

COMMUNITY INTEGRATED CARE

(A Company Limited by Guarantee)

ANNUAL REPORT

YEAR ENDED 31 MARCH 2023

Charity Registration Number: 519996
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Community Integrated Care – Year ended 31 March 2023

2022/2023 Report and Financial Statements

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1. Introduction

1.1 Chair's Statement

For many of us, life returned to some form of normality in 2022, as restrictions following the pandemic eased. Whilst I have been delighted to see us take the appropriate steps away from the limitations of Covid-19, we must not forget that the social care sector has continued to feel the reverberations of this unprecedented period.

Despite this, our teams' dedication to improving the lives of the people we support has been unwavering; from mobilising new services to making dreams a reality, the passion of our people has been exceptional.

Our focus on colleague reward and wellbeing continued throughout 2022, as we did everything possible to ease the burden of the cost-of-living crisis. We have been proud to make great strides in investing in organisations, resources and development opportunities that will support our people during these challenges.

A particular highlight has been the progression of our impactful partnerships. The success of our Inclusive Volunteering programme will be felt for many years to come, as it continues to break down barriers and create amazing, life-changing experiences for everyone who took part. We also prepared for a merger with Inspire (Partnership Through Life), which will significantly enhance our presence in Scotland and complement the wider work of the Charity.

As we look to the year ahead, we want to continue to do more of this magnificent work, bringing the voices of the people we support to the fore of our Charity. Only by knowing how our people think and feel, their passions and desires, their dreams and ambitions, will we know how to truly deliver the best lives possible.

After a remarkable five years, in September we said goodbye to Mark Adams, our former Chief Executive Officer, who left with our sincerest thanks and best wishes for the future. Within his tenure, Mark reinvigorated our Charity's core values, demonstrated confident and compassionate leadership throughout the Covid-19 pandemic, and passionately represented the social care sector in the media. He leaves a lasting legacy at Community Integrated Care.

In March 2023, we welcomed Janet Ryan to the Board of Trustees, Janet brings a wealth of commercial and strategic finance expertise to the Board and will join the Finance and Investment Committee.

I would like to conclude by welcoming Jim Kane into his new role of Chief Executive Officer. In Jim's time with us as Chief Financial Officer, he has demonstrated the qualities that an organisation of our size, scale and ambition needs in its CEO – judgement, composure, and vision. Most importantly, his values have always been aligned with Community Integrated Care's, and his decision-making has always reflected the best interests of our people.

1.2 Chief Executive Officer's Statement

There's no doubt that this year was an incredibly significant year for our Charity. As the world rebuilt and restored after the Covid-19 pandemic, we did too. After sharing our new strategic vision – Best Lives Possible – at the end of 2021, we immediately buckled down, putting our plans and promises into action.

From transforming our services, to leading the way in workforce wellbeing, and developing even more powerful community partnerships, the progression of our five-year plan in just 12 months has been phenomenal. A personal highlight for me was our Best Lives Possible Roadshow in October. It really was an unforgettable moment to stand in front of our Charity's 400-strong leadership team, celebrating everything we had achieved together and looking optimistically to the years ahead. You can read more about this memorable day on the next page of this Annual Review.

What I know is that none of what has been accomplished would have been possible without the unrelenting dedication of every colleague, team, service, and department, across our organisation. So, I want to say a truly heartfelt thank you to every person within our Charity for your commitment over the past year. Your efforts in building the best lives possible for the people we support never cease to amaze me and it inspires me to do the job I do.

Throughout 2022, we continued to deliver against our promise to lead the way in social care, both by investing in our own workforce and campaigning for a better deal for all care workers.

In spring, our Charity was proud to make a £3 million investment in improving colleague pay, reward and wellbeing. We hope this showed our commitment to doing everything we can to value our teams fairly for the outstanding work they do. We also launched the second instalment of our trailblazing Unfair To Care report, demonstrating the true skill, complexity and responsibility that comes with the role of a Support Worker in social care.

For decades, our sector has been calling for greater investment, fairer pay and a clear workforce strategy, and our research bolstered the case for action. However, despite public promises of improved funding from Government, disappointingly, real change is yet to be seen. As providers, we continue to face the perennial challenges of recruiting and retaining the very best talent, all the while trying to safely manage our finances to ensure the strength and stability of our long-term futures.

I would like to say a personal thank you to my predecessor, Mark Adams, who we bid a fond farewell to in September, after an incredible five years at the helm of our Charity. I know I speak on behalf of everyone in expressing how much we appreciated his unrelenting passion and fight for our sector, as well as how much he will be missed by all.

I would like to close by saying a sincerest thanks to our Charity's dedicated Board of Trustees and Executive Team, whose support has been invaluable since my appointment as CEO.

As we move further into 2023, I look forward to building on the successes of our past year, alongside our colleagues, the people we support and their loved ones, our communities, commissioners, and partners.

During the financial year, we agreed a merger with Inspire (Partnership Through Life) Limited and the merger took place at the end of July 2023. This will increase our footprint in the Aberdeen area.

The voice of the people we support and their families

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. This year, we made the voice of the people we support and their families a priority, and this is a key workstream in the Charity's Best Life Possible strategy. At the end of last year, we had recruited a Participation Specialist to support this important work and working with our Quality Advisors, we have begun setting-up VOICE groups.

In addition to face-to-face meetings with people we support, we have also developed a survey that can be accessed in every service through our care and support plan system. This will give every service the opportunity to measure satisfaction levels and this data can then be collated across the organisation. It is really important that we can show how the voice of the people we support has influenced change at every level of the Charity.

Day to day we are seeing the voice of the people we support in people's care and support plans. During the year, our Operations, Quality and L&D teams have been working together to ensure we create a comprehensive approach to improving quality in care and support plans. This is jointly led by senior leaders from these disciplines and represents a significant investment both in terms of direct cost and opportunity costs. We are training every front-line worker and leaders in all aspects of care and support planning.

During the year, Quality Excellence Specialists and Quality Advisors have continued with their audits of services, which gives the Quality team the opportunity to meet with people in person and see at first-hand the quality of support they are being given. We are able then to share this with senior managers and the Board of Trustees, to ensure that we sustain improvement through our Continuous Improvement Plans.

GameChangers

GameChangers is Community Integrated Care's colleague forum. Made up of colleagues at all levels across the organisation, colleague representatives meet locally in all regions to discuss the issues and ideas of their peers. Each quarter, GameChangers meet with our senior leaders at National GameChangers to find solutions and positive outcomes on a range of topics, whilst also providing invaluable insights from the frontline.

Alongside recruitment and tailored training, GameChangers use their expertise to support a range of projects, including:

- Obtaining opportunities for support workers to progress to the next stage of their career, setting the basis for our Learn To Lead programme.
- Supporting and providing ideas for our colleague benefits package, to highlight wellbeing resources that support with the cost-of-living crisis.
- Advising on the structure of team meetings, resulting in a new policy.
- Reviewing maternity policies and including support for those undergoing IVF treatment.
- Participating in and judging seasonal recognition campaigns.

Welcome to our new Trustee

In the year, we have been fortunate in gaining an impressive addition to our Board of Trustees, Janet Ryan. Janet is a qualified accountant with broad international experience, having worked in global chemical and food processing businesses and held roles in finance, business leadership and strategy.

Bringing a wealth of experience to our Charity, Janet has held roles such as non-executive Director and Chair of the Audit Committee for Illovo Africa, a Director of Cabot's Office of Compliance and a Director of Cabot's Charitable Foundation. She is also currently an independent member of Cancer Research UK's Audit Committee, a "Women of Influence" mentor for Cancer Research UK's senior female scientists, as well as a mentor for the Chartered Institute of Management Accountants.

2. Trustees Report

2.1 Objectives and Activities

Best Lives Possible Strategy

Our purpose is to enable our customers to live the Best Life Possible and we will achieve this through our three key stakeholders, namely:

- **Customers** (the 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 our sector.

Four key themes underly the strategy by which we will deliver our purpose, as set out below. Three of these align broadly with our three key stakeholders, the fourth informs the foundation of our economics:

1. Service quality & innovation

We will deliver our purpose through the provision of high quality, innovative care services to people whose primary clinical conditions are learning disabilities, autism, mental health and acquired brain or spinal cord injuries. We will compete on the basis of service excellence and differentiation. To support this competitive positioning, we will develop colleague skills and capabilities to enhance care delivery, and technology to improve care delivery quality and increase productivity. We will drive continuous improvement to care quality, applying data analytics support to identify effective practices and predicting and rectifying system failures. We will develop the capability to develop specialist properties that align with our customers' needs and help them to achieve their Best Life Possible.

2. Career opportunity

We will define, implement and embed competency, leadership, and talent frameworks to enhance colleague skills and opportunities to succeed. A significant element of our financial capacity will be invested to enhance colleagues' remuneration to recognise their value and as part of our strategy. We will develop a diversity and inclusion approach in all aspects of the Charity's activities.

3. Community engagement

We will create strong community and commercial partnerships and programmes that deliver increased social impact, capacity, profile and reach, and reduce cost. This will include investing in projects that have a reach and impact beyond our NHS/Local Authority funded customers, to engage, support and inform other key stakeholders. As a leading player in the social care sector, we will actively engage in policy development, research, and sustainability, specifically care delivery research, the development of national social care policy, advocacy for disabled rights and in the achievement of national environmental sustainability goals.

4. Sustainable economics

We will fund our staff development and technology innovation programmes by growing our surplus. This will be achieved by growing revenue, seeking higher margin contracts and carefully managing our overheads. Our current geographical footprint, including the underpenetrated Central and South regions, offers considerable potential for revenue growth and allows us to leverage our existing overheads to improve margins. We intend to grow revenue across our existing regions to create a higher level of surplus to provide funds for investment. We will build strong partnerships with Local Authorities, who will remain our main source of revenue, but will also seek opportunities with NHS and private commissioners where our capabilities align with their care needs.

2.2 Achievements and Performance

We provide support to over 2,300 people across sixty-six local authority areas throughout England and Scotland, delivering on average over 137,000 commissioned hours a week.

The key initiatives undertaken during the year, and which continue to be part of our longer-term plans into 2023/24 are:

Transforming our support

To deliver the best lives possible for the people we support, we need to understand who that person is at their very core. Much more than documenting basic needs, we want to appreciate people's values, celebrate their passions and support them to accomplish their dreams.

Excellence in care and support planning plays a key role in making this vision a reality. Over the past year, we have launched a comprehensive new learning approach to empower our frontline colleagues to make great strides in this area, from the introduction of a pioneering training approach to employing a team of experienced specialists in this field. In October, we launched an innovative care and support planning training programme, facilitated by drama-based education specialists, AFTA Thought. Aimed at capturing the attention of our people, the training takes a closer look at why great care and support planning is so crucial, before tackling how to develop these skills. All frontline colleagues have been invited to an AFTA Thought session, with fantastic feedback from those who have attended. In December, we unveiled the next phase of our leadership development

programme for service leaders - LEAD Care & Support Planning. Following the success of AFTA Thought, LEAD has provided further operational guidance for managers in coaching their teams to better capture the voices of the people we support.

We are excited to roll-out further training for support workers in this current year, along with dedicated coaching from our new Assessment and Intervention Practitioners team (AIPs), who are working alongside our operational colleagues and the people we support to provide coaching in care and support planning. AIPs have been spending time in our services, engaging with the people we support and our colleagues, and assisting people to better access their local communities. They have been offering our teams comprehensive support in important areas, such as the REACH standards, citizenship and community mapping, contributing to the creation of more person-centred plans.

A new model for social care

Having an out-of-hours service so frontline colleagues can seek urgent support any time of day is essential. So too, is the right work-life balance for our frontline leaders, so they can provide the best support for their teams and our people.

In Scotland, we explored how we could utilise the 24/7 nature of technology enabled care to create a centralised, consistent service with the highest quality support and guidance. By redefining levels of accountability, giving clarity on roles and responsibilities, and creating standardised responses, we ensured colleagues could access prompt advice - no matter where they were in the country. This support was enhanced by our team of shift managers, equipped with significant operational experience, who have worked to maximise our digital systems to deliver more informed guidance than previously possible. Our pilot of this exciting new model went live in 2022, supporting Scotland's teams, and with the opportunity to reflect and refine along the way, the pilot has proven the benefits of a centralised on-call system and will be rolled-out across the Charity in 2023.

Putting our people first

Supporting, strengthening, and standing up for our workforce was at the forefront of our efforts throughout the year. Internally, we sharpened our focus on colleague wellbeing and learning initiatives to make our people the best they can be, whilst externally we continued to campaign for fair pay and better conditions for everyone in social care.

Whilst we are aware of the incredible jobs our teams do, ensuring the general public also recognised this was considered important. We continued to campaign in the media, showcasing the importance of social care to society, and were proud to have over sixty of our colleagues represent us on the national stage at a number of high-profile events.

Home grown talent

The Charity gave its learning and development opportunities a makeover in the year, delving deeper into what colleagues needed to carry out their role and ultimately deliver great work for the people we support.

Our brand-new learning experience for frontline colleagues (GROW) was piloted in the Central region and rolled-out across the Charity in early 2023. GROW is a bitesize learning programme that fits around people's lives and is mapped from the people we support's unique perspective and relevant to each role. Whilst previous training was aimed at satisfying the needs of the regulators, we questioned whether it was truly reflective of the wide range of skills required to work in social

care. Through focus groups and listening sessions, we created a quality learning system that covers the full breadth of what it takes to support people to live healthy, happy, and full lives.

Employee engagement

When it comes to ensuring that the Charity is a great place to work, nothing is more valuable than our people's feedback. In November, we launched our 2022 colleague engagement survey, which was powered by employee voice specialists, Hive, and we received our highest ever response rate, with 55% of colleagues taking part and an Employee Net Promoter Score (eNPS) score of +25 achieved, which is classified as Very Good/Excellent.

Unfair to care

Building on the success of our award-winning Unfair To Care report, the second instalment of this research continued the fight for fair pay, recognition and funding for the social care sector. Against a backdrop of a cost-of-living crisis, Unfair To Care 2022/23 detailed the skills, complexity and accountability of support workers, whilst highlighting how funding for providers has meant that their pay was only just above the minimum wage. By blending Korn Ferry's specialist job evaluations, case studies from our colleagues and expert opinion from leaders in social care, the research revealed the impact low pay has on our workforce. The report concluded that many social care workers in England would need a 41% pay rise – more than £8,000 – to achieve parity with their NHS equivalents.

Success stories

We already know how special our colleagues are, but nothing beats seeing our teams and projects recognised for their outstanding contributions to social care. From regional ceremonies to the national stage, we were proud to celebrate an award-winning year for the Charity with sixty-one shortlisted nominees and fifteen award winners.

Enhancing lives

The Charity exists to help the people we support live the most meaningful, fulfilling, and joyous lives possible, but living your best life means something different for everyone. We have therefore made it our mission to really get to know the people we support.

Taking charge on bringing the voice of those we support to the forefront is the team of Quality Advisors Throughout the year, the team has embraced getting back into services, completing hundreds of quality-of-life audits and checking that we are delivering the very best care across the country.

As an experienced provider of complex care, we are always striving to deliver the most progressive support possible. To do this, we looked deeper into our offer, assessing where we could make improvements to become even better. As part of the care and support planning project, we have updated our assessment documents to embed increased awareness and understanding of the different types of complex conditions. Piloting these tools in new services, we also delivered workshops with our service leaders to collect feedback from teams.

Inclusion first

Our ground-breaking inclusive volunteering programme hit new heights across three major international sporting events during the year, with over six hundred volunteers making their mark on the world stage at the UEFA Women's European Championships, the Rugby League World Cup and the World Gymnastics Championships.

By volunteering, the people we support experienced life-changing opportunities, participating in a diverse range of personal development programmes and person-centred volunteering roles. Extending beyond match days, volunteers built community gardens, created a cookbook and even produced thousands of handcrafted soaps to present to competing athletes. From taking part in a photography club, to greeting supporters in hospitality boxes and leading professional teams out onto the field in front of thousands, this was doing volunteering differently, specifically designed to meet the needs, goals, and dreams of everyone involved.

2.3 Strategic Report

Financial Review

The financial results for the year are set out on pages 31-49.

The Charity group, including Age Exchange, (“the Group”) recorded total income for the year of £148.3m, representing an increase of 3% on the total income for the year to 31 March 2022 (£143.4m). Total expenditure for the Group (excluding exceptional items) increased by 5% to £149.5m (2022: £142.0m).

The Group result now incorporates a full year of the income from Life Opportunities Trust (acquired in June 2021) and Access Community Services (acquired September 2021).

Despite the inflationary challenges faced by the Charity this year, it has continued with its strategy to invest in our people, which has led to a planned operating deficit in 2022-23, with net expenditure of £1.1m.

The Group segments its results by operating division and a summary of the result for the year ended 31 March 2023 is presented below:

	Income	Operational staff costs	£'000 Direct costs	Support costs	Net Income
North West	49,548	40,469	2,947	7,962	(1,830)
North East	35,432	28,402	1,554	5,685	(209)
Scotland	31,151	23,848	1,250	5,089	964
South and Central	30,662	24,324	2,615	5,349	(1,626)
Grants, donations & fundraising	716				716
Other Income	680				680
Investment Income	162				162
	148,351	117,043	8,366	24,085	(1,143)

Reserves policy

The Group holds reserves to ensure it continues to be sustainable, can meet its obligations to its clients and colleagues and to support future plans. As at 31 March 2023, Group reserves had decreased by £1.1m to £34.8 m (2022: £35.9m). Within this balance are restricted reserves of £3.4m (2022: £3.9m) 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 properties is subject to the approval of the donating authority.

The Group's free reserves as at 31 March 2023 stood at £21.1m (2022: £22.3m). This is calculated as the unrestricted reserves of £31.4m (2022: £32.0m) less the carrying value of tangible fixed assets not covered by capital grants of £10.3m (2022: £9.7m).

The Board of Trustees ("the Board") requires the Charity to meet both a capital adequacy test and liquidity ratio. The capital adequacy ratio compares the net tangible assets to the total tangible assets and at a ratio of 0.9 (net tangible assets £47.4m to total tangible assets of £53.6m) exceeds the Board's target level of 0.6 and provides assurance on the longer-term solvency of the Charity.

The current ratio is used to measure liquidity and equates to 2.08 (current assets of £44.7m to current liabilities of £21.4m) is also above the 1.4 target set by the Board and provides assurance over the shorter-term liquidity is sufficient to meet the Charity's immediate financial requirements. The tests as set out in the policy help to ensure the group maintains reserves at a sufficient level of liquidity to meet any immediate unforeseen expenditure and to provide capacity to plan for the future.

The Board is satisfied with the size of the reserves and the structure of the balance sheet. It remains committed to the reserves policy and will look to maintain the Charity's reserves in line with the growth of the business.

The Board reviews the reserves policy on a regular basis and recognises the need update the policy to maintain an appropriate level of reserves as the balance sheet changes over time.

Investment policy

The Charity has the power to make investments which the Board deems 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.

The Charity itself does not currently hold any financial investments but places surplus cash in interest bearing accounts with Cazenove as its investment managers. Cash on deposit with Cazenove as at 31 March 2023 totalled £20m.

The Board is undertaking a review of its investment strategy to ensure an appropriate balance is maintained between the Charity's short-term working capital requirements and achieving a longer-term return on investments. The Board will review its investment policy to reflect changes in the guidelines on charity investments (CC14) issued by the Charity Commission.

The Group holds investments through an endowment fund within its subsidiary, Age Exchange, which is reviewed throughout the year by its trustees. As at 31 March 2023, the investment in Age Exchange was valued at £107k (2022: £114k).

Cash flow

Net cash outflows from operating activities reduced to £3.5m (2022: £3.9m inflow), with a net outflow from investing activities of £21.4m (2021: £11.5m inflow). Cash balances as at 31 March 2023 decreased to £9.6m (2022: £34.9m). A significant part of the cash balance movement relates to £20m being placed in short term cash investments.

Long term borrowing

Secured loans have reduced to £2.4m (2022: £2.8m), including consolidation of long-term borrowing by Age Exchange of £0.3m.

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 defined benefit schemes of which it is a member. As at 31 March 2023, the Charity is not a member of any local government defined benefit pension scheme.

Subsidiary undertakings

The Charity has two subsidiary undertakings, namely Person Centered Housing (PCH) and Age Exchange (AE). PCH and AE are companies limited by guarantee, with Community Integrated Care being the sole member. PCH holds freehold property, whilst AE uses the power of art, creativity, and social connection to empower and support disabled people and carers locally in Blackheath, London and nationally.

Related parties and interests

Details of related party transactions and interests in other group companies are set out in Note 20 on page 47.

Funds held on behalf of residents

The Charity has responsibility over residents' personal monies, totalling £6.5m as at 31 March 2023 (2022: £6.5m) 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 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 2023 and remains in force in relation to certain losses and liabilities, which the Trustees may incur to third parties while 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.

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. During the financial year the charity did not receive any complaints relating to its fundraising activities.

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 the roles and responsibilities for managing risk are made clear. 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 Board.

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 and senior management team are responsible for setting and clearly communicating a strong risk culture through their actions and words, and addressing any identified areas of weakness or concern proactively.

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. The overall control opinion provided by internal audit remained 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 are as follows:

Principal risk category	Risk Appetite	How is this risk managed
Quality of care is the risk of not delivering the standard of care necessary to meet	The Charity is committed to providing good care and support to enable the people it supports to live the best life possible.	The effective management of this risk is at the core of the Charity’s business purpose. To this end, it has a comprehensive framework in place across first and second lines to ensure the risk

Principal risk category	Risk Appetite	How is this risk managed
<p>the needs of the people we support.</p>		<p>operates within appetite including embedded regional quality teams, led by Senior Quality Business Partners. Oversight is provided by the Board Quality and Standards Committee with matters escalated to the Board as required.</p> <p>Management of the risk involves a defined set of qualitative and quantitative objectives and supporting risk appetite measures, including contractual relationships with commissioners and regulatory oversight and inspection.</p> <p>Supporting management of this risk is:</p> <ul style="list-style-type: none"> • Quality Assurance Framework. • High quality care plans are required to be in place for each person supported. • Adequate levels of resourcing to ensure contractual commitments can be delivered safely. • A comprehensive policy framework and supporting procedures. • Role specific training. • A comprehensive issue escalation process.
<p>Financial resilience is the risk of insufficient financial resources to enable the Charity to deliver its strategic plan, to be able to respond effectively to unexpected demands such as Covid-19 and, in extremis, to continue as a going concern.</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 and subject to significant commissioner cost pressures. The ability to manage costs in response to fluctuations in demand in the short term is limited and therefore conservative liquidity and capital positions are essential to ensure continued viability through the economic cycle. Portfolio diversification is essential to avoid over reliance on any commissioner. Active asset management alongside the generation of surpluses is necessary to finance investment in the business.</p>	<p>The Board approves the annual financial budget and supporting risk appetite measures intended to ensure sufficient liquidity to meet liabilities as they fall due and ongoing financial viability. Ongoing oversight is provided by the Board Committees, in particular the Finance and Investment Committee. Operational management of the risk is supported by:</p> <ul style="list-style-type: none"> • 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. • Management of the portfolio of contracts to ensure diversification of risk and avoidance of

Principal risk category	Risk Appetite	How is this risk managed
		over-reliance on any contract or commissioner.
<p>Compliance with regulatory and statutory requirements 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>	<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>	<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> <ul style="list-style-type: none"> • An open and proactive relationship with regulators and other statutory bodies at all times. • A Board committee structure and terms of reference which ensures that all regulatory and statutory oversight is captured at the highest governance levels. • Active and ongoing management of the Charity's market oversight rating from the CQC and equivalent national comparison of other providers in Scotland. • 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 and development of the Capability Framework. • 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, Duty of Candour and Speak Out policy and training
<p>People risk is the risk of not having sufficiently skilled and motivated 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</p>	<p>The ability to manage this risk is constrained by the available financial resources and external environment to recruit and retain the necessary capacity and capability to deliver services to the people we support. The Charity is prepared to accept a higher-than-average level of turnover and the employment of agency staff as a consequence of the challenging</p>	<p>The Charity's aims to improve the capability of its staff and reduce risks around sufficient capacity by improving the quality of recruitment, enhancing learning and development, and employing active strategies to reduce staff turnover. Board oversight of this risk is provided by the Workforce Committee. Supporting management of this risk at an operational level is:</p>

Principal risk category	Risk Appetite	How is this risk managed
<p>behave in a way that is aligned to the values and business purpose of the Charity.</p>	<p>employment market from which it sources staff, recognising that this will mean that it will not always be able to deliver the quality of care to which it aspires.</p>	<ul style="list-style-type: none"> • Charity wide engagement strategies including GameChangers, recognition and long service schemes. • Regular assessment of employee engagement through surveys and roadshows. • Maintenance of a well-being fund to assist employees in difficulty. • Implementation of an improved employee value proposition - "the Deal". • Investment in Learning and Development. • Investment in recruitment and onboarding and induction to improve retention. • Additional local resource to support recruitment both in terms of recruiters and money used for local initiatives. • Improved induction to support retention in early days. • In-take days to provide greater support to new starters, including shadowing and support for mandatory training. • Significant investment in leadership development through the LEAD programme
<p>Strategic business risk 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. All these features have been exacerbated by Covid-19. 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. There is an acceptance by the Board of a higher level of strategic business risk than has been the case in the recent past. The Charity has a moderate to high level of appetite for strategic business 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> <ul style="list-style-type: none"> • Individual Executive Team members have specific responsibilities for the delivery of the different strategic initiatives. • The Charity has a business development function responsible for retaining existing profitable contracts and winning new profitable contracts. • 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. • Strategic business risk is overseen at Board level as a specific item on the Strategic Risk Register. • 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.

Principal risk category	Risk Appetite	How is this risk managed
<p>Operational risk (including reliance on information and information security) is the risk of loss resulting from inadequate or failed internal processes, projects and or systems or from 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.</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 financial viability and tolerances need to be set accordingly.</p>	<ul style="list-style-type: none"> • 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. Every member of staff is aware of their responsibility in relation to the management of operational risk. This is embedded in all role profiles and forms part of regular performance assessment. • The provision of appropriate MI to all governance Committees up to and including the Board • Investment in systems and processes to ensure a satisfactory level of operational efficiency. • Breaches of risk tolerance, including near misses, are escalated to the Board and its Committees as appropriate. • An information management and digital investment strategy is in place including agreed protocols for the management of data, testing of new applications, and responding to cyber-attacks. This is supported by enterprise-wide Cyber Essentials accreditation and annual Third-Party penetration testing. • The Charity has enterprise wide and service level Business Continuity Plans (BCP and Disaster Recovery (DR) Plans in place and a programme of testing is planned. • The multiple change projects in the Charity are managed through a robust project programme control board reporting to the Executive Team and overseen by the Board of Trustees. • Enterprise-wide structures are in place for management of major incidents.

Going concern and statutory statements

Going Concern

Accounting standards require the Board to consider the appropriateness of the going concern basis when preparing financial statements. During 2022/23, the Group maintained its investment in its front-line workforce improving pay, rewards, and wellbeing. As these costs were not fully covered by Local Authority funds, the Charity used its reserves to subsidise the costs. The Charity has suffered

with sector-wide recruitment shortages, which has resulted in the use of more expensive agency staff and like all business has been impacted by the increases in energy prices. To consider the appropriateness of the going concern basis, forecasts have been prepared to 30 September 2024. With a net cash position of £29m as at 31 March 2023 and a forecast that the Group will continue to hold a strong liquidity position, the Group is confident that it has adequate resources to continue operational activities for at least 12 months from the date of this report.

Public Benefit

The Board 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.

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 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 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. Its aim is to provide the 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, 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 the Charity will continue to harness the voice of the people who choose to be supported by us to inform every element of its operations.

Post Balance Sheet Event

In May 2023, the Board entered into a merger agreement with Inspire (Partnership Through Life), with the merger completing on 31 July 2023.

Plans for the future

During the 2023/24 financial year, the Charity will be focused on the merger with Inspire (Partnership Through Life) Ltd, which took place on 1 August 2023 and will involve the integration of operational services and back-office functions to realise synergies for both organisations.

The key initiatives undertaken during the year and noted above under Achievements and Performance will continue to be part of our plans in the 2023/24 financial year and for the longer term, with a focus on:

- **Service quality & innovation** - using the 24/7 nature of Technology Enabled Care work already implemented, we will continue to transform our support and innovate where technology can enhance our care delivery model. We will continue to enhance the work of our clinical team through the addition of professional Psychologists to support and inform our approach to trauma informed care.
- **Home grown talent** - we will continue to develop our people using our new learning experience for frontline colleagues (GROW), which was rolled-out across the organisation in early 2023 and will be developed further throughout 2023/24.
- **Community Engagement** - we will continue to develop the communities in which we operate through greater engagement at the policy level. A new policy team will focus on engagement with government and the national debate around the future of the social care sector.

2.4 Structure, Governance and Management

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 early 2020 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:

England	Scotland	Activities
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 a scheme of delegation 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.
Equality Diversity and Inclusion		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, 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; oversight of the risk and control framework; and oversight of

environmental, social and governance matters. During the year, the Committee also assumed responsibility for oversight of environmental, social and governance matters affecting 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 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 Scotland Committee reviews delivery of the agreed strategy and improvement plans for Scotland against key internal milestones. The Committee considers plans for 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 pandemic one such group was convened (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 one occasion during the year. In addition, the Charity and continued to hold quarterly informal Board meetings 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 monthly, to review the key performance indicators for the organisation and to keep abreast of developments in the organisation generally. The Executive Team brings together the most senior managers from Operations and Support Services to further develop ownership and delivery of the strategic plan.

Workforce

As at 31 March 2023, the Charity had a workforce headcount of 5,253. According to the report published at the end of 2022 by Skills for Care, the sector average colleague turnover is 29%. During the year the Charity recorded a turnover of 25% (2022: 28%), better than the sector average. The focus on re-evaluating and streamlining the recruitment process, as well as the introduction of new recruitment campaign, played a significant part in the year-on-year improvement.

The Charity is aware of the challenges the sector faces and, internally, also sharpened its focus on colleague wellbeing and learning initiatives to make colleagues the best they can be, whilst publicly continuing to campaign for fair pay and better conditions for everyone in social care.

2.4 Reference and Administration Details

Life President:

Dr David Robertson

Board of Trustees:

Elizabeth Raper (Chair)

Teresa Fenech

Shaun Gallagher

Simon Learoyd

Nigel Lemmon

Amanda de Ryk

Keith Rhodes

Jay Muthu (resigned 9 June 2023)

Wallace Dobbin

Mandy Wearne

Sue Tunmore

Janet Ryan (appointed 23 March 2023)

Company Secretary:

David Hedley

Chief Executive Officer:

James Kane

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:

MHA
2 London Wall Place
London
EC2Y 5AU

Solicitors:

Weightmans LLP
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
2 London Wall Place
London
EC2Y 5AU

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.

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 2023. 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 lives of 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.
- When acquiring Access Community Services and merging with Life Opportunities Trust, the Charity engaged with all stakeholders to ensure the service transfer was seamless. Stakeholders included the people supported and their families, employees, and commissioners and the Charity will benefit from the additional surplus that the new services will generate.

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 6.3m kWh which equates to 1,236 tonnes of CO2 emitted or 2,834 kWh per person supported as at 31 March 2023 (2022: 4,408kWh). 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:

- Implemented behaviour change initiatives for employees and people supported.
- Rolled-out the Taking Charge Campaign, which offered free e-learning and accessible toolkits to people who work in and access social care, to enable them to reduce energy usage and save on their energy bills. The campaign featured on BBC Northwest Tonight.
- Installed smart meters and other energy monitoring tools.
- Committed to using energy efficient lightbulbs, where applicable.

2.5 Statement of Trustees' 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, giving 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 to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

After a competitive tendering exercise, the Board appointed MHA as external auditors at its meeting on 7 December 2022. A resolution to reappoint MHA as auditors will be proposed at the Board

meeting to be held on 21 September 2023. The Annual Report of the Trustees of Community Integrated Care was approved by the Board of Community Integrated Care and signed on their behalf by:

Elizabeth Raper: Elizabeth Raper

Chair of Trustees

Date: 21 September 2023

COMMUNITY INTEGRATED CARED

YEAR ENDED 31 MARCH 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY INTEGRATED CARE

Opinion

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 2023 which comprise the Consolidated Statement of Financial Activities, the Statement of Financial Activities, the Consolidated and Charity Statement of Financial Position, the 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report.

We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

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

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

COMMUNITY INTEGRATED CARED

YEAR ENDED 31 MARCH 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY INTEGRATED CARE

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating 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 Trustees' report (incorporating the Directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 or the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

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

COMMUNITY INTEGRATED CARED

YEAR ENDED 31 MARCH 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY INTEGRATED CARE (CONTINUED)

In preparing the financial statements, the Trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or 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 regulations made under those Acts.

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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any instances of non-compliance with laws and regulations;
- Reviewing the design and implementation of control systems in place;
- Testing the operational effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

COMMUNITY INTEGRATED CARED

YEAR ENDED 31 MARCH 2023

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY INTEGRATED CARE
(CONTINUED)**

Use of this 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 Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stuart McKay BSc FCA DChA (Senior Statutory Auditor)
For and on behalf of MHA, Statutory Auditor
London, United Kingdom

Date: 06/10/2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

Community Integrated Care

Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account)

for the year ended 31 March 2023

		Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	TOTAL 2023 £'000
	Note			
Income				
Income from charitable activities	2	146,793	716	147,509
Other income	3	680	-	680
Investment income		162	-	162
Total income		<u>147,635</u>	<u>716</u>	<u>148,351</u>
Expenditure				
Charitable activities	4	149,065	429	149,494
Total expenditure		<u>149,065</u>	<u>429</u>	<u>149,494</u>
Net income / (expenditure)		<u>(1,430)</u>	<u>287</u>	<u>(1,143)</u>
Transfer between funds		851	(851)	-
Net movement in funds		<u>(579)</u>	<u>(564)</u>	<u>(1,143)</u>
Reconciliation of funds:				
Total fund balances at 1 April		31,998	3,923	35,921
Total fund balances at 31 March		<u>31,419</u>	<u>3,359</u>	<u>34,778</u>

The statement of financial activities includes all gains and losses recognised in the year. Income and expenditure is derived from both continuing and discontinued operations.

Community Integrated Care

Statement of Financial Activities (Incorporating an Income and Expenditure Account)

for the year ended 31 March 2023

		Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	TOTAL 2023 £'000
	Note			
Income - Charity only				
Income from charitable activities	2	146,707	436	147,143
Other income	3	455	-	455
Investment income		160	-	160
Total income		<u>147,322</u>	<u>436</u>	<u>147,758</u>
Expenditure				
Charitable activities		148,810	47	148,857
Total expenditure	4	<u>148,810</u>	<u>47</u>	<u>148,857</u>
Net Income / (expenditure)		<u>(1,488)</u>	<u>389</u>	<u>(1,099)</u>
Transfer between funds		1,008	(1,008)	-
Net movement in funds		<u>(480)</u>	<u>(619)</u>	<u>(1,099)</u>
Reconciliation of funds:				
Total fund balances at 1 April		30,976	3,932	34,908
Total fund balances at 31 March		<u>30,496</u>	<u>3,313</u>	<u>33,809</u>

The statement of financial activities includes all gains and losses recognised in the year. Income and expenditure is derived from both continuing and discontinued operations.

Community Integrated Care

**Statement of Financial Position
(Consolidated and Charity)**


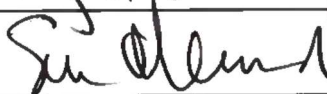
Company No. 2225727

as at 31 March 2023

	Note	Group		Charity	
		2023	2022	2023	2022
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	9	14,691	14,596	13,356	13,239
Intangible assets	10	1,573	2,022	1,573	2,020
Investments					
- Investments in joint venture	23	-	7	-	1
- Other investments	11	107	114	-	-
		<u>16,371</u>	<u>16,739</u>	<u>14,929</u>	<u>15,260</u>
Current assets					
Stock		2	2	-	-
Debtors recoverable within one year	13	15,067	13,608	15,039	13,593
Investments	12	20,038	-	20,038	-
Cash at bank and in hand		9,587	34,924	9,425	34,722
		<u>44,694</u>	<u>48,534</u>	<u>44,502</u>	<u>48,315</u>
Debtors recoverable after one year	13	-	45	177	119
Liabilities					
Creditors: Amounts falling due within one year	14	21,443	20,691	21,367	20,520
Net current assets		<u>23,251</u>	<u>27,888</u>	<u>23,312</u>	<u>27,914</u>
Total assets less current liabilities		<u>39,622</u>	<u>44,627</u>	<u>38,241</u>	<u>43,174</u>
Creditors: Amounts falling due after more than one year	15	2,312	2,624	1,900	2,184
Provisions for liabilities	16	2,532	6,082	2,532	6,082
		<u>34,778</u>	<u>35,921</u>	<u>33,809</u>	<u>34,908</u>
Total net assets		<u>34,778</u>	<u>35,921</u>	<u>33,809</u>	<u>34,908</u>
Reserves					
Unrestricted funds	18	31,419	31,998	30,496	30,976
Restricted funds	18	3,359	3,923	3,313	3,932
Total funds		<u>34,778</u>	<u>35,921</u>	<u>33,809</u>	<u>34,908</u>

The financial statements were approved and authorised for issue by the board of Trustees on 21 September 2023 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 2023

	2023 £'000	2022 £'000
Operating activities:		
Net (expenditure) / income before other recognised gains & losses	(1,143)	1,381
Depreciation	1,751	2,075
Amortisation	449	224
Loss on investments	14	9
Gifted intangible assets	-	427
Loan interest paid	107	111
Bank interest received	(160)	(20)
Defined benefit pension scheme staff cost charges	-	146
Defined benefit pension scheme interest	-	(11)
Payment to defined benefit pension scheme	-	(101)
Decrease in stock	-	2
(Decrease) in debtors	(1,414)	(2,757)
Increase in creditors	767	4,725
Decrease in provisions for liabilities	(3,555)	(5)
Profit on sale of tangible fixed assets	(281)	(824)
Realised profit on the sale of Eachstep	-	(1,451)
Net cash inflow from operating activities	(3,465)	3,931
Investing activities:		
Payments to acquire tangible fixed assets	(2,131)	(3,551)
Receipts from sales of tangible fixed assets	565	17,445
Cazenove investments	(20,038)	-
Purchase of subsidiary net of cash inflow	-	(2,371)
Bank interest received	160	20
Net cash inflow/ (outflow) from investing activities	(21,444)	11,543
Financing activities:		
Loan received	-	125
Repayment of borrowing	(322)	(458)
Loan interest paid	(107)	(111)
Net cash inflow/ (outflow) from financing activities	(429)	(444)
Cash inflow / (outflow) in year	(25,338)	15,030
Cash at bank and in hand at the beginning of the reporting period	34,924	19,894
Cash at bank and in hand at the end of the reporting period	9,587	34,924

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2023

1. Accounting policies

Community Integrated Care is a charitable company limited by guarantee, 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

After making enquiries and having reviewed the Charity's forecasts and projections to September 2024, taking into account possible changes to trading performance, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees have adopted the going concern basis of accounting in preparation of the financial statements. Further details can be seen in the Trustees report on page 5.

(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 in prior 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. 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 in advance of the delivery of the service as contracted is deferred.

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

For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received.

Community Integrated Care
Notes to the financial statements
for the year ended 31 March 2023

(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 is 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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and are depreciated as above.

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.

Community Integrated Care
Notes to the financial statements
for the year ended 31 March 2023

(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.

For defined contribution schemes the amount charged to the Consolidated Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

The Charity contributes to two group personal pension plans operated by Aviva and The People's Pension. The relevant plan is open to all employees over the age of 18. Due to a change in law, from May 2013 the Charity launched the government led auto-enrolment programme resulting in all eligible employees being automatically enrolled in the relevant pension scheme. The assets of the schemes are held separately from those of the Charity. The annual contribution payments are charged to the SOFA.

(p) Accounting for investments

Investments in subsidiaries are stated at cost. Investments held as fixed assets are initially recognised at transaction value and subsequently measured at fair value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities. Cash held in short-term deposit accounts are being treated as current asset investments.

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

In preparing these financial statements the directors have made judgements where appropriate. 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.

(r) 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.

(s) Discontinued operations

In October 2021 the Charity sold its Eachstep (Older Peoples Services) division. Without the Older Peoples Services the operational focus of the Charity has shifted towards the independent living sector. A profit on disposal of £1,951k was recognised on sale.

(t) Stocks

Stock is included at the lower of cost or net realisable value.

(u) Redundancy and termination benefits

It is the Charity's policy to recognise termination benefits when they become committed, by legislation, by contractual or other agreements with employees or their representatives. The payments do not provide the Charity with future economic benefits therefore they are recognised immediately as an expense.

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2023

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. Governance costs are included within Finance & Legal, split across the regions based on turnover %.

	GROUP					
	Finance & Legal	Human Resources & Training	Information Technology	Facilities Management	Administration	Total
	£'000	£'000	£'000	£'000	£'000	£'000
North West	776	2,457	1,246	289	3,194	7,962
North East	555	1,755	890	206	2,279	5,685
Scotland	488	1,544	783	182	2,092	5,089
South and Central	485	1,518	780	248	2,318	5,349
	<u>2,304</u>	<u>7,274</u>	<u>3,699</u>	<u>925</u>	<u>9,883</u>	<u>24,085</u>
	Finance & Legal	Human Resources & Training	Information Technology	Facilities Management	Administration	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Loss on joint venture	12	-	-	-	-	12
North West	546	1,846	934	238	2,433	5,997
North East	428	1,448	732	186	2,065	4,859
Scotland	185	1,129	571	145	1,728	3,758
South and Central	481	1,194	618	214	2,171	4,678
Eachstep (Older People Services)	178	602	304	77	900	2,061
	<u>1,830</u>	<u>6,219</u>	<u>3,159</u>	<u>860</u>	<u>9,297</u>	<u>21,365</u>
	Finance & Legal	Human Resources & Training	Information Technology	Facilities Management	Administration	Total
	£'000	£'000	£'000	£'000	£'000	£'000
North West	776	2,457	1,246	289	3,194	7,962
North East	555	1,755	890	206	2,279	5,685
Scotland	488	1,544	783	182	2,092	5,089
South and Central	479	1,518	769	178	2,143	5,087
Eachstep (Older People Services)	-	-	-	-	-	-
	<u>2,298</u>	<u>7,274</u>	<u>3,688</u>	<u>855</u>	<u>9,708</u>	<u>23,823</u>
	Finance & Legal	Human Resources & Training	Information Technology	Facilities Management	Administration	Total
	£'000	£'000	£'000	£'000	£'000	£'000
North West	548	1,846	933	237	2,433	5,997
North East	430	1,448	732	186	2,065	4,861
Scotland	186	1,129	571	145	1,728	3,759
South and Central	453	1,193	603	153	2,125	4,527
Eachstep (Older People Services)	179	602	304	77	900	2,062
	<u>1,796</u>	<u>6,218</u>	<u>3,143</u>	<u>798</u>	<u>9,251</u>	<u>21,206</u>

	GROUP		CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Analysis of governance costs				
Audit and accountancy fees	78	105	71	90
Legal costs	16	28	16	28
	<u>94</u>	<u>133</u>	<u>87</u>	<u>118</u>

	GROUP	
	2023	2022
	£'000	£'000
Audit and non audit services		
Statutory audit of parent and consolidated accounts	71	92
Tax Services	1	3
Other	-	10
	<u>72</u>	<u>105</u>

	GROUP		CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
6 Other costs and income				
Operating lease rentals				
plant & machinery	144	119	143	117
land & buildings	951	918	951	918
Depreciation				
owned assets	1,701	2,029	1,677	2,003
leased assets- land & buildings	49	46	49	46
Loan interest	107	111	95	111
Defined benefit pension - expected return on assets less interest on obligation	-	(11)	-	(11)
Rent received	(276)	(271)	(219)	(226)
Loss on disposal of fixed assets	(281)	(824)	(281)	(824)

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2023

7 Staff costs

	GROUP		CHARITY	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Wages and salaries	106,504	104,338	106,161	104,024
Social security costs	9,716	8,707	9,685	8,681
Other pension costs - contributions to defined contribution schemes	2,274	2,141	2,264	2,130
- defined benefit pension scheme charges	-	146	-	146
	<u>118,494</u>	<u>115,332</u>	<u>118,110</u>	<u>114,981</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 £203,020 (2022: £281,380) are included in the above figures. All costs were contractual.

Employee benefits incurred by CIC, comprising company cars and health insurance, amounting to £31,248 (2022: £25,553) are included in the above figures.

Agency costs incurred by CIC amounting to £14,331,217 (2022: £9,085,771) 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	
	2023 number	2022 number	2023 number	2022 number
£60,001 - £70,000	10	9	10	9
£70,001 - £80,000	7	6	7	6
£80,001 - £90,000	6	2	5	2
£90,001 - £100,000	5	4	5	4
£100,001 - £110,000	-	2	-	2
£110,001 - £120,000	1	-	1	-
£130,001 - £140,000	-	3	-	3
£140,001 - £150,000	1	-	1	-
£150,001 - £160,000	1	-	1	-
£160,001 - £170,000	2	-	2	-
£190,001 - £200,000	-	1	-	1
	<u>33</u>	<u>27</u>	<u>32</u>	<u>27</u>

All employees earning more than £60,000 contributed to a personal pension scheme. The Charity contributed £149,174 (2022: £136,912) on their behalf.

Total earnings of key management personnel in the year amounted to £1,878,330 (2022: £1,516,635).

Key management personnel comprises Executive Team, Managing Directors and Directors.

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 were incurred by 7 Trustees (2022: 5) and amounted to £4,136 in the year (2022: £4,757).

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

	GROUP		CHARITY	
	2023 number	2022 number	2023 number	2022 number
Operational staff	4,506	4,826	4,506	4,815
Administration and support	605	536	589	532
	<u>5,111</u>	<u>5,362</u>	<u>5,095</u>	<u>5,347</u>

8 Indemnity Insurance

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £19,320 (2022: £16,800).

Community Integrated Care
Notes to the financial statements
for the year ended 31 March 2023

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 £'000
GROUP							
Cost							
At 1 April 2022	14,071	3,652	3,282	3,207	4,184	163	28,559
Additions	368	-	391	259	788	325	2,131
Disposals	(307)	-	(20)	(277)	-	-	(604)
Transfer	-	-	31	7	125	(163)	-
At 31 March 2023	14,132	3,652	3,684	3,196	5,097	325	30,086
Depreciation							
At 1 April 2022	5,119	2,184	2,278	1,340	3,042	-	13,963
Provided during the year	269	49	273	396	763	-	1,750
Disposals	(113)	-	(17)	(188)	-	-	(318)
At 31 March 2023	5,275	2,233	2,534	1,548	3,805	-	15,395
Net Book Value							
At 31 March 2023	8,857	1,419	1,150	1,648	1,292	325	14,691
At 31 March 2022	8,952	1,468	1,004	1,867	1,142	163	14,596
CHARITY							
Cost							
At 1 April 2022	12,336	2,199	3,231	3,208	4,180	163	25,317
Additions	368	-	389	259	788	325	2,129
Disposals	(307)	-	(20)	(277)	-	-	(604)
Transfer	-	-	31	7	125	(163)	-
At 31 March 2023	12,397	2,199	3,631	3,197	5,093	325	26,842
Depreciation							
At 1 April 2022	4,742	731	2,228	1,339	3,038	-	12,078
Provided during the year	245	49	273	396	763	-	1,726
Disposals	(113)	-	(17)	(188)	-	-	(318)
At 31 March 2023	4,874	780	2,484	1,547	3,801	-	13,486
Net Book Value							
At 31 March 2023	7,523	1,419	1,147	1,650	1,292	325	13,356
At 31 March 2022	7,594	1,468	1,003	1,869	1,142	163	13,239

Included in freehold land and buildings for the Group are 28 (2022: 27) buildings which were donated by local authorities. They have a net book value of £3,024K (2022: £3,479K). 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 145 (2022: 152) vehicles with a net book value of £1,430 (2022: £1,627K) which are leased to people we support.

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2023

9 Tangible fixed assets (continued)

Included in freehold land and buildings is land at a cost of £175k (2022: £175k) 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:

	2023	2022
	£'000	£'000
Cost	1,299	1,436
Accumulated depreciation	<u>(513)</u>	<u>(519)</u>
	<u>786</u>	<u>917</u>

10 Intangible Assets

	CHARITY	
	2023	2022
	£'000	£'000
<u>Goodwill</u>		
Cost B/f	3,046	800
Additions in year	-	2,246
Disposals	<u>(800)</u>	<u>-</u>
Cost C/f	<u>2,246</u>	<u>3,046</u>
Amortisation B/f	1,024	800
Amortisation in year	449	224
Amortisation on disposals	<u>(800)</u>	<u>-</u>
Amortisation C/f	<u>673</u>	<u>1,024</u>
At 31 March	<u>1,573</u>	<u>2,022</u>

Goodwill brought forward 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. This has been written off in the year as the contract has since been renewed in Community Integrated Care's name.

In June 2021 the Charity acquired the business and assets of Life Opportunities Trust resulting in the addition of £424k of negative goodwill. In September 2021 the Charity purchased 100% of the share capital of Access Community Services Ltd and Access Community Trading Ltd resulting in a goodwill addition of £2,670k on the hive up of net assets. Both additions are being amortised over five years. This is inline with projected benefit that asset shall provide.

11 Fixed asset investments

	GROUP		CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
At 1 April	114	112	-	-
(Loss) / Gain on investments	<u>(7)</u>	<u>2</u>	<u>-</u>	<u>-</u>
Market value at 31 March	<u>107</u>	<u>114</u>	<u>-</u>	<u>-</u>

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2023

11 Fixed asset investments continued

Shareholdings

	Control %	Type	Company number	Country of incorporation	Company Status
Person Centred Housing Ltd	100	Subsidiary	4578121	England & Wales	Active
Age Exchange	100	Subsidiary	1929724	England & Wales	Active
Inspirit Care Ltd	100	Subsidiary	4180614	England & Wales	Dormant
Access Community Care Ltd	100	Subsidiary	4471217	England & Wales	Dormant
Access Community Training Ltd	100	Subsidiary	2225727	England & Wales	Dormant

Person Centred Housing ("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.

Access Community Services ("ACS") is a private company limited by shares. CIC hold £5,001 shares.
Access Community Training ("ACT") is a private company limited by shares. CIC hold £10 shares.
The registered address of both companies is: Old Market Court, Miners Way, Widnes, WA8 7SP.
100% of the share capital of both companies was acquired on 13/09 and they have since been dormant following the immediate hive up of business and assets to CIC.
Both companies are in the process of being wound up.

	Age Exchange	Person Centred Housing	2023	2022
	£'000	£'000	£'000	£'000
Assets	1,654	279	1,933	1,991
Liabilities	(482)	(183)	(665)	(643)
Net Assets	1,172	96	1,268	1,348
Funds / Reserves	1,172	96	1,268	1,348
Income	532	25	557	563
Expenditure	(626)	(12)	(638)	(562)
Net expenditure	(94)	13	(81)	1

12 Current asset investments

	GROUP		CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
At 1 April	-	-	-	-
Addition of investment cash	20,000	-	20,000	-
Income retained as investment	38	-	38	-
Market value at 31 March	20,038	-	20,038	-

During the year, the Charity invested £20m with Cazenove in the form of deposit accounts.

13 Debtors

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Amounts due within one year				
Trade debtors	8,004	8,058	7,983	8,052
Other debtors	677	661	675	654
Prepayments & accrued income	6,386	4,889	6,381	4,887
	15,067	13,608	15,039	13,593
Amounts due after more than one year				
Amounts due from JV/subsidiary undertakings	-	45	177	119
Total	15,067	13,653	15,216	13,712

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2023

14 Creditors: amounts falling due within one year

	Group		Charity	
	2023 £'000	restated 2022 £'000	2023 £'000	restated 2022 £'000
Trade creditors	3,363	3,145	3,355	3,134
Other taxes and social security	1,905	1,847	1,898	1,841
Other creditors	1,638	1,620	1,625	1,559
Bank loans due within one year	318	334	292	308
Accruals & deferred income	14,219	13,745	14,197	13,678
	<u>21,443</u>	<u>20,691</u>	<u>21,367</u>	<u>20,520</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.

	Group £'000	Charity £'000
The movement in the period is as follows		
Opening deferred income	1,351	1,303
Amounts charged for the year	1,085	1,082
Amounts released in the year	(1,351)	(1,303)
Closing deferred income	<u>1,085</u>	<u>1,082</u>

15 Creditors: amounts falling due in more than one year

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Bank loans	2,161	2,468	1,900	2,184
Deferred Capital Grants	151	156	-	-
	<u>2,312</u>	<u>2,624</u>	<u>1,900</u>	<u>2,184</u>
Repayments fall due as follows:				
In the second to fifth year inclusive	1,453	1,420	1,365	1,328
After 5 years	708	1,048	535	856
	<u>2,161</u>	<u>2,468</u>	<u>1,900</u>	<u>2,184</u>
Bank loans due within one year (above)	318	334	292	308
Total loans and overdrafts	<u>2,479</u>	<u>2,802</u>	<u>2,192</u>	<u>2,492</u>

The charity took out a 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 1.95% above the Bank of England base rate. At the balance sheet date security is held in cash in a separate Charity bank account. Monthly repayments of £35k are due.

16 Provisions for liabilities

	Sleeps provision restated £'000	Other provisions restated £'000	Total £'000
At 1 April 2022	2,575	3,507	6,082
Additional provision	495	379	874
Utilised in the year	-	(196)	(196)
Released in the year	(1,165)	(3,063)	(4,228)
At 31 March 2023	<u>1,905</u>	<u>627</u>	<u>2,532</u>

The Charity holds a sleeps provision to reflect the probable need to make repayments to local authorities and/or staff for sleep pay. The provisions included in other provisions are considered by the Charity to be individually and collectively immaterial.

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2023

17 Other financial commitments

At 31 March 2023 the group had commitments under non-cancellable operating leases as follows:

	GROUP Equipment		CHARITY Equipment	
	Restated		Restated	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Expiry date:				
Within one year	-	4	-	-
Between two and five years	236	344	234	342
More than five years	12	10	-	-
	<u>248</u>	<u>358</u>	<u>234</u>	<u>342</u>

During the year, a reassessment of commitments disclosed under equipment operating leases was carried out and a restatement deemed necessary to ensure they were accurate in accordance with FRS 102 and SORP standards. There was no financial impact and the result for the year ended 31 March 2022 is not affected.

At 31 March 2023 the amounts payable to the group under non-cancellable operating leases as follows:

	GROUP Rental Income		CHARITY Rental Income	
	Restated		Restated	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Expiry date:				
Within one year	276	271	219	226
	<u>276</u>	<u>271</u>	<u>219</u>	<u>226</u>

18 Statement of funds

Year ended 31 March 2023

GROUP	31 March 2022 £'000	Profit for the year		Other comprehensive income Transfers £'000	31 March 2023 £'000
		Income £'000	Expenditure £'000		
Unrestricted funds	31,998	147,635	(149,065)	851	31,419
Restricted funds					
-Fundraising and grants	734	716	(429)	(686)	335
-Capital grants	3,189	-	-	(165)	3,024
Total restricted funds	3,923	716	(429)	(851)	3,359
Total funds	35,921	148,351	(149,494)	-	34,778

Year ended 31 March 2022

GROUP	31 March 2021 £'000	Profit for the year		Other comprehensive income			31 March 2022 £'000
		Income £'000	Expenditure £'000	Transfers £'000	Capital grant on acquisition £'000	DB Pension adj £'000	
Unrestricted funds							
Continuing operations	41,988	127,399	(127,097)	(10,292)	-	-	31,998
Discontinued operations	(14,697)	15,463	(14,653)	13,853	-	34	-
Total unrestricted funds	27,291	142,862	(141,750)	3,561	-	34	31,998
Restricted funds							
Continuing operations							
-Fundraising and grant	462	554	(285)	3	-	-	734
-Capital grants	2,622	-	-	(108)	675	-	3,189
Discontinued operations							
-Capital grants	3,456	-	-	(3,456)	-	-	-
Total restricted funds	6,540	554	(285)	(3,561)	675	-	3,923
Total funds	33,831	143,416	(142,035)	-	675	34	35,921

The capital grants fund of £3,024k relates to the market value of the buildings donated to the Charity by Local Authorities of the date of their transfer. The fund is written off over the estimated useful life of the buildings which is 50 years. The transfers made between Restricted Funds and Unrestricted Funds is made up of 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. Fundraising and grant fund relates to the donations, legacies and grants received by the Group for specific purposes.

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2023

18 Statement of funds (continued)

Year ended 31 March 2023

	31 March 2022 £'000	Profit for the year		Other comprehensive income		31 March 2023 £'000
		Income £'000	Expenditure £'000	Transfers £'000		
CHARITY						
Unrestricted funds	30,976	147,322	(148,810)	1,008		30,496
Restricted funds						
-Fundraising and grant	743	436	(47)	(843)		289
-Capital grants	3,189	-	-	(165)		3,024
Total restricted funds	3,932	436	(47)	(1,008)		3,313
Total funds	34,908	147,758	(148,857)	-		33,809

Year ended 31 March 2022

	31 March 2021 £'000	Profit for the year		Other comprehensive income			31 March 2022 £'000
		Income £'000	Expenditure £'000	Transfers £'000	Capital grant on acquisition £'000	DB Pension adj £'000	
CHARITY							
Unrestricted funds							
Continuing operations	40,859	129,992	(129,586)	(10,289)	-	-	30,976
Discontinued operations	(14,697)	15,463	(14,653)	13,853	-	34	-
Total unrestricted funds	26,162	145,455	(144,239)	3,564	-	34	30,976
Restricted funds							
Continuing operations							
-Fundraising and grant	564	315	(136)	-	-	-	743
-Capital grants	2,622	-	-	(108)	675	-	3,189
Discontinued operations							
-Capital grants	3,456	-	-	(3,456)	-	-	-
Total restricted funds	6,642	315	(136)	(3,564)	675	-	3,932
Total funds	32,804	145,770	(144,375)	-	675	34	34,908

19 Analysis of group net assets between funds

	31 March 2023 GROUP			31 March 2022 GROUP		
	Unrestricted funds £'000	Restricted funds £'000	Total £'000	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Fund balances at 31 March 2023 are represented by						
Tangible fixed assets	11,716	3,082	14,798	11,407	3,189	14,596
Intangible fixed assets	1,573	-	1,573	2,143	-	2,143
Current assets	44,694	-	44,694	48,534	-	48,534
Current liabilities	(21,720)	277	(21,443)	(27,507)	734	(26,773)
Long-term liabilities	(4,844)	-	(4,844)	(2,624)	-	(2,624)
Long-term debtors	-	-	-	45	-	45
	31,419	3,359	34,778	31,998	3,923	35,921

	31 March 2023 CHARITY			31 March 2022 CHARITY		
	Unrestricted funds £'000	Restricted funds £'000	Total £'000	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Fund balances at 31 March 2023 are represented by						
Tangible fixed assets	11,175	2,181	13,356	10,051	3,189	13,240
Intangible fixed assets	1,573	-	1,573	2,020	-	2,020
Current assets	44,679	-	44,679	48,434	-	48,434
Current liabilities	(22,499)	1,132	(21,367)	(27,345)	743	(26,602)
Long-term liabilities	(4,432)	-	(4,432)	(2,184)	-	(2,184)
	30,496	3,313	33,809	30,976	3,932	34,908

Community Integrated Care Notes to the financial statements

for the year ended 31 March 2023

20 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 (3% 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.

	2023 £'000	2022 £'000
Contributions paid	<u>2,264</u>	<u>2,141</u>

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 (2022: £20k) and admin expenses paid by Community Integrated Care of £7,452 (2022: £6,930).

At the end of the year, Person Centred Housing owed Community Integrated Care £24k (2022: £41k).

Age Exchange Limited

During the year Community Integrated Care paid costs of behalf of Age Exchange of £113k (2022: £18k).

Age Exchange repaid £4k of the loan back owed to Community Integrated Care.

At the end of the year, Age Exchange owed Community Integrated Care £153k (2022: £44k).

There were no other related party transactions in either year apart from key management personnel remuneration (see note 7).

22 Analysis of changes in net debt

GROUP	At 31 Mar 2022	Cash flows	At 31 Mar 2023
Cash and cash equivalents			
Cash	34,924	(5,300)	29,624
	<u>34,924</u>	<u>(5,300)</u>	<u>29,624</u>
Borrowings			
Debt due within one year	(334)	16	(318)
Debt due after one year	<u>(2,468)</u>	<u>307</u>	<u>(2,161)</u>
	(2,802)	323	(2,479)
Total	<u>32,122</u>	<u>(4,977)</u>	<u>27,145</u>

23 Investment in joint venture

In 2019/20 financial year, Technology Integrated Care Limited, a subsidiary of Community Integrated Care, invested £50k in a joint venture, Preparing4Care LLP.

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

Preparing4Care LLP and Technology Integrated Care were dissolved in the year and a profit of £36k recognised in the consolidated SoFA.

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2023

24 Amounts held as agent

Residents' monies	2023 £'000	2022 £'000
Balance unspent brought forward	6,613	6,706
People We Support income	7,996	7,377
People We Support expenditure	(8,166)	(7,470)
Balance unspent carried forward	<u>6,443</u>	<u>6,613</u>

The Charity is the Agent of residents' personal monies.

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.

25 Post balance sheet events

On 1st August 2023, Community Integrated Care merged with Inspire (Partnership Through Life) Ltd (Company no. SC113676). All assets and undertaking of Inspire (Partnership Through Life) Ltd were transferred for nil consideration. An estimate of the net assets transferred is not yet available.

26 Consolidated statement of Financial Activities - Year ended 31 March 2022

	Note	Unrestricted funds		Restricted funds		TOTAL 2022 £'000
		Continuing operations 2022 £'000	Discontinued operations 2022 £'000	Continuing operations 2022 £'000	Discontinued operations 2022 £'000	
Income						
Income from charitable activities	2	126,335	13,512	554	-	140,401
Other income	3	1,044	1,951	-	-	2,995
Investment income		20	-	-	-	20
Total income		<u>127,399</u>	<u>15,463</u>	<u>554</u>	<u>-</u>	<u>143,416</u>
Expenditure						
Charitable activities		127,086	14,653	285	-	142,024
-(Profit)/Loss on joint venture		11	-	-	-	11
Total expenditure	4	<u>127,097</u>	<u>14,653</u>	<u>285</u>	<u>-</u>	<u>142,035</u>
Net income / (expenditure)		<u>302</u>	<u>810</u>	<u>269</u>	<u>-</u>	<u>1,381</u>
Transfer between funds		(10,292)	13,853	(105)	(3,456)	-
Other recognised gains / (losses)						
Actuarial gains/ (losses) on defined benefit pension scheme		-	34	-	-	34
Grant acquired through business combination	16	-	-	675	-	675
Net movement in funds		<u>(9,990)</u>	<u>14,697</u>	<u>839</u>	<u>(3,456)</u>	<u>2,090</u>
Reconciliation of funds:						
Total fund balances at 1 April		41,988	(14,697)	3,084	3,456	33,831
Total fund balances at 31 March		<u>31,998</u>	<u>-</u>	<u>3,923</u>	<u>-</u>	<u>35,921</u>

The statement of financial activities includes all gains and losses recognised in the year.

Community Integrated Care
Notes to the financial statements
for the year ended 31 March 2023

27 Statement of Financial Activities - Year ended 31 March 2022

	Note	Unrestricted funds		Restricted funds		TOTAL 2022 £'000
		Continuing operations 2022 £'000	Discontinued operations 2022 £'000	Continuing operations 2022 £'000	Discontinued operations 2022 £'000	
Income - Charity only						
Income from charitable activities	2	126,136	13,512	315	-	139,963
Other income	3	955	1,951	-	-	2,906
Investment income		2,901	-	-	-	2,901
Total income		129,992	15,463	315	-	145,770
Expenditure						
Charitable activities		129,586	14,653	136	-	144,375
- Charitable activities excluding exceptional		126,698	14,653	136	-	141,487
- Exceptional impairment of investments on hive up		2,888	-	-	-	2,888
Total expenditure	4	129,586	14,653	136	-	144,375
Net income / (expenditure)		406	810	179	-	1,395
Transfer between funds		(10,289)	13,853	(108)	(3,456)	-
Other recognised gains / (losses)						
Actuarial gains/ (losses) on defined benefit pension scheme		-	34	-	-	34
Charge on property acquired through business combination		-	-	675	-	675
Net movement in funds		(9,883)	14,697	746	(3,456)	2,104
Reconciliation of funds:						
Total fund balances at 1 April		40,859	(14,697)	3,186	3,456	32,804
Total fund balances at 31 March		30,976	-	3,932	-	34,908

The statement of financial activities includes all gains and losses recognised in the year.