculate energy usage and provide actionable feedback on how to reduce the associated carbon footprint. The charity's energy and fuel usage were calculated at 16.9m kWh which equates to 3,340 tonnes of CO2 emitted or 6259 (2020: 8,309) kWh per person supported as at 31 March 2021. The calculation refers to all energy usage billed over the period with extrapolations used for missing periods and seasonality calculations in respect of gas usage. The charity continues to look for cost effective ways of reducing its carbon footprint and is committed as part of The Best Life Possible strategy to reduce carbon emissions. During the year, the charity has significantly reduced business mileage from 1.2 million miles claimed to less than 400,000 and we will seek to embed this within new ways of working wherever possible – this is in addition to our annual update of our owned fleet to more fuel-efficient vehicles which saw 82 (2020: 132) motor vehicles replaced.

### **2.11 Statement of Trustee Responsibilities**

The Trustees (who are also directors of Community Integrated Care 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 charity and of the incoming resources and application of resources, including the income and expenditure account, of the group over 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- give due consideration to Charity Commission published Guidance and The Office of the Scottish Charity Regulator on the operation of the Public Benefit requirement; and
- 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) regulations 2006 (as amended). 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Statement as to disclosure of information to auditors

In so far as the Trustees are aware at the time of approving the Trustees' Annual Report:

- there is no relevant information, being information needed by the auditor in connection with preparing the report, of which the group's auditor is unaware; and
- the Trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### Auditors

The Board intend to perform a competitive tender process to appoint Auditors for the year ended 31 March 2022 and beyond. A resolution to appoint will be proposed at the Trustee Board Meeting to be held on 8 December 2022.

The Annual Report of the Trustees of the Community Integrated Care was approved by the Trustees of Community Integrated Care and signed on their behalf by:

Elizabeth Raper:   
Chair of Trustees

Date: 11 November 2021

## **2.12 Auditors Report**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF COMMUNITY INTEGRATED CARE**

#### **Opinion on the financial statements**

In our opinion, the financial statements:

- Give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

We have audited the financial statements of Community Integrated Care ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, parent statement of financial activities, group and parent statement of financial position, consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

#### **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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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.

## **Conclusions related to going concern**

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

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

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

## **Other information**

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

We have nothing to report in this regard.

## **Other Companies Act 2006 reporting**

In our opinion, based on the work undertaken in the course of the 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, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, 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:

As a part of our audit in accordance with United Kingdom Generally Accepted Accounting Practice; and requirements of the Companies Act 2006 we exercise professional judgement and maintain professional scepticism throughout the audit. Based on our understanding and accumulated knowledge of the Charity and the sector in which it operates we considered the risk of acts by the Charity which were contrary to applicable laws and regulations, including fraud and whether such actions or non-compliance might have a material effect on the financial statements. These included but were not limited to those that relate to the form and content of the financial statements, such as the Charities SORP 2019, Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)

the UK Companies Act 2006 and those that relate to the payment of employees. All team members were briefed to ensure they were aware of any relevant regulations in relation to their work.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries, management bias in accounting estimates and improper revenue recognition associated with year-end cut-off. Our audit procedures included, but were not limited to:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to recoverability of debtors and valuation and completeness of deferred revenue;
- Revenue year end cut-off procedures;
- Identifying and testing journal entries, in particular any journal entries posted with specific unusual narrative, manual journals to revenue and cash, and review of journals posted to least used accounts;
- Discussions with management; including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Obtained an understanding of how the Charity is complying with those legal and regulatory frameworks such as Companies Act 2006 & Employment Taxes Act by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and other evidence gathered during the course of the audit;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control; and
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## 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, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
*Hamid Ghafoor*  
Signed: 84F5AA2CB0G049D...

Hamid Ghafoor (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Manchester, UK

Date: 30 November 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Community Integrated Care

Consolidated Statement of Financial Activities  
(Incorporating an Income and Expenditure Account )  
for the year ended 31 March 2021

		Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	TOTAL 2021 £'000	Unrestricted funds 2020 £'000	Restricted funds 2020 £'000	TOTAL 2020 £'000
	Note						
<b>Income</b>							
Income from charitable activities	2	140,909	396	141,305	130,211	720	130,931
Other income	3	935	-	935	434	-	434
<b>Total income</b>		<b>141,844</b>	<b>396</b>	<b>142,240</b>	<b>130,645</b>	<b>720</b>	<b>131,365</b>
<b>Expenditure</b>							
Charitable activities		146,957	398	147,355	131,884	539	132,423
- Charitable activities excluding exceptional		141,332	398	141,730	131,884	539	132,423
- Exceptional impairment of fixed assets		5,625	-	5,625	-	-	-
(Profit)/Loss on joint venture		12	-	12	31	-	31
<b>Total expenditure</b>	4	<b>146,969</b>	<b>398</b>	<b>147,367</b>	<b>131,915</b>	<b>539</b>	<b>132,454</b>
<b>Net (expenditure) / income</b>		<b>(5,125)</b>	<b>(2)</b>	<b>(5,127)</b>	<b>(1,270)</b>	<b>181</b>	<b>(1,089)</b>
Transfer between funds		840	(840)	-	409	(409)	-
<b>Other recognised gains / (losses)</b>							
Actuarial gains/ (losses) on defined benefit pension scheme	19c	902	-	902	(298)	-	(298)
<b>Net movement in funds</b>		<b>(3,383)</b>	<b>(842)</b>	<b>(4,225)</b>	<b>(1,159)</b>	<b>(228)</b>	<b>(1,387)</b>
<b>Reconciliation of funds:</b>							
Total fund balances at 1 April		30,674	7,382	38,056	31,833	7,610	39,443
<b>Total fund balances at 31 March</b>		<b>27,291</b>	<b>6,540</b>	<b>33,831</b>	<b>30,674</b>	<b>7,382</b>	<b>38,056</b>

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

Community Integrated Care

Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the year ended 31 March 2021

		Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	TOTAL 2021 £'000	Unrestricted funds 2020 £'000	Restricted funds 2020 £'000	TOTAL 2020 £'000
	Note						
<b>Income</b>							
Income from charitable activities	2	140,614	119	140,733	130,002	335	130,337
Other income	3	868	-	868	332	-	332
<b>Total income</b>		<b>141,482</b>	<b>119</b>	<b>141,601</b>	<b>130,334</b>	<b>335</b>	<b>130,669</b>
<b>Expenditure</b>							
Charitable activities		146,727	56	146,783	131,535	146	131,681
- Charitable activities excluding exceptional		141,102	56	141,158	131,535	146	131,681
- Exceptional impairment of fixed assets		5,625	-	5,625	-	-	-
<b>Total expenditure</b>	4	<b>146,727</b>	<b>56</b>	<b>146,783</b>	<b>131,535</b>	<b>146</b>	<b>131,681</b>
<b>Net (expenditure) / income</b>		<b>(5,245)</b>	<b>63</b>	<b>(5,182)</b>	<b>(1,201)</b>	<b>189</b>	<b>(1,012)</b>
Transfer between funds		840	(840)	-	409	(409)	-
<b>Other recognised gains / (losses)</b>							
Actuarial gains/ (losses) on defined benefit pension scheme	19c	902	-	902	(298)	-	(298)
PCH intercompany write off		-	-	-	0	-	-
<b>Net movement in funds</b>		<b>(3,503)</b>	<b>(777)</b>	<b>(4,280)</b>	<b>(1,090)</b>	<b>(220)</b>	<b>(1,310)</b>
<b>Reconciliation of funds:</b>							
Total fund balances at 1 April		29,665	7,419	37,084	30,755	7,639	38,394
<b>Total fund balances at 31 March</b>		<b>26,162</b>	<b>6,642</b>	<b>32,804</b>	<b>29,665</b>	<b>7,419</b>	<b>37,084</b>

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

# Community Integrated Care

## Statement of Financial Position (Consolidated and Charity)

Company No. 2225727

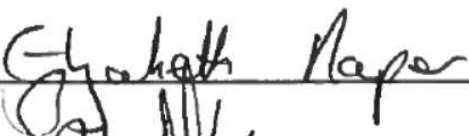
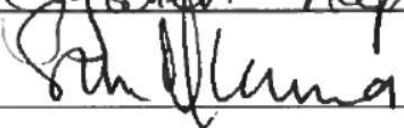
as at 31 March 2021

	Note	Group		Charity	
		2021	2020	2021	2020
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	9	27,617	36,961	26,234	35,550
Intangible assets	10	-	-	-	-
Investments					
- Investments in group undertakings	11 / 23	7	19	1	1
- Other investments	11	112	94	-	-
		<u>27,736</u>	<u>37,074</u>	<u>26,235</u>	<u>35,551</u>
<b>Current assets</b>					
Stock		3	2	-	-
Debtors recoverable within one year	12	9,711	11,265	9,671	11,239
Cash at bank and in hand		<u>19,894</u>	<u>12,678</u>	<u>19,756</u>	<u>12,616</u>
		29,608	23,945	29,427	23,855
Debtors recoverable after one year	12	51	51	100	89
<b>Creditors:</b>					
Amounts falling due within one year	13	<u>20,606</u>	<u>18,878</u>	<u>20,466</u>	<u>18,744</u>
<b>Net current assets</b>		9,053	5,118	9,061	5,200
<b>Total assets less current liabilities</b>		<u>36,789</u>	<u>42,192</u>	<u>35,296</u>	<u>40,751</u>
<b>Creditors:</b>					
Amounts falling due after more than one year	14	<u>2,958</u>	<u>3,269</u>	<u>2,492</u>	<u>2,800</u>
		2,958	3,269	2,492	2,800
<b>Net assets excluding pension liability</b>		33,831	38,923	32,804	37,951
Defined benefit pension scheme liability	19d	<u>-</u>	<u>867</u>	<u>-</u>	<u>867</u>
<b>Net assets</b>		<u>33,831</u>	<u>38,056</u>	<u>32,804</u>	<u>37,084</u>
<b>Reserves</b>					
Unrestricted funds	16	27,291	30,674	26,162	29,665
Restricted funds	16	<u>6,540</u>	<u>7,382</u>	<u>6,642</u>	<u>7,419</u>
<b>Total funds</b>		<u>33,831</u>	<u>38,056</u>	<u>32,804</u>	<u>37,084</u>

11 November 2021

The financial statements were approved and authorised for issue by the board of Trustees on ..... and signed on their behalf by:

E. Raper (Chair)

S. Learoyd (Chair of Audit & Risk Committee)

## Community Integrated Care

### Consolidated Statement of Cash Flows

for the year ended 31 March 2021

	<b>2021</b>	2020
	<b>£'000</b>	£'000
<b>Operating activities:</b>		
Net (expenditure) before other recognised gains & losses	<b>(5,127)</b>	(1,089)
Depreciation	2,947	2,878
Amortisation	-	-
(Profit)/Loss on investments	(7)	43
Property impairment	5,625	-
Age Exchange fair value adj	-	-
Gifted fixed assets	-	-
Gifted intangible assets	-	-
Loan interest paid	179	368
Bank interest received	(20)	(92)
Defined benefit pension scheme staff cost charges	111	183
Defined benefit pension scheme interest	(7)	(12)
Payment to defined benefit pension scheme	(69)	(84)
Decrease in stock	(1)	(1)
Decrease in debtors	1,554	1,052
Increase in creditors	1,716	1,154
Decrease in provisions for liabilities	(5)	(5)
Profit on sale of tangible fixed assets	(738)	(44)
<b>Net cash inflow from operating activities</b>	<b>6,158</b>	4,351
<b>Investing activities:</b>		
Payments to acquire tangible fixed assets	(2,491)	(3,371)
Receipts from sales of tangible fixed assets	4,002	4,759
Investment in joint venture	-	(50)
Cash acquired on acquisition	-	-
Bank interest received	20	92
<b>Net cash inflow/ (outflow) from investing activities</b>	<b>1,531</b>	1,430
<b>Financing activities:</b>		
Loan received	-	3,300
Repayment of borrowing	(294)	(4,471)
Loan interest paid	(179)	(368)
<b>Net cash inflow/ (outflow) from financing activities</b>	<b>(473)</b>	(1,539)
<b>Cash inflow / (outflow) in year</b>	<b>7,216</b>	4,242
Cash at bank and in hand at the beginning of the reporting period	12,678	8,436
Cash at bank and in hand at the end of the reporting period	19,894	12,678

**Community Integrated Care**  
**Notes to the financial statements**

for the year ended 31 March 2021

**1. Accounting policies**

Community Integrated Care is a charitable company incorporated in England and Wales under the Companies Act. The Charity is a Public Benefit Entity. The address of the registered office is given on the contents page and the nature of the group's operations and its principal activities are set out in the strategic report.

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

**(a) Basis of preparation**

The financial statements have been prepared in accordance with FRS102 the Financial Reporting Standard applicable in the United Kingdom, the Companies Act 2006 and the Statement of Recommended Practice "Accounting by Charities" (the "SORP") issued in October 2019 under the historical cost convention.

The Charity has availed itself of Paragraph 4 (1) of Schedule 1 of Statutory Instrument 2008 No. 410 and adapted the Companies Act formats to reflect the special nature of the Charity's activities. The charity has taken advantage of the reduced disclosure exemption in paragraph 1.12(b) of FRS 102, meaning it does not need to produce an individual cash flow statement.

**(b) Preparation of accounts on a going concern basis**

In order to consider the appropriateness of the going concern basis the Charity has prepared and reviewed a scenario analysis looking at worst case, best case and expected case scenarios. In a worst-case scenario whilst it would see the Charities reserves and cash position impacted significantly it would not affect going concern over the medium and long-term. Activity since the scenario analysis review has confirmed that the expected case of achieving a break-even position in the year to March 2021 remains the most likely outcome. With a net cash position of £19.9m at 31 March 2021 and forecast gross balances that are forecast to increase to an excess of £35m the Charity is confident that it has adequate resources to continue operational activities for the foreseeable future and that it has sufficient cash to meet all loan repayment commitments and bank covenants subject to lender review of interest cover within the Age Exchange subsidiary. Thus after making enquiries and having reviewed the Charity's forecasts and projections to November 2022, the Trustees have adopted the going concern basis of accounting in preparation of the financial statements.

**(c) Group consolidated financial statements**

The Group financial statements consolidate the funds of the Charity and its subsidiary companies. The subsidiary companies consolidated within the Group financial statements include Person Centred Housing Limited and Age Exchange, whose results and net assets have been included on a line by line basis as the Charity controls the subsidiaries. Technology Integrated Care, a subsidiary acquired during the year, has also been included within the Group results. No subsidiaries were disposed of in the year, or the preceding year.

**(d) Company status**

The Charity is a company limited by guarantee and has no share capital. The Trustees are elected from the members of the company. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £5 per member of the Charity.

**(e) Fund accounting**

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

Designated funds are transferred from general unrestricted funds for specific purposes, based on available cost information. These amounts are monitored annually.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors, or which have been raised by the Charity for particular purposes. This fundraising has created the expectation that resources generated would be used for specific purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**(f) Incoming Resources**

All incoming resources are included in the SOFA when the Charity is legally entitled to the income, when the amount can be quantified with reasonable accuracy and when the amount is likely to be received.

Income from charitable activities includes all income that directly supports the Charity's primary purpose of trading. This is largely made up of, but is not limited to, grants receivable from Local Government bodies and the National Health Service as well as privately funded care. The analysis of income from charitable activities (note 2) is reported on by geographical region for independent living services with older people services (Eachstep) and Government Coronavirus Job Retention Scheme income being reported on separately.

All grants, donations, rental income and contractual payments are included on a receivable basis. Income received for expenditure in future accounting periods is deferred.

Other Grants are recognised as and when conditions for their release are fulfilled.

## Community Integrated Care

### Notes to the financial statements

for the year ended 31 March 2021

#### (g) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on the same basis as expenditure incurred directly in undertaking an activity. Overheads are apportioned to each operational scheme in accordance with the terms of the contract.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity, and are allocated to each category based upon the relevant proportion of turnover.

Governance costs are those incurred in connection with the administration of the Charity and compliance with constitutional and statutory requirements.

A liability is recognised when the Charity is legally committed at the balance sheet date as a result of a past event.

#### (h) Intangible assets

Goodwill arising on an acquisition of a business is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised through the SOFA over the Trustees' estimate of its useful economic life which will not be more than 5 years.

#### (i) Tangible fixed assets and depreciation

Capitalisation:

Tangible fixed assets costing more than £1,000 are capitalised and included at cost along with any incidental expenses of acquisition.

Valuation:

Tangible fixed assets are measured at historical cost.

Depreciation:

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value on a straight line basis over their expected useful economic lives, as follows:

Freehold buildings- 50 years

Leasehold land and buildings- over the lease term

Fixtures and fittings- 5 years or 10 years

Motor vehicles- 4 years

Computer equipment- 3 -10 years

Assets under construction are not depreciated until completion of the build.

Impairments are separately identified and charged to the funds of the Charity when the carrying amount is greater than the recoverable amount.

#### (j) Donated assets

Assets donated to the group are recognised at their fair value at the date they are gifted. Where assets are donated from another charitable entity, the fair value of any donated assets and liabilities is recognised within Donations within the SOFA.

#### (k) Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

#### (l) Leased assets - Lessor

Where assets are leased to a third party and give rights approximating to ownership (finance leases), the assets are treated as if they had been sold outright. All other leases are treated as operating leases. The annual rentals are credited to the SOFA on a straight line basis over the term of the lease, with the leased asset accounted for in accordance with the policy for tangible fixed assets.

#### (m) Cash at bank and in hand

Cash at bank and in hand is classified as a basic financial instrument and is measured at face value.

#### (n) Pension contributions

The Company's participating employees are either members of the Group's defined contribution scheme or members of one of the defined benefit schemes.

For defined benefit schemes the amounts charged in resources expended are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs, to the extent that they have not previously been recognised, are recognised immediately in the SOFA if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount within finance costs which are included in resources expended. Actuarial gains and losses are recognised immediately in the 'Other recognised gains and losses'.

**Community Integrated Care**  
**Notes to the financial statements**  
for the year ended 31 March 2021

**(o) Pension contributions (continued)**

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Group, in separate trustee-administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. Pension scheme assets are included in the balance sheet, but surpluses in any scheme (i.e. the amount by which assets exceed liabilities) are only included to the extent that the surplus may be recovered by reduced further contributions or to the extent that the Trustees have agreed a refund from the scheme at the balance sheet date. Pension scheme liabilities are recognised to the extent that the Group has a legal or constructive obligation to settle the liability.

**(p) Judgements in applying accounting policies and key sources of estimation of uncertainty**

In preparing these financial statements the directors have made judgements where appropriate. The judgement subject to the greatest uncertainty is the impairment of property values associated with the post balance sheet sale of the care homes that make up our Eachstep division. Each individual asset has been separately valued and individually assessed for impairment as part of the sale. In instances where the recoverable amount is less than the carrying amount, an impairment loss has been recognised.

Other key sources of estimation uncertainty include: the actuarial assumptions in respect of defined benefit pension schemes - The application of actuarial assumptions relating to defined benefit pension schemes is incorporated in the financial statements in accordance with FRS 102. In applying FRS 102, advice is taken from independent qualified actuaries. In this context, significant judgement is exercised in a number of areas, including future changes in salaries and inflation, mortality rates and the selection of appropriate discount rates.

Classification of leases - whether leases entered into as lessee, is operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Depreciation of tangible fixed assets and impairment – Tangible fixed assets are depreciated over their useful lives taking into account residual lives, where appropriate. The actual lives of the assets and residual lives are assessed annually and may vary depending upon a number of factors. In assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. In considering whether indications of impairment exist, factors taken into consideration include the economic viability and expected future performance of the asset.

**(q) Financial Instruments**

Financial instruments of the Group are measured at amortised cost. Financial assets comprise cash, trade debtors and other debtors. Financial liabilities comprise bank loans, trade creditors, other creditors and accruals. Financial assets and financial liabilities are recognised when Community Integrated Care becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). Community Integrated Care only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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

Creditors and provisions are recognised where Community Integrated Care 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 normally recognised at their settlement amount after allowing for any trade discounts due.

## Community Integrated Care

### Notes to the financial statements

for the year ended 31 March 2021

#### 2 Analysis of income from charitable activities

	GROUP		CHARITY	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
<u>Unrestricted</u>				
North West	35,548	30,908	35,548	30,908
North East	31,962	30,346	31,937	30,334
Scotland	24,716	21,199	24,716	21,199
South and Central	19,101	14,772	18,831	14,575
Older People Services	27,904	32,986	27,904	32,986
Coronavirus Job Retention Scheme	1,678	-	1,678	-
	<u>140,909</u>	<u>130,211</u>	<u>140,614</u>	<u>130,002</u>
<u>Restricted</u>				
Grants, donations and fundraising	<u>396</u>	<u>720</u>	<u>119</u>	<u>335</u>

3 Other income	GROUP		CHARITY	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Management Fee	-	-	6	10
Sundry	177	298	108	191
Net gain on disposal of fixed assets	738	44	738	44
Bank interest	20	92	16	87
	<u>935</u>	<u>434</u>	<u>868</u>	<u>332</u>

#### 4 a) Analysis of expenditure

	GROUP			
	Operational staff costs £'000	Direct costs £'000	Support costs £'000	2021 Total £'000
<b>Costs of charitable activities</b>				
Exceptional impairment of fixed assets	-	-	5,625	5,625
(Profit)/Loss on joint venture	-	-	12	12
North West	28,195	2,534	4,408	35,137
North East	25,019	2,043	4,162	31,224
Scotland	18,185	1,197	3,369	22,751
South and Central	15,986	1,620	2,768	20,374
Older People Services	21,714	7,030	3,500	32,244
	<u>109,099</u>	<u>14,424</u>	<u>23,844</u>	<u>147,367</u>
<b>Costs of charitable activities</b>				
(Profit)/Loss on joint venture	-	-	31	31
North West	23,979	2,167	3,877	30,023
North East	23,630	1,651	4,003	29,284
Scotland	15,747	1,071	3,063	19,881
South and Central	11,761	1,417	2,606	15,784
Older People Services	25,401	7,914	4,136	37,451
	<u>100,518</u>	<u>14,220</u>	<u>17,716</u>	<u>132,454</u>
	CHARITY			
	Operational staff costs £'000	Direct costs £'000	Support costs £'000	2021 Total £'000
<b>Costs of charitable activities</b>				
Exceptional impairment of fixed assets	-	-	5,625	5,625
North West	28,195	2,534	4,410	35,139
North East	25,019	2,025	4,164	31,208
Scotland	18,185	1,197	3,370	22,752
South and Central	15,700	1,536	2,578	19,814
Older People Services	21,714	7,030	3,501	32,245
	<u>108,813</u>	<u>14,322</u>	<u>23,648</u>	<u>146,783</u>
<b>Cost of charitable activities</b>				
North West	23,979	2,167	3,878	30,024
North East	23,630	1,637	4,003	29,270
Scotland	15,747	1,071	3,063	19,881
South and Central	11,494	1,203	2,357	15,054
Older People Services	25,401	7,915	4,136	37,452
	<u>100,251</u>	<u>13,993</u>	<u>17,437</u>	<u>131,681</u>

Community Integrated Care

Notes to the financial statements  
for the year ended 31 March 2021

5 Analysis of support costs

The charity allocates its support costs as shown in the table below. Regional Office costs are allocated to the relevant region.  
Support Service costs are apportioned between the regions based on the percentage of income per region.

	GROUP					Total 2021 £'000
	Finance & Legal £'000	Human Resources & Training £'000	Information Technology £'000	Facilities Management £'000	Administration £'000	
Exceptional impairment of fixed assets	5,625	-	-	-	-	5,625
(Profit)/Loss on joint venture	12	-	-	-	-	12
North West	392	1,257	641	191	1,926	4,407
North East	352	1,130	576	172	1,932	4,162
Scotland	273	873	446	133	1,644	3,369
South and Central	210	670	350	138	1,400	2,768
Older People Services	308	987	503	149	1,554	3,501
	<u>7,172</u>	<u>4,917</u>	<u>2,516</u>	<u>783</u>	<u>8,456</u>	<u>23,844</u>

	GROUP					Total 2020 £'000
	Finance & Legal £'000	Human Resources & Training £'000	Information Technology £'000	Facilities Management £'000	Administration £'000	
(Profit)/Loss on joint venture	31	-	-	-	-	31
North West	382	1,167	491	170	1,667	3,877
North East	375	1,145	482	166	1,835	4,003
Scotland	262	800	337	116	1,548	3,063
South and Central	203	550	242	149	1,462	2,606
Older People Services	407	1,245	524	180	1,780	4,136
	<u>1,660</u>	<u>4,907</u>	<u>2,076</u>	<u>781</u>	<u>8,292</u>	<u>17,716</u>

	CHARITY					Total 2021 £'000
	Finance & Legal £'000	Human Resources & Training £'000	Information Technology £'000	Facilities Management £'000	Administration £'000	
Exceptional impairment of fixed assets	5,625	-	-	-	-	5,625
North West	394	1,257	641	191	1,926	4,409
North East	354	1,130	576	172	1,932	4,164
Scotland	274	873	446	133	1,644	3,370
South and Central	208	667	339	101	1,263	2,578
Older People Services	309	987	503	149	1,554	3,502
	<u>7,164</u>	<u>4,914</u>	<u>2,505</u>	<u>746</u>	<u>8,319</u>	<u>23,648</u>

	CHARITY					Total 2020 £'000
	Finance & Legal £'000	Human Resources & Training £'000	Information Technology £'000	Facilities Management £'000	Administration £'000	
North West	382	1,168	491	170	1,667	3,878
North East	375	1,145	482	166	1,835	4,003
Scotland	262	800	337	116	1,548	3,063
South and Central	180	550	232	80	1,315	2,357
Older People Services	407	1,245	524	180	1,780	4,136
	<u>1,606</u>	<u>4,908</u>	<u>2,066</u>	<u>712</u>	<u>8,145</u>	<u>17,437</u>

Analysis of governance costs

	GROUP		CHARITY	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Audit and accountancy fees	63	59	49	45
Legal costs	14	90	14	90
	<u>77</u>	<u>149</u>	<u>63</u>	<u>135</u>

Audit and non audit services

	GROUP		CHARITY	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Statutory audit of parent and consolidated accounts	56	52	-	-
Tax Services	4	7	-	-
Other	-	-	-	-
	<u>60</u>	<u>59</u>	<u>-</u>	<u>-</u>

6 Other costs and income

	GROUP		CHARITY	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Operating lease rentals plant & machinery	96	93	92	89
land & buildings	864	640	864	640
Depreciation - Owned assets	2,636	2,559	2,608	2,529
leased assets- land & buildings	311	319	311	319
Loan interest	179	368	172	358
Defined benefit pension- expected return on assets less interest on obligation	(7)	(12)	(7)	(12)
Rent received	(190)	(317)	(158)	(250)
Net gain on disposal of fixed assets	(206)	(180)	(206)	(224)

The loan interest includes an annual payment made for two donated Salford services which totals £107k.

## Community Integrated Care

### Notes to the financial statements

for the year ended 31 March 2021

#### 7 Staff costs

	GROUP		CHARITY	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Wages and salaries	104,412	94,225	104,032	93,855
Social security costs	8,369	7,437	8,344	7,410
Other pension costs - contributions to defined contribution schemes	2,198	1,989	2,184	1,975
- defined benefit pension scheme charges	111	183	111	183
	<u>115,090</u>	<u>103,834</u>	<u>114,671</u>	<u>103,423</u>

The figures shown above represent all staff costs for the Group and Company including operational staff costs, as shown in Note 4, together with costs relating to staff who work in support services and regional offices, which are incorporated within the support cost figures in note 5.

Redundancy costs incurred by CIC amounting to £247,594 (2020: £129,519) are included in the above figures.

Employee benefits incurred by CIC, comprising company cars and health insurance, amounting to £33,178 (2020: £43,330) are included in the above figures.

Agency costs incurred by CIC amounting to £6,669,724 (2020: £8,193,022) are not included in the analysis above. These costs are incurred to provide cover for staff on annual leave or additional hours required on contracts.

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	GROUP		CHARITY	
	2021 number	2020 number	2021 number	2020 number
£60,001 - £70,000	2	6	1	5
£70,001 - £80,000	6	3	6	3
£80,001 - £90,000	5	3	5	3
£90,001 - £100,000	2	1	2	1
£100,001 - £110,000	1	1	1	1
£110,001 - £120,000	2	3	2	3
£120,001 - £130,000	-	-	-	-
£130,001 - £140,000	1	-	1	-
£140,001 - £150,000	2	-	2	-
£180,001 - £190,000	-	1	-	1
£190,001 - £200,000	1	-	1	-
	<u>22</u>	<u>18</u>	<u>21</u>	<u>17</u>

All employees earning more than £60,000 contributed to a personal pension scheme. The Charity contributed £116,690 (2020: £112,072) on their behalf.

Total earnings of key management personnel in the year amounted to £1,810,377 (2020: £1,514,655).

No directors are part of the defined benefit pension scheme.

The Trustees did not receive any remuneration from the charity. Trustees are reimbursed for expenditure incurred in attending Trustee meetings or visiting the Group's homes and facilities in their roles as Trustees. These costs related to 9 Trustees and amounted to £752 in the year (2020: £19,277).

The number of full and part-time employees, calculated on a monthly average basis, was;

	GROUP		CHARITY	
	2021 number	2020 number	2021 number	2020 number
Operational staff	5,312	5,050	5,299	5,038
Administration and support	500	440	495	434
	<u>5,812</u>	<u>5,490</u>	<u>5,794</u>	<u>5,472</u>

#### 8 Indemnity insurance

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £10,920 (2020: £10,920).

## Community Integrated Care

### Notes to the financial statements

for the year ended 31 March 2021

9 Tangible fixed assets	Freehold land & buildings £'000	Leasehold land & buildings £'000	Fixtures & fittings £'000	Motor vehicles £'000	Computers £'000	Assets under construction £'000	TOTAL
<b>GROUP</b>							
<b>Cost</b>							
At 1 April 2020	44,720	7,978	10,006	3,407	3,388	72	69,571
Additions	10	-	670	986	669	181	2,516
Disposals	(3,827)	-	(1,112)	(1,122)	(66)	-	(6,127)
Transfer	4	-	8	-	60	(72)	-
<b>At 31 March 2021</b>	<b>40,907</b>	<b>7,978</b>	<b>9,572</b>	<b>3,271</b>	<b>4,051</b>	<b>181</b>	<b>65,960</b>
<b>Depreciation</b>							
At 1 April 2020	18,780	3,883	6,570	1,395	1,982	-	32,610
Provided during the year	703	311	852	438	643	-	2,947
Impairment	2,407	2,775	419	-	24	-	5,625
Disposals	(1,640)	-	(764)	(386)	(49)	-	(2,839)
<b>At 31 March 2021</b>	<b>20,250</b>	<b>6,969</b>	<b>7,077</b>	<b>1,447</b>	<b>2,600</b>	<b>-</b>	<b>38,343</b>
<b>Net Book Value</b>							
<b>At 31 March 2021</b>	<b>20,657</b>	<b>1,009</b>	<b>2,495</b>	<b>1,824</b>	<b>1,451</b>	<b>181</b>	<b>27,617</b>
At 31 March 2020	25,940	4,095	3,436	2,012	1,406	72	36,961
<b>CHARITY</b>							
<b>Cost</b>							
At 1 April 2020	42,985	6,525	9,948	3,408	3,384	72	66,322
Additions	10	-	670	986	669	181	2,516
Disposals	(3,827)	-	(1,112)	(1,122)	(66)	-	(6,127)
Transfer	4	-	8	-	60	(72)	-
<b>At 31 March 2021</b>	<b>39,172</b>	<b>6,525</b>	<b>9,514</b>	<b>3,272</b>	<b>4,047</b>	<b>181</b>	<b>62,711</b>
<b>Depreciation</b>							
At 1 April 2020	18,452	2,430	6,518	1,394	1,978	-	30,772
Provided during the year	679	311	848	438	643	-	2,919
Impairment	2,407	2,775	419	-	24	-	5,625
Disposals	(1,640)	-	(764)	(386)	(49)	-	(2,839)
<b>At 31 March 2021</b>	<b>19,898</b>	<b>5,516</b>	<b>7,021</b>	<b>1,446</b>	<b>2,596</b>	<b>-</b>	<b>36,477</b>
<b>Net Book Value</b>							
<b>At 31 March 2021</b>	<b>19,274</b>	<b>1,009</b>	<b>2,493</b>	<b>1,826</b>	<b>1,451</b>	<b>181</b>	<b>26,234</b>
At 31 March 2020	24,533	4,095	3,430	2,014	1,406	72	35,550

Included in freehold land and buildings for the Group are 29 buildings which were donated by local authorities. They have a net book value of £5,088K. Disposal of these buildings is subject to the approval of the donating authority.

Included in leasehold land and buildings for the Group are two properties funded by Salford LA with a net book value of £2,926K that are held on leaseholds of 23 years. Disposal of these buildings is subject to the approval of the donating authority.

Assets under construction comprises costs incurred relating to property upgrades. These assets will be fully constructed in future periods at which point depreciation will commence.

Motor vehicles include 153 vehicles with a net book value of £1,517K which are leased to people we support.

## Community Integrated Care

### Notes to the financial statements

for the year ended 31 March 2021

#### 9 Tangible fixed assets (continued)

Included in freehold land and buildings is land at a cost of £2,010K that is not depreciated.

Certain assets are owned by the Group and leased on an operating lease to Reside Housing Association Limited, with the following values:

	<b>2021</b>	2020
	<b>£'000</b>	£'000
Cost	1,553	1,553
Accumulated depreciation	<u>(516)</u>	<u>(485)</u>
	<b>1,037</b>	<b>1,068</b>

#### 10 Intangible Assets

	<b>CHARITY</b>	
	<b>2021</b>	2020
	<b>£'000</b>	£'000
<u>Goodwill</u>		
Cost B/f	800	800
Additions in year	-	-
Amortisation B/f	(800)	(800)
Amortisation in year	<u>-</u>	<u>-</u>
	<b>-</b>	<b>-</b>

Goodwill represents an amount paid on the acquisition of two services in 2014 from Seashell Trust. This was amortised over five years and fully released in August 2018.

#### 11 Investments

##### Investments in group undertakings

	Control %	Type	Company number	Country of incorporation	Company Status
Person Centred Housing Limited	100	Subsidiary	4578121	England & Wales	Active
Age Exchange	100	Subsidiary	1929724	England & Wales	Active
Inspirit Care Ltd	100	Subsidiary	4180614	England & Wales	Dormant
Technology Integrated Care Ltd	100	Subsidiary	12071990	England & Wales	Active

Person Centred Housing Limited ("PCH") is a company limited by guarantee. The Charity has the right to appoint and remove members. The registered address is: Old Market Court, Miners Way, Widnes, WA8 7SP.

Age Exchange is a company limited by guarantee. The registered address is: 11 Blackheath Village, Blackheath, London, SE3 9LA.

Inspirit Care is dormant and ceased to trade from the start of the 2014/15 Financial Year. As such it is exempt from preparing financial statements by virtue of S394 of Companies Act 2006. The registered address is: Old Market Court, Miners Way, Widnes, WA8 7SP.

Technology Integrated Care (TIC) is a private company limited by shares. CIC holds shares of £1. The registered address is: Old Market Court, Miners Way, Widnes, WA8 7SP. TIC has a joint venture in Preparing4Care LLP (P4C) (OC427880) and invested £50k in the prior financial year. P4C made a loss of £24k in the year.

##### Other financial investments

	<b>GROUP</b>	
	<b>2021</b>	2020
	<b>£'000</b>	£'000
At 1 April 2020	94	105
Unrealised gain/ (loss) on investments	18	(11)
Charges		
Market value at 31 March 2021	<u>112</u>	<u>94</u>

These global investments are held in the Age Exchange Endowment Fund which was set up by Deed of Trust on 31 December 2010. The income accruing from the fund is to be applied for the purpose and charitable objectives of Age Exchange.

## Community Integrated Care

### Notes to the financial statements for the year ended 31 March 2021

#### 12 Debtors

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>Amounts due within one year</b>				
Trade debtors	5,618	7,486	5,595	7,481
Other debtors	113	158	107	142
Prepayments & accrued income	3,980	3,621	3,969	3,616
	<u>9,711</u>	<u>11,265</u>	<u>9,671</u>	<u>11,239</u>
<b>Amounts due after more than one year</b>				
Amounts due from JV/subsidiary undertakings	51	51	100	89
<b>Total</b>	<u>9,762</u>	<u>11,316</u>	<u>9,771</u>	<u>11,328</u>

#### 13 Creditors: amounts falling due within one year

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade creditors	1,829	2,455	1,821	2,446
Other taxes and social security	1,733	1,576	1,726	1,566
Other creditors	4,202	2,752	4,140	2,691
Bank loans due within one year	332	318	309	295
Accruals	12,510	11,777	12,470	11,746
	<u>20,606</u>	<u>18,878</u>	<u>20,466</u>	<u>18,744</u>

Included within accruals is an amount for deferred income. Deferred income comprises income received in advance of the delivery of the service as contracted.

The movement in the period is as follows

	Group £'000	Charity £'000
Opening deferred income	1,508	1,495
Amounts charged for the year	2,355	2,331
Amounts released in the year	(1,508)	(1,495)
Closing deferred income	<u>2,355</u>	<u>2,331</u>

The Charity is the Custodian Trustee of residents' personal monies totalling £6.7M at 31st March 2021 (2020: £6.1M). These personal monies are held by banks other than the Charity's principal banker and although the Charity has corporate governance over the balances it has no beneficial ownership. As a result the funds are excluded from the financial statements.

#### 14 Creditors: amounts falling due in more than one year

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Bank loans	2,797	3,103	2,492	2,800
Deferred Capital Grants	161	166	-	-
	<u>2,958</u>	<u>3,269</u>	<u>2,492</u>	<u>2,800</u>
Repayments fall due as follows:				
In the second to fifth year inclusive	1,400	1,348	1,310	1,266
After 5 years	1,397	1,755	1,182	1,534
	<u>2,797</u>	<u>3,103</u>	<u>2,492</u>	<u>2,800</u>
Bank loans due within one year (above)	332	318	309	295
	<u>3,129</u>	<u>3,420</u>	<u>2,801</u>	<u>3,095</u>

The charity previously held two loans with the Royal Bank of Scotland plc which were both paid back in full in March 2020 at a combined value of £4M.

The charity took out a new loan in July 2019 with the Charity Bank for £3.3m. This is a 10 year loan and carries a variable rate of interest at 2.1% above the Bank of England base rate. At the balance sheet date security is held via charges on freehold land and buildings owned by the Group and also through a Debenture. The properties were disposed of as part of the sale of the Eachstep division and security converted to cash held in a Charity bank account. Monthly repayments of £31k are due.

## Community Integrated Care

### Notes to the financial statements

for the year ended 31 March 2021

#### 15 Other financial commitments

At 31 March 2021 the group had commitments under non-cancellable operating leases as follows:

	GROUP		CHARITY	
	Equipment		Equipment	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	118	110	108	104
Between two and five years	307	417	306	416
	<u>425</u>	<u>527</u>	<u>414</u>	<u>520</u>

The total future minimum lease commitment for the group at 31 March 2021 is £425k (2020: £527k).

At 31 March 2021 the amounts payable to the group under non-cancellable operating leases as follows:

	GROUP		CHARITY	
	Rental Income		Rental Income	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	(190)	(317)	(156)	(250)
Between two and five years	-	-	-	-
	<u>(190)</u>	<u>(317)</u>	<u>(156)</u>	<u>(250)</u>

The total future minimum lease commitment for the group at 31 March 2021 is £190k (2020: £317k).

#### 16 Statement of funds

GROUP	31 March 2019 £'000	Profit for the year		Other comprehensive income		31 March 2020 £'000	Profit for the year		Other comprehensive income		31 March 2021 £'000
		Income £'000	Expenditure £'000	Transfers £'000	DB Pension adj £'000		Income £'000	Expenditure £'000	Transfers £'000	DB Pension adj £'000	
<b>Unrestricted funds</b>	31,833	130,645	(131,915)	409	(298)	30,674	141,844	(146,969)	840	902	27,291
<b>Restricted funds</b>											
Capital grants	7,327	-	-	(409)	-	6,918	-	-	(840)	-	6,078
Fundraising and grant	283	720	(539)	-	-	464	396	(398)	-	-	462
<b>Total restricted funds</b>	7,610	720	(539)	(409)	-	7,382	396	(398)	(840)	-	6,540
<b>Total funds</b>	39,443	131,365	(132,454)	-	(298)	38,056	142,240	(147,367)	-	902	33,831

The capital grants fund of £6,078k comprises two elements. Firstly, £3,240K relating to the market value of the buildings donated to the Charity by Local Authorities at the date of their transfer. The fund is written off over the estimated useful life of the buildings which is 50 years.

Secondly, £2,838K relating to the Salford Homes fund represents monies provided to build the Salford homes, which is being written off over the useful economic life of the properties which is 23 years.

The transfers made between Restricted Funds and Unrestricted Funds represent the depreciation on the Group's fixed assets, to the extent that the assets were acquired using capital grants, which are part of Restricted Funds. Depreciation is initially calculated as part of the Group depreciation, and is then transferred to Restricted Funds.

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2021

16 Statement of funds (continued)

	1 April 2019 £'000	Profit for the year		Other comprehensive income			31 March 2020 £'000	Profit for the year		Other comprehensive income		31 March 2021 £'000
		Income £'000	Expenditure £'000	Transfers £'000		DB Pension adj £'000		Income £'000	Expenditure £'000	Transfers £'000	DB Pension adj £'000	
<b>CHARITY</b>												
<b>Unrestricted funds</b>	30,755	130,334	(131,535)	409	-	(298)	29,665	141,482	(146,727)	840	902	26,162
<b>Restricted funds</b>												
Capital grants	7,327	-	-	(409)	-	-	6,918	-	-	(840)	-	6,078
Fundraising and grant	312	335	(146)	-	-	-	501	119	(56)	-	-	564
<b>Total restricted funds</b>	<b>7,639</b>	<b>335</b>	<b>(146)</b>	<b>(409)</b>	<b>-</b>	<b>-</b>	<b>7,419</b>	<b>119</b>	<b>(56)</b>	<b>(840)</b>	<b>-</b>	<b>6,642</b>
<b>Total funds</b>	<b>38,394</b>	<b>130,669</b>	<b>(131,681)</b>	<b>-</b>	<b>-</b>	<b>(298)</b>	<b>37,084</b>	<b>141,600</b>	<b>(146,783)</b>	<b>-</b>	<b>902</b>	<b>32,804</b>

17 Analysis of group net assets between funds

	31 March 2021 GROUP			31 March 2020 GROUP		
	Unrestricted funds £'000	Restricted funds £'000	Total £'000	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Fund balances at 31 March 2021 are represented by						
Tangible fixed assets	21,658	6,078	27,736	30,156	6,918	37,074
Current assets	29,608	-	29,608	23,945	-	23,945
Current liabilities	(21,068)	462	(20,606)	(19,342)	464	(18,878)
Long-term liabilities	(2,958)	-	(2,958)	(3,269)	-	(3,269)
Long-term debtors	51	-	51	51	-	51
Pension provision	-	-	-	(867)	-	(867)
	<b>27,291</b>	<b>6,540</b>	<b>33,831</b>	<b>30,674</b>	<b>7,382</b>	<b>38,056</b>

	31 March 2021 CHARITY			31 March 2020 CHARITY		
	Unrestricted funds £'000	Restricted funds £'000	Total £'000	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Fund balances at 31 March 2021 are represented by						
Tangible fixed assets	20,157	6,078	26,235	28,633	6,918	35,551
Current assets	29,527	-	29,527	23,944	-	23,944
Current liabilities	(21,030)	564	(20,466)	(19,245)	501	(18,744)
Long-term liabilities	(2,492)	-	(2,492)	(2,800)	-	(2,800)
Pension provision	-	-	-	(867)	-	(867)
	<b>26,162</b>	<b>6,642</b>	<b>32,804</b>	<b>29,665</b>	<b>7,419</b>	<b>37,084</b>

18 Pension scheme obligations- Defined contribution schemes

The group operates two defined contribution occupational pension schemes for employees. The support services and management staff pension fund is held with Aviva (3% standard employer contributions). The operational staff pension fund is held with The People's Pension (1% employer contributions). All assets of the schemes are held in independent funds with the aforementioned pension providers.

Pension costs charged in the SOFA represent the contributions payable by the charity in the year.

	2021 £'000	2020 £'000
Contributions paid	2,198	1,989

## Community Integrated Care

### Notes to the financial statements

for the year ended 31 March 2021

#### 19 Pension scheme obligations- Defined benefit schemes

The defined benefit schemes to which the Group is a contributor, comprise final salary schemes of the Local Government Pension Schemes ("LGPS") for Dumfries & Galloway and Greater Manchester. The LGPS are funded schemes, with the assets held in separate trustee administered funds. The pension cost is assessed every three years in accordance with advice from independent qualified actuaries, using the projected unit method. The latest actuarial valuations of the schemes were as at 31st March 2019 for Greater Manchester and 31st March 2020 for D&G.

The figures in the following tables include relevant information provided by the Local Authorities who are the administering authorities for the funds. On 31st March 2019 the Teesside pension scheme, previously classified as defined benefit, was settled and transferred to Hartlepool Borough Council along with the responsibility for current and future assets and liabilities associated with the scheme. It was agreed with Hartlepool that from this date the scheme would remain with the Group but under a defined contribution arrangement with a fixed contribution rate of 23% for the duration of the remaining employees' employment.

The Group is also a contributor to the National Health pension scheme and the rate of contribution for 20/21 was 20.6%. The NHS scheme is a multi employer defined benefit scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Group. The scheme is therefore accounted for as a defined contribution scheme, and the contributions made by the Group are included under this heading above.

#### 19a Assumptions

	D&G		Greater Manchester	
	2021 %pa	2020 %pa	2021 %pa	2020 %pa
Salary increase rate	3.7	2.7	3.6	2.7
Pension increase rate	2.9	2.0	2.9	1.9
Discount rate	2.0	2.3	2.0	2.3

#### Mortality assumptions

	D&G		Greater Manchester	
	Male	Female	Male	Female
Average number of years lived after 65:				
Current pensioners	20.8	23.4	20.5	23.3
Future pensioners	21.9	25.3	21.9	25.3

Life expectancy is based on actuarial tables PFA92 and PMA92.

#### 19b Amounts included in the Group Statement of Financial Activities

	D&G		Greater Manchester		Total	
	2021 £000	2020 £000	2021 £000	2020 £000	2020 £000	2020 £000
Current service cost	(14)	(23)	(97)	(143)	(111)	(166)
Past service cost (including curtailments)	-	-	-	-	-	-
Net interest income on plan assets	170	208	199	232	369	-
Net interest cost on defined benefit obligation	(190)	(223)	(172)	(209)	(362)	(432)
	(34)	(38)	(70)	(120)	(104)	(598)

#### 19c Amounts included in other recognised gains and losses (Group).

	D&G		Greater Manchester		Total	
	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000
Return on assets exc. amounts included in net interest	1,457	(1,228)	1,786	(1,125)	3,243	(2,353)
Remeasurements:						
Changes in demographic assumptions	79	310	(66)	229	13	539
Changes in financial assumptions	(1,202)	500	(1,790)	673	(2,992)	1,173
Other experience	553	64	85	423	638	487
Settlement	-	-	-	-	-	-
PY surplus restriction adj	-	-	-	-	-	-
Surplus restrictions in year	-	-	-	(144)	-	(144)
Actuarial gains/ (losses) on DB pension scheme	887	(354)	15	56	902	(298)

## Community Integrated Care

### Notes to the financial statements

for the year ended 31 March 2021

#### 19d Pension scheme assets and liabilities

	D&G		Greater Manchester		Total	
	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000
Fair value of scheme assets	9,326	7,623	10,439	8,719	19,765	16,342
Present value of scheme liabilities	(9,263)	(8,490)	(9,385)	(7,530)	(18,648)	(16,020)
Net Assets/(Liabilities)	63	(867)	1,054	1,189	1,117	322
Surplus Restriction	(63)	-	(1,054)	(1,189)	(1,117)	(1,189)
Net Assets/(Liabilities) included in Group balance sheet	-	(867)	-	-	-	(867)

Pension schemes with net surpluses are not recognised within these accounts because recovery of these assets from the schemes is not certain. The surpluses are removed from the accounts in the lines annotated as 'Surplus restriction'.

#### 19e Fair value of scheme assets - movements in year

	D&G		Greater Manchester		Total	
	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000
Opening fair value of plan assets	7,623	8,984	8,719	9,710	16,342	18,694
Net interest income on plan assets	170	208	199	232	369	440
Plan participant's contributions	2	3	17	20	19	23
Employer contributions	14	20	55	64	69	84
Return on assets exc. amounts included in net interest	1,947	(1,228)	1,651	(1,125)	3,598	(2,353)
Benefits paid to members	(430)	(364)	(202)	(182)	(632)	(546)
Settlements	-	-	-	-	-	-
Closing fair value of plan assets	9,326	7,623	10,439	8,719	19,765	16,342
Opening fair value of plan assets	7,623	8,984	8,719	9,710	16,342	18,694
Opening surplus restrictions	-	-	(1,189)	(1,045)	(1,189)	(1,045)
Opening fair value of plan assets (net of restrictions)	7,623	8,984	7,530	8,665	15,153	17,649
Closing fair value of plan assets	9,326	7,623	10,439	8,719	19,765	16,342
Closing surplus restrictions	(63)	-	(1,054)	-	(1,117)	-
Closing fair value of plan assets (net of restrictions)	9,263	7,623	9,385	8,719	18,648	16,342

#### 19f Analysis of fair value of scheme assets

	D&G		Greater Manchester		Total	
	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000
Equities	6,715	5,184	7,516	6,016	14,231	11,200
Gilts and bonds	1,585	2,363	1,253	1,308	2,838	3,671
Property	1,026	76	731	610	1,757	687
Cash	-	-	940	785	940	785
	9,326	7,623	10,439	8,719	19,765	16,342

#### 19g Defined benefit obligation - movements in year

	D&G		Greater Manchester		Total	
	2020 £000	2020 £000	2020 £000	2020 £000	2021 £000	2020 £000
Opening value of liabilities	(8,490)	(9,466)	(7,530)	(8,665)	(16,020)	(18,131)
Current service cost	(14)	(23)	(97)	(143)	(111)	(166)
Past service cost (including curtailments)	-	(13)	-	-	-	(13)
Net interest cost on defined benefit obligation	(190)	(223)	(172)	(209)	(362)	(432)
Plan participant's contributions	(2)	(3)	(17)	(20)	(19)	(23)
Remeasurements:						
Changes in demographic assumptions	79	310	(66)	229	13	539
Changes in financial assumptions	(1,202)	500	(1,790)	673	(2,992)	1,173
Other experience	126	64	85	423	211	487
Benefits paid to members	430	364	202	182	632	546
Closing value of liabilities	(9,263)	(8,490)	(9,385)	(7,530)	(18,648)	(16,020)

**Community Integrated Care**  
**Notes to the financial statements**

for the year ended 31 March 2021

**19h History of experience gains and losses**

	<b>D &amp; G</b>		<b>Greater Manchester</b>	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Asset experience gains / (losses)	<b>1,947</b>	(1,228)	<b>1,651</b>	(1,125)
Value of assets	<b>9,326</b>	7,623	<b>10,439</b>	8,719
Percentage of assets	<b>20.9%</b>	(16.1%)	<b>15.8%</b>	(12.9%)
Liability experience gains / (losses)	<b>(997)</b>	874	<b>(1,771)</b>	1,325
Present value of liabilities	<b>(9,263)</b>	(8,490)	<b>(9,385)</b>	(7,530)
Percentage of present value of liabilities	<b>10.8%</b>	(10.3%)	<b>18.9%</b>	(17.6%)
Actuarial gains/(losses) before surplus restrictons	<b>950</b>	(354)	<b>(120)</b>	200
Present value of liabilities	<b>(9,263)</b>	(8,490)	<b>(9,385)</b>	(7,530)
Percentage of the present value of liabilities	<b>(10.3%)</b>	4.2%	<b>1.3%</b>	(2.7%)

**20 Financial Instruments**

	<b>Group</b>		<b>Charity</b>	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>FINANCIAL ASSETS</b>				
Cash	19,894	12,678	19,756	12,616
Trade debtors	5,618	7,486	5,595	7,481
Other debtors	113	970	107	949
Accrued income	3,980	2,809	3,969	2,809
	<b>29,605</b>	<b>23,943</b>	<b>29,427</b>	<b>23,855</b>
<b>FINANCIAL LIABILITIES</b>				
Trade creditors	1,829	2,455	1,821	2,446
Other creditors	4,202	2,752	4,140	2,691
Bank Loans	332	318	309	295
Accruals	12,510	11,777	12,470	11,746
<b>Total</b>	<b>18,873</b>	<b>17,302</b>	<b>18,740</b>	<b>17,178</b>

## Community Integrated Care

### Notes to the financial statements

for the year ended 31 March 2021

#### 21 Related Party Transactions

##### Person Centred Housing Limited

Community Integrated Care rent a property from Person Centred Housing at a normal commercial value. Related party transactions include rent payments to PCH totalling £20k (2020: £20k), a management charge from PCH of £6k (£8k in 2020) and a Gift Aid donation from PCH to CIC for £nil (2020: £13). At the end of the year, PCH owed CIC £15k (2020: £25k).

##### Age Exchange Limited

In year CIC loaned Age Exchange £nil (2020: £20k), recharged support costs of £16k (2020: £1k) and made VAT payments £2k (2020: £nil) on behalf of its subsidiary.

Age Exchange recharged staff costs to CIC of £nil (2020: £7k).

At the end of the year, Age Exchange owed CIC £34k (2020: £13k).

##### Preparing4Care LLP

At the end of the year, P4C owed CIC £1k (2020: £1k) for recharged support costs.

#### 22 Analysis of changes in net debt

GROUP	At 31 Mar 2020	Cash flows	Other non-cash changes	At 31 Mar 2021
<b>Cash and cash equivalents</b>				
Cash	12,678	7,216	-	19,894
	<u>12,678</u>	<u>7,216</u>	<u>-</u>	<u>19,894</u>
<b>Borrowings</b>				
Debt due within one year	(318)	(14)	-	(332)
Debt due after one year	<u>(3,103)</u>	<u>305</u>	<u>-</u>	<u>(2,798)</u>
	<u>(3,421)</u>	<u>291</u>	<u>-</u>	<u>(3,130)</u>
Total	<u>9,257</u>	<u>7,507</u>	<u>-</u>	<u>16,764</u>

#### 23 Investment in associate

During the prior year, Technology Integrated Care Limited invested £50k in a joint venture, Preparing4Care LLP.

	£'000
Balance at 1 April 2020	19
Share of profit/ (loss) in the year	<u>(12)</u>
Balance at 31 March 2021	<u>7</u>

There was no premium on acquisition relating to the associated joint venture.

#### 24 Events after the balance sheet date

The Eachstep division of the Charity has been sold in October 2021 with the overall loss on disposal to be £2.1m. As each individual asset has been separately valued as part of the sale they have also been individually assessed for impairment at the balance sheet date rather than as a cash generating unit as a whole. As a result of this prudent approach an impairment loss of £5.6m has been recognised in the period with a gain on disposal of £3.5m expected in 21/ 22 to arrive at the overall loss of £2.1m for these assets.

On the 21st June 2021 Community Integrated Care merged with £6m turnover Social Care charity based in Herefordshire, Life Opportunities Trust.

On the 13th September 2021 Community Integrated Care acquired Access Community Services (including Access Community Training), a Social Care limited company based in Merseyside, for a purchase price of £3.4M plus a £1.3M performance related deferred consideration.