

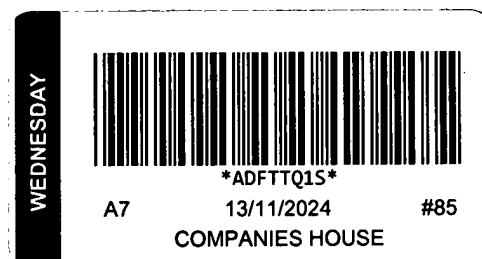
COMMUNITY INTEGRATED CARE

(A Company Limited by Guarantee)

ANNUAL REPORT

YEAR ENDED 31 MARCH 2024

Charity Registration Number: 519996
OSCR Number: SC039671
Company Registration Number: 02225727



Community Integrated Care – Year ended 31 March 2024

2023/2024 Report and Financial Statements

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1. Introduction

1.1 Former Chair's Statement

In March 2024, Libby Raper stepped down as Chair of Community Integrated Care's Board of Trustees. Trustee, Mandy Wearne, has taken on the role on an interim basis, whilst a permanent Chair is recruited. Libby had the following statement:

2023/24 has been a significant year for our charity – from opening state-of-the-art services to appointing a new CEO, significant steps have been taken to bolster our organisation for the years to come.

Throughout 2023/24, I have been especially proud to have seen so many of the people we support representing our charity on a national stage, sharing their experiences with policy and decision-makers. Amplifying the voices of our people is a key priority throughout the next phase of our Best Lives Possible journey, so I am excited to see even more of this take place throughout 2024.

Another special milestone has been our merger with Inspire, Partnership Through Life (Inspire), highlighting the power of collaboration in social care, with two providers with a shared vision and goals coming together to achieve incredible things. Not only has this supported us to scale up and expand our work and mission across Scotland, but through a united voice, we hope that we can have greater influence within our sector.

When I stepped into this role just over five years ago, little did I know what successes and challenges would lie ahead. We've enjoyed many fantastic achievements, and faced some of our biggest hurdles – none more so than the Covid-19 pandemic, where our sector showed itself as the unsung hero of our society.

Throughout all of this, Community Integrated Care has never lost sight of its values, and our people remain at the heart of everything we do. In the face of turbulence, at every turn, we've strived to lead change, for both the people we support and our colleagues – and for that I'm really proud.

I leave the organisation in the capable hands of a strong leadership team, at both executive and board level, with a clear roadmap in place for the years ahead. I'm confident that, with their significant skills and experience, our charity's best years are still yet to come.

I'd like to take this opportunity to thank my fellow Trustees, both past and present, for their knowledge, guidance, and advice over the years. By giving their time and bringing their energy, our charity has been enabled to thrive, and I am hugely grateful for their impact.

After 35 years of pushing boundaries, Community Integrated Care is still thriving, and it has been my honour to play a part in the charity's history, working alongside so many committed and hard-working people. It's a difficult decision to step back from something that has been such a privilege, but it's also impossible to reflect on the last five years with anything but pride.

Whilst I will be stepping down as Chair, I will always be connected to this fantastic organisation, and look forward to watching more of its success unfold in the years ahead.

On her new interim position, Mandy Wearne says:- "Whilst we find the perfect candidate to take on this important role, it's my honour to take the reins as custodian of our great charity and the guardian of our purpose. My focus for the immediate future will be on leading the Board of Trustees to appropriately guide and support the charity's Executive Directors, ensuring that we are creating

an empowered workforce, who can adapt to change, provide great value and continuously improve, so we deliver high-quality services that enable people to live the Best Lives Possible.”

1.2 Chief Executive Officer’s Statement

In January 2023, I had the privilege of being formally appointed as Chief Executive of this remarkable charity, after spending three years as Chief Financial Officer. Over this time, I’ve truly loved having the opportunity to spend time with our colleagues, teams and the people we support in our services, witnessing everything that makes our organisation so special.

After a change of leadership, the launch of a new five-year plan and the reverberations of the pandemic, for Community Integrated Care, 2023/24 was a year of resetting, restoring, and remaining determined to deliver our promises.

We’ve put significant effort into strengthening and stabilising our charity’s core – making great progress against our Best Lives Possible strategy by investing in the quality of our services, continuing to champion our colleagues, and creating empowering communities.

2023 was an extra special year, as it also marked Community Integrated Care’s 35th birthday. In 1988, our charity was founded by Dr David Robertson, and led the way for societal change with the vision of creating more inclusive communities. I’m proud that in the many decades since, we’re staying true to our founding mission: continuing to push boundaries and delivering transformative support that enables people to lead lives full of choice and opportunity.

Of course, whilst we celebrate our successes, we mustn’t ignore the considerable challenges that we continue to face as a sector. More broken promises and diluted plans from Government has meant that social care is still grappling with the issue of low pay, meaning providers are unable to pay their colleagues fairly for the work they do.

Throughout 2024/25, Community Integrated Care will continue to campaign for a fairer social care sector, for those drawing upon care and support, their loved ones and families, and for the 1.6 million talented and passionate people who make up our workforce.

Our message is clear: in order for us to continue to deliver a lifeline to the millions of people who rely on our support, our sector needs greater investment, fairer funding and a clear workforce strategy. These asks are long overdue, and it is essential that they shift into action.

I’d like to take this opportunity to pay tribute to our former Chair of our Board of Trustees, Libby Raper, who stepped down from this role in March 2024, after an excellent five years with our charity. Within her tenure, Libby has made an enormous impact, leading Community Integrated Care through many of its achievements. From playing a key role as architect of our Best Lives Possible plan to advocating for our colleagues and the people we support to be at the heart of everything we do, Libby’s progressive vision and ambition has been a real driving force. She departs with our sincerest gratitude for her magnificent contribution to Community Integrated Care and best wishes for the future.

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 Community Integrated Care to help increase independence, maximise their 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.

Engaging with suppliers and customers successfully is recognised as paramount in achieving the aims of the Charity. Underpinning this is a commitment to, and focus on, effective communication, understanding the client needs, and building trust through reliability and transparency.

As we embarked on the next phase of our Best Lives Possible journey, in 2023, we refreshed our charity's strategic portfolio to anchor this activity. Our current eight strategic programs are an evolution, rather than a revolution, of our Best Lives Possible vision, underpinning everything we do as a charity. These are:

1. **Care Excellence** is the foundation of everything we do – making sure that the people we support receive the best care possible, centered around them and their needs, their goals and their potential. This area focuses on excellent support plans led by the people we support, giving people we support more flexibility in their lives through de-registration of services and continuing to develop our corporate capability in high intensity services.
2. **Engaging the people we support** recognises that the true expertise in our organisation comes from within – the people supported by our charity. It aims to nurture a person-centered environment of listening and collaboration, promoting influence, independence and responsibility for the people we support.
3. **Data led decision making** will harness a comprehensive yet user-friendly suite of data and supporting analytics that will improve insights to influence both local and organisational decision-making.
4. **Systems That Support** will deliver efficient, effective and user-friendly systems that transform the way we support people. Current priority projects include the introduction of a new rostering system (Sona) as well as the introduction of a new quality, risk and compliance system (Radar).
5. **GROW** is our sector-leading frontline learning experience. It encompasses the core skills and capabilities required to deliver the Best Lives Possible, with a wealth of bite-sized, engaging and relevant learning across a host of channels and delivery methods.
6. **Right People, Right Place, Right Time** aims to deliver well-structured workforce planning to ensure we have the most passionate and dedicated team of colleagues possible to deliver all of the support we're commissioned to provide. Current projects include Agency Reduction;

Digital ID; and Bank Project, which will contribute to reducing agency usage, reducing Eligibility to Work and DBS/PVG admin activity for Front Line Managers and improve the organisation's service offering for Bank colleagues.

7. **Welcoming Inspire** aims to successfully merge two organisations (Community Integrated Care and Inspire). It is a specific strategic project due to its size and scale and involves significant collaboration across Operational and Support teams. This will facilitate the Inspire teams receiving a positive and seamless welcome to Community Integrated Care's processes, ways of working and culture.
8. **Smarter Working** focusses on reviewing specific processes, systems and ways of working in order to work more efficiently and deliver improvements.

Over the second half of 2024 we will take a step back and check our corporate strategy to ensure it is relevant and focused on the right things, which we expect will result in some change to the composition of our strategic portfolio.

2.2 Achievements and Performance

We provide support to over 2,700 people across sixty-four local authority areas throughout England and Scotland, delivering on average over 150,000 commissioned hours a week.

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

Unfair to care

In March this year we launched the third edition of Unfair To Care 2024 - 'Who Cares Wins', Community Integrated Care's campaign that outlines the impact of the social care pay gap and calls upon the Government to unlock the potential of this sector through a better deal for our workforce.

For the third year running, our research - conducted in partnership with job evaluation experts Korn Ferry - tells us that there is a significant pay gap between frontline social care workers and their equivalents in the NHS, something we consider unfair and unacceptable.

In this year's Unfair To Care report, we explored the wider impact of low pay in social care on people, businesses, communities and our country as a whole, and present better funding as an investment and opportunity, rather than a cost to the UK - providing the '**Social Care Triple Win**' of:

1. Better lives for people who deliver and draw on social care
2. Cost-effective and sustainable care and health services
3. Economic growth and productivity

When the report was produced, it was known that a general election would take place in 2024, so we used this report to highlight that social care funding, can influence the decision-making of the 'social care vote' - over 2.6 million people - when it comes to who gets their vote. Research from YouGov tells us that the public are on our side on the issue of funding for social care, so it should be something that's equally important to our politicians.

Investing in our people

As we explain in our Unfair To Care campaign, we strongly believe that people working in the care sector should be paid much more for the skilled, knowledgeable and complex roles they do every day. And whilst we continue to lobby decision-makers for the wide-scale investment that we urgently need to achieve this, we know we have to do everything possible to support our people.

Demonstrating a commitment to properly supporting and rewarding our colleagues, we were delighted to announce a £5 million investment in colleague pay in 2023. In April, we unveiled a pay uplift totalling £4 million for our frontline teams, with our Support Workers moving to £10.92 per hour in England and £11.40 per hour in Scotland. We then announced a further £1.5 million investment in reward for our salaried colleagues, later in the year.

Growing our charity

It's been a year of significant growth for Community Integrated Care, as we've focused on expanding our reach across England and Scotland. From building new, bespoke services to merging with another impressive care provider, we've been continuing to make our mark on the sector.

This year we have opened 51 new services and welcomed 894 people supported to our charity. 40 of those services came on board as a result of the merger with Aberdeenshire based charity, Inspire. Sharing a common goal – to support people to lead lives full of choice, independence and opportunity – we were proud to join forces and impact the lives of even more people across Aberdeenshire.

Technology that cares

Technology has the power to transform social care, both for the people working in the sector and the people we support. From collaborating with leading care and technology organisations, to exploring new and improved digital solutions, we're continually looking for innovations that empower the people we support and our colleagues.

This year, our Technology Enabled Care (TEC) team were proud to gain TEC Services Association accreditation – the UK's industry advisory body for TEC. This accreditation recognises our transformative methods of using technology to deliver blended models of care that enable people to have more independence and control over their own support. Not only that, but it's also a true marker of demonstrating how the services we provide are of the very highest standard – highlighting to our professional partners and families that the people we support are in safe hands with us.

Learning with impact

At Community Integrated Care, we're passionate about nurturing the many talents our colleagues possess and proudly provide an array of learning and development opportunities that support career progression and social care excellence.

Our trailblazing new learning journey for our social care professionals. GROW provides a multi-layered, holistic approach to learning which recognises the breadth of skill required to support people to live rich, fulfilling lives. Over the last year over 5,000 colleagues have engaged with GROW and completed almost 150,000 learning modules.

GROW has received glowing feedback from both inside and outside of our charity. 90% of colleagues have completed their learning in full, with 92% of courses rated 4 or 5 out of 5. It has received external acclaim from Skills for Care, who shared: *"What impressed us most about GROW was the focus on people; both the people using Community Integrated Care's support, and the colleagues*

they employ.”, praise further evidenced when GROW collected the Best Learning & Development Initiative Award for the Public and Third Sector category at the CIPD People Management Awards.

Engaging the people we support

We want to empower the people we support to be the true leaders of our charity and to influence important decisions on their own care and support. Understanding peoples' needs and ambitions, and amplifying their voices, has been key focuses this year.

It's been an exciting year for our Voice Groups, which were rolled out to all of our regions following a successful pilot in the South. This platform provides a safe space for people supported to get together – developing meaningful relationships and confidence in the process. Most importantly, it offers people the opportunity to share their experiences and recommendations to improve our service delivery. Most notably this year, our Voice Groups played a key role in creating and sharing guidance around the General Election, promoting rights and citizenship with the people we support. Later this year, they'll be part of an organisational campaign to tackle hate crime in society.

Life changing partnerships

Our charity has joined forces with some of the biggest events in the UK as our Inclusive Volunteering® programme took to the road. From trying out sitting volleyball to helping thousands of visitors explore Hartlepool's waterfront, our partnerships have allowed hundreds of volunteers to show off their skills, discover new friendships, access a range of vocational opportunities and make lifelong memories.

In 2023, we launched our charity's very first podcast - A World of Inclusion. The podcast is hosted by Rugby League expert, Ross Fiddes, and shines a light on some of the life-changing stories made possible thanks to our Inclusive Volunteering® programme with the Rugby League World Cup.

This year we teamed up with the National Trust, WWF, and the RSPB to create a range of free resources to help people who access social care discover the great outdoors. Inspired by Sir David Attenborough's Wild Isles, we've been helping our services find ways to include outdoor pursuits into care and support plans. This has included sensory gardening guides, walks within nature and even an inclusive What To Do session with Cbeebies presenter, Rory Crawford.

Financial Performance

Financial key performance indicators are detailed within the Strategic Report below, being the capital adequacy test and liquidity ratio.

2.3 Strategic Report

Financial Review

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

The Charity Group ("the Group") recorded total income for the year of £176.1m, representing an increase of 18.7% on the total income for the year to 31 March 2023 (£148.3m). Total expenditure for the Group increased by 15.6% to £172.8m (2023: £149.5m).

As a result of extraordinary income relating to the acquisition of Inspire and income received from investing activities, the Group has recorded net income of £3.6m.

On 31 July 2024, Community Integrated Care acquired Inspire which continues to operate as a subsidiary of the Group. Inspires net assets were consolidated at Group level, resulting in a one off £2.4m donation to Community Integrated Care.

As part of the Group's investment strategy, surplus funds have been invested using an investment partner Cazenove. Using a blend of short notice period money market investments and a longer-term investment in a Sustainable Multi- Asset Fund, investments have earned a return of £1.4m in capital and income.

The Group segments its charitable activities by operating division and a summary of the £3.6m net income for the year ended 31 March 2024 is presented below. Excluding the non-charitable activities noted above, the Group has made a deficit of £1.5m on operational activities. This loss was in line with plan as the charity continues with the strategy to invest in our people.

	£'000				
	Income	Operational staff costs	Direct costs	Support costs	Net Income/ (Expenditure)
Independent Living	166,645	133,781	7,629	26,815	(1,580)
Extra Care	2,689	2,141	115	443	(10)
Domiciliary Care	1,038	843	23	172	0
Complex Care	948	706	24	156	62
Grants, donations and fundraising	550				550
Other Income	712				712
Investment Income	1,113			(313)	1,426
Donation on merger	2,430				2,430
	176,125	137,471	7,791	27,273	3,590

Independent Living services give people a way to live independently in their own homes through personalised support that enables them to reach their goals. Supported Living services are designed to help people with many different support needs who want to live in their own home. That means they can keep control of their own tenancy and bills and feel fully in charge, as well as supported.

With income for the year of £167m, this represented an increase of 17% on the income for the year to 31 March 2023. Independent Living is the principal service provided by the charity, accounting for 94% of total Income from charitable activities and supporting over 2200 people

Net expenditure for Independent Living services total £1.6m (2023: £2.8m). The charity has performed more favourably than last year but the net expenditure position has meant that it has used its reserves and return on capital invested to cover its overall short-term operating performance.

Labour shortages in adult social care in the backdrop of the pandemic, Brexit, and both vacancies and wage inflation in the wider economy has increased costs of agency services. However, pay investments in front-line staff and a considerable recruitment drive has reduced agency reliance throughout the financial year 23/24 compared to the previous year.

The additional pay invested by the charity hasn't been universally covered by Local Authority and Integrated Care Board Commissioners, leaving a funding shortfall. In addition to this, the increase in inflation over the last two years left the charity exposed to a timing difference in the funding allocated for non-front-line costs and the actual expense. With the reduction in actual inflation and fee rates set at a point in time, with historically higher inflation, this gap is now being bridged.

Extra Care services allow people who require some additional support to maintain their lifestyle and independence. Working with housing associations and local authorities, it provides care and support in purpose-built accommodation, offering a home-from-home environment, with support on-hand when needed.

Domiciliary Care services offer a flexible way of helping people who might otherwise struggle to cope with living independently in their own home. Many people can lead a full and independent life with the security of just a few hours of support a day or a week, depending on what works best for them.

With total income for the year for Domiciliary Care and Extra Care services totalling £3.7m, this represented an increase of 9% on the income for the year to 31 March 2023. Net expenditure for these services total £9k (2023: £51k). These services support over 330 people.

Extra Care and Domiciliary Care as a business model is systemically difficult to cover its costs. Expenditure associated with travel and administration are required to be blended into the hours of direct support, making it challenging for the charity to generate a positive margin from this work.

Complex Care is a person-centred approach to meeting the needs of people with conditions that have a major impact on their lives. These sometimes include a combination of medical, mental health and social challenges.

Community Integrated Care supports over 140 individuals with a range of needs including profound and multiple learning disabilities, mental health conditions and complex autism. Our Complex Care offer focuses particularly on supporting people to transition from long-stay hospital and secure settings, to living more independently in their local communities.

Identifying this as an area of strategic growth, we developed a new governance group, bringing together experts in complex care. The group works to ensure our services are designed and delivered in a way that's safe, inclusive, and supportive

With income for the year of £948k (2023: £1.2m) and net income totalling £63k (2023: £108k) this is a relative new service offering by the Charity's.

Complex Care generally delivers a better financial performance than standard Independent Living; with more opportunity to set rates based on a bespoke cost base rather than a framework rate that is often set across all adult social care providers.

With a positive performance in 2023, the charity remains financially sustainable which enables continued focused investment in its Best Life Possible strategy.

Reserves policy

The Group holds reserves to ensure it continues to be sustainable, can meet its obligations to its customers and colleagues, including the factoring in of potential lost contracts or income streams, and to support its investments in future plans. As at 31 March 2024, Group reserves had increased by £3.5m to £38.3m (2023: £34.8m). Within this balance are restricted reserves of £3.4m (2023: £3.4m) represented by a mixture of freehold and leasehold land and buildings donated to the Charity by several local authorities and public bodies. Disposal of these properties is subject to the approval of the donating authority.

The Group's free reserves as at 31 March 2024 stood at £22.0m (2023: £21.1m). This is calculated as the unrestricted reserves of £35.0m (2023: £31.4m) less the carrying value of tangible fixed assets not covered by capital grants of £13.0m (2023: £10.3m).

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 0.97 (net tangible assets £46.6m to total tangible assets of £48.3m) 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 equating to 1.56 (current assets of £37.2m to current liabilities of £23.8m) is also above the 1.4 target set by the Board and provides assurance that shorter-term liquidity is sufficient to meet the Charity's immediate financial requirements.

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. Following the merger with Inspire and our review and amendment of our investments policy, the committee will review the financial ratios and criteria in the current financial year and update the reserves policy.

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 invested in accordance with its charitable purpose and that the return from assets and capital employed meets the expectations and approval of the Board.

As at 31 March 2024 the Charity had £7m invested in an ethical investment fund, and £14m in money market funds and short term deposit accounts using Cazenove as its investment manager. The Board's objective for the Investment portfolio is a combination of capital growth and investment income: the target return on investment is 4% as there is an expectation that interest rates will fall in 24/25.

This year the board reviewed its investment strategy to ensure an appropriate balance is maintained between the Charity's short-term working capital requirements and achieving longer-term return on investments. Following a change in the Charity Commissions CC14 guidance (Investing Charity money: guidance for trustees) we sought advice from Cazenove to suggest any amendments to our investments policy. Overall, the review demonstrated our policy was in line with the latest guidance. Charity trustees have discretion to choose what investment approach is in the best interests of the charity, provided it furthers the charity's purposes.

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 2024, the investment in Age Exchange was valued at £113k (2022: £107k).

Cash flow

Net cash outflows from operating activities improved to £1.4m (2023: £3.5m outflow), with a net outflow from investing activities of £1.6m (2023: £21.4m outflow). Cash balances as at 31 March 2024 decreased to £4.4m (2023: £9.6m). However, there are significant funds held in investments which

are accessible, being placed in short term cash investments (£14.3m) and long-term investments in stocks and shares (£7.1m)

Long term borrowing

Secured loans have reduced to £0.3m (2023: £2.4m). This balance relates to a bank loan held by the subsidiary Charity Age Exchange.

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. The Charity operates two defined benefit pension schemes, the CARE pension scheme (CARE) and the North East Scotland Pension Fund (NESPF). These were transferred from Inspire when the assets and liabilities were transferred to Community Integrated Care on 31 July 2023.

Subsidiary undertakings

The Charity has three active subsidiary undertakings, namely Person Centered Housing (PCH), Age Exchange (AE) and Inspire Partnerships Through Life (Inspire). PCH, AE and Inspire are companies limited by guarantee, with Community Integrated Care being the sole member.

PCH holds freehold property.

AE uses the power of art, creativity, and social connection to empower and support disabled people and carers locally in Blackheath, London and nationally.

Inspire is a registered Charity which supports people with learning disabilities and additional support needs, including autism, across the North East of Scotland. Community Integrated Care acquired the undertakings on 31st July 2023, and the assets were immediately hived up on 1st August 2023.

The Charity also has two dormant subsidiary undertakings, namely Inspirit Care and Access Community Services. Details on all subsidiary undertakings can be found in note 11.

Related parties and interests

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

Funds held on behalf of residents

The Charity has responsibility over residents' personal monies, totalling £6.7m as at 31 March 2024 (2023: £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 2024 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.

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
<p>Quality of care is the risk of not delivering the standard of care necessary to meet the needs of the people we support.</p>	<p>The Charity is committed to providing good care and support in order to enable the people it supports to live the best life possible. It has a low-risk appetite for quality of care risk.</p>	<p>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 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>Some Key controls include:</p> <ul style="list-style-type: none"> • Robust policies/procedures and frameworks which include the Quality Assurance Framework & Enhanced Support Framework • Electronic system support which provides electronic care and support planning (Nourish) • Governance structure with oversight provided in the Quality and Standards Committee with escalation to the board of Trustees • Oversight of where services are performing, developed service of focus with a weighted criteria to identify and sort the order of concern • Utilisation of local intelligence from the Quality Business Partners working with the regional operations • Levels of harm reported for all incidents • 3 lines of defence model to provide assurance • External assurance is undertaken by the CQC/CI and regulatory intervention undertaken as necessary
<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 'shock events' 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. Portfolio</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.</p> <p>Some Key controls include:</p> <ul style="list-style-type: none"> • Budget process and senior approval • Monthly financial reporting including detailed and appropriate MI

Principal risk category	Risk Appetite	How is this risk managed
	<p>diversification is essential to avoid over reliance on any particular commissioner. Active asset management alongside the generation of surpluses is necessary to finance investment in the business.</p>	<ul style="list-style-type: none"> • Regular forecasting including full Charity quarterly reforecast • Effective risk/reward assessment for all new commitments / investments • 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 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 regulatory expectations would result in risk of harm to the people we support, and the colleagues employed by the Charity. It would result in unacceptable levels of reputation risk and could result in the forced closure or transfer of services and ultimately the continued viability of the Charity. CIC 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. The Company Secretary is responsible for maintaining a register of all regulatory and statutory bodies with which the Charity engages and the names and details of all contacts. There are clear operating guidelines within the Charity setting out how engagement with regulators and other statutory agencies is to take place. Regulatory compliance is considered whenever a new service is commissioned and whenever a new Initiative is undertaken.</p> <p>Some key controls include;</p> <ul style="list-style-type: none"> • A register of all regulatory and statutory bodies with which the charity engages including contact details is maintained in the form of a register by the company secretary • 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 colleagues and other stakeholders. • Policies and procedures in place to support colleagues when engaging with regulators and statutory bodies and reinforces a culture of regulatory compliance including the Quality Assurance Framework • Regulatory compliance is considered at every stage including when a new service is commissioned and any new initiatives that are undertaken • Governance structure which ensures that all regulatory and statutory oversight is captured at all levels • Mandatory role specific training • Active and ongoing management of the Charity's market oversight rating from the CQC
<p>People risk is the risk of not having sufficiently</p>	<p>The ability to manage this risk is constrained by</p>	<p>The Charity's aims to improve the capability of its staff and reduce risks around sufficient capacity by improving the quality</p>

Principal risk category	Risk Appetite	How is this risk managed
<p>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 behave in a way that is aligned to the values and business purpose of the Charity.</p>	<p>the available financial resources 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 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>	<p>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.</p> <p>Some Key Controls include:</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
<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. This necessarily involves acceptance by the Board of a higher level of strategic business risk than has been the case in the recent past.</p> <p>The Charity has also taken a position as a public advocate for</p>	<p>The Board provides approval and ongoing oversight of the strategy through its regular meetings and supporting committees. A defined set of KPIs have been agreed by the Board to ensure that projects are delivered on time to budget and that benefit realization is captured.</p> <p>The Board has agreed the key policy reforms that the Charity is pursuing together with the controls necessary to ensure that messaging is consistent and does not breach the limitations on political activity overseen by the Charity regulators</p> <p>Some Key Controls include;</p> <ul style="list-style-type: none"> • Rigorous programme management disciplines are in place, including an adequately resourced programme office, to support design and delivery of strategic initiatives with oversight provided by the Executive team and Board. • 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.

Principal risk category	Risk Appetite	How is this risk managed
	reform of the social care sector which exposes the business to political challenge and reputation risk.	<ul style="list-style-type: none"> • 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. • Clear delegations around who and under what circumstances can speak on behalf of the charity. All external publications are reviewed by the Company Secretary for factual accuracy and to ensure compliance with charity law
<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 moderate 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 we support through recovery within defined timescales. Operational risks are likely to impact on the Charity's reputation and financial viability and tolerances are set accordingly.</p>	<p>The Charity has a comprehensive set of policies which seek to identify operational risks and set out how they are to be managed and mitigated. This is supported by an enterprise wide communication and training programme. 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.</p> <p>The risks around legal claims are managed by the Company Secretary and supported by clear data protocols</p> <p>Breaches of risk tolerance, including near misses, are escalated to the Board and its Committees as appropriate</p> <p>Some key controls include;</p> <ul style="list-style-type: none"> • 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 and Disaster Recovery Plans in place which are tested regularly. • Enterprise wide structures 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. The sector continues to be underfunded and in spite of this

Group maintained its investment in its front-line workforce improving pay, rewards, and wellbeing and was in a net income position for the year.

The Charity is navigating well through the sector-wide recruitment shortages, fine-tuning recruitments processes and improving its time to hire by an average of 26 days. However, there is still a high reliance on more expensive agency staff and although we have seen lower energy prices towards the end of the year the general cost of living increases still impact the trading position.

Notwithstanding these challenges the group has a strong liquidity position and has been able to invest surplus cash in the investment market gaining favourable returns.

To consider the appropriateness of the going concern basis, forecasts have been prepared to 30 September 2025. Forecast reserves are expected to fall to £36.6m with free reserves forecast to be £15m.

With a forecast net cash position of £26m as at 31 March 2025 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. The Trustees consider there to be no material uncertainties over the Charity's ability to continue as a going concern.

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.

Plans for the future

As we move into 2024/25 and beyond, our focus remains on delivering our strategic portfolio of work that we believe will enable us to enable the people we support to live their best lives possible. This will include:

- Embedding our successful investments in colleagues through our GROW (career learning and development) programme, ongoing leadership development, focus on recruitment and retention (reducing our agency costs) and maintaining our pay differentials.
- Improve our core end-to-end processes so that we can spend more time delivering excellent services to our customers. This will include implementing new rota technology, a refreshed quality platform and embedding continuous improvement into the Charity.
- Develop our corporate capabilities in delivering highly specialist complex care, technology led products / services and person-centered care.

- Continue to use our voice as a leading adult social care provider to campaign for better pay and increased Government funding for this vital sector.

Later on in 2024/25 we will review our current strategy and determine the investments we should make to continue to improve our services for the people we support.

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.
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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
- Quality and Standards Committee
- Finance and Investment Committee
- Remuneration and Nominations Committee
- Workforce Committee

In June 2024, the Board ratified the decision to close the former Scotland Committee on completion of its aims to support and oversee significant business acquisition.

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.

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 2024, the Charity had a workforce headcount of 6,180.

Having a deep understanding of our workforce is crucial in creating an inclusive and supportive environment, where diversity is valued, unique characteristics celebrated and everyone feels able to bring their true selves to work.

This year we were delighted to work with our partners at the Employers Network For Equality and Inclusion, leading organisations across many sectors, and our Colleague Inclusion Networks, to launch our brand-new diversity data monitoring form. We created a progressive approach that's an exemplar of best practice in diversity monitoring and will hopefully give both prospective and current colleagues a sense of feeling seen and respected.

Our inclusion networks have made a huge impact this year, achievements include providing immediate responses to high profile incidents, raising awareness and understanding of men's mental health and Co-creating our Charity's first-ever Gender Identities policy.

Having hard-working, committed and passionate colleagues is vital to providing the very best care – and for the people we support, having a consistent team that they know and trust is an essential ingredient for living the best life possible.

We've focussed on fine-tuning our recruitment processes, enhancing our welcome days, and investing in a suite of colleague support resources to attract new talent to our Charity, and ensure that our colleagues feel proud to call Community Integrated Care their workplace.

In an everchanging sector, we're committed to supporting our leaders to gain new insights, share best practice and harness valuable skills from across our workforce. During 2023, our LEAD training programme has continued to provide specialist learning opportunities for operational managers – touching on key topics like recruitment, care and support planning and quality. In October, we developed a comprehensive new LEAD workshop, hosted by members of our Executive Team across eight regional sessions. These interactive events aimed to upskill leaders on areas such as quality frameworks, business development, evidence and feedback.

Community Integrated Care has a defined Internal Communication & Engagement strategy, which includes a clear communications cycle framework, aimed at keeping our 6000-strong workforce informed, engaged and inspired.

This framework sets out our annual communications activity and the channels used to deliver this, on a daily, weekly, monthly, quarterly and annual basis.

The key channels featured within this are: -

- Viva Engage – our internal social network
- News Roundup – weekly round-up
- Click – our internal intranet platform
- Executive Update – monthly video and written update from Executive Team members (delivered on a rotating basis)
- All Company Webinar – monthly virtual session for all colleagues hosted by Executive Team members (on a rotating basis)
- Support Services Huddle – monthly virtual session for all support services colleagues, hosted by Support Services Senior Leadership Team members)
- Regional GameChanger* meetings – monthly local meetings of our employee forum members (hosted by Managing Directors)
- Colleague Inclusion Networks – monthly meetings of our LGBTQIA+, BAME, Disability and Neurodiversity, Women and Men's member networks.
- National GameChanger* meetings – quarterly meetings of our national employee forum members (hosted by Chief Executive Officer, Chief Operating Officer and Director of People).
- Company Roadshow – annual in-person leadership event

Messages and content across these channels include updates, news, stories and information on everything ranging from our strategic portfolio of activity, our key performance indicators (finance, workforce, quality, growth) to day-to-day activity, developments and achievements across the charity.

All channels provide opportunity for two-way dialogue, discussion and debate with colleagues, to ensure that we have a strong employee voice to support senior leaders in their decision-making.

*GameChangers is the charity's employee forum, made up of around 60 colleagues from around the organisation who represent the views of their colleagues on the issues that matter to them most. They play a key role in supporting and advising the Executive Team and Senior Leadership Team on a variety of topics and projects.

2.4 Reference and Administration Details

Life President:

Dr David Robertson

Board of Trustees:

Elizabeth Raper – Chair (resigned 31 March 2024)

Mandy Wearne – Interim Chair (appointed 1 April 2024)

Teresa Fenech

Shaun Gallagher

Simon Learoyd (resigned 20 June 2024)

Nigel Lemmon

Amanda de Ryk

Keith Rhodes

Jay Muthu (resigned 9 June 2023)

Wallace Dobbin

Sue Tunmore

Janet Ryan

Jonathan Firth Akehurst (appointed 20 June 2024)

Company Secretary:

David Hedley (resigned 31 March 2024)

Patricia Doran (appointed 18 April 2024)

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 2024. By reference to the strategic plan 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 Inspire, 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 6.7m kWh which equates to 1,325 tonnes of CO2 emitted or 2,468 kWh per person supported as at 31 March 2024 (2023: 2,834kWh). 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.
- Continuation of 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.
- Installed smart meters and other energy monitoring tools.
- Committed to using energy efficient lightbulbs, where applicable.
- Replacing heating systems with energy efficient, SEDBUK A rating, systems.

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

A resolution to reappoint MHA as auditors will be proposed at the Board meeting to be held on 19 September 2024. 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:

Mandy Wearne: 

Chair of Trustees

Date: 19/9/24

COMMUNITY INTEGRATED CARE

YEAR ENDED 31 MARCH 2024

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 2024 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 2024, 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.

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.

COMMUNITY INTEGRATED CARE

YEAR ENDED 31 MARCH 2024

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

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.

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.

COMMUNITY INTEGRATED CARE

YEAR ENDED 31 MARCH 2024

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

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;
- 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.

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

COMMUNITY INTEGRATED CARE

YEAR ENDED 31 MARCH 2024

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

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: 30.10.2024

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 2024

	Note	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	TOTAL 2024 £'000	TOTAL 2023 £'000
Income					
Income from charitable activities	2	171,320	550	171,870	147,509
Other income	3	712	-	712	680
Investment income		1,113	-	1,113	162
Donation on merger	26	2,416	14	2,430	-
Total income		175,561	564	176,125	148,351
Expenditure					
Charitable activities	4	172,450	398	172,848	149,494
Total expenditure		172,450	398	172,848	149,494
Net income / (expenditure) before investment gains		3,111	166	3,277	(1,143)
Net gains on investments	11	313	-	313	-
Net income / (expenditure)		3,424	166	3,590	(1,143)
Transfer between funds		132	(132)	-	-
Net movement in funds		3,556	34	3,590	(1,143)
Reconciliation of funds:					
Total fund balances at 1 April		31,419	3,359	34,778	35,921
Total fund balances at 31 March		34,975	3,393	38,368	34,778

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 2024

	Note	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	TOTAL 2024 £'000	TOTAL 2023 £'000
Income - Charity only					
Income from charitable activities	2	165,760	287	166,047	147,143
Other income	3	206	-	206	455
Investment income		1,104	-	1,104	160
Donation on merger	26	2,416	14	2,430	-
Total income		169,486	301	169,787	147,758
Expenditure					
Charitable activities		166,451	35	166,486	148,857
Total expenditure	4	166,451	35	166,486	148,857
Net income / (expenditure) before investment gains		3,035	266	3,301	(1,099)
Net gains on investments	11	306	-	306	
Net income / (expenditure)		3,341	266	3,607	(1,099)
Transfer between funds		158	(158)	-	-
Net movement in funds		3,499	108	3,607	(1,099)
Reconciliation of funds:					
Total fund balances at 1 April		30,496	3,313	33,809	34,908
Total fund balances at 31 March		33,995	3,421	37,416	33,809

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

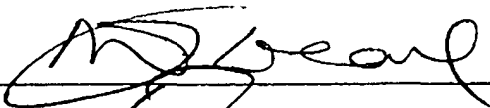
Statement of Financial Position
(Consolidated and Charity)
as at 31 March 2024

Company No. 2225727

	Note	Group		Charity	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
Fixed assets					
Tangible assets	9	17,293	14,691	15,923	13,356
Intangible assets	10	1,124	1,573	1,124	1,573
Investments	11	7,104	107	6,990	-
		<u>25,521</u>	<u>16,371</u>	<u>24,037</u>	<u>14,929</u>
Current assets					
Stock		1	2	-	-
Debtors recoverable within one year	13	18,570	15,067	18,485	15,039
Investments	12	14,272	20,038	14,272	20,038
Cash at bank and in hand		4,390	9,587	4,167	9,425
		<u>37,233</u>	<u>44,694</u>	<u>36,924</u>	<u>44,502</u>
Debtors recoverable after one year	13	-	-	374	177
Liabilities					
Creditors: Amounts falling due within one year	14	22,320	21,443	22,244	21,367
Net current assets		<u>14,913</u>	<u>23,251</u>	<u>15,054</u>	<u>23,312</u>
Total assets less current liabilities		<u>40,434</u>	<u>39,622</u>	<u>39,091</u>	<u>38,241</u>
Creditors: Amounts falling due after more than one year	15	391	2,312	-	1,900
Provisions for liabilities	16	1,516	2,532	1,516	2,532
Net assets excluding pension liability		<u>38,527</u>	<u>34,778</u>	<u>37,575</u>	<u>33,809</u>
Deficit funding pension liability	20	159	-	159	-
Total net assets		<u>38,368</u>	<u>34,778</u>	<u>37,416</u>	<u>33,809</u>
Reserves					
Unrestricted funds	18	34,975	31,419	33,994	30,496
Restricted funds	18	3,393	3,359	3,421	3,313
Total funds		<u>38,368</u>	<u>34,778</u>	<u>37,416</u>	<u>33,809</u>

The financial statements were approved and authorised for issue by the board of trustees on19/9/24..... and signed on their behalf by:

M. Wearne (Chair)



K. Rhodes (Chair of Audit & Risk Committee)



Community Integrated Care

Consolidated Statement of Cash Flows

for the year ended 31 March 2024

	2024	2023
	£'000	£'000
Operating activities:		
Net (expenditure) / income before other recognised gains & losses	3,590	(1,142)
Depreciation	1,650	1,751
Amortisation	449	449
Gain on investments	(7)	14
Gifted assets	(2,446)	-
Loan interest paid	34	107
Bank interest received	(824)	(160)
Dividends from investments	(592)	-
(Decrease) in debtors	(3,508)	(1,414)
Increase in creditors	1,154	767
Decrease in provisions for liabilities	(863)	(3,555)
Profit on sale of tangible fixed assets	(6)	(281)
Net cash (outflow) from operating activities	(1,369)	(3,464)
Investing activities:		
Payments to acquire tangible fixed assets	(1,866)	(2,131)
Receipts from sales of tangible fixed assets	72	565
Reinvested returns on investments	(1,224)	(20,038)
Bank interest received	824	160
Dividends from investments	592	-
Net cash (outflow) from investing activities	(1,602)	(21,444)
Financing activities:		
Repayment of borrowing	(2,192)	(322)
Loan interest paid	(34)	(107)
Net cash (outflow) from financing activities	(2,226)	(429)
Cash (outflow) in year	(5,197)	(25,337)
Cash at bank and in hand at the beginning of the reporting period	9,587	34,924
Cash at bank and in hand at the end of the reporting period	4,390	9,587

Community Integrated Care
Notes to the financial statements
for the year ended 31 March 2024

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 2025, 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. The Trustees do not consider there to be any material uncertainties over the Charity's ability to continue as a going concern. 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, Age Exchange and Inspire (Partnership Through Life), whose results and net assets have been included on a line by line basis as the Charity controls the subsidiaries.

(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 2024

(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. Post 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 2024

(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. It is the Group's policy to keep valuations of investments up to date, such that when investments are sold there is no gain or loss arising relating to prior years. 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) Stocks

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

(t) 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.

(u) Prior year restatement

During the year the Trustees reassessed the basis that income and expenditure was being reported on and concluded that reporting on an activity basis rather than regional was more appropriate. As a result of this reassessment, the income and expenditure notes have been restated.

Community Integrated Care

Notes to the financial statements for the year ended 31 March 2024

2 Analysis of income from charitable activities

	GROUP		CHARITY	
	2024	As restated 2023	2024	As restated 2023
	£'000	£'000	£'000	£'000
Unrestricted				
Independent LMng	166,645	142,199	161,085	142,113
Extra Care	2,689	2,408	2,689	2,408
Domiciliary Care	1,038	1,031	1,038	1,031
Complex Care	948	1,156	948	1,156
	<u>171,320</u>	<u>146,794</u>	<u>165,760</u>	<u>146,708</u>
Restricted				
Grants and fundraising	550	716	287	436

During the year the group benefited from £118k of government grants in the form of funding from Sport England for life-changing personal development opportunities inspired by and delivered with major sporting events. There were no unfulfilled conditions attached to the grant at the year end.

The comparative has been restated as the Charity now reports on an activity basis rather than geographical region.

	GROUP		CHARITY	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
3 Other Income				
Other trading activities	706	365	200	176
Net gain on disposal of fixed assets	6	279	6	279
Profit on the sale of TIC	-	36	-	-
	<u>712</u>	<u>680</u>	<u>206</u>	<u>455</u>

Profit on the sale of TIC relates to profit realised from the sale of a subsidiary (Technology Integrated Care) in 2022/23.

4 a) Analysis of expenditure

	GROUP			
	Operational staff costs £'000	Direct costs £'000	Support costs £'000	2024 Total £'000
Costs of charitable activities				
Independent LMng	133,781	7,629	26,815	168,225
Extra Care	2,141	115	443	2,699
Domiciliary Care	843	23	172	1,038
Complex Care	706	24	156	886
	<u>137,471</u>	<u>7,791</u>	<u>27,586</u>	<u>172,848</u>
Costs of charitable activities - prior year				As Restated 2023 Total
Independent LMng	113,400	7,281	24,276	144,957
Extra Care	1,955	100	407	2,462
Domiciliary Care	823	30	174	1,027
Complex Care	827	26	195	1,048
	<u>117,005</u>	<u>7,437</u>	<u>25,052</u>	<u>149,494</u>
	CHARITY			
	Operational staff costs £'000	Direct costs £'000	Support costs £'000	2024 Total £'000
Costs of charitable activities				
Independent LMng	127,772	7,508	26,566	161,846
Extra Care	2,141	115	443	2,699
Domiciliary Care	843	40	172	1,055
Complex Care	706	24	156	886
	<u>131,462</u>	<u>7,687</u>	<u>27,337</u>	<u>166,486</u>
Cost of charitable activities - prior year				As Restated 2023 Total
Independent LMng	113,178	7,140	24,014	144,332
Extra Care	1,955	100	407	2,462
Domiciliary Care	823	18	174	1,015
Complex Care	827	25	196	1,048
	<u>116,783</u>	<u>7,283</u>	<u>24,791</u>	<u>148,857</u>

The comparative has been restated as the Charity now reports on an activity basis rather than geographical region.

Community Integrated Care

**Notes to the financial statements
for the year ended 31 March 2024**

5 Analysis of support costs

The charity allocates its support costs as shown in the table below. These costs are apportioned between the activities based on the percentage of income per activity. Governance costs are included within Finance & Legal, split across the activities based on turnover %.

	GROUP					Total 2024 £'000
	Finance & Legal £'000	Human Resources & Training £'000	Information Technology £'000	Facilities Management £'000	Administration £'000	
Complex Care	13	47	26	6	64	156
Domiciliary Care	14	52	29	7	70	172
Extra Care	37	133	75	18	180	443
Independent Living	2,209	7,995	4,493	1,170	10,948	26,815
	<u>2,273</u>	<u>8,227</u>	<u>4,623</u>	<u>1,201</u>	<u>11,262</u>	<u>27,586</u>
						As Restated
						Total
						2023
						£'000
Complex Care	15	60	32	8	81	196
Domiciliary Care	13	53	29	7	72	174
Extra Care	31	125	67	16	169	408
Independent Living	1,812	7,361	3,976	1,000	10,125	24,274
	<u>1,871</u>	<u>7,599</u>	<u>4,104</u>	<u>1,031</u>	<u>10,447</u>	<u>25,052</u>
						As Restated
						Total
						2023
						£'000

	CHARITY					Total 2024 £'000
	Finance & Legal £'000	Human Resources & Training £'000	Information Technology £'000	Facilities Management £'000	Administration £'000	
Complex Care	13	47	26	6	64	156
Domiciliary Care	14	52	29	7	70	172
Extra Care	37	133	75	18	180	443
Independent Living	2,204	7,995	4,493	1,079	10,795	26,566
	<u>2,268</u>	<u>8,227</u>	<u>4,623</u>	<u>1,110</u>	<u>11,109</u>	<u>27,337</u>
						As Restated
						Total
						2023
						£'000
Complex Care	15	60	32	8	81	196
Domiciliary Care	13	53	29	7	72	174
Extra Care	31	125	67	16	169	408
Independent Living	1,806	7,361	3,964	931	9,951	24,013
	<u>1,865</u>	<u>7,599</u>	<u>4,092</u>	<u>962</u>	<u>10,273</u>	<u>24,791</u>

The comparative has been restated as the Charity now reports on an activity basis rather than geographical region.

Analysis of governance costs	GROUP		CHARITY	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Audit and accountancy fees	103	78	89	71
Legal costs	8	16	8	16
	<u>111</u>	<u>94</u>	<u>97</u>	<u>87</u>
Audit and non-audit services	2024	2023		
	£'000	£'000		
Statutory audit of parent and consolidated accounts	86	71		
Independent examination of subsidiary	3	-		
Tax Services	1	1		
Other	-	0		
	<u>90</u>	<u>72</u>		

6 Net expenditure/(income)

	GROUP		CHARITY	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Net movement in funds in the year is stated after charging/(crediting):				
Operating lease rentals				
plant & machinery	130	144	129	143
land & buildings	1,347	951	1,347	951
Depreciation				
owned assets	1,612	1,701	1,634	1,677
leased assets- land & buildings	37	49	37	49
Loan interest	34	107	32	95
Rent received	(270)	(276)	(221)	(219)
Profit on disposal of fixed assets	(6)	(281)	(6)	(281)

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2024

7 Staff costs

	GROUP		CHARITY	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Wages and salaries	124,012	106,504	123,719	106,161
Social security costs	10,927	9,716	10,905	9,685
Other pension costs - contributions to defined contribution schemes	2,577	2,274	2,567	2,264
- defined benefit pension scheme	130	-	130	-
	<u>137,646</u>	<u>118,494</u>	<u>137,321</u>	<u>118,110</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 £148,183 (2023: £203,020) are included in the above figures. All costs were contractual.

Employee benefits incurred by CIC, comprising company cars and health insurance, amounting to £36,975 (2023: £31,248) are included in the above figures.

Agency costs incurred by CIC amounting to £12,988,072 (2023: £14,331,217) 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	
	2024 number	2023 number	2024 number	2023 number
£60,001 - £70,000	15	10	15	10
£70,001 - £80,000	5	7	5	7
£80,001 - £90,000	9	6	9	5
£90,001 - £100,000	1	5	1	5
£100,001 - £110,000	1	-	1	-
£110,001 - £120,000	1	1	1	1
£130,001 - £140,000	1	-	1	-
£140,001 - £150,000	-	1	-	1
£150,001 - £160,000	-	1	-	1
£160,001 - £170,000	2	2	2	2
£190,001 - £200,000	1	-	1	-
	<u>36</u>	<u>33</u>	<u>36</u>	<u>32</u>

Employees earning more than £60,000 contributed to a personal pension scheme. The Charity contributed £178,931 (2023: £149,174) on their behalf.

Total earnings of key management personnel in the year amounted to £756k (2023: £565k). Key management personnel comprises the Executive Team.

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 8 Trustees (2023: 7) and amounted to £2,757 in the year (2023: £4,136).

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

	GROUP		CHARITY	
	2024 number	2023 number	2024 number	2023 number
Operational staff	5,161	4,506	5,161	4,506
Administration and support	676	605	661	589
	<u>5,837</u>	<u>5,111</u>	<u>5,822</u>	<u>5,095</u>

8 Indemnity insurance

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £19,320 (2023: £19,320).

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2024

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 2023	14,132	3,652	3,684	3,196	5,097	325	30,086
Additions	-	-	870	43	826	127	1,866
Assets transferred from Inspire	2,451	-	-	-	-	-	2,451
Disposals	-	(21)	(777)	(228)	(806)	-	(1,832)
Transfer	-	-	308	-	17	(325)	-
At 31 March 2024	16,583	3,631	4,085	3,011	5,134	127	32,571
Depreciation							
At 1 April 2023	5,275	2,233	2,534	1,548	3,805	-	15,395
Provided during the year	264	37	370	348	630	-	1,649
Disposals	-	(21)	(764)	(175)	(806)	-	(1,766)
At 31 March 2024	5,539	2,249	2,140	1,721	3,629	-	15,278
Net Book Value							
At 31 March 2024	11,044	1,382	1,945	1,290	1,505	127	17,293
At 31 March 2023	8,857	1,419	1,150	1,648	1,292	325	14,691
CHARITY							
Cost							
At 1 April 2023	12,397	2,199	3,631	3,197	5,093	325	26,842
Additions	-	-	857	43	826	127	1,853
Assets transferred from Inspire	2,451	-	-	-	-	-	2,451
Disposals	-	(21)	(777)	(228)	(806)	-	(1,832)
Transfer	-	-	308	-	17	(325)	-
At 31 March 2024	14,848	2,178	4,019	3,012	5,130	127	29,314
Depreciation							
At 1 April 2023	4,874	780	2,484	1,547	3,801	-	13,486
Provided during the year	288	37	368	348	630	-	1,671
Disposals	-	(21)	(764)	(175)	(806)	-	(1,766)
At 31 March 2024	5,162	796	2,088	1,720	3,625	-	13,391
Net Book Value							
At 31 March 2024	9,686	1,382	1,931	1,292	1,505	127	15,923
At 31 March 2023	7,523	1,419	1,147	1,650	1,292	325	13,356

Included in freehold land and buildings for the Group are 28 (2023: 28) buildings which were donated by local authorities. They have a net book value of £2,895K (2023: £3,024K). 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 135 (2023: 145) vehicles with a net book value of £1,063K (2023: £1,430K) which are leased to people we support.

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2024

9 Tangible fixed assets (continued)

Included in freehold land and buildings is land at a cost of £175k (2023: £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:

	2024	2023
	£'000	£'000
Cost	1,299	1,299
Accumulated depreciation	(539)	(513)
	<u>760</u>	<u>786</u>

10 Intangible Assets

	CHARITY	
	2024	2023
	£'000	£'000
<u>Goodwill</u>		
Cost B/f	2,246	3,046
Disposals	-	(800)
Cost C/f	<u>2,246</u>	<u>2,246</u>
Amortisation B/f	673	1,024
Amortisation in year	449	449
Amortisation on disposals	-	(800)
Amortisation C/f	<u>1,122</u>	<u>673</u>
At 31 March	<u>1,124</u>	<u>1,573</u>

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	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
At 1 April	107	114	-	-
Additions	6,664	-	6,664	-
Income retained as investment	20	-	20	-
(Loss) / Gain on investments	313	(7)	306	-
Market value at 31 March	<u>7,104</u>	<u>107</u>	<u>6,990</u>	<u>-</u>

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2024

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 Services Ltd	100	Subsidiary	4471217	England & Wales	Dormant
Inspire (Partnership Through Life) Ltd	100	Subsidiary	SC113676	England & Wales	Active

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. The registered address is: Old Market Court, Miners Way, Widnes, WA8 7SP. 100% of the share capital was acquired on 13/09 and the company has since been dormant following the immediate hive up of business and assets to CIC. The company is in the process of being wound up.

Inspire (Partnership Through Life) Ltd is a private company limited by guarantee. The registered address is Unit 2000, Academy Park, Gower Street, Glasgow, G51 1PR. Community Integrated Care acquired the undertakings on 31st July 2023, and the assets were immediately hived up on 1st August 2023.

	Inspire PIL	Age Exchange	Person Centred Housing	2024	2023
	£'000	£'000	£'000	£'000	£'000
Assets	-	1,774	319	2,093	1,933
Liabilities	(58)	(600)	(182)	(840)	(665)
Net Assets	(58)	1,174	137	1,253	1,268
Funds / Reserves	(58)	1,174	137	1,253	1,268
Income	5,751	570	50	6,371	557
Expenditure	(5,809)	(568)	(9)	(6,386)	(638)
Net expenditure	(58)	2	41	(15)	(81)

12 Current asset investments

	GROUP		CHARITY	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
At 1 April	20,038	-	20,038	-
Addition of investment cash	-	20,000	-	20,000
Income retained as investment	898	38	898	38
Disposals	(6,664)	-	(6,664)	-
Market value at 31 March	14,272	20,038	14,272	20,038

The current asset investments are made up of money market funds and deposit accounts.

13 Debtors

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Amounts due within one year				
Trade debtors	11,689	8,004	11,637	7,983
Other debtors	267	677	259	675
Prepayments & accrued income	6,613	6,386	6,588	6,381
	18,570	15,067	18,485	15,039
Amounts due after more than one year				
Amounts due from subsidiary undertakings	-	-	374	177
Total	18,570	15,067	18,859	15,216

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2024

14 Creditors: amounts falling due within one year

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade creditors	1,613	3,363	1,608	3,355
Other taxes and social security	2,433	1,905	2,422	1,898
Other creditors	1,315	1,638	1,297	1,625
Bank loans due within one year	22	318	-	292
Accruals & deferred income	16,937	14,219	16,917	14,197
	<u>22,320</u>	<u>21,443</u>	<u>22,244</u>	<u>21,367</u>

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	1,085	1,082
Amounts charged for the year	1,150	1,147
Amounts released in the year	(1,085)	(1,082)
Closing deferred income	<u>1,150</u>	<u>1,147</u>

15 Creditors: amounts falling due in more than one year

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bank loans (secured)	246	2,161	-	1,900
Deferred Capital Grants	145	151	-	-
	<u>391</u>	<u>2,312</u>	<u>-</u>	<u>1,900</u>

Bank loan repayments fall due as follows:

	Group	Charity
Bank loans due within one year (above)	22	292
In the second to fifth year inclusive	88	1,365
After 5 years	158	535
Total loans and overdrafts	<u>268</u>	<u>2,192</u>

16 Provisions for liabilities

	Sleeps provision £'000	Other provisions £'000	Total £'000
At 1 April 2023	1,905	627	2,532
Additional provision	50	1,942	1,992
Utilised in the year	-	(209)	(209)
Released in the year	(1,955)	(844)	(2,799)
At 31 March 2024	<u>-</u>	<u>1,516</u>	<u>1,516</u>

The Charity held a sleeps provision to reflect the probable need to make repayments to local authorities and/or staff for sleep pay. This was no longer deemed necessary and fully released in the year. 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 2024

17 Other financial commitments

At 31 March 2024 the group had commitments under non-cancellable operating leases as follows:

	GROUP Equipment		CHARITY Equipment	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	3	-	-	-
Between two and five years	134	236	126	234
More than five years	1	12	-	-
	<u>138</u>	<u>248</u>	<u>126</u>	<u>234</u>

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

	GROUP Rental Income		CHARITY Rental Income	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	<u>270</u>	<u>276</u>	<u>221</u>	<u>219</u>
	<u>270</u>	<u>276</u>	<u>221</u>	<u>219</u>

18 Statement of funds

Year ended 31 March 2024

GROUP	31 March 2023 £'000	Profit for the year		Other comprehensive income		31 March 2024 £'000
		Income £'000	Expenditure £'000	Transfers £'000	Gain on investment £'000	
Unrestricted funds	31,419	175,561	(172,450)	132	313	34,975
Restricted funds						
- Fundraising and grants	335	564	(398)	-	-	501
- Capital grants	3,024	-	-	(132)	-	2,892
Total restricted funds	<u>3,359</u>	<u>564</u>	<u>(398)</u>	<u>(132)</u>	<u>-</u>	<u>3,393</u>
Total funds	<u>34,778</u>	<u>176,125</u>	<u>(172,848)</u>	<u>-</u>	<u>313</u>	<u>38,368</u>

Year ended 31 March 2023

GROUP	31 March 2022 £'000	Profit for the year		Other comprehensive income		31 March 2023 £'000
		Income £'000	Expenditure £'000	Transfers £'000		
Unrestricted funds	31,998	147,635	(149,065)	651	-	31,419
Restricted funds						
- Fundraising and grant	734	716	(429)	(686)	335	335
- Capital grants	3,189	-	-	(165)	-	3,024
Total restricted funds	<u>3,923</u>	<u>716</u>	<u>(429)</u>	<u>(851)</u>	<u>-</u>	<u>3,359</u>
Total funds	<u>35,921</u>	<u>148,351</u>	<u>(149,494)</u>	<u>-</u>	<u>-</u>	<u>34,778</u>

The capital grants fund of £2,892k relates to the market value of the buildings donated to the Charity by Local Authorities at the date of their transfer. The fund is written off over the estimated useful life of the buildings which is 50 years.

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 2024

18 Statement of funds (continued)

Year ended 31 March 2024		Profit for the year		Other comprehensive income		
	31 March 2023	Income	Expenditure	Transfers	Gain on investment	31 March 2024
CHARITY	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds	30,496	169,486	(166,451)	158	306	33,994
Restricted funds						
-Fundraising and grant	289	301	(35)	(29)	-	526
-Capital grants	3,024	-	-	(129)	-	2,895
Total restricted funds	3,313	301	(35)	(158)	-	3,421
Total funds	33,809	169,787	(166,486)	-	306	37,416

Year ended 31 March 2023		Profit for the year		Other comprehensive income		
	31 March 2022	Income	Expenditure	Transfers		31 March 2023
CHARITY	£'000	£'000	£'000	£'000		£'000
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

19 Analysis of group net assets between funds

	31 March 2024			31 March 2023		
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Fund balances at 31 March 2024 are represented by						
Tangible fixed assets	21,505	2,892	24,397	11,716	3,082	14,798
Intangible fixed assets	1,124	-	1,124	1,573	-	1,573
Current assets	37,233	-	37,233	44,694	-	44,694
Current liabilities	(22,821)	501	(22,320)	(21,720)	277	(21,443)
Long-term liabilities	(2,066)	-	(2,066)	(4,844)	-	(4,844)
Long-term debtors	-	-	-	-	-	-
	34,975	3,393	38,368	31,419	3,359	34,778

	31 March 2024			31 March 2023		
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Fund balances at 31 March 2024 are represented by						
Tangible fixed assets	20,018	2,895	22,913	11,175	2,181	13,356
Intangible fixed assets	1,124	-	1,124	1,573	-	1,573
Current assets	37,298	-	37,298	44,679	-	44,679
Current liabilities	(22,769)	526	(22,244)	(22,499)	1,132	(21,367)
Long-term liabilities	(1,675)	-	(1,675)	(4,432)	-	(4,432)
	33,996	3,421	37,416	30,496	3,313	33,809

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2024

20 Retirement benefit schemes

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.

	2024	2023
	£'000	£'000
Contributions paid	2,567	2,264

Defined benefit schemes

The charity operates two defined benefit pension schemes, the CARE pension scheme (CARE) and the North East Scotland Pension Fund (NESPF). These were transferred from Inspire (Partnership Through Life) Ltd, when the assets and liabilities were transferred to Community Integrated Care on 31st July 2023. The following disclosures support the full requirements of FRS 102.

CARE Pension scheme

The Scheme is a funded multi-employer defined benefit (DB) pension scheme. This scheme has been closed to new benefits or any further build up of benefits for existing members since 31 March 2016.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to an individual participating employer as the Scheme is a multi-employer arrangement where the assets are co-mingled for investment purposes, benefits are paid from the total Scheme assets, and the contribution rate for all employers is set by reference to the overall financial position of the Scheme rather than by reference to individual employer experience. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS 102 represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30 September 2022 by a professional qualified actuary using the projected unit method. The market value of the Scheme's assets at the valuation date was £49.6million, liabilities of £57.1m and a deficit of £7.5m.

To eliminate this funding shortfall, the trustees have agreed to a deficit funding arrangement. In accordance with FRS 102, full provision has been recognised for the fair value of this deficit funding arrangement liability. This amounted to £150,152 (£214,910) at the reporting date and is included within other creditors.

CARE Pension scheme key assumptions

	2024	2023
	%	%
Discount rate	4.95	5.18

North East Scotland Pension fund

The charity participates in the North East Scotland Pension Fund which is a part of the Local Government Pension Scheme (Scotland), a multi-employer scheme. The LGPS is a defined benefit scheme.

A full actuarial valuation is carried out every three years by a professionally qualified independent actuary using the projected unit method. In the intervening years, an interim valuation is obtained for the purpose of reporting under FRS 102. The last full valuation was carried out as at 31 March 2023. Contribution rates are based on the advice of the actuary. Contributions for the year were £143k.

Community Integrated Care

Notes to the financial statements for the year ended 31 March 2024

20a Assumptions

Discount rate
Pension increase rate
Salary increase rate
CPI inflation

NESPF	
2024	2023
%	%
4.9	4.9
2.8	2.8
4.2	4.2
2.7	2.7

Mortality assumptions

Mortality rates

For a male aged 65 now
at 65 for a male aged 45 now
For a female aged 65 now
at 65 for a female aged 45 now

NESPF	
2024	2023
Years	Years
20.7	21.0
22.0	22.4
23.0	23.4
24.8	25.4

20b Amounts included in the Group Statement of Financial Activities

Current service cost
Net interest cost on defined benefit obligation
Administration expenses

NESPF	
2024	2023
£000	£000
109	-
(484)	-
2	-
(373)	0

20c Amounts included in other recognised gains and losses (Group).

Remeasurements:
Net gain / (loss)
Changes in demographic assumptions
Actuarial gains/ (losses) on DB pension scheme

NESPF	
2024	2023
£000	£000
(999)	-
326	-
(673)	0

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2024

20d Pension scheme assets and liabilities

NESPF		
2024	2023	
£000	£000	
Fair value of scheme assets	37,313	36,257
Present value of scheme liabilities	(27,677)	(26,433)
Net Assets/(Liabilities)	9,636	9,824
Surplus restriction (asset ceiling)	(9,636)	(9,824)
Net Assets/(Liabilities) included in Group balance sheet	-	-

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

20e Fair value of scheme assets - movements in year

NESPF		
2024	2023	
£000	£000	
Opening fair value of plan assets	36,257	38,743
Expected return on assets	1,750	1,074
Actuarial gains / (losses)	385	(2,803)
Contributions by employer	112	125
Contributions by scheme applicants	31	34
Benefits paid	(1,220)	(914)
Other	(2)	(2)
Closing fair value of plan assets	37,313	36,257

20f Analysis of fair value of scheme assets

NESPF		
2024	2023	
£000	£000	
Equities	21,567	20,231
Property	2,313	2,357
Cash and other liquid assets	1,007	1,414
Other	10,336	9,934
Debt Instruments	2,090	2,321
	37,313	36,257

20g Defined benefit obligation - movements in year

NESPF		
2024	2023	
£000	£000	
Opening defined benefit obligation	26,433	39,955
Interest cost	1,266	1,106
Current service cost	109	207
Contributions by scheme participants	31	34
Actuarial losses / (gains)	1,058	(13,955)
Benefits paid	(1,220)	(914)
Closing value of liabilities	27,677	26,433

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2024

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 £19k (2023: £20k) and admin expenses paid by Community Integrated Care of £2,400 (2023: £7,452).

At the end of the year, Person Centred Housing owed Community Integrated Care £27k (2023: £24k).

Age Exchange Limited

During the year Community Integrated Care paid costs of behalf of Age Exchange of £536k (2023: £113k).

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 £288k (2023: £153k).

Inspire (Partnership Through Life) Limited

Since the merger, transactions relating to contracts before they were novated over to Community Integrated Care were paid to/from Community Integrated Care.

At the end of the year, Inspire owed Community Integrated Care £59k (2023: £nil) in relation to these contracts.

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 2023	Cash flows	Acquisition of subsidiaries	At 31 Mar 2024
Cash and cash equivalents				
Cash	29,625	(11,770)	807	18,662
	<u>29,625</u>	<u>(11,770)</u>	<u>807</u>	<u>18,662</u>
Borrowings				
Debt due within one year	(318)	296	-	(22)
Debt due after one year	<u>(2,161)</u>	<u>1,915</u>	<u>-</u>	<u>(246)</u>
	<u>(2,479)</u>	<u>2,210</u>	<u>-</u>	<u>(269)</u>
Total	<u>27,146</u>	<u>(9,559)</u>	<u>807</u>	<u>17,587</u>

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2024

23 Amounts held as agent

Residents' monies	2024 £'000	2023 £'000
Balance unspent brought forward	6,443	6,613
People We Support income	9,476	7,996
People We Support expenditure	(9,180)	(8,166)
Balance unspent carried forward	<u>6,739</u>	<u>6,443</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.

24 Consolidated statement of Financial Activities - Year ended 31 March 2023

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

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2024

25 Statement of Financial Activities - 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.

Community Integrated Care

Notes to the financial statements

for the year ended 31 March 2024

26 Donation on merger

	£'000
Tangible assets	2,315
Debtors: Amounts falling due within one year	1,428
Cash at bank and in hand	807
Creditors: Amounts falling due within one year	- 1,924
Defined benefit pension scheme asset	- 196
Donation from subsidiary	<u>2,430</u>

On 31st July 2023, Community Integrated Care acquired the undertakings and assets of Inspire (Partnership through Life). The assets and business were immediately hived up on 1st August 2023. The net assets amounted to £2,430k and the breakdown can be seen above. Nil consideration was paid and therefore the amount has been recognised as a grant in the Charity's SoFA.