We Change Lives (WCL)

England & Wales · Charity number 1003023

Details

Other names	WARRINGTON COMMUNITY LIVING, W C L
Status	Registered
Legal form	Charitable company
Company number	02595601
Registered	1991-05-23
Register	View on the Charity Commission register

Contact

Address	Hazlewoods Windsor House Bayshill Road Cheltenham Gloucestershire GL50 3AT
Phone	01925246870
Email	hello@wcliving.org.uk
Website	www.wcliving.org.uk

Activities

Objects: THE RELIEF OF OLDER PEOPLE FROM THE DISABILITIES RESULTING FROM OLD AGE, INCLUDING MENTAL HEALTH PROBLEMS, AND OF PEOPLE WITH LEARNING DISABILITIES, PHYSICAL DISABILITIES OR MENTAL PROBLEMS BY THE PROVISION OF PERMANENT HOMES AND SERVICES CALCULATED TO RELIEVE THE NEEDS OF SUCH PERSONS (HEREINAFTER CALLED SERVICE USERS). PROVIDED THAT IN FURTHERING THIS OBJECT THE CHARITY WILL SEEK TO ENABLE SERVICE USERS TO LEAD AN INDEPENDENT AND FULFILLING LIFESTYLE BY PROVIDING OPPORTUNITIES TO EXERCISE THEIR RIGHTS AND TO ENJOY THE SAME RANGE OF OPTIONS AVAILABLE TO ALL VALUED MEMBERS OF SOCIETY.

Activities: Warrington Community Living seeks to support people with learning disabilities, older people and people experiencing mental health issues to lead their lives in a purposeful, healthy and enjoyable way as full and equal members of their local community. We do this through the provision of residential homes and supported living schemes as well as other forms of support in the community.

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Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Disability, Accommodation/housing
- **Who:** Children/young People, Elderly/old People, People With Disabilities

Geography

- **Area of benefit:** WARRINGTON DISTRICT
- Bolton
- Cheshire West & Chester
- Halton
- Lancashire
- Warrington
- Wigan

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£12,042,713	£11,762,525	£5,072,581	272
2024-03-31	£9,495,084	£9,396,468	£4,294,649	289
2023-03-31	£5,917,557	£6,195,335	£4,169,032	188
2022-03-31	£5,696,787	£5,504,279	£4,471,312	172
2021-03-31	£6,037,070	£6,380,655	£4,281,071	262

Trustees

Name	Role	Appointed
Richard Gore	Chair	2015-09-28
Christopher Cardwell Howarth		2018-09-29
Janice Lorraine Wycherley		2014-01-10
Martin Schwaller		2025-11-03

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We Change Lives (WCL)

England & Wales - Charity number 1003023

Accounts

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Registered Charity No: 1003023
Company Number: 02595601

We Change Lives (WCL)

TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

SATURDAY
AEHTQUCO
A10 20/12/2025 #210
COMPANIES HOUSE

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We Change Lives (WCL)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

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We Change Lives (WCL)
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2025

The trustees appointed at the date of approval of this report, and/or during the reporting period are:

• Richard James Gore	Appointed 28 September 2015
• Chris Howarth	Appointed 24 September 2018
• Peter David Holmes	Appointed 24 September 2018
• Janice Lorraine Wycherley	Appointed 12 December 2012
• Martin Schwaller	Appointed 3 November 2025
• Lenka Gaborova	Appointed 28 March 2022 (resigned 11 April 2024)
• Ian Hamish Fairbrother	Appointed 16 April 2015 (resigned 3 November 2025)

Company Registration Number: 02595601

Charity Registered Number: 1003023

Registered Office:
Windsor House
Bayshill Road
Cheltenham
Gloucestershire
GL50 3AT
United Kingdom

We Change Lives often uses the abbreviation 'WCL'. It was formerly known as Warrington Community Living (the name was changed to We Change Lives (WCL) on 26 September 2022)

Chief Executive Officer: Philip Sermon

Independent Auditor:
Hazlewoods
Windsor House
Bayshill Road
Cheltenham
Gloucestershire
GL50 3AT
United Kingdom

Solicitors:
Bevan Brittan
Kings Orchard
1 Queen Street
Bristol
BS2 0HQ

Financial Advisors:
Kent Finance
1 Sunflowers
Pluckley
Kent
TN27 0PD

Principle Bankers:
Barclays
Leicester
LE87 2BB

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Senior Management Team:	Sarah Gardner	Deputy CEO and Head of Care
	Will Napier Fenning	Chief Financial Officer (CFO)
	Diviesh Morjaria	Chief Technology Officer (CTO)
	Elaine Cleary	Head of Operational Excellence
	Fiona Carter	Head of People and Culture
	Charlie Barber	Head of Complex Care
	Jairo Llaneza Castellanos	Head of Financial Management
	Claire Illingworth	Company Secretary

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The Trustees who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31 March 2025.

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Charity Number
We Change Lives (WCL) is a Company Limited by Guarantee (Company number: 02595601) and a registered charity (Registered Charity number: 1003023).

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2025 was five (2024:6). The trustees are members of the charity, but this entitles them only to voting rights. The Board have no beneficial interest in the charity.

Governing Document
The governing document of We Change Lives (WCL) is the Articles of Association which were updated and approved on 19th July 2023.

Related parties and subsidiaries At the close of the reporting period 31 March 2025, WCL had eight fully owned subsidiaries:

- Warrington Community Living Service Company Ltd (Company Number: 10906233)
- 3L Care Limited (Company Number: 7174346)
- 3L Care Holdings Limited (Company Number: 10234039)
- 3L Care Group Limited (Company Number: 12662209)
- Creative Care (Leicester) Limited (10528776)
- JD Zencare Limited (08373032)
- JO Care Services Limited (12391170)
- PSA Care Services Limited (12391286)

Organisational structure

Board of Trustees:

The Board of Trustees administers the charity. The board meet once every three months to manage the charity's affairs, receiving management accounts and reports from the Chief Executive and the various heads of department, and assurance reports from the boards sub-committees.

Recruitment and appointment of trustees
Trustees are recruited via an open recruitment method with trustee roles being advertised on LinkedIn and other social media channels and through a recruitment agencies. The trustees are appointed by the Board of Directors as stated in the Articles of Association. The minimum number of trustees is five, the maximum number of trustees is twelve.

The trustees, who are also directors under company law, are appointed by two different methods. For all those in post prior to 24 January 2022 the maximum term is 12 years from their original appointment.

For trustees appointed after 24 January 2022, they are appointed for a term of 3 years. After each 3-year term they shall retire from office but are eligible to be reappointed for a further 3-year term with a maximum of 9 years in total. A trustee who has served three terms of office may not be reappointed. However, the term of office can be extended for a period of one additional year if the loss of core skills and experience would be detrimental to the charity, subject to 75% of the existing trustees agreeing.

One of the current trustees has exceeded the terms of their appointment (appointed December 2012). This trustee brings extension knowledge to the board from within the social care sector. Without a suitable replacement their resignation would be detrimental to the charity. The board has undertaken recruitment during the reporting period but was unsuccessful in appointing a suitable replacement. Recruitment for this role remains

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ongoing and the board is committed to finding a suitable replacement. Additionally, a review of trustee succession planning and is in process, and the board is looking to recruit an additional two trustees during the financial year ending March 2026, to future proof the Board.

One trustee resigned during the reporting period (April 2024) and another resigned post the reporting period (November 2025). A new trustee was appointed at the same date (November 2025), to ensure WCL retained a minimum of 5 trustees on the board.

Induction and training of trustees
During the reporting period the trustee recruitment and induction plan was reviewed against best practice, which included Charity Commission guidance, social care regulatory requirements and common recruitment practices from medium sized charities delivering regulated services. The objective of the induction is to support trustees in their understanding of their legal obligations under charity and company law, the content of Articles of Association, the Committee and decision-making processes, the business plan and recent financial performance of the charity.

As part of the induction trustees also meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

During the reporting period one trustee commenced their induction (formal appointment November 2025).

Once in post trustees and/or the Senior Management Team attend and support a range of local statutory and voluntary sector forums relating to older people, people with learning disabilities, people with dementia and acute brain injuries (ABI)

The Trustees' Report section (pages 5–7) sets out the aims and strategies of the charity and demonstrates how the aims and activities of the charity during the year were carried out for the Public Benefit.

Board sub-committees
The Board has four subcommittees:

- Finance, Audit and Risk
- Quality of Care and Support
- People and Culture (name changed from Colleagues and Culture in July 2024)
- Remuneration

The committees meet quarterly, with the exception of the Remuneration Committee, which meets annually.

CEO
The Chief Executive is appointed by the board to manage the day-to-day operations of the charity. To facilitate effective operations the Chief Executive has delegated authority, within terms of delegation approved by the directors, for operational matters such as care and employment. Financial decisions are governed by WCL's financial policies, as approved by the Board of Trustees.

Pay Policy for Senior Staff
The Board of Directors, who are the charity's trustees, along with the Senior Management Team comprise the key management personnel of the charity in charge of directing and controlling the charity.

All trustees give of their time freely and no trustee received remuneration in the year.

The Senior Management Team are delegated responsibility for the running and operating the charity on a day-to-day basis. The pay of the senior management team is reviewed annually by the Remuneration Committee, on behalf of the Board.

OBJECTIVES AND ACTIVITIES

Charitable Objectives

We Change Lives (WCL)'s charitable objectives are specifically restricted to the relief of adults from the disabilities resulting from old age, including mental health problems, and of people with learning disabilities, physical disabilities, or mental health disabilities by the provision of permanent homes and services calculated to relieve the needs of such persons (hereinafter called service users). Provided that in furthering this object, the

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charity will seek to enable services users to lead an independent and fulfilling lifestyle by providing opportunities to exercise **Public Benefit**
The objectives and aims of We Change Lives (WCL) are contained in the company's Articles of Association.

The trustees confirm they have regard for the Public Benefit guidance issued by the Charity Commission as the Charities Act 2011 requires the charity to demonstrate the Public Benefit of our aims.

The Charity's Purpose is to benefit the public by providing Residential and Nursing accommodation, care and support for adults who have learning disabilities and for people requiring support including those who have dementia. We also provide support for people who have learning disabilities to enable them to live as independently as possible within their own homes. The people who have used and benefited from our accommodation and support are funded by Cheshire West and Chester Council, NHS Cheshire and Merseyside ICB, Warrington Borough Council, Stoke City Council, NHS Greater Manchester ICB, Manchester City Council, Salford Council, Bolton Council and Wigan.

Circa 165 people used WCL services and around 29 at 3L. Demand for our services is met by giving priority to referrals from Local Authority Adult Social Care departments and local Primary Care Trusts and on some occasions, self, or family referrals.

The objectives are achieved through:

- Supported Living-where individuals with a learning, physical, associated mental health needs and dementia are supported in their own home/property to engage in a healthy and meaningful lifestyle, considering areas such as physical, intellectual, emotional, and social well-being through a variety, of person-centered approaches.

- Mental Health Residential-where individuals with complex mental health issues are supported with rehabilitation to reach and maintain optimum quality of life and achieve as much independence and enjoyment of their lives as possible.

- Older People Residential Care-supporting older people and adults with various levels of learning, physical and associated mental health needs to engage in a healthy and meaningful lifestyle and be active members of their community in the safety of a shared living environment.

In achieving these objectives and aims, the trustees have identified the following specific purposes and values:

Organisational Purpose
- Supporting people to live their best life.

WCL Vision
Thriving Organisation, Enriching Lives:
- A provider of quality life enriching outstanding support.
- A provider of support that is different for every individual within its care.
- An organic organisation that is current and adaptable (ability to move with the needs of the people it serves).
- A financially thriving organisation that can reinvest into the development of current and new services.

Organisational Values
- Supporting rights, needs, choices and dreams.
- See the possibility to make a positive difference in all that we do.
- Being financially responsible and economically sustainable.
- Embrace new technology and innovations.
- Appreciating every colleague's contribution.

There have been no material changes in policy or objectives throughout the year. The strategy is to deliver our key services by providing great quality Care in Safe environments delivered by responsive well trained and well led teams of People. This is underwritten with a Commercial / Financial focus to ensure the services provide great value for people we support but also deliver a surplus to ensure the future viability of the charity.

Measures to assess success include:
- Care & Quality - CQC ratings (Outstanding, Good, Requires Improvement or Inadequate) - covers 5 key questions safe, effective, caring responsive and well led.
- People - Vacancies, Staff Turnover, Training.

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Staffing Structure

The company employs an average of 179 direct staff, who deliver frontline services and carry out the core mission of the charity. Additionally, 12 staff members in Central Support, who provide critical administrative, financial and operational assistance. This dedicated workforce ensures the effective delivery of our programs and the fulfilment of our charitable objectives.

ACHIEVEMENTS AND PERFORMANCE

We Change Lives (WCL) commenced its operation of services in 1989 when it was known as Warrington Community Living and established itself as a charity in 1991.

WCL's original purpose was to support people with learning disabilities moving out of long stay hospital accommodation and provide them with community focused services that would promote independence and a more inclusive lifestyle. This work continued and expanded to include older people, people with dementia and community services. A merger with Warrington Community Care allowed the scope of services to expand to include services to people with mental health issues. This meant that the organisation grew from supporting less than 100 people, to supporting over 450 people every year in Warrington.

As part of the strategic plan conceived post the Covid pandemic the charity opted to expand outside of the borough of Warrington to the wider North West of England and to specialise in three groups of services where it felt it excelled. These were: specialist services for the elderly, services to people with learning disabilities including people with profound and multiple learning disabilities living in their own homes (supported living tenancies) and individuals with complex physical health conditions and or Acquired Brain Injuries.(ABI)

The charities vision to continuously grow and specialise in these types of services led to the successful acquisition of '3L Care Limited' in September 2023 funded by existing cash balances and a loan facility provided by Unity Trust Bank PLC (£7.7m deal/£5.7m loan with £0.8m deferred consideration). 3L consists of 3 registered nursing homes, one in Atherton (Greater Manchester) and two in Winsford (Cheshire) that provide nursing and respite services for adults with complex physical health care conditions and or ABI. This acquisition contributes to both WCL charitable purpose and the ambition to provide care to a geographically wider range of service users positively impacting their lives.

The next acquisition happened in 2025 with the purchase of Creative Care Ltd and its subsidiaries. This was achieved with the re-financing of the existing loan through Barclays. A new facility of £16m was activated, with two deferred consideration payments agreed (£500k in December 2025 and £1m in March 2026).

We Change Lives (WCL) continues to satisfactorily operate the following services which are registered and regulated by the Care Quality Commission (CQC):

- Beefold Lane – a registered nursing home in Atherton, a suburb of Wigan, for 9 people with complex physical health care conditions and or ABI.
- Chapel House - – a registered nursing home in Winsford for 10 people with complex physical health care conditions and or ABI.
- Old Chapel - a registered nursing home in Winsford for 6 people with complex physical health care conditions and or ABI.
- Heathside - a residential home in Penketh for 37 older people and people with dementia, which is now also successfully working with older people with a learning disability.
- Heathside Mews- a residential home in Penketh for 25 older people and people with dementia.
- Westleigh House - a residential home in Stockton Heath for 20 people with mental health issues.
- A community network which provides support to people with learning disabilities including people with profound and multiple learning disabilities living in their own homes/legal tenancies.

The following CQC ratings have not changed since 31st March 2025:

Service	CQC rating
Beefold Lane	Good
Chapel House	Good
Old Chapel	Good
Heathside	Good
Heathside Mews	Good
Westleigh House	Requires Improvement

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Lucklaw	Good
Hillock	Good
Park Drive	Good
Twiss Green Lane	Good

Closed service: Park House

CEO Report

1. Introduction

This past year has been a period of growth for We Change Lives. Despite ongoing challenges across the health and care sector, such as increased demand for services, cost pressures and workforce shortages, our team has continued to deliver exceptional care, compassion and support to those who rely on us.

Our vision is of a thriving organisation enriching lives, as such, we must be sustainable to enrich the lives of the people we care for.

Our mission is clear: supporting people to live their best lives, to improve health outcomes, enhance wellbeing and provide holistic, person-centered care for every individual who comes through our doors.

Our strategy is to:
Deliver the most complex care whilst growing our EBITDA to allow continual reinvestment in our people, properties and services for the enhanced benefits of the people we care for.

2. Key Achievements and Impact

Over the course of the year, we have made significant progress through our strategic priorities:

Service Delivery
Supported 194 patients/clients:

- We have worked in partnership with property providers to open two fully adapted bungalows Hillock and Park Drive where we provide support for 8 people.
- We acquired 3L Care Ltd where we are registered to support 25 people with complex physical health conditions.

Clinical Quality and Safety
- Maintained full compliance with Care Quality Commission (CQC) standards.
- With Nourish we enhanced clinical governance systems, improving safety monitoring and reporting.
- Conducted regular audits and training to uphold best practice across all areas of care.

People and Culture
- Welcomed 86 new staff and bringing our total team to 381 dedicated individuals.
- Invested in advanced training, wellbeing and professional development initiatives to support our workforce.

3. Financial Overview

The charity ended the financial year in a stable and sustainable position. Despite economic uncertainty, we have continued to manage resources responsibly and ensure that every donation is used to deliver maximum impact.
- Total income: £12,042,713
- Total expenditure: £11,762,525
- Operating position: Surplus of £777,932
- Reserves: £5,072,581.
- Key income sources: local authorities' contracts and self-funder individuals

We remain grateful to our donors, partners, and supporters who continue to invest in our mission and trust us to deliver meaningful healthcare support.

4. Challenges and Lessons Learned

The healthcare landscape continues to evolve rapidly.
Key challenges this year included:

- Rising costs in clinical supplies and staffing. With increased wages and NI.
- Increased demand for services without proportional growth in funding.
- Managing staff wellbeing amid high workloads and emotional demands.

In response, we have:

- Introduced an Operational Excellence function to focus on best practice, labour efficiency and cost reductions in areas such as utilities and equipment rental.
- Invested in digital infrastructure to improve efficiency. A new CTO position was appointed post the end of the reporting period (November 2025).

5. Strategic Priorities for the Year Ahead

As we look forward to 2026, our focus will be on sustainability, innovation, and impact.
Our strategic priorities include:

1. Expanding access to our healthcare and wellbeing services.
2. Diversifying income through grants, corporate partnerships, and legacy giving.
3. Embedding digital tools to streamline patient care and record management.
4. Developing our people through continuous learning and leadership opportunities.
5. Strengthening governance and demonstrating measurable social and health impact.

6. Acknowledgements

None of our achievements this year would have been possible without the dedication and compassion of our staff and trustees, I would like to express my deepest gratitude to:

- Our frontline teams, for their unwavering commitment to patient care.
- The Board of Trustees, for their guidance, integrity, and strategic leadership.
- Our funders whose belief in our mission enables us to continue changing lives.

Together, we are making a lasting difference in the health and wellbeing of our community.

Internal Control
The trustees are ultimately responsible for the Trust's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve the charity's business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

Key procedures have been established, providing effective internal financial control. These include:

- Clearly defined lines of responsibility and delegation.
- Operation within approved financial regulations.
- Budget setting and approval.
- Regular review of performance and forecasts against the budget approved by the Board.
- Reporting to and review by the trustees on a regular basis.

Risk Management & Principle Risks and Uncertainties
The Board of Trustees assess risk annually with additional operational and financial risk assessment through delegation to the relevant Committee and to the Finance, Audit & Risk Committee. It oversees its responsibility through its review of the effectiveness of the charity's Risk Framework. This framework is designed to support informed decision-making regarding the risks that affect the charity's performance and its ability to achieve its objectives. Management of risk is embedded into our day-to-day activities and well-established processes and policies are in place to manage them. All our employees have a role in reducing risk through our internal control framework.

Risks are recorded in a risk register and are evaluated in terms of impact and likelihood. The register also provides for a consistent approach to identifying assessing and dealing with the risks facing the charity to ensure they do not exceed the level of risk the charity is willing to assume. The register is designed to manage, rather than health eliminate, the risks to the charity's objectives and to provide reasonable, but not absolute mitigation of these risks. The Finance, Audit & Risk Committee bi-annually reviews the results of the risk reviews undertaken by management and approves an annual risk-based internal audit plan which covers the major risks identified.

Other risks include care and safeguarding of residents and service users, which are mitigated with a dedicated

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Safeguarding Manager following the Health and Safety Executive (HSE) guidance, stressing the need for risk assessment to be proportionate and balanced as well as reflecting a common sense, integrated approach to health and safety. This protects our people by putting in place measures to control realistic risks, so far as reasonably practicable.

Going Concern and Reserves policy
The Trustees continuously monitor political and economic outlooks to ensure smooth operations and preparation for unexpected risks. Under the terms of the charity's Reserves Policy and in forming a view on the charity's Going Concern, Trustees have noted:

- The charity has a risk management framework which is periodically reviewed and updated as risks are identified.
- The charity has adequate insurance cover in place to mitigate against any potential interruptions that may affect the charity.
- The other risks to the charity and the protective steps taken to mitigate against them.
- The charity's housing income from residents is secure, voids are closely monitored and housing demand remains high.
- The charity holds reserves at a level which is at or exceeds the Reserves Policy details of which are below.

In developing the charity's reserves policy, the trustees have considered current obligations, commitments to staff and development of the charity.

Designated Funds
The charity's designated funds total £2.03 million. This balance includes the following key designated balances:

- Heathside £1,784,520
- Major repairs £80,104.07

For the period ending 31 March 2025 the group has net current assets of £322,802 with cash at bank totalling £2,260,407 allowing the group to convert these to cash quickly and is in line with the charity's reserve policy.

Disclosure of Information to Auditor

The Trustees have taken steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by order of the members of the board of Trustees and signed on their behalf by

Richard Gore

Mr R Gore

Date: 19/12/2025

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We Change Lives (WCL)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting. estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

Richard Gore

Mr R Gore

Date: 19/12/2025

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Opinion

We have audited the financial statements of We Change Lives (WCL) (the parent charitable company) and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cashflow Statement and the related notes. 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).

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's and charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statement and our auditor's report thereon. The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- *Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or* error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISA's (UK).

In identifying and assessing risks of material mis-statement in respect of fraud, including irregularities and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Group and charitable company's financial statements or that had a fundamental effect on the company's operations. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and taxation laws.
- We understood how the company is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process. Detailed analysis of journals posted through the accounting system during the year to 31 March 2025 has been undertaken;
- Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud, and they appeared to be working effectively;
- Challenging assumptions and judgements made by management in its significant accounting estimates.

Use of our report
This report is made solely to the Group's and charitable company's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Martin Howard
.....
Martin Howard (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Date: 19/12/2025

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We Change Lives (WCL)
STATEMENT OF FINANCIAL ACTIVITIES - CONSOLIDATED
THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted funds	Restricted funds	Total funds 2025	Total funds 2024
		£	£	£	£
INCOME					
Income from:					
Donations and legacies	2	-	128,380	128,380	52,719
Charitable activities	3	11,693,225	-	11,693,225	9,278,228
Investments	4	3,237	-	3,237	5,306
Other income	5	217,871	-	217,871	158,831
Total income		11,914,333	128,380	12,042,713	9,495,084
Expenditure on:					
Charitable activities		(11,762,525)	-	(11,762,525)	(9,369,468)
Total expenditure	6	(11,762,525)	-	(11,762,525)	(9,369,468)
Other recognised gains/(losses)					
Profit on disposal of tangible assets		506,524	-	506,524	-
Movement in funds before taxation		**658,332**	**128,380**	**786,712**	**-**
Corporation tax charge	7	(8,780)	-	(8,780)	-
Net movement in funds		**649,552**	**128,380**	**777,932**	**125,617**
Reconciliation in funds					
Total funds brought forward		4,294,649	-	4,294,649	4,169,032
Net movement in funds		649,552	128,380	777,932	125,617
Total funds carried forward		4,944,201	128,380	5,072,581	4,294,649

The notes on pages 16 to 33 form part of these financial statements.

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We Change Lives (WCL)
STATEMENT OF FINANCIAL ACTIVITIES - COMPANY
THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted funds £	Restricted funds £	Total funds 2025 £	Total funds 2024 £
INCOME					
Income from:					
Donations and legacies	2	1,594,702	128,380	1,723,082	889,318
Charitable activities	3	6,531,922	-	6,531,922	6,347,964
Investments	4	3,237	-	3,237	5,306
Other income	5	213,149	-	213,149	158,409
Total income		8,343,010	128,380	8,471,390	7,400,997
Expenditure on:					
Charitable activities		(7,623,431)	-	(7,623,431)	(6,762,932)
Total expenditure	6	(7,623,431)	-	(7,623,431)	(6,762,932)
Other recognised gains/(losses)					
Profit on disposal of tangible assets		506,524	-	506,524	-
Net movement in funds		**1,226,103**	**128,380**	**1,354,483**	**638,065**
Reconciliation in funds					
Total funds brought forward		4,807,097	-	4,807,097	4,169,032
Net movement in funds		1,226,103	128,380	1,354,483	638,065
Total funds carried forward		5,994,250	128,380	6,161,580	4,807,097

The notes on pages 16 to 33 form part of these financial statements.

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We Change Lives (WCL)
BALANCE SHEET - CONSOLIDATED
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
FIXED ASSETS			
Intangible assets	10	14,713,188	4,964,147
Tangible assets	11	4,816,295	4,172,295
Total fixed assets		19,574,483	9,136,442
CURRENT ASSETS			
Debtors	13	2,589,100	1,353,493
Cash at bank and in hand		2,260,407	1,142,305
		4,849,507	2,495,798
CREDITORS			
Amounts falling due within one year	14	(4,526,705)	(2,271,145)
NET CURRENT (LIABILITIES) / ASSETS		322,802	224,653
TOTAL ASSETS LESS CURRENT LIABILITIES		19,897,285	9,361,095
CREDITORS			
Amounts falling due after more than one year	15	(14,788,676)	(5,052,750)
Deferred tax		(36,028)	(13,696)
TOTAL NET ASSETS		5,072,581	4,294,649
CHARITY FUNDS			
Unrestricted funds	16		
Designated funds		2,032,546	2,032,546
General funds		2,872,705	2,223,153
Revaluation reserve		38,950	38,950
Restricted funds		128,380	-
Total funds		**5,072,581**	**4,294,649**

Approved by the Board for issue on .....

.....
R Gore
Trustee

The notes on pages 16 to 33 form part of these financial statements.

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We Change Lives (WCL)
COMPANY BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
FIXED ASSETS			
Tangible assets	11	1,353,446	2,086,792
Investments	12	23,372,477	7,242,807
Total fixed assets		24,725,923	9,329,599
CURRENT ASSETS			
Debtors	13	3,354,355	2,007,171
Cash at bank and in hand		374,787	343,341
		3,729,142	2,350,512
CREDITORS			
Amounts falling due within one year	14	(7,605,275)	(1,820,264)
NET CURRENT (LIABILITIES) / ASSETS		(3,876,133)	530,248
TOTAL ASSETS LESS CURRENT LIABILITIES		20,561,410	9,859,847
CREDITORS			
Amounts falling due after more than one year	15	(14,688,210)	(5,052,750)
TOTAL NET ASSETS		6,161,580	4,807,097
CHARITY FUNDS			
Unrestricted funds	16		
Designated funds		2,032,456	2,032,546
General funds		3,961,704	2,735,601
Revaluation reserve		38,950	38,950
Total unrestricted funds		6,033,200	4,807,097
Restricted funds		128,380	-
Total funds		**6,161,580**	**4,807,097**

Approved by the Board for issue on .....

.....
R Gore
Trustee

The notes on pages 16 to 33 form part of these financial statements.

Docusign Envelope ID: 955138EB-8A91-44B4-9746-85FB1377E831

We Change Lives (WCL)
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Note	£	2024 £	£	2023 £
Cash used in operating activities					
Net cash provided by operating activities	17		3,967,439		504,117
Cash flows from investing activities					
Purchase of tangible fixed assets		(118,877)		(117,062)	
Disposal of fixed assets		1,309,438		-	
Acquisition of subsidiaries (net of cash acquired)		(13,655,398)		(6,168,252)	
Cash used in investing activities			(12,464,839)		(6,285,314)
Cash flows from financing activities					
Repayments of bank borrowings			(6,090,728)		(346,193)
Advance of bank loans			16,160,000		5,700,000
Debt costs paid			-		(143,940)
Hire purchase payments			-		(17,680)
Interest received			3,237		-
Interest paid			(457,005)		-
Net cash provided by / (used in) in financing activities			**9,615,502**		**5,192,187**
Change in cash and cash equivalents in the year			**1,118,102**		**(588,950)**
Cash and cash equivalents brought forward			1,142,305		1,731,255
Total cash and cash equivalents carried forward	18		**2,260,407**		**1,142,305**

The notes on pages 16 to 33 form part of these financial statements.

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1 ACCOUNTING POLICIES

Company status

The Charitable company is limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10. The company is subject to the requirements of the Companies Act 2006 with regards to the form and content of the financial statements.

The address of its registered office is given in the Report of the Trustees.

The accounts are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in Pounds Sterling, which is the functional currency of the Charity.

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

Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRs 102) and the Companies Act 2006.

We Change Lives (WCL) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidated the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

Going concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For long term finance the charity relies on bank loans, as disclosed in notes to the financial statements. In assessing going concern the Trustees have assumed that these bank loans will not be repaid for the foreseeable future (in line with the signed bank loan agreement) and are not aware of any circumstances that may adversely affect the renewal of these facilities. The factors considered by the Trustees are documented in more detail within the Trustees report. The Trustees consider that there are no material uncertainties over the Charity's financial viability and, accordingly, continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Fund accounting

Funds held by the charitable company are either:

- Unrestricted general funds, which 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; or
- Unrestricted designated funds, that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund are set out in the notes to the financial statements; or
- Restricted funds, which are donations or legacies received where the donor has specified use solely for particular areas of the Charity's work or for specific projects undertaken. The specific restriction on each fund is set out in the financial statements.

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ACCOUNTING POLICIES (continued)

Incoming resources

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations and grants are recognised when receivable. In the even that a donation is subject to fulfilling performance conditions before the Charity is entitled to the funds, the income is deferred and not recognised until it is probably that those conditions will be fulfilled in the reporting period.

Income from NHS contracts, government and other grants, whether 'capita' grants or 'revenue' grants, are recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Other income consists of resident monies and appointee's monies received for monitoring and advising on resident spends during the year,

Rental income is recognised in the period to which it relates.

Resources expended

Expenditure is accounted for as charitable activities being the provision of care. Within provision of care, costs are allocated between direct provision of care costs and support costs. The irrecoverable element of Value Added Tax is included with the item of expense to which it relates. Depreciation is allocated to expenditure headings on the basis of the use of the assets concerned.

Governance costs include cost of constitutional and statutory requirements, cost of Trustee meetings and the cost of any legal advice to the Trustees on governance or constitutional matters and are included within support costs.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas or per capita, staff costs by the time spent and other costs by their usage.

Costs of raising funds are costs payable to third party investment managers that manage the Charity's investment portfolio.

Government grants

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

Taxation

The Company is an Exempt Charity within the meaning of Schedule 2 of the Charities Act 1993 and as such is a charity within the meaning of Section 519 of the Income Tax Act 2007 (formerly Section 506(1) of the Taxes Act 1988). Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 524 of the Income Tax Act 2007 (formerly Section 505 of the Taxes Act 1988) or Section 256 of the Taxation of Chargeable Gains Tax 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

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ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives in the following bases:

Freehold property	Straight line between 18 - 50 years
Long-term leasehold property	2% of cost per annum
Motor vehicles	Straight line between 4 - 5 years
Fixtures and fittings	Straight line between 3 - 6 years
Improvements to property	5% of cost per annum and Straight line over 5 years

The need for any impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

In the 1990s, the charity received a grant of £327,975 to acquire two properties. The grant was subject to legal charges stating that should the properties be subject to a change in use or disposal then the donor would be entitled to the open market value of the properties. Given the legal charges placed on the properties, the grant income was netted off the purchase price of the properties at the time and has not been recognised in the accounts. The grant recognised the full purchase price of the properties.

Investments

Fixed asset investments are included at market value at the Balance Sheet Date.

Gains and losses represent the movement in market values during the year and are credited of charged to the Statement of Financial Activities.

Unlisted investments are shown at cost unless there is a permanent diminution in value.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risk of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits with financial institutions.

Debtors

Trade, other debtors and accrued income are recognised at the settlement amount due, and prepayments are valued at the amount prepaid.

Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Trade creditors, taxation and social security, wages and salaries, other creditors and accruals are recognised at their settlement amount. Bank loans are recognised at amortised cost using the effective interest method.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, these being cash at bank, debtors, creditors and loans. All investments held by the Charity also qualify as basic financial instruments.

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ACCOUNTING POLICIES (continued)

Pension costs

The Charity operates a defined contribution pension scheme, and the pension charge represents the amount payable by the Charity to the fund in respect of the year.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires management to consider making significant judgements and estimates where necessary. The areas in which significant judgements and estimations have been made comprise of depreciation and the recoverability of debtors, and investment property valuation.

Useful economic lives of tangible fixed assets
The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates and the physical condition of the assets.

Impairment of debtors
The Charity makes an estimate of trade debtors and other debtors. When assessing the impairment of trade debtors and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Allocation of costs
The allocation of expenditure between direct and support activities involves an element of judgement and estimates, particularly in respect of shared costs.

2 INCOME FROM DONATIONS AND LEGACIES

	Group		
	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations			
Donations from subsidiary company	-	-	-
Supporting people funding	-	-	52,719
Total	-	-	52,719

	Charity		
	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations			
Donations from subsidiary company	1,594,702	1,594,702	836,599
Supporting people funding	-	-	52,719
Donated property	-	128,380	-
Total	1,594,702	1,723,082	889,318

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3 Income from charitable activities

	Group	
	2025	2024
	£	£
Social services funding	10,872,240	8,205,178
Self-funded residents	683,796	769,934
Rental income	137,189	303,116
	11,693,225	9,278,228

Provision of care was unrestricted during this and the prior year.

	Charity	
	2025	2024
	£	£
Social services funding	5,729,433	5,296,495
Self-funded residents	667,159	748,353
Rental income	137,189	303,116
	6,533,781	6,347,964

4 INVESTMENT INCOME

	Group and Charity	
	Total funds 2025	Total funds 2024
	£	£
Deposit account income	3,237	5,306
	3,237	5,306

5 OTHER INCOME

The analysis of the Charity's other income for the year is as follows:

	Group and Charity	
	Total funds 2025	Total funds 2024
	£	£
Other income	217,871	158,409
	217,871	158,409

Other income predominantly relates to rental and service charge income.

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6 ANALYSIS OF EXPENDITURE BY ACTIVITY

	Group		
	Unrestricted funds 2025 £	Total 2025 £	Total 2024 £
Direct costs	9,695,660	9,695,660	7,826,893
Support costs	1,262,341	1,262,341	967,086
Governance costs	804,524	804,524	575,489
Total	11,762,525	11,762,525	9,369,468

	Charity		
	Unrestricted funds 2025 £	Total 2025 £	Total 2024 £
Direct costs	5,816,097	5,816,097	5,323,876
Support costs	1,097,349	1,097,349	933,946
Governance costs	709,895	709,895	505,110
Total	7,623,341	7,623,341	6,762,932

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Analysis of direct costs - Group

	2025 £	2024 £
Wages and salaries	6,708,322	6,018,792
Social security	447,581	308,886
Pensions	185,315	132,668
Rent and rates	58,571	73,845
Light and heat	117,114	151,261
Agency staff	661,939	-
Telephone	11,327	15,424
Postage and stationery	51,011	5,165
Sundry expenses	11,463	10,598
Food and provisions	210,036	259,358
Medical and clinical costs	61,100	83,508
Transport costs	26,938	13,400
Recruitment expenses	55,991	68,230
Training costs	22,268	31,222
Repairs and renewals	305,787	239,569
Cleaning	15,257	19,986
Registration costs	30,352	24,152
Travelling	13,639	(152)
Depreciation	93,513	63,468
Other direct costs	80,970	-
Amortisation of goodwill	527,166	307,514
	9,695,660	7,826,893

Analysis of support costs - Group

	2025 £	2024 £
Sundry	39,476	-
Rent and rates	45,485	219,472
Insurance	151,063	139,964
Telephone	12,336	9,321
Postage and stationery	855	1,799
Training costs	6,195	38,057
Computer costs	216,246	148,073
Registration costs	2,100	7,173
Cleaning costs	26,987	-
Depreciation	109,294	118,823
Bank charges	652,304	284,403
	1,262,341	967,086

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Analysis of governance costs - Group

	2025 £	2024 £
Legal and professional fees	405,454	452,802
Auditors' remuneration	121,039	13,000
Auditors' remuneration for non-audit work	-	4,000
Pension administration fees	6,847	6,998
Advocacy	1,868	2,000
Exceptional costs	269,316	96,689
	804,524	575,489

Analysis of direct costs - Charity

	2025 £	2024 £
Wages and salaries	4,629,670	4,274,161
Social security	265,935	213,194
Pensions	145,878	112,712
Rent and rates	19,551	43,413
Light and heat	91,668	54,132
Telephone	11,327	11,705
Postage and stationery	46,291	1,071
Sundry expenses	10,844	10,598
Food and provisions	210,036	187,318
Medical and clinical costs	61,100	68,634
Transport costs	24,460	8,777
Recruitment expenses	55,991	68,230
Training costs	15,905	31,222
Repairs and renewals	159,113	189,263
Cleaning	15,257	8,844
Registration costs	21,217	18,315
Travelling	846	(152)
Depreciation	31,007	22,438
	5,816,096	5,323,876

Docusign Envelope ID: 955138EB-8A91-44B4-9746-85FB1377E831

Analysis of support costs - Charity

	2025 £	2024 £
Rent and rates	45,485	219,472
Insurance	117,018	115,060
Telephone	6,132	5,603
Postage and stationery	855	1,799
Training costs	6,195	34,195
Computer costs	177,414	147,418
Registration costs	2,100	7,173
Payroll fees	-	-
Depreciation	109,294	118,823
Bank charges	632,856	284,403
	1,097,349	933,946

Analysis of governance costs - Charity

	2025 £	2024 £
Legal and professional fees	383,954	400,749
Auditors' remuneration	48,000	13,000
Auditors' remuneration for non-audit work	-	4,000
Pension administration fees	6,847	6,998
Advocacy	1,868	2,000
Exceptional costs	269,316	78,362
	709,985	505,110

7 TAXATION

The company is a registered charity and is therefore entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes. It does however have incorporated subsidiaries with a corporation tax charge for the year. They are not included in the consolidated accounts however due to them being a pre acquisition liability.

The corporation tax expense included for £8,780 relates to a prior year under provision of tax for 3L Care Limited.

8 EMPLOYMENT COSTS

	Group 2025 £	2024 £
Wages and salaries	6,708,322	5,596,722
Social security costs	447,581	308,886
Contribution to defined contribution pension schemes	185,315	132,668
	7,341,218	6,038,276

Docusign Envelope ID: 955138EB-8A91-44B4-9746-85FB1377E831

Charity

	2025 £	2024 £
Wages and salaries	4,629,670	3,793,388
Social security costs	265,935	213,194
Contribution to defined contribution pension schemes	145,878	112,712
	5,041,483	4,119,294

The average number of persons employed by the Group during the year was as follows:

	2025 No.	2024 No.
Head office	12	12
Direct staff	260	277
	272	**289**

The average number of persons employed by the Charity during the year was as follows:

	2025 No.	2024 No.
Head office	12	12
Direct staff	179	178
	191	**190**

The number of employees in the Group and Company whose employee benefits exceeded £60,000 was:

	2025 No.	2024 No.
£60,001 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,000 - £110,000	1	1

The key management personnel of the Charity comprise the Senior Management Team and the Company Secretary. The total remuneration paid in respect of the charity's key management personnel was £233,561 (2024 - £215,369),

There were £46,171 (2024 - £nil) redundancy payments made by the charity during the year. The group made £46,171 (2024 - £31,417) of redundancy payments.

9 TOTAL REMUNERATION PAID BY THE GROUP AND COMPANY

During the year, no Trustees received any remuneration or other benefits (2024 - £Nil).

During the year ended 31 March 2025, expenses totalling £nil were reimbursed or paid directly (2024 – £Nil).

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10 INTANGIBLE FIXED ASSETS, and BUSINESS COMBINATIONS

Group

	Goodwill
Cost	
At 1 April 2024	5,271,659
Additions	10,276,209
At 31 March 2025	15,547,868
Amortisation	
At 1 April 2024	307,514
Charge for the year	527,166
At 31 March 2025	834,680
Net book value	
At 31 March 2025	14,713,188
At 31 March 2024	4,964,147

Business Combinations

On 31 March 2025, We Change Lives acquired 100% of the issued share capital of J D Zencare Limited, Creative Care (Leicester) Limited, PSA Care Services Limited and JO Care Services Limited, obtaining control. No profit or loss results have been consolidated into the group accounts due to it being immaterial.
The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out below:

	Fair value 2025 £
Assets and liabilities acquired	
Financial assets	6,876,020
Financial liabilities	(1,996,830)
Total identifiable assets	4,879,190
Goodwill	10,276,208
Total consideration	15,155,398
Satisfied by:	
Cash	13,655,398
Deferred consideration	1,500,000
Total	15,155,398
Cash flow analysis:	
Cash consideration	16,129,670
Less cash balances acquired	(974,272)
Less deferred consideration	(1,500,000)
Net cash flow arising on acquisition	13,655,398

Docusign Envelope ID: 955138EB-8A91-44B4-9746-85FB1377E831

11 TANGIBLE FIXED ASSETS

Group

	Freehold Property	Long-term leasehold property	Fixtures and fittings	Motor vehicles	Improvements to property	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 April 2024	6,002,561	210,000	971,531	-	82,653	7,266,745
Additions	128,380	-	103,927	-	14,950	247,257
Disposals	(1,255,142)	(210,000)	(6,542)	-	-	(1,471,684)
Acquired through business combinations	1,374,811	-	7,878	81,724	-	-
At 31 March 2025	6,250,610	-	1,076,794	81,724	97,603	7,506,731
Depreciation						
At 1 April 2024	2,240,636	71,772	730,641	-	51,401	3,094,450
Charge for the year	111,907	3,517	99,560	-	4,776	219,760
Disposals	(593,031)	(75.289)	(454)	-	-	(668,774)
At 31 March 2025	1,759,512	-	829,747	-	56,177	2,645,436
Net book value						
At 31 March 2025	4,491,098	-	247,047	81,724	41,426	4,172,295
At 31 March 2024	3,761,925	138,228	240,890	-	31,252	4,172,295

The cost of freehold property above is net of a grant to the value of £327,975 from the Health Authority dating back to the 1990s in relation to two properties. Whilst the charity is legal owner of the properties, there is a charge providing that in the event of a change in use or disposal of the properties, the Health Authority is to receive the open market value of the properties. The grant represents the total cost of the properties.

A grant was received to fund the purchase of another of the charity's freehold properties, 10a Lodge Lane, Warrington. A condition of the grant was that if the building were sold or no longer used as a nursing home for clients with mental health disorder, the grant would be repayable. The amount repayable would be 25.5% of the market value of the property at the date of sale less the costs of sale. There is no intention to sell or change the use of the property.

All fixed assets, including freehold property are for the use in direct furtherance of the charity's objects.

The net book value of assets includes £77,084 (2024 - £12,866) held under a hire purchase agreement. Depreciation of £12,866 (2024 - £17,156) was charged in the year on these.

Docusign Envelope ID: 955138EB-8A91-44B4-9746-85FB1377E831

Charity

	Freehold Property	Long-term leasehold property	Fixtures and fittings	Improvements to property	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2024	3,997,203	210,000	850,355	82,653	5,140,211
Additions	128,380	-	66,537	14,950	209,867
Disposals	(1,255,146)	(210,000)	(6,542)	-	(1,471,688)
At 31 March 2025	2,870,437	-	910,350	97,603	3,878,390
Depreciation					
At 1 April 2024	2,222,751	71,772	707,497	51,401	3,053,421
Charge for the year	64,293	3,517	67,715	4,776	140,301
Disposals	(593,031)	(75,289)	(454)	-	(668,774)
At 31 March 2025	1,694,013	-	774,758	56,177	2,524,948
Net book value					
At 31 March 2025	1,176,424	-	135,592	41,426	1,353,442
At 31 March 2024	1,774,452	138,228	142,858	31,252	2,086,790

The cost of freehold property above is net of a grant to the value of £327,975 from the Health Authority dating back to the 1990s in relation to two properties. Whilst the charity is legal owner of the properties, there is a charge providing that in the event of a change in use or disposal of the properties, the Health Authority is to receive the open market value of the properties. The grant represents the total cost of the properties.

A grant was received to fund the purchase of another of the charity's freehold properties, 10a Lodge Lane, Warrington. A condition of the grant was that if the building were sold or no longer used as a nursing home for clients with mental health disorder, the grant would be repayable. The amount repayable would be 25.5% of the market value of the property at the date of sale less the costs of sale. There is no intention to sell or change the use of the property.

All fixed assets, including freehold property are for the use in direct furtherance of the charity's objects.

The net book value of assets includes £nil (2024 - £12,866) held under a hire purchase agreement. Depreciation of £12,866 (2024 - £17,156) was charged in the year on these.

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12 FIXED ASSET INVESTMENTS

Charity

	Investments in Subsidiary companies	Total
Cost		
At 1 April 2024	7,242,807	7,242,807
Additions	16,129,670	16,129,670
At 31 March 2025	23,372,477	23,372,477

Name	Registered office	Shareholding	% of shares held 2025	2024
Warrington Community Living*	England and Wales	Ordinary	100	100
3L Care Limited	England and Wales	Ordinary	100	100
3L Care Group Limited*	England and Wales	Ordinary	100	100
3L Care Holdings Limited	England and Wales	Ordinary	100	100
JD Zencare Limited	England and Wales	Ordinary	100	0
PSA Care Services Limited*	England and Wales	Ordinary	100	0
Creative Care (Leicester) Limited	England and Wales	Ordinary	100	0
JO Care Services Limited *	England and Wales	Ordinary	100	0

All subsidiary companies have the same registered office as We Change Lives.

The principal activity of Warrington Community Living Limited is the supply of support services.
The principal activity of 3L Care Limited, JD Zencare Limited and Creative Care (Leicester) Limited is the provision of care services.
The principal activity of 3L Care Group Limited, 3L Care Holdings Limited, PSA Care Services Limited and JO Care Services Limited is that of holding companies.

*Denotes direct investments held by We Change Lives. Other companies' investments are held by 3L Care Group Limited, PSA Care Services Limited or JO Care Services Limited.

13 DEBTORS

	Charity		Group	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	454,909	530,551	1,308,882	953,348
Other debtors	27,526	4,504	850,834	69,765
Amounts owed by group undertakings	2,534,394	1,177,969	-	-
Prepayments and accrued income	337,526	294,147	429,384	330,380
	3,354,355	2,007,171	2,589,100	1,353,493

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14 CREDITORS – amounts falling due within one year

	Charity		Group	
	2025 £	2024 £	2025 £	2024 £
Bank loans	1,471,790	438,172	1,471,790	438,172
Trade creditors	90,459	104,940	159,480	120,721
Amounts owed by group undertakings	3,997,587	-	-	-
Other taxation and social security	76,252	65,483	194,212	113,620
Other creditors	276,676	287,656	450,492	405,710
Deferred consideration	1,500,000	802,652	1,500,000	802,652
Accruals and deferred income	192,511	108,102	298,297	220,541
Corporation tax liability	-	-	452,434	156,470
Hire purchase	-	13,259	-	-
	7,605,275	1,820,264	4,526,705	2,257,886

15 CREDITORS – amounts falling due after more than one year

	Charity		Group	
	2025 £	2024 £	2025 £	2024 £
Bank loans	14,688,210	5,052,750	14,688,210	5,052,750
Hire purchase	-	-	100,466	13,259

During the year, the Charity and Group refinanced with Barclays Bank to fund the new acquisitions. The total drawn down was £16,160,000. Interest is charged at 6.50%, and the loan is due for repayment over 5 years. Security is provided against the group's freehold properties.

Included within the above are amounts falling due as follows:

	Charity		Group	
	2025 £	2024 £	2025 £	2024 £
Between one and two years				
Bank loans	1,471,790	582,112	1,471,790	582,112

	Charity		Group	
	2025 £	2024 £	2025 £	2024 £
Between two and five years				
Bank loans	4,415,370	1,746,336	4,415,370	1,746,336

	Charity		Group	
	2025 £	2024 £	2025 £	2024 £
Over five years				
Bank loans	**10,272,840**	**2,724,302**	**10,272,840**	**2,724,302**

16 FUNDS

	At 1 April 2024 £	Incoming resources £	Outgoing resources £	At 31 March 2025 £
Designated funds	2,032,546	-	-	2,032,546
General funds				
General funds	2,223,153	11,914,333	(11,264,781)	2,872,705
Revaluation reserve	38,950	-	-	38,950
Restricted fund	-	128,380	-	128,380
Funds	**4,294,649**	**12,042,713**	**(11,264,781)**	**5,072,581**

17 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group	
	2025 £	2024 £
Net income for the period	777,932	125,617
Adjustments for:		
Depreciation charges	746,926	489,805
Profit on disposal	(506,524)	-
Finance costs	655,350	281,055
Finance income	(3,237)	-
Tax expense	8,780	-
Donated property	(128,380)	-
Investments redeemed	-	319,009
(Increase)/decrease in debtors	4,175,998	(342,199)
Decrease in creditors	(1,680,388)	(369,110)
Corporation tax paid	(156,772)	-
Net cash provided by operating activities	3,967,439	504,177

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18 ANALYSIS OF CHANGES IN NET DEBT

Group

	At 1 January 2024 £	Cash flows £	Non cash movements £	At 31 March 2025 £
Cash at bank and in hand	1,142,305	1,118,102	-	2,260,407
Hire purchase due within 1 year	(13,259)	13,259	-	-
Bank debt	(5,490,922)	(10,669,078)	-	(16,160,000)
	(4,361,876)	(9,537,717)	-	(13,899,593)

19 PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Charity to the scheme and amounted to £145,878 (2024 - £112,712). At the end of the year outstanding contributions amounted to £5,902 (2024 - -£11,404). All pension charges are charged to unrestricted funds, in line with the fund out of which the wages and salaries are paid.

The pension costs for the year for the group totals £185,315 (2024 - £132,668). At the end of the year, outstanding contributions amounted to £10,603 (2024 - £4,777)

20 OPERATING LEASE COMMITMENTS

At 31 March 2025 the Group had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Land and buildings		
Within 1 year	47,016	6,736
Between 1 and 5 years	48,877	-
After more than 5 years	-	-
Total	95,893	6,736
Other		
Within 1 year	35,237	37,606
Between 1 and 5 years	41,174	41,241
After more than 5 years	-	-
Total	76,411	78,847

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At 31 March 2025 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Land and buildings		
Within 1 year	27,016	6,736
Between 1 and 5 years	-	-
After more than 5 years	-	-
Total	27,016	6,736
Other		
Within 1 year	30,484	35,813
Between 1 and 5 years	37,862	41,241
After more than 5 years	-	-
Total	68,346	77,054

21 RELATED PARTY TRANSACTIONS

Neither the Group nor Charity have entered into any related party transactions during the year.

22 Financial guarantee

We Change Lives has given a guarantee under Section 479A of the Companies Act 2006 to guarantee all outstanding liabilities as at 31 March 2025 of Creative Care (Leicester) Limited, PSA Care Services Ltd, J O Care Services Ltd and J D Zencare Limited. Therefore, these companies are exempt from the requirements of the Act relating to the audit of individual accounts. The remaining subsidiaries have not taken this guarantee.

We Change Lives (WCL)

England & Wales - Charity number 1003023

Accounts

Docusign Envelope ID: A71743F6-000E-47C7-A23F-2DE7C233A771

Registered Charity No: 1003023
Company Number: 02595601

We Change Lives (WCL)

TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

Docusign Envelope ID: A71743F6-000E-47C7-A23F-2DE7C233A771

We Change Lives (WCL)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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We Change Lives (WCL)
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2024

The trustees appointed at the date of approval of this report, and/or during the reporting period are:

• Richard James Gore Appointed	28 September 2015
• Chris Howarth	Appointed 24 September 2018
• Lenka Gaborova	Appointed 28 March 2022, Resigned 11 April 2024
• Ian Hamish Fairbrother	Appointed 16 April 2015
• Peter David Holmes	Appointed 24 September 2018
• Janice Lorraine Wycherley	Appointed 12 December 2012

Company Registration Number: 02595601

Charity Registered Number: 1003023

Registered Office:
Windsor House
Bayshill Road
Cheltenham
Gloucestershire
GL50 3AT
United Kingdom

We Change Lives often uses the abbreviation 'WCL'. It was formerly known as Warrington Community Living (the name was changed to We Change Lives (WCL) on 26 September 2022)

Chief Executive Officer: Philip Sermon

Independent Auditor:
Hazlewoods
Windsor House
Bayshill Road
Cheltenham
Gloucestershire
GL50 3AT
United Kingdom

Solicitors:
Bevan Brittan
Kings Orchard
1 Queen Street
Bristol
BS2 0HQ

Financial Advisors:
Kent Finance
1 Sunflowers
Pluckley
Kent
TN27 0PD

Principle Bankers:
Barclays
Leicester
LE87 2BB

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Senior Management Team:	Sarah Gardner	Deputy CEO and Head of Care
	Will Napier Fenning	Chief Financial Officer (CFO)
	Elaine Cleary	Head of Operational Excellence
	Fiona Carter	Head of People
	Claire Illingworth	*Company Secretary*

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The Trustees who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31 March 2024.

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Charity Number

We Change Lives (WCL) is a Company Limited by Guarantee (Company number: 02595601) and a registered charity (Registered Charity number: 1003023).

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2024 was six (2023:6). The trustees are members of the charity, but this entitles them only to voting rights. The Board have no beneficial interest in the charity.

Governing Document

The governing document of We Change Lives (WCL) is the Articles of Association which were updated and approved on 19th July 2023.

Related parties and subsidiaries

At the close of the reporting period 31 March 2024, WCL had four wholly owned subsidiaries:

- Warrington Community Living Service Company Ltd (Company Number: 10906233)
- 3L Care Limited (Company Number: 7174346)
- 3L Care Holdings Limited (Company Number: 10234039)
- 3L Care Group Limited (Company Number: 12662209)

Organisational structure

Board of Trustees:

The Board of Trustees administers the charity. The board meet once every three months to manage the charity's affairs, receiving management accounts and reports from the Chief Executive and the various heads of department.

Recruitment and appointment of trustees

Trustees are recruited via an open recruitment method with trustee roles being advertised on LinkedIn and other social media channels and through a recruitment agency. The trustees are appointed by the Board of Directors as stated in the Articles of Association. The minimum number of trustees is five, the maximum number of trustees is twelve.

The trustees, who are also directors under company law, are appointed by two different methods. For all those in post prior to 24 January 2022 the maximum term is 12 years from their original appointment.

For trustees appointed after 24 January 2022, they are appointed for a term of 3 years. After each 3-year term they shall retire from office but are eligible to be reappointed for a further 3-year term with a maximum of 9 years in total. A trustee who has served three terms of office may not be reappointed. However, the term of office can be extended for a period of one additional year if the loss of core skills and experience would be detrimental to the charity, subject to 75% of the existing trustees agreeing.

One trustee resigned in April 2024. The organisation is undertaking a review of trustee succession planning and is in the process of recruiting three new trustees in the financial year to March 2025.

Induction and training of trustees

During the reporting period the organisation onboarded trustees using the 'Good Practice For Directors' standards. The objective of the program is to support trustees in their understanding of their legal obligations under charity and company law, the content of Articles of Association, the Committee and decision-making processes, the business plan and recent financial performance of the charity. During their induction period they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

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Post the reporting period (1st April 2024 onwards), a review of the onboarding program has taken place. To further strengthen the approach to onboarding an amended program has been drafted. Additionally, a trustee handbook is being developed to support trustees upon appointment and throughout their appointment.

Trustees and/or the Senior Management Team attend and support a range of local statutory and voluntary sector forums relating to older people, people with learning disabilities, people with dementia and acute brain injuries (ABI)

The Trustees' Report section (pages 5–7) sets out the aims and strategies of the charity and demonstrates how the aims and activities of the charity during the year were carried out for the Public Benefit.

Board sub-committees
The Board has four subcommittees:

- Finance Audit and Risk
- Quality and Safeguarding
- People and Culture (name changed from Colleagues and Culture in July 2024)
- Remuneration

CEO
The Chief Executive is appointed by the board to manage the day-to-day operations of the charity. To facilitate effective operations the Chief Executive has delegated authority, within terms of delegation approved by the directors, for operational matters such as care and employment. Financial decisions are governed by WCL's financial policies, as approved by the Board of Trustees.

Pay Policy for Senior Staff
The Board of Directors, who are the charity's trustees, along with the Senior Management Team comprise the key management personnel of the charity in charge of directing and controlling the charity. The Senior Management Team are delegated responsibility for the running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee received remuneration in the year. The pay of the senior management team is reviewed annually by the Board of Trustees.

OBJECTIVES AND ACTIVITIES

Charitable Objectives
We Change Lives (WCL)'s charitable objectives are specifically restricted to the relief of adults from the disabilities resulting from old age, including mental health problems, and of people with learning disabilities, physical disabilities, or mental health disabilities by the provision of permanent homes and services calculated to relieve the needs of such persons (hereinafter called service users). Provided that in furthering this object, the charity will seek to enable services users to lead an independent and fulfilling lifestyle by providing opportunities to exercise their rights and to enjoy the same range of options available to all valued members of society.

Public Benefit
The objectives and aims of We Change Lives (WCL) are contained in the company's Articles of Association.

The trustees confirm they have regard for the Public Benefit guidance issued by the Charity Commission as the Charities Act 2011 requires the charity to demonstrate the Public Benefit of our aims.

The Charity's Purpose is to benefit the public by providing Residential and Nursing accommodation, care and support for adults who have learning disabilities and for people requiring support including those who have dementia. We also provide support for people who have learning disabilities to enable them to live as independently as possible within their own homes. The people who have used and benefited from our accommodation and support are from Warrington, Halton, St Helens, Bolton, Ellesmere Port, Chester, Conwy and Wigan.

Circa 240 people have used those services during this period and our current funding limits the number of people that we can support. Demand for our services is met by giving priority to referrals from Local Authority Adult Social Care departments and local Primary Care Trusts and on some occasions, self, or family referrals.

The objectives are achieved through:

- Supported Living-where individuals with a learning, physical, associated mental health needs and dementia are supported in their own home/property to engage in a healthy and meaningful lifestyle, considering areas such as physical, intellectual, emotional, and social well-being through a variety, of person-centred approaches.

Docusign Envelope ID: A71743F6-000E-47C7-A23F-2DE7C233A771

- Mental Health Residential-where individuals with complex mental health issues are supported with rehabilitation to reach and maintain optimum quality of life and achieve as much independence and enjoyment of their lives as possible.

- Older People Residential Care-supporting older people and adults with various levels of learning, physical and associated mental health needs to engage in a healthy and meaningful lifestyle and be active members of their community in the safety of a shared living environment.

In achieving these objectives and aims, the trustees have identified the following specific purposes and values:

Organisational Purpose
- Supporting people to live their best life.

WCL Vision
Thriving Organisation, Enriching Lives:
- A provider of quality life enriching outstanding support.
- A provider of support that is different for every individual within its care.
- An organic organisation that is current and adaptable (ability to move with the needs of the people it serves).
- A financially thriving organisation that can reinvest into the development of current and new services.

Organisational Values
- Supporting rights, needs, choices and dreams.
- See the possibility to make a positive difference in all that we do.
- Being financially responsible and economically sustainable.
- Embrace new technology and innovations.
- Appreciating every colleague's contribution.

There have been no material changes in policy or objectives throughout the year. The strategy is to deliver our key services by providing great quality Care in Safe environments delivered by responsive well trained and well led teams of People. This is underwritten with a Commercial / Financial focus to ensure the services provide great value for people we support but also deliver a surplus to ensure the future viability of the charity.

Measures to assess success include:
- Care & Quality - CQC ratings (Outstanding, Good, Requires Improvement or Inadequate) - covers 5 key questions safe, effective, caring responsive and well led.
- People - Vacancies, Staff Turnover, Training.
- Commercial & Financial Risk - Income, Expenditure -Surplus, Cash Reserves etc.

Staffing Structure
The company employs an average of 178 direct staff, who deliver frontline services and carry out the core mission of the charity. Additionally, 12 staff members in Central Support, who provide critical administrative, financial and operational assistance. This dedicated workforce ensures the effective delivery of our programs and the fulfilment of our charitable objectives.

ACHIEVEMENTS AND PERFORMANCE

We Change Lives (WCL) commenced its operation of services in 1989 when it was known as Warrington Community Living and established itself as a charity in 1991.

WCL's original purpose was to support people with learning disabilities moving out of long stay hospital accommodation and provide them with community focused services that would promote independence and a more inclusive lifestyle. This work continued and expanded to include older people and community services. A merger with Warrington Community Care allowed to scope of services to support people with mental health issues meaning the organisation grew from supporting less than 100 people, to supporting over 450 people every year all in the borough of Warrington.

We Change Lives (WCL)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

As part of the strategic plan conceived post the Covid pandemic the charity opted to expand outside of the borough of Warrington to the wider North West of England and to specialize in three groups of services where it felt it excelled in services which specialized in the care of the elderly , residents in Supportive Living accommodation and individuals with an Acquired Brain Injury .The strategic vision to continuously grow and specialize in the type of services provided led to the successful acquisition of '3L Care Limited' in September 2023 funded by existing cash balances and a loan facility provided by Unity Trust Bank PLC (£7.7m deal/£5.7m loan with £0.8m deferred consideration). 3L consists of 3 homes one in Atherton (Greater Manchester) and two in Winsford (Cheshire)that provide residential and respite services for adults with Acquired Brain Injuries (ABI). This acquisition contributes to both WCL charitable purpose and the ambition to provide care to a geographically wider range of service users positively impacting their lives.

We Change Lives (WCL) continues to satisfactorily operate the following services which are registered and regulated by the Care Quality Commission (CQC)

- Bee Fold Lane, Atherton, M46 0BL – Registered to provide accommodation and nursing or personal care to 9 people, aged under or over 65 and children aged 0-18, for treatment of disease, disorder or injury, learning disabilities and physical disabilities
- Chapel House, Chapel Lane, Winsford, CW7 3AD – Registered to provide accommodation and nursing or personal care, to 10 people under 65 with physical disabilities and/or for the treatment of disease, disorder or injury
- The Old Chapel, Crook Lane, Winsford, CW7 3DM – Registered to provide accommodation and nursing or personal care to 6 people, aged under or over 65 and children aged 0-18, for treatment of disease, disorder or injury, learning disabilities and physical disabilities and sensory impairments.
- Heathside – Registered to provide accommodation and nursing or personal care, to 37 people, aged over 65 and/or with dementia
- Heathside Mews – Registered to provide accommodation and nursing or personal care, to 25 people, aged over or under 65 and/or with dementia
- Westleigh House – Registered to provide accommodation and nursing or personal care, aged over or under 65, with mental health conditions
- Supported Living - Registered to provide regulated activity personal care, to adults aged over and under 65, with dementia, learning disabilities, physical disabilities and sensory impairments. The number of people requiring this support are submitted to CQC annually. This covers all Supported Living properties in Warrington and Cheshire West and Chester.

And the following services which are not required to be registered with CQC:

- Community Mental Health and Wellbeing Team incorporating: - Supported Housing Network - a network of flats for 57 people offering low level support for enduring mental health issues.
- Complex Mental Health - one to one support for people recovering from complex mental health needs. These services were reduced during the reporting period, with one service (22 Salisbury Street) remaining.
- Park House – a three bedroom (Crisis House) alternative option to admission to psychiatric hospital

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The following CQC ratings have not changed since 31st March 2024:

Service	CQC rating
Bee Fold	Good
Chapel House	Good
The Old Chapel	Good
Heathside	Good
Heathside Mews	Good
Westleigh House	Requires Improvement
Supported Living	Good

PLANS FOR FUTURE PERIODS

WCL will continue to look for opportunities to expand its service network following the successful acquisition of 3L and the success of the tenders for new services at Park Drive (Ellesmere Pt) and Hillock (Warrington) .
The charity continues to focus on financial self-stability to generate surpluses that will allow the organisation to achieve it strategy for growth and to provide enhanced facilities for residents and service users. This includes considering repurposing of existing property to provide new services that meet local authority standards as well as considering mergers and acquisitions of similar organizations if they fit from a care, safeguarding, cultural and commercial perspective. In addition, the focus for future development will be around three strategic ambitions for our services – Supported Living, Residential Care Homes with a focus on Dementia and Services that offer higher levels of Accuity including Nursing Care.

Internal Control

The trustees are ultimately responsible for the Trust's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve the charity's business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

Key procedures have been established, providing effective internal financial control. These include:

- Clearly defined lines of responsibility and delegation.
- Operation within approved financial regulations.
- Budget setting and approval.
- Regular review of performance and forecasts against the budget approved by the Board.
- Reporting to and review by the trustees on a regular basis.

Risk Management & Principle Risks and Uncertainties

The Board of Trustees assess risk annually with additional operational and financial risk assessment through delegation to the relevant Committee and to the Finance, Audit & Risk Committee. It oversees its responsibility through its review of the effectiveness of the charity's Risk Framework. This framework is designed to support informed decision-making regarding the risks that affect the charity's performance and its ability to achieve its objectives. Management of risk is embedded into our day-to-day activities and well-established processes and policies are in place to manage them. All our employees have a role in reducing risk through our internal control framework.

Risks are recorded in a risk register and are evaluated in terms of impact and likelihood. The register also provides for a consistent approach to identifying assessing and dealing with the risks facing the charity to ensure they do not exceed the level of risk the charity is willing to assume. The register is designed to manage, rather than eliminate, the risks to the charity's objectives and to provide reasonable, but not absolute mitigation of these risks. The Finance, Audit & Risk Committee bi-annually reviews the results of the risk reviews undertaken by management and approves an annual risk-based internal audit plan which covers the major risks identified.

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Other risks include care and safeguarding of residents and service users, which are mitigated with a dedicated Safeguarding Manager following the Health and Safety Executive (HSE) guidance, stressing the need for risk assessment to be proportionate and balanced as well as reflecting a common sense, integrated approach to health and safety. This protects our people by putting in place measures to control realistic risks, so far as reasonably practicable.

Going Concern and Reserves policy
The Trustees continuously monitor political and economic outlooks to ensure smooth operations and preparation for unexpected risks . Under the terms of the charity's Reserves Policy and in forming a view on the charity's Going Concern, Trustees have noted:

- The charity has a risk management framework which is periodically reviewed and updated as risks are identified.
- The charity has adequate insurance cover in place to mitigate against any potential interruptions that may affect the charity.
- The other risks to the charity and the protective steps taken to mitigate against them.
- The charity's investments have proven resilient against the Covid-19 pandemic.
- The charity's housing income from residents is secure, voids are closely monitored and housing demand remains high.
- The charity holds reserves at a level which is at or exceeds the Reserves Policy details of which are below.

In developing the charity's reserves policy, the trustees have considered current obligations, commitments to staff and development of the charity.

Unrestricted funds of £4.29m

Designated Funds
The charity's designated funds total £2.03 million. This balance includes the following key designated balances:
- Heathside £1,784,520
- Major repairs £80,104.07

For the period ending 31 March 2024 the Trust has net current assets of £4,294,649 with cash at bank totalling £1,142,305 allowing the charity to convert these to cash quickly and is in line with the charity's reserve policy.

3L Care Limited

3L Care Limited has continued to prioritise delivering high-quality care services whilst maintaining financial stability.

Total revenue for the year was £5.12m, reflecting a 14.4% increase compared to the previous financial year.

Total operating costs for the year amounted to £4.48m. The primary categories of expenditure were:

- Cost of sales of £3.02m.
- Administrative expenses of £1.46m.

In terms of profitability, the company achieved an operating profit of £604k (11.8% as percentage of revenue) which compares to £587k achieved in the previous financial year.

3L Care finished the year with a net cash balance of £799k in the balance sheet which ensured adequate liquidity to meet operational needs.

The company remains well positioned to adapt to the challenges that the care sector is facing and the key areas of focus are:

- Maintain service offerings and continuously improve the quality of care.
- Strengthen recruitment and retention strategies for care staff.
- Enhance operational efficiency to ensure sustainability.

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Disclosure of Information to Auditor

The Trustees have taken steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by order of the members of the board of Trustees and signed on their behalf by

Richard Gore

Mr R Gore

Date: 13/12/2024

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Opinion
We have audited the financial statements of We Change Lives (WCL) (the parent charitable company) and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cashflow Statement and the related notes. 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).

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's and charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statement and our auditor's report thereon. The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISA's (UK).

In identifying and assessing risks of material mis-statement in respect of fraud, including irregularities and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Group and charitable company's financial statements or that had a fundamental effect on the company's operations. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and taxation laws.
- We understood how the company is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process. Detailed analysis of journals posted through the accounting system during the year to 31 March 2024 has been undertaken;
- Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud, and they appeared to be working effectively;
- Challenging assumptions and judgements made by management in its significant accounting estimates.

Use of our report
This report is made solely to the Group's and charitable company's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Martin Howard
.....
Martin Howard (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT
13/12/2024
Date: .....

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We Change Lives (WCL)
STATEMENT OF FINANCIAL ACTIVITIES - CONSOLIDATED
THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted funds	Restricted funds	Total funds 2024	Total funds 2023
		£	£	£	£
INCOME					
Income from:					
Donations and legacies	2	52,719	-	52,719	51,786
Charitable activities	3	9,278,228	-	9,278,228	5,831,703
Investments	4	5,306	-	5,306	30,312
Other income	5	158,831	-	158,831	3,756
Total income		9,495,084	-	9,495,084	5,917,557
Expenditure on:					
Charitable activities		9,369,468	-	9,369,468	6,195,335
Total expenditure	6	9,369,468	-	9,369,468	6,195,335
Net gains/(losses) on investments		-	-	-	(24,502)
Corporation tax charge		-	-	-	-
Net movement in funds		**125,617**	-	**125,617**	**(302,280)**
Reconciliation in funds					
Total funds brought forward		4,169,032	-	4,169,032	4,471,312
Net movement in funds		125,617	-	125,617	(302,280)
Total funds carried forward		4,294,649	-	4,294,649	4,169,032

The notes on pages 16 to 33 form part of these financial statements.

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We Change Lives (WCL)
STATEMENT OF FINANCIAL ACTIVITIES - COMPANY
THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted funds	Restricted funds	Total funds 2024	Total funds 2023
		£	£	£	£
INCOME					
Income from:					
Donations and legacies	2	889,318	-	889,318	51,786
Charitable activities	3	6,347,964	-	6,347,964	5,831,703
Investments	4	5,306	-	5,306	30,312
Other income	5	158,409	-	158,409	3,756
Total income		7,400,997	-	7,400,997	5,917,557
Expenditure on:					
Charitable activities		6,762,932	-	6,762,932	6,195,335
Total expenditure	6	6,762,932	-	6,762,932	6,195,335
Net gains/(losses) on investments		-	-	-	(24,502)
Net movement in funds		**638,065**	-	**638,065**	**(302,280)**
Reconciliation in funds					
Total funds brought forward		4,169,032	-	4,169,032	4,471,312
Net movement in funds		638,065	-	638,065	(302,280)
Total funds carried forward		4,807,097	-	4,807,097	4,169,032

The notes on pages 16 to 33 form part of these financial statements.

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We Change Lives (WCL)
BALANCE SHEET - CONSOLIDATED
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Intangible assets	10	4,964,147	-
Tangible assets	11	4,172,295	2,117,848
Investments	12	-	319,009
Total fixed assets		9,136,442	2,436,857
CURRENT ASSETS			
Debtors	13	1,353,493	431,013
Cash at bank and in hand		1,142,305	1,731,255
		2,495,798	2,162,268
CREDITORS			
Amounts falling due within one year	14	(2,271,145)	(416,834)
NET CURRENT (LIABILITIES) / ASSETS		224,653	1,745,434
TOTAL ASSETS LESS CURRENT LIABILITIES		9,361,095	4,182,291
CREDITORS			
Amounts falling due after more than one year	15	(5,052,750)	(13,259)
Deferred tax		(13,696)	-
TOTAL NET ASSETS		4,294,649	4,169,032
CHARITY FUNDS			
Restricted funds	16	-	-
Unrestricted funds	16		
Designated funds		2,032,546	2,032,546
General funds		2,223,153	2,097,536
Revaluation reserve		38,950	38,950
Total funds		**4,294,649**	**4,169,032**

Approved by the Board for issue on 13/12/2024

Richard Gore
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R Gore
Trustee

The notes on pages 16 to 33 form part of these financial statements.

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We Change Lives (WCL)
COMPANY BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	11	2,086,792	2,117,848
Investments	12	7,242,807	319,009
Total fixed assets		9,329,599	2,436,857
CURRENT ASSETS			
Debtors	13	2,007,171	431,013
Cash at bank and in hand		343,341	1,731,255
		2,350,512	2,162,268
CREDITORS			
Amounts falling due within one year	14	(1,820,264)	(416,834)
NET CURRENT (LIABILITIES) / ASSETS		530,248	1,745,434
TOTAL ASSETS LESS CURRENT LIABILITIES		9,859,847	4,182,291
CREDITORS			
Amounts falling due after more than one year	15	(5,052,750)	(13,259)
TOTAL NET ASSETS		4,807,097	4,169,032
CHARITY FUNDS			
Restricted funds	16	-	-
Unrestricted funds	16		
Designated funds		2,032,546	2,032,546
General funds		2,736,601	2,097,536
Revaluation reserve		38,950	38,950
Total unrestricted funds		4,807,097	4,169,032
Total funds		**4,807,097**	**4,169,032**

Approved by the Board for issue on 13/12/2024

Richard Gore
.....
R Gore
Trustee

The notes on pages 16 to 33 form part of these financial statements.

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We Change Lives (WCL)
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

	Note	£	2024 £	£	2023 £
Cash used in operating activities					
Net cash provided by operating activities	17		504,117		(378,335)
Cash flows from investing activities					
Purchase of tangible fixed assets		(117,062)		(62,304)	
Acquisition of subsidiaries (net of cash acquired)		(6,168,252)		-	
Cash used in investing activities			*(6,285,314)*		*(62,304)*
Cash flows from financing activities					
Repayments of bank borrowings			(346,193)		-
Advance of bank loans			5,700,000		-
Debt costs paid			(143,940)		-
Hire purchase payments			(17,680)		(17,680)
Net cash provided by / (used in) financing activities			**5,192,187**		(17,680)
Change in cash and cash equivalents in the year			**(588,950)**		**(458,319)**
Cash and cash equivalents brought forward			1,731,255		2,189,574
Total cash and cash equivalents carried forward	**18**		**1,142,305**		**1,731,255**

The notes on pages 16 to 33 form part of these financial statements.

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1 ACCOUNTING POLICIES

Company status

The Charitable company is limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10. The company is subject to the requirements of the Companies Act 2006 with regards to the form and content of the financial statements.

The address of its registered office is given in the Report of the Trustees.

The accounts are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in Pounds Sterling, which is the functional currency of the Charity.

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

Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRs 102) and the Companies Act 2006.

We Change Lives (WCL) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidated the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

Going concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For long term finance the charity relies on bank loans, as disclosed in notes to the financial statements. In assessing going concern the Trustees have assumed that these bank loans will not be repaid for the foreseeable future (in line with the signed bank loan agreement) and are not aware of any circumstances that may adversely affect the renewal of these facilities. The factors considered by the Trustees are documented in more detail within the Trustees report. The Trustees consider that there are no material uncertainties over the Charity's financial viability and, accordingly, continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Fund accounting

Funds held by the charitable company are either:

- Unrestricted general funds, which 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; or
- Unrestricted designated funds, that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund are set out in the notes to the financial statements; or
- Restricted funds, which are donations or legacies received where the donor has specified use solely for particular areas of the Charity's work or for specific projects undertaken. The specific restriction on each fund is set out in the financial statements.

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ACCOUNTING POLICIES (continued)

Incoming resources

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations and grants are recognised when receivable. In the even that a donation is subject to fulfilling performance conditions before the Charity is entitled to the funds, the income is deferred and not recognised until it is probably that those conditions will be fulfilled in the reporting period.

Income from NHS contracts, government and other grants, whether 'capita' grants or 'revenue' grants, are recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Other income consists of resident monies and appointee's monies received for monitoring and advising on resident spends during the year,

Rental income is recognised in the period to which it relates.

Resources expended

Expenditure is accounted for as charitable activities being the provision of care. Within provision of care, costs are allocated between direct provision of care costs and support costs. The irrecoverable element of Value Added Tax is included with the item of expense to which it relates. Depreciation is allocated to expenditure headings on the basis of the use of the assets concerned.

Governance costs include cost of constitutional and statutory requirements, cost of Trustee meetings and the cost of any legal advice to the Trustees on governance or constitutional matters and are included within support costs.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas or per capita, staff costs by the time spent and other costs by their usage.

Costs of raising funds are costs payable to third party investment managers that manage the Charity's investment portfolio.

Government grants

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

Taxation

The Company is an Exempt Charity within the meaning of Schedule 2 of the Charities Act 1993 and as such is a charity within the meaning of Section 519 of the Income Tax Act 2007 (formerly Section 506(1) of the Taxes Act 1988). Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 524 of the Income Tax Act 2007 (formerly Section 505 of the Taxes Act 1988) or Section 256 of the Taxation of Chargeable Gains Tax 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

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ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives in the following bases:

Freehold property	Straight line between 18 - 50 years
Long-term leasehold property	2% of cost per annum
Motor vehicles	Straight line between 4 - 5 years
Fixtures and fittings	Straight line between 3 - 6 years
Improvements to property	5% of cost per annum and Straight line over 5 years

The need for any impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

In the 1990s, the charity received a grant of £327,975 to acquire two properties. The grant was subject to legal charges stating that should the properties be subject to a change in use or disposal then the donor would be entitled to the open market value of the properties. Given the legal charges placed on the properties, the grant income was netted off the purchase price of the properties at the time and has not been recognised in the accounts. The grant recognised the full purchase price of the properties.

Investments

Fixed asset investments are included at market value at the Balance Sheet Date.

Gains and losses represent the movement in market values during the year and are credited of charged to the Statement of Financial Activities.

Unlisted investments are shown at cost unless there is a permanent diminution in value.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risk of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits with financial institutions.

Debtors

Trade, other debtors and accrued income are recognised at the settlement amount due, and prepayments are valued at the amount prepaid.

Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Trade creditors, taxation and social security, wages and salaries, other creditors and accruals are recognised at their settlement amount. Bank loans are recognised at amortised cost using the effective interest method.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, these being cash at bank, debtors, creditors and loans. All investments held by the Charity also qualify as basic financial instruments.

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ACCOUNTING POLICIES (continued)

Pension costs

The Charity operates a defined contribution pension scheme, and the pension charge represents the amount payable by the Charity to the fund in respect of the year.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires management to consider making significant judgements and estimates where necessary. The areas in which significant judgements and estimations have been made comprise of depreciation and the recoverability of debtors, and investment property valuation.

Useful economic lives of tangible fixed assets
The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates and the physical condition of the assets.

Impairment of debtors
The Charity makes an estimate of trade debtors and other debtors. When assessing the impairment of trade debtors and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Allocation of costs
The allocation of expenditure between direct and support activities involves an element of judgement and estimates, particularly in respect of shared costs.

2 INCOME FROM DONATIONS AND LEGACIES

	Group		
	Unrestricted funds	Total funds 2024	Total funds 2023
	£	£	£
Donations			
Donations from subsidiary company	-	-	-
Supporting people funding	52,719	52,719	51,786
Total 2024	52,719	52,719	51,786

	Charity		
	Unrestricted funds	Total funds 2024	Total funds 2023
	£	£	£
Donations			
Donations from subsidiary company	836,599	836,599	-
Grants	52,719	52,719	51,786
Total 2024	889,318	889,318	51,786

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3 Income from charitable activities

	Group	
	2024	2023
	£	£
Social services funding	8,205,178	4,756,668
Self funded residents	769,934	718,232
Rental income	303,116	356,803
	9,278,228	5,831,703

Provision of care was unrestricted during this and the prior year.

	Charity	
	2024	2023
	£	£
Social services funding	5,296,495	4,756,668
Self funded residents	748,353	718,232
Care and laundry income	-	(888)
Rental income	303,116	357,691
	6,347,964	5,831,703

Provision of care was unrestricted during this and the prior year.

4 INVESTMENT INCOME

	Group and Charity	
	Total funds 2024	Total funds 2023
	£	£
Deposit account income	5,306	30,312
	5,306	30,312

5 OTHER INCOME

The analysis of the Charity's other income for the year is as follows:

	Group and Charity	
	Total funds 2024	Total funds 2023
	£	£
Other income	158,409	3,756
	158,409	3,756

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6 ANALYSIS OF EXPENDITURE BY ACTIVITY

	Group		
	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
Direct costs	7,826,893	7,826,893	4,856,993
Support costs	967,086	967,086	897,350
Governance costs	575,489	575,489	440,992
Total	9,369,468	9,369,468	6,195,335

	Charity			
	Unrestricted *funds* 2024 £	Restricted *funds* 2024 £	Total 2024 £	Total 2023 £
Direct costs	5,323,876	-	5,323,876	4,856,993
Support costs	933,946	-	933,946	897,350
Governance costs	505,110	-	505,110	440,992
Total	6,762,932	-	6,762,932	6,195,335

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Analysis of direct costs

	Group	
	2024	2023
	£	£
Wages and salaries	6,018,792	3,893,698
Social security	308,886	224,626
Pensions	132,668	107,604
Rent and rates	73,845	31,842
Light and heat	151,261	65,485
Telephone	15,424	17,158
Postage and stationery	5,165	599
Sundry expenses	10,598	19,402
Food and provisions	259,358	513,702
Medical and clinical costs	83,508	67,283
Transport costs	13,400	-
Recruitment expenses	68,230	60,722
Training costs	31,222	24,762
Repairs and renewals	239,569	184,299
Cleaning	19,986	14,792
Registration costs	24,152	14,485
Travelling	(152)	676
Private health	-	774
Depreciation	63,468	17,952
VAT recovered	-	(42,868)
Amortisation of goodwill	307,514	-
	7,826,893	4,856,993

Analysis of support costs

	2024	2023
	£	£
Wages	-	328,904
Rent and rates	219,472	231,866
Insurance	139,964	88,155
Telephone	9,321	13,710
Postage and stationery	1,799	1,612
Training costs	38,057	-
Computer costs	148,073	94,912
Registration costs	7,173	8,904
Payroll fees	-	3,683
Depreciation	118,823	123,492
Bank charges	284,403	2,111
	967,086	897,350

Docusign Envelope ID: A71743F6-000E-47C7-A23F-2DE7C233A771

Analysis of governance costs

	Group 2024 £	2023 £
Legal and professional fees	452,802	236,932
Auditors' remuneration	13,000	21,010
Auditors' remuneration for non-audit work	4,000	4,250
Pension administration fees	6,998	6,901
Advocacy	2,000	1,820
Exceptional costs	96,689	170,079
	575,489	440,992

Analysis of direct costs

	Charity 2024 £	2023 £
Wages and salaries	4,274,161	3,893,698
Social security	213,194	224,626
Pensions	112,712	107,604
Rent and rates	43,413	31,842
Light and heat	54,132	65,485
Telephone	11,705	17,158
Postage and stationery	1,071	599
Sundry expenses	10,598	19,402
Food and provisions	187,318	513,702
Medical and clinical costs	68,634	67,283
Transport costs	8,777	-
Recruitment expenses	68,230	60,722
Training costs	31,222	24,762
Repairs and renewals	189,263	184,299
Cleaning	8,844	14,792
Registration costs	18,315	14,485
Travelling	(152)	676
Private health	-	774
Depreciation	22,438	17,952
VAT recovered	-	(42,868)
	5,323,876	4,856,993

Docusign Envelope ID: A71743F6-000E-47C7-A23F-2DE7C233A771

Analysis of support costs

	Charity 2024 £	2023 £
Wages	-	328,904
Rent and rates	219,472	231,866
Insurance	115,060	88,155
Telephone	5,603	13,710
Postage and stationery	1,799	1,612
Training costs	34,195	-
Computer costs	147,418	94,912
Registration costs	7,173	8,904
Payroll fees	-	3,683
Depreciation	118,823	123,492
Bank charges	284,403	2,111
	933,946	897,350

Analysis of governance costs

	Charity 2024 £	2023 £
Legal and professional fees	400,749	236,932
Auditors' remuneration	13,000	21,010
Auditors' remuneration for non-audit work	4,000	4,250
Pension administration fees	6,998	6,901
Advocacy	2,000	1,820
Exceptional costs	78,362	170,079
	505,110	440,992

7 TAXATION

The company is a registered charity and is therefore entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes. It does however have an incorporated subsidiary, 3L Care Limited, with a corporation tax charge for the year. It is not included in the consolidated accounts due to it being a pre acquisition liability.

8 EMPLOYMENT COSTS

	Group 2024 £	2023 £
Wages and salaries	5,596,722	4,179,429
Social security costs	308,886	224,626
Contribution to defined contribution pension schemes	132,668	107,604
	6,038,276	4,511,659

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Charity

	2024 £	2023 £
Wages and salaries	3,793,388	4,179,429
Social security costs	213,194	224,626
Contribution to defined contribution pension schemes	112,712	107,604
	4,119,294	4,511,659

The average number of persons employed by the Group during the year was as follows:

	2024 No.	2023 No.
Head office	12	14
Direct staff	277	174
	289	188

The average number of persons employed by the Charity during the year was as follows:

	2024 No.	2023 No.
Head office	12	14
Direct staff	178	174
	190	188

The number of employees in the Group and Company whose employee benefits exceeded £60,000 was:

	2024 No.	2023 No.
£60,001 - £70,000	1	-
£70,001 - £80,000	-	-
£80,001 - £90,000	-	-
£90,001 - £100,000	-	1
£100,000 - £110,000	1	-

The key management personnel of the Charity comprise the Senior Management Team and the Company Secretary. The total remuneration paid in respect of the charity's key management personnel was £215,369 (2023 - £451,962),

There were £nil (2023 - £nil) redundancy payments made by the charity during the year. The group made £31,417 (2023 - £nil) of redundancy payments.

9 TOTAL REMUNERATION PAID BY THE GROUP AND COMPANY

During the year, no Trustees received any remuneration or other benefits (2023 - £Nil).

During the year ended 31 March 2024, expenses totalling £nil were reimbursed or paid directly (2022 – £78).

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10 INTANGIBLE FIXED ASSETS, and BUSINESS COMBINATIONS

Group

	Goodwill
Cost	
At 1 April 2023	-
Additions	5,271,659
At 31 March 2024	5,271,659
Amortisation	
At 1 April 2023	-
Additions	307,514
At 31 March 2024	307,514
Net book value	
At 31 March 2024	4,964,147
At 31 March 2023	-

Business Combinations

On 8 September 2023, We Change Lives acquired 100% of the issued share capital of 3L Care Group Limited, and its subsidiaries 3L Care Holdings Limited and 3L Care Limited, obtaining control. The companies contributed revenue of £2,930,686 and loss of £356,465 to the group's results for the period between the date of acquisition and the balance sheet date.
The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out below:

	Fair value 2024 £
Assets and liabilities acquired	
Financial assets	2,699,597
Financial liabilities	(1,000,713)
Total identifiable assets	1,699,244
Goodwill	5,271,660
Total consideration	6,970,904
Satisfied by:	
Cash	6,168,252
Deferred consideration	802,652
Total	6,970,904
Cash flow analysis:	
Cash consideration	7,242,806
Less cash balances acquired	(271,902)
Less deferred consideration	(802,652)
Net cash flow arising on acquisition	6,168,252

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11 TANGIBLE FIXED ASSETS

Group

	Freehold Property	Long-term leasehold property	Fixtures and fittings	Improvements to property	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2023	3,960,603	210,000	776,751	82,653	5,030,007
Additions	36,600	-	80,462	-	117,062
Acquired through business combinations	2,005,358	-	114,318	-	2,119,676
At 31 March 2024	6,002,561	210,000	971,531	82,653	7,266,745
Depreciation					
At 1 April 2023	2,150,937	67,551	646,361	47,310	2,912,159
Charge for the year	89,699	4,221	84,280	4,091	182,291
At 31 March 2024	2,240,636	71,772	730,641	51,401	3,094,450
Net book value					
At 31 March 2024	3,761,925	138,228	240,890	31,252	4,172,295
At 31 March 2023	1,809,666	142,449	130,390	35,343	2,117,848

The cost of freehold property above is net of a grant to the value of £327,975 from the Health Authority dating back to the 1990s in relation to two properties. Whilst the charity is legal owner of the properties, there is a charge providing that in the event of a change in use or disposal of the properties, the Health Authority is to receive the open market value of the properties. The grant represents the total cost of the properties.

A grant was received to fund the purchase of another of the charity's freehold properties, 10a Lodge Lane, Warrington. A condition of the grant was that if the building were sold or no longer used as a nursing home for clients with mental health disorder, the grant would be repayable. The amount repayable would be 25.5% of the market value of the property at the date of sale less the costs of sale. There is no intention to sell or change the use of the property.

All fixed assets, including freehold property are for the use in direct furtherance of the charity's objects.

The net book value of assets includes £12,866 (2023 - £30,022) held under a hire purchase agreement. Depreciation of £17,156 (2023 - £17,156) was charged in the year on these.

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Charity

	Freehold Property	Long-term leasehold property	Fixtures and fittings	Improvements to property	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2023	3,960,603	210,000	776,751	82,653	5,030,007
Additions	36,600	-	73,604	-	110,204
At 31 March 2024	3,997,203	210,000	850,355	82,653	5,140,211
Depreciation					
At 1 April 2023	2,150,937	67,551	646,361	47,310	2,912,159
Charge for the year	71,814	4,221	61,136	4,091	141,262
At 31 March 2024	2,222,751	71,772	707,497	51,401	3,053,421
Net book value					
At 31 March 2024	1,774,452	138,228	142,858	31,252	2,086,790
At 31 March 2023	1,809,666	142,449	130,390	35,343	2,117,848

The cost of freehold property above is net of a grant to the value of £327,975 from the Health Authority dating back to the 1990s in relation to two properties. Whilst the charity is legal owner of the properties, there is a charge providing that in the event of a change in use or disposal of the properties, the Health Authority is to receive the open market value of the properties. The grant represents the total cost of the properties.

A grant was received to fund the purchase of another of the charity's freehold properties, 10a Lodge Lane, Warrington. A condition of the grant was that if the building were sold or no longer used as a nursing home for clients with mental health disorder, the grant would be repayable. The amount repayable would be 25.5% of the market value of the property at the date of sale less the costs of sale. There is no intention to sell or change the use of the property.

All fixed assets, including freehold property are for the use in direct furtherance of the charity's objects.

The net book value of assets includes £12,866 (2023 - £30,022) held under a hire purchase agreement. Depreciation of £17,156 (2023 - £17,156) was charged in the year on these.

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12 FIXED ASSET INVESTMENTS

Group

	Listed Investments
Cost or valuation	
At 1 April 2023	319,009
Investments redeemed	(319,009)
At 31 March 2024	-

There were no investment assets held outside the UK.

The historical cost of investments at 31 March 2024 amounted to £nil (2023 - £278,297).

Charity

	Investments in Subsidiary companies	Listed Investments	Total
Cost or valuation			
At 1 April 2023	1	319,009	319,010
Additions	7,242,806	-	7,242,806
Investments redeemed	-	(319,009)	(319,009)
At 31 March 2024	7,242,807	-	7,242,807

Name	Registered office 2024	Shareholding 2023	% of shares held
Warrington Community Living*	England and Wales	Ordinary 100	100
3L Care Limited	England and Wales	Ordinary 100	-
3L Care Group Limited*	England and Wales	Ordinary 100	-
3L Care Holdings Limited	England and Wales	Ordinary 100	-

All subsidiary companies have the same registered office as We Change Lives.

The principal activity of Warrington Community Living Limited is the supply of support services.
The principal activity of 3L Care Limited is the provision of care services.
The principal activity of 3L Care Group Limited and 3L Care Holdings Limited is that of holding companies.

*Denotes direct investments held by We Change Lives. Other companies' investments are held by 3L Care Group Limited.

13 DEBTORS

	Charity		Group	
	2024 £	2023 £	2024 £	2023 £
Trade debtors	530,551	223,914	953,348	223,914
Other debtors	4,504	5,829	69,765	5,829
Amounts owed by group undertakings	1,177,969	-	-	-
Prepayments and accrued income	294,147	201,270	330,380	201,270
	2,007,171	431,013	1,353,493	431,013

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14 CREDITORS – amounts falling due within one year

	Charity		Group	
	2024 £	2023 £	2024 £	2023 £
Bank loans	438,172	-	438,172	-
Trade creditors	104,940	115,480	120,721	115,480
Amounts owed by group undertakings	-	39,768	-	-
Other taxation and social security	65,483	50,184	113,620	89,951
Other creditors	287,656	58,231	405,710	58,231
Deferred consideration	802,652	-	802,652	-
Accruals and deferred income	108,102	135,493	220,541	135,493
Corporation tax liability	-	-	156,470	-
Hire purchase	13,259	17,679	-	17,679
	1,820,264	416,835	2,257,886	416,834

15 CREDITORS – amounts falling due after more than one year

	Charity		Group	
	2024 £	2023 £	2024 £	2023 £
Bank loans	5,052,750	-	5,052,750	3,120,297
Hire purchase	-	13,259	13,259	13,259

During the year, the Charity and Group drew down funds from Unity Bank to fund the acquisition of the 3L Care group. The total drawn down was £5,700,000. Debt costs of £143,940 were also paid during the year, and have been netted off of the liability. Interest is charged at 3.24% plus Base Rate per annum, and the loan is due for repayment over 20 years. Security is provided against the group's freehold properties.

Included within the above are amounts falling due as follows:

	Charity		Group	
	2024 £	2023 £	2024 £	2023 £
Between one and two years				
Bank loans	582,112	-	582,112	-

	Charity		Group	
	2024 £	2023 £	2024 £	2023 £
Between two and five years				
Bank loans	1,746,336	-	1,746,336	-

	Charity		Group	
	2024 £	2023 £	2024 £	2023 £
Over five years				
Bank loans	**2,724,302**		**2,724,302**	-

16 FUNDS

	At 1 April 2023 £	Incoming resources £	Outgoing resources £	At 31 March 2024 £
Designated funds	2,032,546	-	-	2,032,546
General funds				
General funds	2,097,536	9,495,084	(9,369,468)	2,223,152
Revaluation reserve	38,950	-	-	38,950
	2,121,858	9,495,084	(9,369,468)	2,247,474
Total *unrestricted* funds	**4,169,032**	**9,495,084**	**(9,369,468)**	**4,294,648**

17 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group	
	2024 £	2022 £
Net income for the period	125,617	(302,280)
Adjustments for:		
Depreciation charges	489,805	139,387
Losses on investments	-	24,502
Finance costs	281,055	-
Investments redeemed	319,009	-
(Increase)/decrease in debtors	(342,199)	(3,582)
Decrease in creditors	(369,110)	(236,362)
Net cash provided by/(used in) operating activities	504,177	(378,335)

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18 ANALYSIS OF CHANGES IN NET DEBT

Group

	At 1 January 2023 £	Cash flows £	Non cash movements £	At 31 March 2024 £
Cash at bank and in hand	1,731,255	(588,950)		1,142,305
Hire purchase due within 1 year	(17,679)	17,679		-
Bank debt	-	(5,353,807)	(137,115)	(5,490,922)
Hire purchase due after 1 year	(13,259)	-		(13,259)
	1,700,317	(5,925,078)	(137,115)	(4,361,876)

19 PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Charity to the scheme and amounted to £112,712 (2023 - £107,604). At the end of the year outstanding contributions amounted to £(11,404) (2023 - £16,665). All pension charges are charged to unrestricted funds, in line with the fund out of which the wages and salaries are paid.

The pension costs for the year for the group totals £132,668 (2023 - £107,604). At the end of the year, outstanding contributions amounted to £4,777 (2023 - £16,665)

20 OPERATING LEASE COMMITMENTS

At 31 March 2024 the Group had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Land and buildings		
Within 1 year	6,736	95,775
Between 1 and 5 years	-	27,293
After more than 5 years	-	108,268
Total	6,736	231,336
Other		
Within 1 year	37,606	112,542
Between 1 and 5 years	41,241	403,535
After more than 5 years	-	252,684
Total	78,847	768,761

At 31 March 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

Docusign Envelope ID: A71743F6-000E-47C7-A23F-2DE7C233A771

	2024 £	2023 £
Land and buildings		
Within 1 year	6,736	95,775
Between 1 and 5 years	-	27,293
After more than 5 years	-	108,268
Total	6,736	231,336
Other		
Within 1 year	35,813	112,542
Between 1 and 5 years	41,241	403,535
After more than 5 years	-	252,684
Total	*77,054*	*768,761*

21 RELATED PARTY TRANSACTIONS

Neither the Group nor Charity have entered into any related party transactions during the year.

21 EVENTS SUBSEQUENT TO THE YEAR END

After the year end, the group and charity disposed of one of its properties for proceeds of £425,000.

We Change Lives (WCL)

England & Wales - Charity number 1003023

Accounts

Registered number: 02595601
Charity number: 1003023

WE CHANGE LIVES (WCL) (FORMERLY WARRINGTON COMMUNITY LIVING)

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

WE CHANGE LIVES (WCL) (FORMERLY WARRINGTON COMMUNITY LIVING)
(A Company Limited by Guarantee)

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WE CHANGE LIVES (WCL) (FORMERLY WARRINGTON COMMUNITY LIVING)
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Trustees	Mr C Howarth, Trustee Mr P Holmes, Trustee Mrs J L Wycherley, Trustee Mr I Fairbrother, Trustee Mr P Taberham, Trustee (resigned 15 March 2023) Mr R Gore, Trustee Mrs L Gaborova, Trustee
Company registered number	02595601
Charity registered number	1003023
Registered office	G104 C/O Beyond Profit G104 Arena Approach Horwich Bolton BL6 6LB
Chief executive officer	Phillip Sermon
Independent auditor	Crowe U.K. LLP 3rd floor The Lexicon Mount Street Manchester M2 5NT
Senior Management Team	Phil Sermon - Chief Executive Officer Sarah Gardner - Deputy Chief Executive Officer Deborah Furness - Project Manager Sarah Battersby - Quality and Safeguarding manager Elaine Cleary - Organisational Development Manager

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023.

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Charity Number

We Change Lives (WCL) is a Company Limited by Guarantee (Company number: 02595601) and a registered charity (Registered Charity number: 1003023). The company changed its name from Warrington Community Living on 26 September 2022.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2023 was six (2022:7). The trustees are members of the charity, but this entitles them only to voting rights. The Board have no beneficial interest in the charity.

Governing Document

The governing document of We Change Lives (WCL) is the articles of association which were updated and approved on 19 July 2023.

The Trustees, who are also directors under company law, are appointed by two different methods. For all those in post prior to 24th of January 2022 Trustees must offer themselves for re-election every three years and can serve a maximum of twelve years. However the term in office can be extended for a period one additional year if the loss of core skills and experience would be detrimental to the charity, subject to 75% of the existing trustees agreeing.

For Trustees appointed after 24 January 2022, they are appointed for a term of 3 years. After each 3 year term they shall retire from office but are eligible to be reappointed for a further 3 year term. A trustee who has served three terms of office may not be reappointed. However the term of office can be extended for a period of one additional year if the loss of core skills and experience would be detrimental to the charity, subject to 75% of the existing trustees agreeing.

Organisational structure

The board of Trustees administers the charity. The board meet once every two months to manage the charity's affairs, receiving management accounts and reports from the Chief Executive and the various heads of department.

The Board also has three sub-committees

- Finance, Audit and Risk
- Quality and Safeguarding
- Colleagues and Culture

The Colleagues and Culture sub-committee was established in August 2022.

The Chief Executive is appointed by the board to manage the day to day operations of the charity. To facilitate effective operations the Chief Executive has delegated authority, within terms of delegation approved by the directors, for operational matters such as care and employment. Financial decisions are governed by the Financial Regulations Policy 10/05, currently being reviewed, as approved by the board of Trustees.

Recruitment and appointment of new trustees

Trustees are recruited via an open recruitment method with Trustee roles being advertised on LinkedIn and other

social media channels

The Trustees, who are also directors under company law, are appointed by two different methods. For all those in post prior to 24th of January 2022 Trustees must offer themselves for re-election every three years and can serve a maximum of twelve years. However the term in office can be extended for a period one additional year if the loss of core skills and experience would be detrimental to the charity, subject to 75% of the existing trustees agreeing.

One Trustee resigned in March 2023 and the view of the organisation is to recruit a new Trustee in the financial year to 31st March 2024.

Induction and training of new trustees
Newly appointed Trustees participate in an orientation programme based on the "Good Practice for Directors" standards for the Board, published by the Institute of Directors. The objective of the programme is to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Committee and decision making processes, the business plan and recent financial performance of the charity. During their induction period they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Public Benefit
The objects and aims of We Change Lives (WCL) are contained in the company's Memorandum of Association.

The Trustees confirm they have regard for the Public Benefit guidance issued by the Charity Commission as the Charities Act 2011 requires the Charity to demonstrate the Public Benefit of our aims.

The Charity's Purpose is to benefit the public by providing Residential and Nursing accommodation, care and support for adults who have learning disabilities and for people requiring support including those who have dementia. We also provide support for people who have learning disabilities to enable them to live as independently as possible within their own homes. The people who have used and benefited from our accommodation and support are from Warrington, Halton, St Helens, Stockport, Lancashire, Sefton, Bolton, Knowsley, Wigan, and Wakefield.

Circa 450 people have used those services during this period and our current funding limits the number of people that we can support. Demand for our services is met by giving priority to referrals from Local Authority Adult Social Care departments and local Primary Care Trusts and on some occasions, self, or family referrals.

We Change Lives attends and supports a range of local statutory and voluntary sector forums relating to older people, people with learning disabilities, and people with dementia.

The Trustees' Report section (pages 2 - 8) sets out the aims and strategies of the charity and demonstrates how the aims and activities of the charity during the year were carried out for the Public Benefit

Pay Policy for Senior Staff
The Board of Directors, who are the charity's Trustees, along with the Senior Management Team comprise the key management personnel of the charity in charge of directing and controlling the charity. The Senior Management Team are delegated responsibility for the running and operating the charity on a day-to-day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. The pay of the senior management team is reviewed annually by the Remuneration Committee.

OBJECTIVES AND ACTIVITIES

Charitable Objectives
We Change Lives (WCL)'s charitable objects are *"specifically restricted to the relief of adults from the disabilities resulting from old age, including mental health problems, and of people with learning disabilities, physical*

disabilities or mental problems by the provision of permanent homes and services calculated to relieve the needs of such persons (hereinafter called service users). Provided that in furthering this object the charity will seek to enable services users to lead an independent and fulfilling lifestyle by providing opportunities to exercise their rights and to enjoy the same range of options available to all valued members of society."

Supported Living-where individuals with a learning, physical, associated mental health needs and dementia are supported in their own home/property to engage in a healthy and meaningful lifestyle, considering areas such as physical, intellectual, emotional, and social well-being through a variety of person-centred approaches.

Mental Health Residential Nursing Care-where individuals with complex mental health issues are supported with rehabilitation to reach and maintain optimum quality of life and achieve as much independence and enjoyment of their lives as possible.

Older People Residential Care-supporting older people and adults with various levels of learning, physical and associated mental health needs to engage in a healthy and meaningful lifestyle and be active members of their community in the safety of a shared living environment.

In achieving these objectives and aims, the Trustees have identified the following specific purposes and values:

Organisational Purpose - Supporting people to live their best life

WCL Vision: Thriving Organisation, Enriching Lives

- A provider of quality life enriching outstanding support
- A provider of support that is different for every individual within its care
- An Organic organisation that is current and adaptable (ability to move with the needs of the people it serves)
- A financially thriving organisation that is able to reinvest into development of current and new service

Organisational Values:

- Supporting rights, needs, choices and dreams.
- See the possibility to make a positive difference in all that we do
- Being financially responsible and economically sustainable
- Embrace new technology and innovations
- Appreciating every colleague's contribution

There have been no material changes in policy or objectives throughout the year. The strategy is to deliver our key services by providing great quality Care in Safe environments delivered by responsive well trained and well led teams of People. This is underwritten with a Commercial / Financial focus to ensure the services provide great value for people we support but also deliver a surplus to ensure the future viability of the charity.

Measures to assess success include:

- Care & Quality -CQC ratings (Outstanding, Good, Requires Improvement or Inadequate)-covers 5 key questions safe, effective, caring responsive and well led
- People- Vacancies, Staff turnover, Training.
- Commercial & Financial Risk - Income, Expenditure -Surplus, Cash Reserves etc.

Achievement and performance

We Change Lives (WCL) was conceived in 1989 and established as a charity in 1991. Its original purpose was to support people with learning disabilities moving out of long stay hospital accommodation and provide them with community focused services that would promote independence and a more inclusive lifestyle. This work continued and following a merger with Warrington Community Care was extended to include working with older people including increasingly those with dementia. In the last five years, we have extended this work further into supporting people with mental health issues and disabled children and young people and in that period, we have moved from supporting less than 100 people, to supporting over 450 people every year.

We Change Lives (WCL) continues to satisfactorily operate the following services that are registered and regulated by the Care Quality Commission (CQC):

Heathside - a residential home in Penketh for 37 older people and people with dementia, which is now also successfully working with older people with a learning disability

Heathside Mews - a residential home in Penketh for 25 older people and people with dementia

Westleigh House - a residential home in Stockton Heath for 20 people with mental health issues

Lucklaw - a residential home in Great Sankey for 4 people with profound and multiple learning and physical disabilities.

Twiss Green Lane -a residential home in Great Sankey for 4 people with profound and multiple learning disabilities.

Community Network - a flexible community-based service for people with physical and learning disabilities, older people and people with dementia which also works with children and young people with disabilities.

And the following service which are not required to be registered with CQC:

Community Mental Health and Wellbeing Team incorporating: - Supported Housing Network - a network of flats for 57 people offering low level support for enduring mental health issues

Complex Mental Health and Outreach Service - one to one support for people recovering from complex mental

health needs

Park House - a three bedroomed (Crisis House) alternative option to admission to psychiatric hospital.

We are please to announce that in line with our measurements of success we have maintained the reported CQC ratings from 2021 across our service offerings with the following ratings as at 31 March 2023:

Service	CQC Rating
Community Network	Good
Heathside	Good
Heathside Mews	Good
Twiss Green Lane	Good
Lucklaw	Good
Westleigh House	Requires improvement

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Future Plans

The charity is excited by the next stage of its plans with the charity rebranding in September 2022 from Warrington Community Living to We Change Lives (WCL). This change reflects the trustees plans to expand on its excellent reputation and provision of services to grow by investing in its staff, infrastructure, and potential opportunities for new sites.

The charity continues to focus on financial self-stability to generate surpluses to provide surpluses that will allow the organisation to achieve it strategy for growth and enhanced facilities for residents and service users. This includes considering repurposing of existing property to provide new services that meet local authority standards as well as considering mergers and acquisitions of similar organizations if they fit from a care, safeguarding, cultural and commercial perspective. In addition, the focus for future development will be around three strategic ambitions for our services – Supported Living, Residential Care Homes with a focus on Dementia and Services that offer higher levels of Accuity including Nursing Care.

As part of the plan to continuously grow and expand the type of services provided, We Change Lives (WCL) successfully acquired ‘3L Care Limited’ in September 2023 funded by existing cash balances and a loan facility provided by Unity Trust Bank PLC (£7.7m deal/£5.7m loan with £0.8m deferred consideration). 3L consists of 3 homes that provide residential, respite and day care services for adults with Acquired Brain Injuries (ABI). This acquisition contributes to both WCL charitable purpose and the ambition to provide care to a wider range of service users positively impacting their lives.

Internal Control

The Trustees are ultimately responsible for the Trust’s system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve the charity’s business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

Key procedures have been established, providing effective internal financial control. These include:

- Clearly defined lines of responsibility and delegation.
- Operation within approved financial regulations.
- Budget setting and approval.
- Regular review of performance and forecasts against the budget approved by the Board.
- Reporting to and review by the Trustees on a regular basis.

Risk Management & Principle risks and uncertainties

The Board of Trustees assess risk annually with additional operational and financial risk assessment through delegation to the relevant committee and to the Finance, Audit & Risk Committee. It oversees its responsibility through its review of the effectiveness of the charity's Risk Framework. This framework is designed to support informed decision-making regarding the risks that affect the charity's performance and its ability to achieve its objectives. Management of risk is embedded into our day-to-day activities and well established processes and policies are in place to manage them. All our employees have a role in reducing risk through our internal control framework.

Risks are recorded in a risk register and are evaluated in terms of impact and likelihood. The register also provides for a consistent approach to identifying assessing and dealing with the risks facing the charity to ensure they do not exceed the level of risk the charity is willing to assume. The register is designed to manage, rather than eliminate, the risks to the charity's objectives and to provide reasonable, but not absolute mitigation of these risks. The Finance, Audit & Risk Committee bi-annually reviews the results of the risk reviews undertaken by management and approves an annual risk-based internal audit plan which covers the major risks identified.

Covid 19 remains a risk, particularly for elderly and vulnerable residents and at WCL we continue to follow national guidelines and best practices to mitigate the risks to both residents and staff

Other risks include care and sageguarding of residents and service users, which are mitigated with a dedicated Safeguarding Manager following the Health and Safety Executive (HSE) guidance, stressing the need for risk assessment to be proportionate and balanced as well as reflecting a common sense, integrated approach to health and safety. This protects our people by putting in place measures to control realistic risks, so far as reasonably practicable. .

Going Concern and Reserves policy

The Trustees have continued to monitor the effects of the Covid-19 pandemic both during the year and since the year end and have made changes to the charity's operations accordingly. Global political and economic outlooks have also been monitored. Under the terms of the charity's Reserves Policy and in forming a view on the charity's Going Concern, Trustees have noted:

- The charity has a risk management framework which is periodically reviewed and updated as risks are identified.
- The charity has adequate insurance cover in place to mitigate against a potential interruptions that may affect the charity.
- The other risks to the charity and the protective steps taken to mitigate against them.
- The charity's investments have proven resilient against the Covid-19 pandemic.
- The charity's housing income from residents is secure, voids are closely monitored and housing demand remains high and has done throughout the Covid-19 pandemic. The charity holds reserves at a level which is at or exceeds the Reserves Policy details of which are below.

In developing the charity's reserves policy the trustees have considered current obligations, commitments to staff and the development of the charity.

Unrestricted funds
£1million to be held in reserve for unplanned cash flow needs of which:

- £0.75million can be held in medium term investments (tied up to a maximum three years)
- £0.25million should be held for more immediate use

Designated Funds
The charity's designated funds continue to total in excess of £2million. These funds will be used towards the acquisition of 3L Group post year end and future renovation works.

For the period ending 31 March 2023 the Trust has net current assets of £1,745,434 with cash at bank totalling £1,731,255 allowing the charity to convert these to cash quickly and is in line with the charities reserve policy.

Disclosure of Information to Auditor

The Trustees have taken steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Mr R Gore

Date: 21 December 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2023

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

Mr R Gore

Date: 21 December 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WE CHANGE LIVES (WCL) (FORMERLY WARRINGTON COMMUNITY LIVING)

Opinion

We have audited the financial statements of We Change Lives (WCL) (Formerly Warrington Community Living) (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 of the parent charitable company's affairs as at 31 March 2023 and of the Group's 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011 and employment tax legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and completeness of income. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, specific tests on revenue recognition and cut off and reviewing accounting estimates for biases.

Our audit approach for income was to being our testing from source documentation such as rent registers and contracts with the council. Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

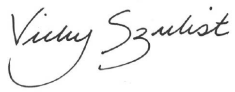
We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WE CHANGE LIVES (WCL) (FORMERLY WARRINGTON COMMUNITY LIVING) (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



V Szulist(Senior Statutory Auditor)
Crowe U.K. LLP

Statutory Auditor

3rd floor

The Lexicon

Mount Street

Manchester

M2 5NT

Date: 22nd December 2023

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted funds 2023 £	Continuing operations 2023 £	Total funds 2023 £	*Continuing operations 2022 £*	*Discontinued operations 2022 £*	*Total funds 2022 £*
Income from:							
Donations and legacies	4	**51,786**	**51,786**	**51,786**	*71,738*	*-*	*71,738*
Charitable activities	5	**5,831,703**	**5,831,703**	**5,831,703**	*5,501,488*	*116,190*	*5,617,678*
Investments	6	**30,312**	**30,312**	**30,312**	*3,371*	*-*	*3,371*
Other income	7	**3,756**	**3,756**	**3,756**	*4,000*	*-*	*4,000*
Total income		**5,917,557**	**5,917,557**	**5,917,557**	*5,580,597*	*116,190*	*5,696,787*
Expenditure on:							
Charitable activities		**6,195,335**	**6,195,335**	**6,195,335**	*5,166,399*	*337,880*	*504,279*
Total expenditure		**6,195,335**	**6,195,335**	**6,195,335**	*5,166,399*	*337,880*	*504,279*
Net movement in funds before other recognised gains/(losses)		**(277,778)**	**(277,778)**	**(277,778)**	*414,198*	*(221,690)*	*2,508*
Other recognised gains/(losses):							
Losses on revaluation of fixed assets		**(24,502)**	**(24,502)**	**(24,502)**	*(2,267)*	*-*	*(2,267)*
Net movement in funds		**(302,280)**	**(302,280)**	**(302,280)**	*411,931*	*(221,690)*	*190,241*
Reconciliation of funds:							
Total funds brought forward		**4,471,312**	**4,471,312**	**4,471,312**	*4,281,071*	*-*	*4,281,071*
Net movement in funds		**(302,280)**	**(302,280)**	**(302,280)**	*411,931*	*(221,690)*	*190,241*
Total funds carried forward		**4,169,032**	**4,169,032**	**4,169,032**	*4,693,002*	*(221,690)*	*4,471,312*

WE CHANGE LIVES (WCL) (FORMERLY WARRINGTON COMMUNITY LIVING)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02595601

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note		2023 £		*2022 £*
Fixed assets					
Tangible assets	16		**2,117,848**		*2,194,931*
Investments	17		**319,009**		*343,511*
			2,436,857		*2,538,442*
Current assets					
Debtors	18	**431,013**		*427,431*	
Cash at bank and in hand		**1,731,255**		*2,189,574*	
		2,162,268		*2,617,005*	
Creditors: amounts falling due within one year	19	**(416,834)**		*(653,196)*	
Net current assets			**1,745,434**		*1,963,809*
Total assets less current liabilities			**4,182,291**		*4,502,251*
Creditors: amounts falling due after more than one year	20		**(13,259)**		*(30,939)*
Net assets			**4,169,032**		*4,471,312*
Total net assets			**4,169,032**		*4,471,312*
Charity funds					
Restricted funds	22		**-**		*-*
Unrestricted funds					
Designated funds	22	**2,032,546**		*2,050,498*	
General funds	22	**2,097,536**		*2,357,362*	
Revaluation reserve		**38,950**		*63,452*	
Total unrestricted funds	22		**4,169,032**		*4,471,312*
Total funds			**4,169,032**		*4,471,312*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

Mr R Gore

Date: 21 December 2023

The notes on pages 20 to 42 form part of these financial statements.

WE CHANGE LIVES (WCL) (FORMERLY WARRINGTON COMMUNITY LIVING)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02595601

CHARITY BALANCE SHEET
AS AT 31 MARCH 2023

	Note		2023 £		*2022 £*
Fixed assets					
Tangible assets	16		**2,117,848**		*2,194,931*
Investments	17		**319,010**		*343,511*
			2,436,858		*2,538,442*
Current assets					
Debtors	18	**431,013**		*427,431*	
Cash at bank and in hand		**1,731,255**		*2,189,574*	
		2,162,268		*2,617,005*	
Creditors: amounts falling due within one year	19	**(416,835)**		*(653,196)*	
Net current assets			**1,745,433**		*1,963,809*
Total assets less current liabilities			**4,182,291**		*4,502,251*
Creditors: amounts falling due after more than one year	20		**(13,259)**		*(30,939)*
Net assets excluding pension asset			**4,169,032**		*4,471,312*
Total net assets			**4,169,032**		*4,471,312*
Charity funds					
Restricted funds	22		**-**		*-*
Unrestricted funds	22		**4,169,032**		*4,471,312*
Total funds			**4,169,032**		*4,471,312*

The Charity's net movement in funds for the year was £(302,280) *(2022 - £190,241)*.

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 21 December 2023 and signed on their behalf by:

Mr R Gore

The notes on pages 20 to 42 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	*2022 £*
Cash flows from operating activities			
Net cash used in operating activities	25	**(378,335)**	*596,837*
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		**-**	*15,660*
Purchase of tangible fixed assets		**(62,304)**	*(52,700)*
Purchase of investments		**-**	*(1,762)*
Net cash used in investing activities		**(62,304)**	**(38,802)**
Cash flows from financing activities			
Repayments of borrowing		**(17,680)**	*(15,147)*
Net cash used in financing activities		**(17,680)**	**(15,147)**
Change in cash and cash equivalents in the year		**(458,319)**	**542,888**
Cash and cash equivalents at the beginning of the year		**2,189,574**	*1,646,686*
Cash and cash equivalents at the end of the year	26	**1,731,255**	*2,189,574*

The notes on pages 20 to 42 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information and basis of preparation

The company changed its name from Warrington Community Living on 26 September 2022. to We Change Lives (WCL).

We Change Lives is a charitable company limited by guarantee incorporated in England and Wales.. The address of the registered office is G104 C/O Beyond Profit, Bolton Arena, Arena Approach, Horwich, Bolton, England, BL6 6LB.

Under the terms of the Memorandum and Articles of Association, each member, in the event of the charity being wound up whilst a member, and within one year after ceasing to be a member, undertakes to contribute to the assets of the charity, an amount not exceeding £10 for payment of the debts or liabilities of the charity. The address of the registered office is given in the Report of the Trustees. The nature of the charity's operating and principal activities are also detailed in the Report of the Trustees.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity.

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

We Change Lives (WCL) (Formerly Warrington Community Living) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2. Accounting policies (continued)

2.2 Going concern

WCL's activities and future plans are set out in the Trustees' Report.

WCL manages its activities with positive unrestricted bank balances.

The Trustees' forecasts and projections, taking account the impact of Covid-19 and of reasonably foreseeable changes in income and expenditure, show that WCL will be able to continue to operate on this basis.

The main focus for 2022/23 was the continued turnaround of the organisation and continue generating surpluses for the organisation to use for reinvestment in its people, property and future plans. Costs have been continually focused on and service lines reviewed to ensure that all elements of WCL are or will be generating surpluses.

The Trustees consider that the demand for the Charity's services will continue as housing schemes are currently nearly fully occupied and demand for good quality care provision will continue to be high. Based on the above the Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report of the Trustees and financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations and grants are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the Charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period.

Income from NHS contracts, government and other grants, whether 'capital' grants or 'revenue' grants, are recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Other income consists of resident monies and appointee's monies received for monitoring and advising on resident spends during the year.

Rental income is recognised in the period to which it relates.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the Charity and include governance cost, finance, and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the Charity.

Support costs are allocated to each of the activities based on the percentage of Local Authority income to best allocate the costs to each attributable heading. More detail on the analysis and basis of allocation is given in note 6 to the financial statements.

2.5 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The tax expense for the trading subsidiary comprises current. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	-		Straight line between 18 - 50 years
Long-term leasehold property	-	2%	On cost
Motor vehicles	-		Straight line between 4 - 5 years
Fixtures and fittings	-		Straight line between 3 - 6 years
Improvements to property	-	5%	on cost and Straight line over 5 years

The need for any impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

In the 1990s, the charity received a grant of £327,975 to acquire two properties. The grant was subject to legal charges stating that should the properties be subject to a change in use or disposal then the donor would be entitled to the open market value of the properties. Given the legal charges placed on the properties, the grant income was netted off the purchase price of the properties at the time and has not been recognised in the accounts. The grant recognised the full purchase price of the properties.

2.7 Investments

Investments are a form of basic financial instruments and are intially recognised at their transcation value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Debtors

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

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.11 Financial instruments

The Group 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

2. Accounting policies (continued)

2.14 Pensions

The charity formerly participated in a multi employer defined benefit scheme in respect of certain of its employees and has made fixed additional payments in the year to 31 March 2020 to fully exit the scheme. In the prior year the charity's net obligation in respect of the defined benefit pension scheme was recognised in the balance sheet at the present value of the future benefits that employees have earned in return for their service in the current and previous periods less the fair value of the plan assets, together with adjustments for the past service costs not yet recognised. The defined benefit obligation was calculated by independant actuaries using the projected unit credit method. The present value of the defined benefit obligation was determined by discounting the estimated future cash outflows using the interest rates of high quality corporate bonds that have terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses are accounted for as unrealised gains and losses within the Statement of Financial Activities.

The charity also operates defined contribution pension schemes for certain other employees. Contributions payable to the defined contribution pension schemes are charged as an expense within the Statement of Financial Activities in the period to which they relate.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Depreciation - The Trustees have calculated depreciation based on the estimnated life of the individual asset and any residual value it might have.

Property values and impairment - The carrying value of property in the accounts is based on historic cost and Trustees have assessed the estimated market value is at least equal to the carrying value of the properties with no impairment.

Allocation of costs - The allocation of expenditure between direct and support activities involves an element of judgement and estimate, particularly in respect of shared costs.

4. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Donations	-	**-**	*13,578*
Grants	51,786	**51,786**	*58,160*
	51,786	**51,786**	*71,738*
Total 2022	*71,738*	*71,738*	

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Social Services funding	4,756,668	**4,756,668**	*4,633,975*
Self funded residents	718,232	**718,232**	*640,472*
Care and laundry income	(888)	**(888)**	*180*
Rental income	357,691	**357,691**	*343,051*
	5,831,703	**5,831,703**	*5,617,678*
Total 2022	*5,617,678*	*5,617,678*	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Deposit account income	30,312	**30,312**	*3,371*
Total 2022	*3,371*	*3,371*	

6. Investment income (continued)

7. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Other income	3,756	**3,756**	*4,000*
Total 2022	*4,000*	*4,000*	

8. Income by charitable activites

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Activity			
Homes for older people	2,167,415	**2,167,415**	*1,770,249*
Nursing home	-	**-**	*116,192*
Residential network including Westleigh House	1,544,405	**1,544,405**	*1,488,875*
Community network	2,205,131	**2,205,131**	*2,022,957*
COVID grant funding	-	**-**	*202,005*
Central	607	**607**	*6,370*
	5,917,558	**5,917,558**	*5,606,648*

9. Expenditure on charitable activities

	2023 £	*2022* *£*
Direct costs	**4,814,125**	*4,639,965*
Support costs	**897,350**	*663,486*
Governance costs	**440,992**	*200,828*
	6,152,467	*5,504,279*

10. Direct costs

	2023 £	*2022* *£*
Wages and salaries	**3,850,830**	*3,370,039*
Social security	**224,626**	*215,815*
Pensions	**107,604**	*72,482*
Rent and rates	**31,842**	*262,980*
Light and heat	**65,485**	*60,494*
Insurance	**-**	*58,832*
Telephone	**17,158**	*18,231*
Postage and stationery	**599**	*7,371*
Sundry expenses	**19,402**	*2,893*
Food and provisions	**153,702**	*135,949*
Medical and clinical costs	**67,283**	*6,129*
Transport costs	**-**	*2,072*
Recruitment expenses	**60,722**	*9,333*
Training costs	**24,762**	*2,195*
Repairs and Renewals	**184,299**	*196,633*
Cleaning	**14,792**	*47,448*
Registration costs	**14,485**	*15,614*
Travelling	**676**	*6,603*
Computer costs	**-**	*5,669*
Private health	**774**	*1,145*
Bad debts	**-**	*(20,848)*
Legal and professional fees	**-**	*38,887*
Payroll fees	**-**	*11,661*
Depreciation	**17,952**	*110,864*
Mortgage interest	**-**	*-*
VAT recovered	**(42,868)**	*-*
Advocacy fees	**-**	*2,431*
Profit on sale of asset	**-**	*(957)*
	4,814,125	*4,639,965*

11. Support costs

12. Governance costs

	2023 £	2022 £
Legal and professional fees	**320,550**	*157,390*
Auditors' remuneration	**21,010**	*27,450*
Auditors' remuneration for non-audit work	**4,250**	*8,990*
Pension administration fees	**6,901**	*6,998*
Advocacy fees	**1,820**	*-*
Exceptional costs	**170,079**	*-*
	524,610	*200,828*

13. Net income (expenditure) is stated after charging / (crediting):

	2023 £	2022 £
Auditors' remuneration	**21,010**	*27,450*
Auditors' remuneration for non-audit work	**4,250**	*8,990*
Depreciation - owned assets	**139,387**	*113,691*
Surplus on disposal of fixed assets	**-**	*(957)*
	164,647	*149,174*

14. Staff costs

	Group 2023 £	*Group 2022 £*	Charity 2023 £	*Charity 2022 £*
Wages and salaries	**4,179,429**	*3,765,871*	**4,179,429**	*3,765,871*
Social security costs	**224,626**	*250,329*	**224,626**	*250,329*
Contribution to defined contribution pension schemes	**107,604**	*99,078*	**107,604**	*99,078*
	4,511,659	*4,115,278*	**4,511,659**	*4,115,278*

The average number of persons employed by the Charity during the year was as follows:

	Group 2023 No.	*Group 2022 No.*
Homes for older people	**64**	*54*
Residential network inc Westleigh House	**27**	*29*
Community network	**83**	*75*
Head office	**14**	*14*
	188	*172*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	*Group 2022 No.*
In the band £80,001 - £90,000	**-**	*1*
In the band £90,001 - £100,000	**1**	*-*

The key management personnel of the charity comprise the Senior Management Team and the Company Secretary. The total remuneration paid in respect of the charity's key management personnel was £451,962 (2022: £415,074).

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2022 - £NIL)*.

During the year ended 31 March 2023, expenses totalling £78 were reimbursed or paid directly to the Trustees, *(2022 - £NIL to* the Trustees).

16. Tangible fixed assets

Group and Charity

	Freehold property £	Long-term leasehold property £	Fixtures and fittings £	Improvements to property £	Total £
Cost or valuation					
At 1 April 2022	**3,960,603**	**210,000**	**714,447**	**82,653**	**4,967,703**
Additions	**-**	**-**	**62,304**	**-**	**62,304**
At 31 March 2023	**3,960,603**	**210,000**	**776,751**	**82,653**	**5,030,007**
Depreciation					
At 1 April 2022	**2,079,609**	**63,351**	**586,630**	**43,182**	**2,772,772**
Charge for the year	**71,328**	**4,200**	**59,731**	**4,128**	**139,387**
At 31 March 2023	**2,150,937**	**67,551**	**646,361**	**47,310**	**2,912,159**
Net book value					
At 31 March 2023	**1,809,666**	**142,449**	**130,390**	**35,343**	**2,117,848**
At 31 March 2022	*1,880,994*	*146,649*	*127,817*	*39,471*	*2,194,931*

The cost of freehold property above is net of a grant to the value of £327,975 from the Health Authority dating back to the 1990s in relation to two properties. Whilst the charity is legal owner of the properties, there is a charge providing that in the event of a change in use or disposal of the properties, the Health Authority is to receive the open market value of the properties. The grant represents the total cost of the properties.

A grant was received to fund the purchase of another of the charity's freehold properties, 10a Lodge Lane, Warrington. A condition of the grant was that if the building were sold or no longer used as a nursing home for clients with mental health disorder, the grant would be repayable. The amount repayable would be 25.5% of the market value of the property at the date of sale less the costs of sale. There is no intention to sell or change the use of the property.

All fixed assets, including freehold property are for the use in direct furtherance of the charity's objects.

The net book value of assets includes £30,022 (2022: £47,179) held under a hire purchase agreement. Depreciation of £17,156 (2022:£4,290) was charged in the year on these.

17. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2022	**343,511**
Revaluations	**(24,502)**
At 31 March 2023	**319,009**
Net book value	
At 31 March 2023	**319,009**
At 31 March 2022	*343,511*

There were no investment assets held outside the UK.

The historical cost of investments at 31 March 2023 amounted to £278,297 (2022 - £278,297).

Charity	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost or valuation			
At 1 April 2022	**1**	**343,511**	**343,512**
Revaluations	**-**	**(24,502)**	**(24,502)**
At 31 March 2023	**1**	**319,009**	**319,010**
Net book value			
At 31 March 2023	**1**	**319,009**	**319,010**
At 31 March 2022	*1*	*343,511*	*343,512*

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

17. Fixed asset investments (continued)

Name	Registered office or principal place of business	Principal activity	Class of shares	Holding
Warrington Community Living Service Company Ltd	G104 C/O Beyond Profit, Bolton Arena, Arena Approach, Horwich, Bolton, England, BL6 6LB	Supply of support services	Ordinary	100%

Included in consolidation
Yes

The financial results of the subsidiary for the year were:

Name	Net assets £
Warrington Community Living Service Company Ltd	1

18. Debtors

	Group 2023 £	*Group 2022 £*	Charity 2023 £	*Charity 2022 £*
Due within one year				
Trade debtors	**223,914**	*233,334*	**223,914**	*233,334*
Other debtors	**5,829**	*506*	**5,829**	*506*
Prepayments and accrued income	**201,270**	*193,591*	**201,270**	*193,591*
	431,013	*427,431*	**431,013**	*427,431*

19. Creditors: Amounts falling due within one year

	Group 2023 £	*Group 2022 £*	**Charity 2023 £**	*Charity 2022 £*
Trade creditors	**115,480**	*320,036*	**115,480**	*320,036*
Amounts owed to group undertakings	**-**	*-*	**39,768**	*-*
Other taxation and social security	**89,951**	*49,284*	**50,184**	*49,284*
Obligations under finance lease and hire purchase contracts	**17,679**	*17,679*	**17,679**	*17,679*
Other creditors	**58,231**	*47,829*	**58,231**	*47,829*
Accruals and deferred income	**135,493**	*218,368*	**135,493**	*218,368*
	416,834	*653,196*	**416,835**	*653,196*

Obligations under finance lease and hire purchase contracts are secured by the underlying assets.

20. Creditors: Amounts falling due after more than one year

	Group 2023 £	*Group 2022 £*	**Charity 2023 £**	*Charity 2022 £*
Net obligations under finance lease and hire purchase contracts	**13,259**	*30,939*	**13,259**	*30,939*

21. Financial instruments

	Group 2023 £	*Group 2022 £*	Charity 2023 £	*Charity 2022 £*
Financial assets				
Financial assets measured at cost through income and expenditure	**1,960,998**	*2,423,414*	**1,960,998**	*2,423,414*
Financial assets measured at fair value	**319,009**	*343,511*	**319,009**	*343,511*
	2,280,007	*2,766,925*	**2,280,007**	*2,766,925*

	Group 2023 £	*Group 2022 £*	Charity 2023 £	*Charity 2022 £*
Financial liabilities				
Financial liabilities measured at cost through income and expenditure	**319,502**	*634,851*	**358,910**	*634,851*

Financial assets measured at costs through income and expenditure comprise trade and other debtors and cash

Financial instruments measured at fair value through income and expenditure comprise investments

Financial liabilities measured at cost through income and expenditure comprise trade and other creditors and accruals

22. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds					
Designated funds					
Designated Funds - all funds	**2,050,498**	**-**	**(17,952)**	**-**	**2,032,546**
General funds					
General funds	**2,357,362**	**5,917,557**	**(6,177,383)**	**-**	**2,097,536**
Revaluation reserve	**63,452**	**-**	**-**	**(24,502)**	**38,950**
	2,420,814	**5,917,557**	**(6,177,383)**	**(24,502)**	**2,136,486**
Total unrestricted funds	**4,471,312**	**5,917,557**	**(6,195,335)**	**(24,502)**	**4,169,032**

22. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	*Income* £	*Expenditure* £	*Gains/ (Losses)* £	*Balance at 31 March 2022* £
Unrestricted funds					
Designated funds					
Designated Funds - all funds	*2,068,213*	*-*	*(17,715)*	*-*	*2,050,498*
General funds					
General funds	*2,147,139*	*5,696,787*	*(5,486,564)*	*-*	*2,357,362*
Revaluation reserve	*65,719*	*-*	*-*	*(2,267)*	*63,452*
	2,212,858	*5,696,787*	*(5,486,564)*	*(2,267)*	*2,420,814*
Total unrestricted funds	*4,281,071*	*5,696,787*	*(5,504,279)*	*(2,267)*	*4,471,312*

Designated funds have been set aside for future acquisitions and significant refurbishments and renovation works.

23. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	**Income** £	**Expenditure** £	**Gains/ (Losses)** £	**Balance at 31 March 2023** £
Designated funds	**2,050,498**	**-**	**(17,952)**	**-**	**2,032,546**
General funds	**2,420,814**	**5,917,557**	**(6,177,383)**	**(24,502)**	**2,136,486**
	4,471,312	**5,917,557**	**(6,195,335)**	**(24,502)**	**4,169,032**

23. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2021 £	*Income* £	*Expenditure* £	*Gains/ (Losses)* £	*Balance at 31 March 2022* £
Designated funds	*2,068,213*	*-*	*(17,715)*	*-*	*2,050,498*
General funds	*2,212,858*	*5,696,787*	*(5,486,564)*	*(2,267)*	*2,420,814*
	4,281,071	*5,696,787*	*(5,504,279)*	*(2,267)*	*4,471,312*

Designated funds have been set aside for significant refurbishment and renovation works

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	**Total funds 2023** £
Tangible fixed assets	2,117,848	**2,117,848**
Fixed asset investments	319,009	**319,009**
Current assets	2,162,268	**2,162,268**
Creditors due within one year	(416,834)	**(416,834)**
Creditors due in more than one year	(13,259)	**(13,259)**
Total	4,169,032	**4,169,032**

24. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	*Total funds 2022 £*
Tangible fixed assets	*2,194,931*	*2,194,931*
Fixed asset investments	*343,511*	*343,511*
Current assets	*2,617,005*	*2,617,005*
Creditors due within one year	*(653,196)*	*(653,196)*
Creditors due in more than one year	*(30,939)*	*(30,939)*
Total	*4,471,312*	*4,471,312*

25. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	*Group 2022 £*
Net income/expenditure for the year (as per Statement of Financial Activities)	**(277,778)**	*192,508*
Adjustments for:		
Depreciation charges	**139,387**	*113,691*
Loss/(profit) on the sale of fixed assets	**-**	*(957)*
Decrease/(increase) in debtors	**(3,582)**	*290,418*
Increase/(decrease) in creditors	**(236,362)**	*1,177*
Net cash provided by/(used in) operating activities	**(378,335)**	*596,837*

26. Analysis of cash and cash equivalents

	Group 2023 £	*Group 2022 £*
Cash in hand	**1,731,255**	*2,189,574*
Total cash and cash equivalents	**1,731,255**	*2,189,574*

27. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	**2,189,574**	**(458,319)**	**1,731,255**
Finance leases	**(48,618)**	**17,680**	**(30,938)**
	2,140,956	**(440,639)**	**1,700,317**

28. Employee benefit obligations

The charity operates a defined contribution pension scheme.

The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £107,604 (2022 - £99,078). £16,665 (2022: £20,207) was payable to the fund at the balance sheet date and are included in creditors."

29. Indemnity insurance

The charity has made payments for insurance on behalf of the trustees and officers of the company to indemnify them against any obligations which may arise as a result of their actions in connection with the objects of the company. Payments amounts to £XXX (2021 - £2,851) and is charged in the Statement of Financial Activities.

30. Funds held as custodian for others

The charity acted as custodian of monies belonging to certain of its service users. These monies were held in bank accounts separate from the accounts of the charity. At 31 March 2023, the charity held Nil (2022 - £4,940) as custodian.

31. Operating lease commitments

At 31 March 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	*Group 2022 £*	**Charity 2023 £**	*Charity 2022 £*
Land and buildings				
Not later than 1 year	**243,124**	*235,472*	**243,124**	*235,472*
	243,124	*235,472*	**243,124**	*235,472*
Other				
Not later than 1 year	**24,922**	*45,044*	**24,922**	*45,044*
Later than 1 year and not later than 5 years	**34,279**	*74,202*	**34,279**	*74,202*
Later than 5 years	**-**	*6,714*	**-**	*6,714*
	59,201	*125,960*	**59,201**	*125,960*
	302,325	*361,432*	**302,325**	*361,432*

32. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2023.

33. Post balance sheet events

We Change Lives (WCL) successfully acquired '3L Care Limited' in September 2023 funded by existing cash balances and a loan facility provided by Unity Trust Bank PLC (£7.7m deal/£5.7m loan with £0.8m deferred consideration). 3L consists of 3 homes that provide residential, respite and day care services for adults with Acquired Brain Injuries (ABI). This acquisition contributes to both WCL charitable purpose and the ambition to provide care to a wider range of service users positively impacting their lives.

We Change Lives (WCL)

England & Wales - Charity number 1003023

Accounts

Registered number: 02595601
Charity number: 1003023

WE CHANGE LIVES (WCL) (FORMERLY WARRINGTON COMMUNITY LIVING)

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

WE CHANGE LIVES (WCL) (FORMERLY WARRINGTON COMMUNITY LIVING)
(A Company Limited by Guarantee)

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WE CHANGE LIVES (WCL) (FORMERLY WARRINGTON COMMUNITY LIVING)
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees	Mr C Howarth, Trustee Mr P Holmes, Trustee Mrs J L Wycherley, Trustee Mrs J Carolan, Trustee (resigned 7 February 2022) Mr I Fairbrother, Trustee Mr P Taberham, Trustee Mr R Gore, Trustee Mrs K Robinson, Trustee Mrs E Willder, Trustee (appointed 21 April 2021) Mrs L Gaborova, Trustee (appointed 28 March 2022)
Company registered number	02595601
Charity registered number	1003023
Registered office	G104 C/O Beyond Profit G104 Arena Approach Horwich Bolton BL6 6LB
Chief executive officer	Phillip Sermon
Independent auditor	Crowe U.K. LLP 3rd floor The Lexicon Mount Street Manchester M2 5NT
Senior Management Team	Phil Sermon - Chief Executive Officer Sarah Gardner - Deputy Chief Executive Officer Deborah Furness - Project Manager Sarah Battersby - Quality and Safeguarding manager Elaine Cleary - Organisational Development Manager

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022.

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Charity Number

We Change Lives (WCL) is a Company Limited by Guarantee (Company number: 02595601) and a registered charity (Registered Charity number: 1003023). The company changed its name from Warrington Community Living on 26 September 2022.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2022 was seven (2021:8). The trustees are members of the charity, but this entitles them only to voting rights. The Board have no beneficial interest in the charity.

Governing Document

The governing document of We Change Lives (WCL) is the articles of association which were updated and approved on 24 January 2022.

The Trustees, who are also directors under company law, are appointed by two different methods. For all those in post prior to 24 January 2022 Trustees must retire after their first year in office but being eligible may offer themselves for re-election. Thereafter one third of the Trustees must retire by rotation, being those that have been in office the longest since their last appointment.

For Trustees appointed after 24 January 2022, they are appointed for a term of 3 years. After each 3 year term they shall retire from office but are eligible to be reappointed for a further 3 year term. A trustee who has served three terms of office may not be reappointed. However the term of office can be extended for a period of one additional year if the loss of core skills and experience would be detrimental to the charity, subject to 75% of the existing trustees agreeing.

Organisational structure

The board of Trustees administers the charity. The board meet once every two months to manage the charity's affairs, receiving management accounts and reports from the Chief Executive and the various heads of department.

The Board also has three sub-committees

- Finance, Audit and Risk
- Quality and Safeguarding
- Colleagues and Culture

The Colleagues and Culture sub-committee was established in August 2022.

The Chief Executive is appointed by the board to manage the day to day operations of the charity. To facilitate effective operations the Chief Executive has delegated authority, within terms of delegation approved by the directors, for operational matters such as care and employment. Financial decisions are governed by the Financial Regulations Policy 10/05, currently being reviewed, as approved by the board of Trustees.

Recruitment and appointment of new trustees

Trustees are recruited via an open recruitment method with Trustee roles being advertised on LinkedIn and other social media channels

The Trustees are appointed by the Board of Directors as stated in the articles of association. Trustees must retire after their first year in office but being eligible may offer themselves for re-election. Thereafter one third of the Trustees must retire by rotation, being those that have been in office the longest since their last appointment.

In accordance with the Articles of Association, at the Annual General Meeting the following Trustees retire and, being eligible, offer themselves for re-election:

The retirement of two Board members combined with a Trustee competency analysis means that the Board plan to undertake recruitment of new Trustees in the next year to sustain its numbers and to increase its competence in key areas relating to finance, IT, HR and the law.

Organisational Management
The board of trustees administers the charity. The board meet once every two months to manage the charity's affairs, receiving management accounts and reports from the Chief Executive and the various heads of department.

The Board also has three sub-committees
- Finance, Audit and Risk
- Quality and Safeguarding
- Colleagues and Culture

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Induction and training of new trustees
Newly appointed Trustees participate in an orientation programme based on the "Good Practice for Directors" standards for the Board, published by the Institute of Directors. The objective of the programme is to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Committee and decision making processes, the business plan and recent financial performance of the charity. During their induction period they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Public Benefit
The objects and aims of We Change Lives are contained in the company’s Memorandum of Association.

The Trustees confirm they have regard for the Public Benefit guidance issued by the Charity Commission as the Charities Act 2011 requires the Charity to demonstrate the Public Benefit of our aims.

The Charity's Purpose is to benefit the public by providing Residential and Nursing accommodation, care and support for adults who have learning disabilities and for people requiring support including those who have dementia. We also provide support for people who have learning disabilities to enable them to live as independently as possible within their own homes. The people who have used and benefited from our accommodation and support are from Warrington, Halton, St Helens, Stockport, Lancashire, Sefton, Bolton, Knowsley, Wigan, and Wakefield.

Circa 600 people have used those services during this period and our current funding limits the number of people that we can support. Demand for our services is met by giving priority to referrals from Local Authority Adult Social Care departments and local Primary Care Trusts and on some occasions, self, or family referrals.

We Change Lives (WCL) attends and supports a range of local statutory and voluntary sector forums relating to older people, people with learning disabilities, and people with dementia.

The Trustees' Report section (pages 2 - 8) sets out the aims and strategies of the charity and demonstrates how the aims and activities of the charity during the year were carried out for the Public Benefit

Pay Policy for Senior Staff
The Board of Directors, who are the charity's Trustees, along with the Senior Management Team comprise the key management personnel of the charity in charge of directing and controlling the charity. The Senior Management Team are delegated responsibility for the running and operating the charity on a day-to-day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. The pay of the senior management team is reviewed annually by the Remuneration Committee.

OBJECTIVES AND ACTIVITIES

Charitable Objectives
We Change Lives (WCL)'s charitable objects are *"specifically restricted to the relief of adults from the disabilities resulting from old age, including mental health problems, and of people with learning disabilities, physical disabilities or mental problems by the provision of permanent homes and services calculated to relieve the needs oof such persons (hereinafter called service users). Provided that in furthering this object the charity will seek to enable services users to lead an independent and fulfilling lifestyle by providing opportunities to exercise their rights and to enjoy the same range of options available to all valued members of society."*

Supported Living-where individuals with a learning, physical, associated mental health needs and dementia are supported in their own home/property to engage in a healthy and meaningful lifestyle, considering areas such as physical, intellectual, emotional, and social well-being through a variety of person-centred approaches.

Children and Young People-where young people with learning and or physical disability who wish to live their lives with the greatest self-sufficiency possible, developing social skills, confidence, and personal relationships to take their place as active valued citizens in the community. This service ceased in April 2022.

Outreach: Working to support people to develop their independence and resilience and to have increasing choice and control over their own lives.

Mental Health Residential Nursing Care-where individuals with complex mental health issues are supported with rehabilitation to reach and maintain optimum quality of life and achieve as much independence and enjoyment of their lives as possible.

Older People Residential Care-supporting older people and adults with various levels of learning, physical and associated mental health needs to engage in a healthy and meaningful lifestyle and be active members of their community in the safety of a shared living environment.

In achieving these objectives and aims, the Trustees have identified the following specific purposes and values:

Organisational Purpose - Supporting people to live their best life

WCL Vision: Thriving Organisation, Enriching Lives
- A provider of quality life enriching outstanding support
- A provider of support that is different for every individual within its care
- An Organic organisation that is current and adaptable (ability to move with the needs of the people it serves)
- A financially thriving organisation that is able to reinvest into development of current and new service

Organisational Values:

- Supporting rights, needs, choices and dreams.
- See the possibility to make a positive difference in all that we do
- Being financially responsible and economically sustainable
- Embrace new technology and innovations
- Appreciating every colleague's contribution

There have been no material changes in policy or objectives throughout the year. The strategy is to deliver our key services by providing great quality Care in Safe environments delivered by responsive well trained and well led teams of People. This is underwritten with a Commercial / Financial focus to ensure the services provide great value for people we support but also deliver a surplus to ensure the future viability of the charity.

Measures to assess success include:

- Care & Quality -CQC ratings (Outstanding, Good, Requires Improvement or Inadequate)-covers 5 key questions safe, effective, caring responsive and well led
- People- Vacancies, Staff turnover, Training.
- Commercial & Financial Risk - Income, Expenditure -Surplus, Cash Reserves etc.

Achievement and performance

We Change Lives (WCL) was conceived in 1989 and established as a charity in 1991. Its original purpose was to support people with learning disabilities moving out of long stay hospital accommodation and provide them with community focused services that would promote independence and a more inclusive lifestyle. This work continued and following a merger with Warrington Community Care was extended to include working with older people including increasingly those with dementia. In the last five years, we have extended this work further into supporting people with mental health issues and disabled children and young people and in that period, we have moved from supporting less than 100 people, to supporting over 600 people every year.

We Change Lives (WCL) continues to satisfactorily operate the following services that are registered and regulated by the Care Quality Commission (CQC):

Heathside - a residential home in Penketh for 37 older people and people with dementia, which is now also successfully working with older people with a learning disability

Heathside Mews - a residential home in Penketh for 25 older people and people with dementia

Lodge Lane - a residential nursing home in Bewsey for 20 people with mental health issues.

Westleigh House - a residential home in Stockton Heath for 20 people with mental health issues

Lucklaw - a residential home in Great Sankey for 4 people with profound and multiple learning and physical disabilities.

Twiss Green Lane -a residential home in Great Sankey for 4 people with profound and multiple learning disabilities.

Community Network - a flexible community-based service for people with physical and learning disabilities, older people and people with dementia which also works with children and young people with disabilities.

And the following service which are not required to be registered with CQC:

Community Mental Health and Wellbeing Team incorporating: - Supported Housing Network - a network of flats for 57 people offering low level support for enduring mental health issues

Complex Mental Health and Outreach Service - one to one support for people recovering from complex mental health needs

Park House - a three bedroomed alternative option to admission to psychiatric hospital.

We are please to announce that in line with our measurements of success we have maintained the reported CQC ratings from 2021 across our service offerings with the following ratings as at 31 March 2022:

Service	CQC Rating
Community Network	Good
Heathside	Good
Heathside Mews	Good
Lodge Lane	Closed
Twiss Green Lane	Good
Lucklaw	Good
Westleigh House	Requires improvement

.

Future Plans

The appointment of a new CEO and internally promoted Deputy CEO last year to assist the organisation in the next stages of turnaround and transformation has been well received and their impact has been valuable even in the limited time they have had to date, particularly as with their focus on care, people, quality and safeguarding.
The charity is excited by the next stage of its plans with the charity rebranding post year end from Warrington Community Living to We Change Lives (WCL). This change reflects the trustees plans to expand on its excellent reputation and provision of services to grow by investing in its staff, infrastructure and potential opportunities for new sites.

The work undertaken in the previous year to perform a deep dive review of the organisation continues as the charity continues to focus on financial self-stability to generate surpluses in order to provide surpluses that will allow the organisation to achieve it strategy for growth and enhanced facilities for residents and service users. This includes considering repurposing of existing property to provide new services that meet local authority standards as well as considering mergers and acquisitions of similar organisations if they fit from a care, safeguarding, cultural and commercial perspective.

Internal Control

The Trustees are ultimately responsible for the Trust's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve the charity's business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

Key procedures have been established, providing effective internal financial control. These include:

- Clearly defined lines of responsibility and delegation.
- Operation within approved financial regulations.
- Budget setting and approval.
- Regular review of performance and forecasts against the budget approved by the Board.
- Reporting to and review by the Trustees on a regular basis.

Risk Management & Principle risks and uncertainties

The Board of Trustees assess risk annually with additional operational and financial risk assessment through delegation to the relevant committee and to the Finance, Audit & Risk Committee. It oversees its responsibility through its review of the effectiveness of the charity's Risk Framework. This framework is designed to support informed decision-making regarding the risks that affect the charity's performance and its ability to achieve its objectives. Management of risk is embedded into our day-to-day activities and well established processes and policies are in place to manage them. All our employees have a role in reducing risk through our internal control framework.

Risks are recorded in a risk register and are evaluated in terms of impact and likelihood. The register also provides for a consistent approach to identifying assessing and dealing with the risks facing the charity to ensure they do not exceed the level of risk the charity is willing to assume. The register is designed to manage, rather than eliminate, the risks to the charity's objectives and to provide reasonable, but not absolute mitigation of these risks. The Finance, Audit & Risk Committee bi-annually reviews the results of the risk reviews undertaken by management and approves an annual risk-based internal audit plan which covers the major risks identified.

Covid 19 remains a risk, particularly for elderly and vulnerable residents and at WCL we continue to follow national guidelines and best practices to mitigate the risks to both residents and staff

Other risks include care and sageguarding of residents and service users, which are mitigated with a dedicated Safeguarding Manager following the Health and Safety Executive (HSE) guidance, stressing the need for risk assessment to be proportionate and balanced as well as reflecting a common sense, integrated approach to health and safety. This protects our people by putting in place measures to control realistic risks, so far as reasonably practicable. .

Going Concern and Reserves policy

The Trustees have continued to monitor the effects of the Covid-19 pandemic both during the year and since the year end and have made changes to the charity's operations accordingly. Global political and economic outlooks have also been monitored. Under the terms of the charity's Reserves Policy and in forming a view on the charity's Going Concern, Trustees have noted:

- The charity has a risk management framework which is periodically reviewed and updated as risks are identified.
- The charity has adequate insurance cover in place to mitigate against a potential interruptions that may affect the charity.
- The other risks to the charity and the protective steps taken to mitigate against them.
- The charity's investments have proven resilient against the Covid-19 pandemic.
- The charity's housing income from residents is secure, voids are closely monitored and housing demand remains high and has done throughout the Covid-19 pandemic. The charity holds reserves at a level which is at or exceeds the Reserves Policy details of which are below.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

In developing the charity's reserves policy the trustees have considered current obligations, commitments to staff and the development of the charity.

Unrestricted funds
£1million to be held in reserve for unplanned cash flow needs of which:

- £0.75million can be held in medium term investments (tied up to a maximum three years)
- £0.25million should be held for more immediate use

Designated Funds
The charity's designated funds continue to total in excess of £2million. This balance includes the following key designated balances:

- Heathside £1,784,520
- Major repairs £98,059
- Radcliffe Meadows £167,919

For the period ending 31 March 2022 the Trust has net current assets of £1,963,809 with cash at bank totalling £2,189,574 allowing the charity to convert these to cash quickly and is in line with the charities reserve policy.

Disclosure of Information to Auditor

The Trustees have taken steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Richard Gore

Mr R Gore

Date: 22 December 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2022

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

Mr R Gore

Date: 22 December 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WE CHANGE LIVES (WCL) (FORMERLY WARRINGTON COMMUNITY LIVING)

Opinion

We have audited the financial statements of We Change Lives (WCL) (Formerly Warrington Community Living) (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 March 2022 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 Charities Act 2011.

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

Conclusions relating to going concern

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

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011 and employment tax legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and completeness of income. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, specific tests on revenue recognition and cut off and reviewing accounting estimates for biases.

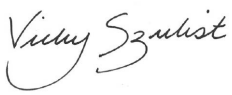
Our audit approach for income was to being our testing from source documentation such as rent registers and contracts with the council. Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



V Szulist(Senior Statutory Auditor)
Crowe U.K. LLP

Statutory Auditor

3rd floor

The Lexicon

Mount Street

Manchester

M2 5NT

Date: 22nd December 2022

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2022

	Note	Continuing operations 2022 £	Discontinued operations 2022 £	Total Unrestricted Funds 2022 £	*Continuing operations (restated) 2021 £*	*Discontinued operations (restated) 2021 £*	*Total Unrestricted Funds 2021 £*
Income from:							
Donations and legacies	4	**71,738**	**-**	**71,738**	*140,371*	*-*	*140,371*
Charitable activities	5	**5,501,488**	**116,190**	**5,617,678**	*4,632,273*	*1,245,900*	*5,878,173*
Investments	6	**3,371**	**-**	**3,371**	*5,577*	*-*	*5,577*
Other income	7	**4,000**	**-**	**4,000**	*12,949*	*-*	*12,949*
Total income		**5,580,597**	**116,190**	**5,696,787**	*4,791,170*	*1,245,900*	*6,037,070*
Expenditure on:							
Charitable activities		**5,166,399**	**337,880**	**5,504,279**	*5,171,513*	*1,209,142*	*6,380,655*
Total expenditure		**5,166,399**	**337,880**	**5,504,279**	*5,171,513*	*1,209,142*	*6,380,655*
Net movement in funds before other recognised gains/(losses)		**414,198**	**(221,690)**	**192,508**	*(380,343)*	*36,758*	*(343,585)*
Other recognised gains/(losses):							
(Losses)/gains on revaluation of fixed assets		**(2,267)**	**-**	**(2,267)**	*28,474*	*-*	*28,474*
Net movement in funds		**411,931**	**(221,690)**	**190,241**	*(351,869)*	*36,758*	*(315,111)*

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Continuing operations 2022 £	Discontinued operations 2022 £	Total Unrestricted Funds 2022 £	*Continuing operations (restated) 2021* *£*	*Discontinued operations (restated) 2021* *£*	*Total Unrestricted Funds 2021* *£*
Reconciliation of funds:							
Total funds brought forward		**4,281,071**	**-**	**4,281,071**	*4,596,182*	*-*	*4,596,182*
Net movement in funds		**411,931**	**(221,690)**	**190,241**	*(351,869)*	*36,758*	*(315,111)*
Total funds carried forward		**4,693,002**	**(221,690)**	**4,471,312**	*4,244,313*	*36,758*	*4,281,071*

The Statement of Financial Activities includes all gains and losses recognised in the year.

The prior year split of discontinued and continuing operations have been amended to reflect more accurate infomation on this split.

The notes on pages 18 to 40 form part of these financial statements.

BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £		*2021 £*
Fixed assets					
Tangible assets	16		**2,194,931**		*2,206,860*
Investments	17		**343,512**		*344,016*
			2,538,443		*2,550,876*
Current assets					
Debtors	18	**427,430**		*673,496*	
Cash at bank and in hand		**2,189,574**		*1,646,686*	
		2,617,004		*2,320,182*	
Creditors: amounts falling due within one year	19	**(653,196)**		*(589,987)*	
Net current assets			**1,963,808**		*1,730,195*
Total assets less current liabilities			**4,502,251**		*4,281,071*
Creditors: amounts falling due after more than one year	20		**(30,939)**		-
Net assets excluding pension asset			**4,471,312**		*4,281,071*
Total net assets			**4,471,312**		*4,281,071*
Charity funds					
Restricted funds	22		**-**		-
Unrestricted funds	22		**4,471,312**		*4,281,071*
Total funds			**4,471,312**		*4,281,071*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

Richard Gore

Mr R Gore

Date: 22 December 2022

The notes on pages 18 to 40 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	*2021 £*
Cash flows from operating activities			
Net cash used in operating activities	25	**596,837**	*(308,836)*
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		**15,660**	*700*
Purchase of tangible fixed assets		**(52,700)**	*(34,747)*
Purchase of investments		**(1,762)**	*(6,369)*
Net cash used in investing activities		**(38,802)**	**(40,416)**
Cash flows from financing activities			
Repayments of borrowing		**(15,147)**	*(50,037)*
Net cash used in financing activities		**(15,147)**	**(50,037)**
Change in cash and cash equivalents in the year		**542,888**	**(399,289)**
Cash and cash equivalents at the beginning of the year		**1,646,686**	*2,045,975*
Cash and cash equivalents at the end of the year	26	**2,189,574**	*1,646,686*

The notes on pages 18 to 40 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information and basis of preparation

The company changed its name from Warrington Community Living on 26 September 2022. to We Change Lives (WCL).

We Change Lives is a charitable company limited by guarantee incorporated in England and Wales.. The address of the registered office is G104 C/O Beyond Profit, Bolton Arena, Arena Approach, Horwich, Bolton, England, BL6 6LB.

Under the terms of the Memorandum and Articles of Association, each member, in the event of the charity being wound up whilst a member, and within one year after ceasing to be a member, undertakes to contribute to the assets of the charity, an amount not exceeding £10 for payment of the debts or liabilities of the charity. The address of the registered office is given in the Report of the Trustees. The nature of the charity's operationg and principal activities are also detailed in the Report of the Trustees.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Charities SORP (FRS102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity.

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

2. Accounting policies

2.1 Going concern

WCL’s activities and future plans are set out in the Trustees’ Report.

WCL manages its activities with positive unrestricted bank balances.

The Trustees’ forecasts and projections, taking account the impact of Covid-19 and of reasonably foreseeable changes in income and expenditure, show that WCL will be able to continue to operate on this basis.

The main focus for 2021/22 was the continued turnaround of the organisation and continue generating surpluses for the organisation to use for reinvestment in its people, property and future plans. Costs have been continually focused on and service lines reviewed to ensure that all elements of WCL are or will be generating surpluses.

The Trustees consider that the demand for the Charity’s services will continue as housing schemes are currently nearly fully occupied and demand for good quality care provision will continue to be high. Based on the above the Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report of the Trustees and financial statements.

2. Accounting policies (continued)

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations and grants are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the Charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period.

Income from NHS contracts, government and other grants, whether 'capital' grants or 'revenue' grants, are recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Other income consists of resident monies and appointee's monies received for monitoring and advising on resident spends during the year.

Rental income is recognised in the period to which it relates.

Care income and cleaning income is in relation to Ryfields Village and is recognised upon delivery of the service. This location was closed in May 2021.

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the Charity and include governance cost, finance, and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the Charity.

Support costs are allocated to each of the activities based on the percentage of Local Authority income to best allocate the costs to each attributable heading. More detail on the analysis and basis of allocation is given in note 6 to the financial statements.

2.4 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	-		Straight line between 18 - 50 years
Long-term leasehold property	-	2%	On cost
Motor vehicles	-		Straight line between 4 - 5 years
Fixtures and fittings	-		Straight line between 3 - 6 years
Improvements to property	-	5%	on cost and Straight line over 5 years

The need for any impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

In the 1990s, the charity received a grant of £327,975 to acquire two properties. The grant was subject to legal charges stating that should the properties be subject to a change in use or disposal then the donor would be entitled to the open market value of the properties. Given the legal charges placed on the properties, the grant income was netted off the purchase price of the properties at the time and has not been recognised in the accounts. The grant recognised the full purchase price of the properties.

2.6 Investments

Investments are a form of basic financial instruments and are intially recognised at their transcation value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Debtors

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

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Financial instruments

The Charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.12 Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

2. Accounting policies (continued)

2.13 Pensions

The charity formerly participated in a multi employer defined benefit scheme in respect of certain of its employees and has made fixed additional payments in the year to 31 March 2020 to fully exit the scheme. In the prior year the charity's net obligation in respect of the defined benefit pension scheme was recognised in the balance sheet at the present value of the future benefits that employees have earned in return for their service in the current and previous periods less the fair value of the plan assets, together with adjustments for the past service costs not yet recognised. The defined benefit obligation was calculated by independant actuaries using the projected unit credit method. The present value of the defined benefit obligation was determined by discounting the estimated future cash outflows using the interest rates of high quality corporate bonds that have terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses are accounted for as unrealised gains and losses within the Statement of Financial Activities.

The charity also operates defined contribution pension schemes for certain other employees. Contributions payable to the defined contribution pension schemes are charged as an expense within the Statement of Financial Activities in the period to which they relate.

2.14 Fund accounting

General funds are unrestricted funds which 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 comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Depreciation - The Trustees have calculated depreciation based on the estimnated life of the individual asset and any residual value it might have.

Property values and impairment - The carrying value of property in the accounts is based on historic cost and Trustees have assessed the estimated market value is at least equal to the carrying value of the properties with no impairment.

Allocation of costs - The allocation of expenditure between direct and support activities involves an element of judgement and estimate, particularly in respect of shared costs.

4. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Donations	13,578	**13,578**	*2,566*
Grants	58,160	**58,160**	*137,805*
	71,738	**71,738**	*140,371*
Total 2021	*140,371*	*140,371*	

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Social Services funding	4,633,975	**4,633,975**	*5,321,902*
Self funded residents	640,472	**640,472**	*308,117*
Care income	180	**180**	*109,027*
Cleaning and laundry income	-	**-**	*22,699*
Rental income	343,051	**343,051**	*116,428*
	5,617,678	**5,617,678**	*5,878,173*
Total 2021	*5,878,173*	*5,878,173*	

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Deposit account income	3,371	**3,371**	*5,577*
Total 2021	*5,577*	*5,577*	

7. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Other income	4,000	**4,000**	*12,949*
Total 2021	*12,949*	*12,949*	

8. Income by charitable activites

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Activity			
Homes for older people	1,770,249	**1,770,249**	*1,315,680*
Nursing home	116,192	**116,192**	*830,794*
Residential network including Westleigh House	1,488,875	**1,488,875**	*1,374,352*
Community network	2,022,957	**2,022,957**	*1,704,614*
Ryfields Village	-	**-**	*418,455*
COVID grant funding	202,005	**202,005**	*387,419*
Central	6,370	**6,370**	*5,756*
	5,606,648	**5,606,648**	*6,037,070*

9. Expenditure on charitable activities

	2022 £	*2021* *£*
Direct costs	**4,639,965**	*5,588,603*
Support costs	**663,486**	*682,952*
Governance costs	**200,828**	*109,100*
	5,504,279	*6,380,655*

10. Direct costs

	2022 £	*2021* *£*
Wages and salaries	**3,370,039**	*4,219,568*
Social security	**215,815**	*220,998*
Pensions	**72,482**	*103,944*
Rent and rates	**262,980**	*104,428*
Light and heat	**60,494**	*90,547*
Insurance	**58,832**	*54,010*
Telephone	**18,231**	*28,347*
Postage and stationery	**7,371**	*35,216*
Sundry expenses	**2,893**	*3,963*
Food and provisions	**135,949**	*144,392*
Medical and clinical costs	**6,129**	*81,727*
Transport costs	**2,072**	*8,453*
Recruitment expenses	**9,333**	*29,212*
Training costs	**2,195**	*2,361*
Repairs and Renewals	**196,633**	*271,290*
Cleaning	**47,448**	*29,559*
Registration costs	**15,614**	*17,822*
Travelling	**6,603**	*12,046*
Computer costs	**5,669**	*10,326*
Private health	**1,145**	*2,465*
Bad debts	**(20,848)**	*1,552*
Legal and professional fees	**38,887**	*10,951*
Payroll fees	**11,661**	-
Depreciation	**110,864**	*105,076*
Mortgage interest	**-**	*350*
Advocacy fees	**2,431**	-
Profit on sale of asset	**(957)**	-
	4,639,965	*5,588,603*

11. Support costs

	2022 £	2021 £
Wages	**395,832**	*458,278*
National insurance	**34,514**	*43,699*
Pension cost	**26,596**	*30,462*
Rent and rates	**33,674**	*24,084*
Light and heat	**1,625**	*-*
Insurance	**19,691**	*18,004*
Telephone	**6,637**	*8,444*
Postage and stationery	**4,363**	*2,607*
Sundry expenses	**12,342**	*3,485*
Food and provisions	**22**	*-*
Repairs and renewals	**21,529**	*1,577*
Recruitment	**59,319**	*22,819*
Training costs	**4,051**	*4,821*
Computer costs	**32,544**	*37,078*
Cleaning	**1,439**	*1,632*
Registration costs	**46**	*-*
Travelling	**2,859**	*1,016*
Payroll fees	**1,886**	*18,600*
Depreciation	**2,827**	*3,307*
Bank charges	**1,690**	*3,232*
Profit on sale of asset	**-**	*(193)*
	663,486	*682,952*

12. Governance costs

	2022 £	2021 £
Legal and professional fees	**157,390**	*82,175*
Auditors' remuneration	**27,450**	*8,100*
Auditors' remuneration for non-audit work	**8,990**	*7,200*
Pension administration fees	**6,998**	*10,500*
Advocacy fees	**-**	*1,125*
	200,828	*109,100*

13. Net income (expenditure) is stated after charging / (crediting):

	2022 £	*2021* *£*
Auditors' remuneration	**27,450**	*8,100*
Auditors' remuneration for non-audit work	**8,990**	*7,200*
Depreciation - owned assets	**113,691**	*108,383*
Surplus on disposal of fixed assets	**(957)**	*(507)*
	149,174	*123,176*

14. Staff costs

	2022 £	*2021* *£*
Wages and salaries	**3,765,871**	*4,677,846*
Social security costs	**250,329**	*264,697*
Contribution to defined contribution pension schemes	**99,078**	*134,406*
	4,115,278	*5,076,949*

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	*2021* *No.*
Homes for older people	**54**	*71*
Nursing home	**-**	*32*
Residential network inc Westleigh House	**29**	*57*
Community network	**75**	*67*
Head office	**14**	*15*
Ryfields Village	**-**	*20*
	172	*262*

14. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	*2021*
	No.	*No.*
In the band £60,001 - £70,000	**-**	*1*
In the band £80,001 - £90,000	**1**	-

The key management personnel of the charity comprise the Senior Management Team and the Company Secretary. The total remuneration paid in respect of the charity's key management personnel was £415,074 (2021: £551,928).

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2021 - £NIL)*.

During the year ended 31 March 2022, expenses totalling £NIL were reimbursed or paid directly to the Trustees, *(2021 - £268 to* the Trustees).

16. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Improvements to property £	Total £
Cost or valuation						
At 1 April 2021	**3,960,603**	**210,000**	**37,884**	**606,592**	**78,294**	**4,893,373**
Additions	**-**	**-**	**-**	**112,106**	**4,359**	**116,465**
Disposals	**-**	**-**	**(37,884)**	**(4,251)**	**-**	**(42,135)**
At 31 March 2022	**3,960,603**	**210,000**	**-**	**714,447**	**82,653**	**4,967,703**
Depreciation						
At 1 April 2021	**2,008,281**	**59,151**	**25,477**	**554,478**	**39,126**	**2,686,513**
Charge for the year	**71,328**	**4,200**	**834**	**33,273**	**4,056**	**113,691**
On disposals	**-**	**-**	**(26,311)**	**(1,121)**	**-**	**(27,432)**
At 31 March 2022	**2,079,609**	**63,351**	**-**	**586,630**	**43,182**	**2,772,772**
Net book value						
At 31 March 2022	**1,880,994**	**146,649**	**-**	**127,817**	**39,471**	**2,194,931**
At 31 March 2021	*1,952,322*	*150,849*	*12,407*	*52,114*	*39,168*	*2,206,860*

The cost of freehold property above is net of a grant to the value of £327,975 from the Health Authority dating back to the 1990s in relation to two properties. Whilst the charity is legal owner of the properties, there is a charge providing that in the event of a change in use or disposal of the properties, the Health Authority is to receive the open market value of the properties. The grant represents the total cost of the properties.

A grant was received to fund the purchase of another of the charity's freehold properties, 10a Lodge Lane, Warrington. A condition of the grant was that if the building were sold or no longer used as a nursing home for clients with mental health disorder, the grant would be repayable. The amount repayable would be 25.5% of the market value of the property at the date of sale less the costs of sale. There is no intention to sell or change the use of the property.

All fixed assets, including freehold property are for the use in direct furtherance of the charity's objects.

The net book value of assets includes £47,179 (2021:£Nil) held under a hire purchase agreement. Depreciation of £4,290 (2021:£Nil) was charged in the year on these.

17. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2021	**-**	**344,016**	**344,016**
Additions	**1**	**1,762**	**1,763**
Revaluations	**-**	**(2,267)**	**(2,267)**
At 31 March 2022	**1**	**343,511**	**343,512**
Net book value			
At 31 March 2022	**1**	**343,511**	**343,512**
At 31 March 2021	*-*	*344,016*	*344,016*

There were no investment assets held outside the UK.

The historical cost of investments at 31 March 2022 amounted to £278,297 (2021 - £278,297).

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Registered office or principal place of business	Principal activity	Class of shares	Holding
Warrington Community Living Service Company Ltd	G104 C/O Beyond Profit, Bolton Arena, Arena Approach, Horwich, Bolton, England, BL6 6LB	Dormant	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Net assets £
Warrington Community Living Service Company Ltd	**1**

18. Debtors

	2022 £	*2021* *£*
Due within one year		
Trade debtors	**233,334**	*410,528*
Other debtors	**506**	*-*
Called up share capital not paid	**(1)**	*-*
Prepayments and accrued income	**193,591**	*262,968*
	427,430	*673,496*

19. Creditors: Amounts falling due within one year

	2022 £	*2021* *£*
Trade creditors	**320,036**	*290,709*
Other taxation and social security	**49,284**	*58,953*
Obligations under finance lease and hire purchase contracts	**17,679**	*-*
Other creditors	**47,829**	*50,042*
Accruals and deferred income	**218,368**	*190,283*
	653,196	*589,987*

Obligations under finance lease and hire purchase contracts are secured by the underlying assets to which they relate.

20. Creditors: Amounts falling due after more than one year

	2022 £	*2021* *£*
Net obligations under finance lease and hire purchase contracts	**30,939**	*-*

21. Financial instruments

	2022 £	*2021* *£*
Financial assets		
Financial assets measured at cost through income and expenditure	**2,379,061**	*2,056,214*
Financial assets measured at fair value	**343,511**	*344,016*
	2,722,572	*2,400,230*

	2022 £	*2021* *£*
Financial liabilities		
Financial liabilities measured at cost through income and expenditure	**590,499**	*531,034*

Financial assets measured at costs through income and expenditure comprise trade and other debtors and cash

Financial instruments measured at fair value through income and expenditure comprise investments

Financial liabilities measured at cost through income and expenditure comprise trade and other creditors and accruals

22. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Designated Funds - all funds	**2,068,213**	**-**	**(17,715)**	**-**	**2,050,498**
General funds					
General funds	**2,147,139**	**5,696,787**	**(5,486,564)**	**-**	**2,357,362**
Revaluation reserve	**65,719**	**-**	**-**	**(2,267)**	**63,452**
	2,212,858	**5,696,787**	**(5,486,564)**	**(2,267)**	**2,420,814**
Total unrestricted funds	**4,281,071**	**5,696,787**	**(5,504,279)**	**(2,267)**	**4,471,312**

22. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	*Income* £	*Expenditure* £	*Gains/ (Losses)* £	*Balance at 31 March 2021* £
Unrestricted funds					
Designated funds					
Designated Funds - all funds	*2,139,315*	*-*	*(71,102)*	*-*	*2,068,213*
General funds					
General funds	*2,419,622*	*6,037,070*	*(6,309,553)*	*-*	*2,147,139*
Revaluation reserve	*37,245*	*-*	*-*	*28,474*	*65,719*
	2,456,867	*6,037,070*	*(6,309,553)*	*28,474*	*2,212,858*
Total unrestricted funds	*4,596,182*	*6,037,070*	*(6,380,655)*	*28,474*	*4,281,071*

Designated funds have been set aside for significant refurbishments and renovation works.

23. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	**Income** £	**Expenditure** £	**Gains/ (Losses)** £	**Balance at 31 March 2022** £
Designated funds	**2,068,213**	**-**	**(17,715)**	**-**	**2,050,498**
General funds	**2,212,858**	**5,696,787**	**(5,486,564)**	**(2,267)**	**2,420,814**
	4,281,071	**5,696,787**	**(5,504,279)**	**(2,267)**	**4,471,312**

23. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2020 £	*Income* £	*Expenditure* £	*Gains/ (Losses)* £	*Balance at 31 March 2021* £
Designated funds	*2,139,315*	*-*	*(71,102)*	*-*	*2,068,213*
General funds	*2,456,867*	*6,037,070*	*(6,309,553)*	*28,474*	*2,212,858*
	4,596,182	*6,037,070*	*(6,380,655)*	*28,474*	*4,281,071*

Designated funds have been set aside for significant refurbishment and renovation works

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	**Total funds 2022 £**
Tangible fixed assets	2,194,931	**2,194,931**
Fixed asset investments	343,511	**343,511**
Current assets	2,572,652	**2,572,652**
Creditors due within one year	(608,843)	**(608,843)**
Creditors due in more than one year	(30,939)	**(30,939)**
Total	4,471,312	**4,471,312**

24. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	*Total funds 2021 £*
Tangible fixed assets	*2,206,860*	*2,206,860*
Fixed asset investments	*344,016*	*344,016*
Current assets	*2,320,182*	*2,320,182*
Creditors due within one year	*(589,987)*	*(589,987)*
Total	*4,281,071*	*4,281,071*

25. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	*2021 £*
Net income/expenditure for the year (as per Statement of Financial Activities)	**192,508**	*(343,585)*
Adjustments for:		
Depreciation charges	**113,691**	*108,383*
Profit on the sale of fixed assets	**(957)**	*(193)*
Decrease in debtors	**290,418**	*216,337*
Increase/(decrease) in creditors	**1,177**	*(289,778)*
Net cash provided by/(used in) operating activities	**596,837**	*(308,836)*

26. Analysis of cash and cash equivalents

	2022 £	*2021 £*
Cash in hand	**2,189,574**	*1,646,686*
Total cash and cash equivalents	**2,189,574**	*1,646,686*

27. Analysis of changes in net debt

	At 1 April 2021	Cash flows	New finance leases	At 31 March 2022
	£	£	£	£
Cash at bank and in hand	**1,646,686**	**542,888**	**-**	**2,189,574**
Finance leases	**-**	**15,147**	**(63,765)**	**(48,618)**
	1,646,686	**558,035**	**(63,765)**	**2,140,956**

28. Employee benefit obligations

The charity operates a defined contribution pension scheme.

The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £99,078 (2021 - £134,406). £20,207 (2021: £22,215) was payable to the fund at the balance sheet date and are included in creditors."

29. Indemnity insurance

The charity has made payments for insurance on behalf of the trustees and officers of the company to indemnify them against any obligations which may arise as a result of their actions in connection with the objects of the company. Payments amounts to £XXX (2021 - £2,851) and is charged in the Statement of Financial Activities.

30. Funds held as custodian for others

The charity acts as custodian of monies belonging to certain of its service users. These monies are held in bank accounts separate from the accounts of the charity. At 31 March 2022, the charity held £4,940 (2021 - £126,060) as custodian.

31. Operating lease commitments

At 31 March 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	*2021* *£*
Land and buildings		
Not later than 1 year	**235,472**	*229,684*
Later than 1 year and not later than 5 years	**-**	*8,745*
	235,472	*238,429*
Other		
Not later than 1 year	**45,044**	*69,247*
Later than 1 year and not later than 5 years	**74,202**	*113,463*
Later than 5 years	**6,714**	*12,085*
	125,960	*194,795*
	361,432	*433,224*

32. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2022.

We Change Lives (WCL)

England & Wales - Charity number 1003023

Accounts

Registered number: 02595601
Charity number: 1003023

WARRINGTON COMMUNITY LIVING

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

WARRINGTON COMMUNITY LIVING
(A Company Limited by Guarantee)

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WARRINGTON COMMUNITY LIVING

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Mr C Howarth, Trustee Mr P Holmes, Trustee Mrs J L Wycherley, Trustee Mrs J Carolan, Trustee Mr I Fairbrother, Trustee Mr P Taberham, Trustee Mr R Gore, Trustee Mrs K Robinson, Trustee
Company registered number	02595601
Charity registered number	1003023
Registered office	The Gateway Resource Centre Sankey Street Warrington Cheshire WA1 1SR
Chief executive officer	Phillip Sermon
Independent auditor	Crowe U.K. LLP 3rd floor The Lexicon Mount Street Manchester M2 5NT
Senior Management Team	Phil Sermon - Chief Executive Officer Sarah Gardner - Deputy Chief Executive Officer Deborah Furness - Project Manager Aravind Appaji - Finance Manager Sarah Battersby - Quality and Safeguarding manager Tania Young - Organisational Support Manager Elaine Cleary - Organisational Development Manager

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021.

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The board of Ttrustees administers the charity. The board meet once every two months to manage the charity's affairs, receiving management accounts and reports from the Chief Executive and the various heads of department.

The Chief Executive is appointed by the board to manage the day to day operations of the charity. To facilitate effective operations the Chief Executive has delegated authority, within terms of delegation approved by the directors, for operational matters such as care and employment. Financial decisions are governed by the Financial Regulations Policy 10/05, currently being reviewed, as approved by the board of Trustees.

Recruitment and appointment of new trustees

Trustees are recruited via an open recruitment method with Trustee roles being advertised on LinkedIn and other social media channels

The Trustees are appointed by the Board of Directors as stated in the articles of association. Trustees must retire after their first year in office but being eligible may offer themselves for re-election. Thereafter one third of the Trustees must retire by rotation, being those that have been in office the longest since their last appointment.

In accordance with the Articles of Association, at the Annual General Meeting the following Trustees retire and, being eligible, offer themselves for re-election:

The retirement of two Board members combined with a Trustee competency analysis means that the Board plan to undertake recruitment of new Trustees in the next year to sustain its numbers and to increase its competence in key areas relating to finance, IT, HR and the law.

Induction and training of new trustees

Newly appointed Trustees participate in an orientation programme based on the "Good Practice for Directors" standards for the Board, published by the Institute of Directors. The objective of the programme is to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Committee and decision making processes, the business plan and recent financial performance of the charity. During their induction period they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Key management remuneration

The WCL Board Appraisal (formerly Remuneration) Sub-Committee met during this period and reviewed the Chief Executive's performance and pay. The Committee aim to meet on an annual basis to review the CEO's performance against agreed objectives and also against the scope of his responsibilities to assess whether any pay awards are merited to include general cost of living rises awarded by the Board for all colleagues in the annual review of pay.

Other members of the Senior Management Team (SMT) are generally on fixed levels of pay with no additional increments available other than again through general cost of living rises awarded by the Board for all employees in the annual review of pay. However, some of the newer appointments have been made on a graduated scale of pay that allows the CEO to award an agreed increase to colleagues once they gain greater experience in post or agreed qualifications that were listed as desirable in the Person Specification but that they do not yet hold.

In the event that any SMT member assumed additional or greater responsibilities their pay would be reviewed by the CEO and if a permanent pay increase was considered appropriate this would be presented to and agreed by the WCL Board.

WCL do not pay bonuses or utilise performance related pay. We are pleased to report that we experience no adverse gender pay gaps with a sector leading 0% median pay gap, notably with the majority of our senior colleagues being women in line with our overall organisational gender balance.

The next Strategy Day will be held with Trustees and colleagues in October 2021.

OBJECTIVES AND ACTIVITIES
Warrington Community Living's charitable purpose is to support people to lead lives in a purposeful, healthy, and enjoyable way as full and equal members of their local community.

As such the aims of the organisation are to provide services to key groups of people in the Warrington community -these service aims include

Supported Living-where individuals with a learning, physical, associated mental health needs and dementia are supported in their own home/property to engage in a healthy and meaningful lifestyle, considering areas such as physical, intellectual, emotional, and social well-being through a variety of person-centred approaches.

Children and Young People-where young people with learning and or physical disability who wish to live their lives with the greatest self-sufficiency possible, developing social skills, confidence, and personal relationships to take their place as active valued citizens in the community.

Outreach-working to support people to develop their independence and resilience and to have increasing choice and control over their own lives.

Mental Health Residential Nursing Care-where individuals with complex mental health issues are supported with rehabilitation to reach and maintain optimum quality of life and achieve as much independence and enjoyment of their lives as possible.

Older People Residential Care-supporting older people and adults with various levels of learning, physical and associated mental health needs to engage in a healthy and meaningful lifestyle and be active members of their community in the safety of a shared living environment.

In achieving these objectives and aims, the Trustees have identified the following specific purposes and values:

Organisational Purpose - Supporting people to be active citizens
Organisational Values - Seeing the possibilities to make a positive difference - valuing and celebrating diversity, supporting rights, needs, choices and dreams. - Being responsible, sustainable, and innovative in our work.

There have been no material changes in policy or objectives throughout the year. The strategy is to deliver our key services by providing great quality Care in Safe environments delivered by responsive well trained and well led teams of People. This is underwritten with a Commercial / Financial focus to ensure the services provide great value for people we support but also deliver a surplus to ensure the future viability of the charity.

Measures to assess success include:
Care & Quality -CQC ratings (Outstanding, Good, Requires Improvement or Inadequate)-covers 5 key questions safe, effective, caring responsive and well led
People- Vacancies, Staff turnover, Training.
Commercial & Financial Risk - Income, Expenditure -Surplus, Cash Reserves etc.

Public benefit
The Trustees confirm they have regard for the Public Benefit guidance issued by the Charity Commission as the Charities Act 2011 requires the Charity to demonstrate the Public Benefit of our aims. The Charity's Purpose is to benefit the public by providing Residential and Nursing accommodation, care and support for adults who have learning disabilities and for people requiring support including those who have dementia. We also provide support for people who have learning disabilities to enable them to live as independently as possible within their own homes. The people who have used and benefited from our accommodation and support are from Warrington, Halton, St Helens, Stockport, Lancashire, Sefton, Bolton, Knowsley, Wigan, and Wakefield.
Circa 600 people have used those services during this period and our current funding limits the number of people that we can support. Demand for our services is met by giving priority to referrals from local authority adult social care departments and local Primary Care Trusts and on some occasions, self, or family referrals.
Warrington Community Living attend and support a range of local statutory and voluntary sector forums relating to older people, people with learning disabilities, and people with dementia.

Achievement and performance Charitable activities
Warrington Community Living was conceived in 1989 and established as a charity in 1991. Its original purpose was to support people with learning disabilities moving out of long stay hospital accommodation and provide them with community focused services that would promote independence and a more inclusive lifestyle. This work continued and following a merger with Warrington Community Care was extended to include working with older people including increasingly those with dementia. In the last five years, we have extended this work further into supporting people with mental health issues and disabled children and young people and in that period, we have moved from supporting less than 100 people, to supporting over 600 people every year.

WCL continues to satisfactorily operate the following services that are registered and regulated by the Care Quality Commission (CQC):

Heathside - a residential home in Penketh for 37 older people and people with dementia, which is now also successfully working with older people with a learning disability

Heathside Mews - a residential home in Penketh for 25 older people and people with dementia

Lodge Lane - a residential nursing home in Bewsey for 20 people with mental health issues.

Westleigh House - a residential home in Stockton Heath for 20 people with mental health issues

Lucklaw - a residential home in Great Sankey for 4 people with profound and multiple learning and physical disabilities.

Twiss Green Lane -a residential home in Great Sankey for 4 people with profound and multiple learning disabilities.

Community Network - a flexible community-based service for people with physical and learning disabilities, older people and people with dementia which also works with children and young people with disabilities.

And the following service which are not required to be registered with CQC:

Community Mental Health and Wellbeing Team incorporating: - Supported Housing Network - a network of flats for 57 people offering low level support for enduring mental health issues

Complex Mental Health and Outreach Service - one to one support for people recovering from complex mental health needs

Park House - a three bedroomed alternative option to admission to psychiatric hospital.

As at March 2021 our CQC ratings are as follows;

Service	CQC Rating
Community Network	Good
Heathside	Good
Heathside Mews	Good
Lodge Lane	Requires improvement
Twiss Green Lane	Good
Lucklaw	Good
Westleigh House	Requires improvement.

The measurements regarding Care & Quality for services measured by CQC are currently rated as Good-the service is performing well and meeting their expectations except for Lodge Lane and Westleigh where they are rated as Require Improvements.

People retention is currently averaging 90% with all services above 80% and Small Residential at 100%, Vacancy rate overall is tracking at 6% with all services below the target of 20% except Nursing Staff which is at 50%.

We appointed a new external CEO and internally promoted a new Deputy CEO to lead the organisation through its next stages of development turnround and transformation focusing on care, people, quality, safeguarding and commerciality.

February /March 2020 saw the outbreak of Covid-19 pandemic where we endeavoured to continue our support to our residents and others whom we provide care for. We recruited a dedicated team to monitor and implement the information provided by the Government and Local Government such as Warrington Borough Council as well as the supporting services such as the CCG and CQC. Where possible we endeavoured to maintain "business as usual" albeit changes were made in line with Government guidelines such as restrictions on visiting in our services, our outreach and Children's services ceased to provide support in public spaces and where individuals who receive Outreach services and were choosing to self -isolate and did not want visits we respected their decisions and allocated support elsewhere. We reacted to the changes in how we were able to support individuals with diverse needs by upgrading our IT equipment to enable people to make video calls and trained our team where required in the use of Teams, Zoom, WhatsApp etc so that residents could then be assisted in communicating with friends and family who could not visit. As lockdown restrictions were amended or lifted we amended our services to reflect the guidelines and continue to closely monitor and test all services to protect residents and staff members.

Reserves policy
When developing the charity's reserves policy the trustees have considered current obligations, commitments to staff and service users and the development of the charity.

In June 2017 the WCL Board agreed a new Reserves, Designated Funds and Investments Policy and at their meeting in August 2017 this was further detailed with the following intentions:

Main Reserve
£1M to be held in reserve for unplanned and cash flow needs of which:
- £0.75M can be held in medium term investments (tied up to maximum three years)
- £0.25M should be held available for more immediate use

Designated Funds

Currently our designated funds total £2 million. Of this the key designations are as follows:

Heathside	£1,784,520

Major repairs	£100,229
Radcliffe Meadows	£167,919

This position on reserves and designated funds will be reviewed annually.

An analysis of reserves at 31 March 2021 reveals that of total reserves of £4.28m of which £2.28m represents unrestricted and remaining funds £2.00m available for designated repair and refurbishment.

Principal risks /uncertainties

Covid 19 continues to be a worldwide risk and at WCL we continue to follow national guidelines and best practices to mitigate the risk to both our residents and staff. We closely and continuously update our operating practices in line with guidance form the UK government, CQC etc.

Other risks include care and safeguarding of residents and service users are mitigated with a dedicated Safeguarding Manager following the Health and Safety Executive (HSE) guidance stressing the need for risk assessments to be proportionate and balanced as well as reflecting a common-sense, integrated approach to health and safety. This protects our people by putting in place measures to control realistic risks, so far as reasonably practicable.

Future Plans
Following a deep dive review of the organisation we committed to ensuring that each service was financially self-sufficient and operating at a surplus therefore not reliant on cross subsidies from other services. In addition we agreed to invest in services where opportunities presented themselves to offer enhanced facilities to residents or service users such as reviewing the opportunities to provide en-suite facilities in Residential Care Homes We committed to renegotiate or exit any contract or service that in our professional opinion we could not foresee would operate in surplus.

Additionally, we committed to actively start tendering for new services (mini and maxi tenders). Furthermore to consider repurposing property to provide new services that meet local authority requirements as specified in their Market /Housing Positioning Statement as well as to consider Mergers & Acquisitions if there was a great fit from a care, safeguarding, cultural, geographic and commercial perspective.

Going Concern
The main financial focus for the 20/21 year was to turnround the organisation from loss making to a surplus generating organisation. This involved looking at all income streams and seeking to maximise these as well as all expenditure and seeking to verify if it was necessary as well as best value.

As regards income we re-negotiated several contracts to increase their contributions, introduced top up fees for certain facilities provided in residential care homes and a marketing campaign to reduce voids in all services

As regards expenditure we looked at a programme of labour efficiencies through rota planning and scheduling, we looked at expenditure in every category from food to vehicles and IT to Maintenance and Repairs. In addition, we looked at the central overhead and reduced costs through a redundancy programme without compromising quality of support.

The outcome for the organisation was that almost every service even at its micro level started to operate at a surplus and a focus on commerciality as well as care, quality and safeguarding was established.

A further part of our move towards operating surplus generating services we made the decision at the board meeting in December 2020 to look to close Lodge Lane Nursing Home and to consider all options as to its future -these included repurposing the asset, disposal, leasing the building to a care operator or mothballing.

The results of all of these turnround actions has meant that the organisation is significantly better placed to move forward as a going concern.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Mr R Gore

Date: 17th November 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WARRINGTON COMMUNITY LIVING

Opinion

We have audited the financial statements of Warrington Community Living (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WARRINGTON COMMUNITY LIVING (CONTINUED)

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 we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WARRINGTON COMMUNITY LIVING (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011 and employment tax legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and completeness of income. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, specific tests on revenue recognition and cut off and reviewing accounting estimates for biases.

Our audit approach for income was to being our testing from source documentation such as rent registers and contracts with the council. Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

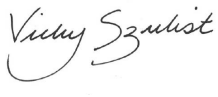
We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WARRINGTON COMMUNITY LIVING (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



V Szulist(Senior Statutory Auditor)
Crowe U.K. LLP

Statutory Auditor

3rd floor

The Lexicon

Mount Street

Manchester

M2 5NT

Date: 1st December 2021

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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

	Note	Continuing operations 2021 £	Discontinued operations 2021 £	Total Unrestricted Funds 2021 £	*Continuing operations 2020 £*	*Total funds 2020 £*
Income from:						
Donations and legacies	4	**140,371**	**-**	**140,371**	*282,853*	*282,853*
Charitable activities	5	**4,917,374**	**960,799**	**5,878,173**	*6,724,974*	*6,724,974*
Investments	6	**5,577**	**-**	**5,577**	*6,016*	*6,016*
Other income	7	**12,949**	**-**	**12,949**	*1,400*	*1,400*
Total income		**5,076,271**	**960,799**	**6,037,070**	*7,015,243*	*7,015,243*
Expenditure on:						
Charitable activities		**6,126,323**	**254,332**	**6,380,655**	*8,024,037*	*8,024,037*
Net movement in funds before other recognised gains/(losses)		**(1,050,052)**	**706,467**	**(343,585)**	*(1,008,794)*	*(1,008,794)*
Other recognised gains/(losses):						
Gains/(losses) on revaluation of fixed assets		**28,474**	**-**	**28,474**	*(27,497)*	*(27,497)*
Actuarial gains/(losses) on defined benefit schemes		**-**	**-**	**-**	*(52,416)*	*(52,416)*
Net movement in funds		**(1,021,578)**	**706,467**	**(315,111)**	*(1,088,707)*	*(1,088,707)*
Reconciliation of funds:						
Total funds brought forward		**4,596,182**	**-**	**4,596,182**	*5,684,889*	*5,684,889*
Net movement in funds		**(1,021,578)**	**706,467**	**(315,111)**	*(1,088,707)*	*(1,088,707)*
Total funds carried forward		**3,574,604**	**706,467**	**4,281,071**	*4,596,182*	*4,596,182*

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 35 form part of these financial statements.

WARRINGTON COMMUNITY LIVING
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02595601

BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		*2020 £*
Fixed assets					
Tangible assets	16		**2,206,860**		*2,281,002*
Investments	17		**344,016**		*309,173*
			2,550,876		*2,590,175*
Current assets					
Debtors	18	**673,496**		*889,833*	
Cash at bank and in hand		**1,646,686**		*2,045,975*	
		2,320,182		*2,935,808*	
Creditors: amounts falling due within one year	19	**(589,987)**		*(929,801)*	
Net current assets			**1,730,195**		*2,006,007*
Total assets less current liabilities			**4,281,071**		*4,596,182*
Total net assets			**4,281,071**		*4,596,182*
Charity funds					
Restricted funds	21		**-**		*-*
Unrestricted funds	21		**4,281,071**		*4,596,182*
Total funds			**4,281,071**		*4,596,182*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

Mr R Gore

Date: 17th November 2021

The notes on pages 15 to 35 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	24	**(317,785)**	*(516,889)*
Cash flows from investing activities			
Dividends, interests and rents from investments		**8,949**	*6,016*
Proceeds from the sale of tangible fixed assets		**700**	*15,155*
Purchase of tangible fixed assets		**(34,747)**	*(66,501)*
Purchase of investments		**(6,369)**	*(6,327)*
Net cash used in investing activities		**(31,467)**	**(51,657)**
Cash flows from financing activities			
Repayments of borrowing		**(50,037)**	*(81,084)*
Net cash used in financing activities		**(50,037)**	**(81,084)**
Change in cash and cash equivalents in the year		**(399,289)**	**(649,630)**
Cash and cash equivalents at the beginning of the year		**2,045,975**	*2,695,605*
Cash and cash equivalents at the end of the year	25	**1,646,686**	*2,045,975*

The notes on pages 15 to 35 form part of these financial statements

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

1. General information and basis of preparation

Warrington Community Living is a charitable company limited by guarantee incorporated in the United Kingdom. Under the terms of the Memorandum and Articles of Association, each member, in the event of the charity being wound up whilst a member, and within one year after ceasing to be a member, undetakes to contribute to the assets of the charity, an amount not exceeding £10 for payment of the debts or liabilities of the charity. The address of the registered office is given in the Report of the Trustees. The nature of the charity's operationg and principal activities are also detailed in the Report of the Trustees.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Charities SORP (FRS102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity.

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

2. Accounting policies

2.1 Going concern

The main financial focus for the 20/21 year was to turnround the organisation from loss making to a surplus generating organisation. This involved looking at all income streams and seeking to maximise these as well as all expenditure and seeking to verify if it was necessary as well as best value.

Management re-negotiated several contracts to increase their contributions, introduced top up fees for certain facilities provided in residential care homes and a marketing campaign to reduce voids in all services In addition, they implemented a programme of labour efficiencies through rota planning and scheduling reduced costs through a redundancy programme without compromising quality of support.

The outcome for the organisation was that almost every service even at its micro level started to operate at a surplus and a focus on commerciality as well as care, quality and safeguarding was established.

A further part of our move towards operating surplus generating services we made the decision at the board meeting in December 2020 to look to close Lodge Lane Nursing Home and to consider all options as to its future -these included repurposing the asset, disposal, leasing the building to a care operator or mothballing.

The results of all of these turnround actions has meant that the organisation is significantly better placed to move forward as a going concern.

2. Accounting policies (continued)

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations and grants are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the Charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period.

Income from NHS contracts, government and other grants, whether 'capital' grants or 'revenue' grants, are recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Other income consists of resident monies and appointee's monies received for monitoring and advising on resident spends during the year.

Rental income is recognised in the period to which it relates.

Care income and cleaning income is in relation to Ryfields Village and is recognised upon delivery of the service.

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the Charity and include governance cost, finance, and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the Charity.

Support costs are allocated to each of the activities based on the percentage of Local Authority income to best allocate the costs to each attributable heading. More detail on the analysis and basis of allocation is given in note 6 to the financial statements.

2.4 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	-		Straight line between 18 - 50 years
Long-term leasehold property	-	2%	On cost
Motor vehicles	-		Straight line between 4 - 5 years
Fixtures and fittings	-		Straight line between 3 - 6 years
Improvements to property	-	5%	on cost and Straight line over 5 years

The need for any impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

In the 1990s, the charity received a grant of £327,975 to acquire two properties. The grant was subject to legal charges stating that should the properties be subject to a change in use or disposal then the donor would be entitled to the open market value of the properties. Given the legal charges placed on the properties, the grant income was netted off the purchase price of the properties at the time and has not been recognised in the accounts. The grant recognised the full purchase price of the properties.

2.6 Investments

Investments are a form of basic financial instruments and are intially recognised at their transcation value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2.7 Debtors

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

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Financial instruments

The Charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

2.12 Pensions

The charity formerly participated in a multi employer defined benefit scheme in respect of certain of its employees and has made fixed additional payments in the year to 31 March 2020 to fully exit the scheme. In the prior year the charity's net obligation in respect of the defined benefit pension scheme was recognised in the balance sheet at the present value of the future benefits that employees have earned in return for their service in the current and previous periods less the fair value of the plan assets, together with adjustments for the past service costs not yet recognised. The defined benefit obligation was calculated by independant actuaries using the projected unit credit method. The present value of the defined benefit obligation was determined by discounting the estimated future cash outflows using the interest rates of high quality corporate bonds that have terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses are accounted for as unrealised gains and losses within the Statement of Financial Activities.

The charity also operates defined contribution pension schemes for certain other employees. Contributions payable to the defined contribution pension schemes are charged as an expense within the Statement of Financial Activities in the period to which they relate.

2. Accounting policies (continued)

2.13 Fund accounting

General funds are unrestricted funds which 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 comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Depreciation - The Trustees have calculated depreciation based on the estimated life of the individual asset and any residual value it might have.

Property values and impairment - The carrying value of property in the accounts is based on historic cost and Trustees have assessed the estimated market value is at least equal to the carrying value of the properties with no impairment.

Allocation of costs - The allocation of expenditure between direct and support activities involves an element of judgement and estimate, particularly in respect of shared costs.

4. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Donations	2,566	**2,566**	*1,608*
Grants	137,805	**137,805**	*281,245*
	140,371	**140,371**	*282,853*
Total 2020	*282,853*	*282,853*	

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Social Services funding	5,321,902	**5,321,902**	*5,552,895*
Other income	308,117	**308,117**	*481,793*
Care income	109,027	**109,027**	*303,108*
Cleaning and laundry income	22,699	**22,699**	*53,533*
Rental income	116,428	**116,428**	*333,645*
	5,878,173	**5,878,173**	*6,724,974*
Total 2020	*6,724,974*	*6,724,974*	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Deposit account income	5,577	**5,577**	*6,016*
Total 2020	*6,016*	*6,016*	

7. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Other income	12,949	**12,949**	*1,400*
Total 2020	*1,400*	*1,400*	

8. Income by charitable activites

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Activity			
Homes for older people	1,315,680	**1,315,680**	*1,575,896*
Nursing home	830,794	**830,794**	*1,815,157*
Residential network including Westleigh House	1,374,352	**1,374,352**	*1,215,979*
Community network	1,704,614	**1,704,614**	*1,560,368*
Ryfields Village	418,455	**418,455**	*504,064*
COVID grant funding	387,419	**387,419**	-
Central	5,756	**5,756**	-
	6,037,070	**6,037,070**	*6,671,464*

9. Expenditure on charitable activities

	2021 £	*2020 £*
Direct costs	**5,534,593**	*7,199,580*
Support costs	**736,962**	*749,778*
Governance costs	**109,100**	*74,679*
	6,380,655	*8,024,037*

10. Direct costs

	2021 £	*2020* *£*
Wages	**4,219,568**	*5,285,002*
Social security	**220,998**	*252,445*
Pensions	**103,944**	*124,093*
Rent and rates	**104,428**	*342,965*
Light and heat	**90,547**	*150,054*
Telephone	**28,347**	*26,834*
Postage and stationery	**35,216**	*30,422*
Sundry expenses	**3,963**	*144*
Food and provisions	**144,392**	*157,805*
Medical and clinical costs	**81,727**	*73,534*
Transport costs	**8,453**	*20,462*
Recruitment expenses	**29,212**	*6,471*
Training costs	**2,361**	*25,790*
Repairs and Renewals	**271,290**	*462,897*
Cleaning	**29,559**	*41,726*
Registration costs	**17,822**	*21,032*
Travelling	**12,046**	*28,663*
Computer costs	**10,326**	*2,679*
Private health	**2,465**	*2,268*
Bad debts	**1,552**	*17,552*
Legal and professional fees	**10,951**	*27,209*
Depreciation	**105,076**	*97,564*
Mortgage interest	**350**	*1,969*
	5,534,593	*7,199,580*

11. Support costs

	2021 £	2020 £
Wages	**458,278**	*418,081*
National insurance	**43,699**	*31,153*
Pension cost	**30,462**	*29,041*
Rent and rates	**24,084**	*22,891*
Insurance	**72,014**	*70,955*
Telephone	**8,444**	*7,186*
Postage	**2,607**	*41,651*
Sundry	**3,485**	*17,041*
Repairs and renewals	**1,577**	*21,366*
Recruitment	**22,819**	*13,969*
Training costs	**4,821**	*17,988*
Computer costs	**37,078**	*24,265*
Cleaning	**1,632**	*3,042*
Travelling	**1,016**	*1,292*
Payroll fees	**18,600**	*20,074*
Depreciation	**3,307**	*7,089*
Private health	**-**	*825*
Bank charges	**3,232**	*1,869*
Profit on sale of asset	**(193)**	-
	736,962	*749,778*

12. Governance costs

	2021 £	2020 £
Legal and professional fees	**82,175**	*19,218*
Auditors' remuneration	**8,100**	*8,590*
Auditors' remuneration for non-audit work	**7,200**	*30,644*
Pension administration fees	**10,500**	*11,874*
Advocacy fees	**1,125**	*4,353*
	109,100	*74,679*

13. Net income (expenditure) is stated after charging / (crediting):

	2021 £	*2020* *£*
Auditors' remuneration	**15,300**	*8,590*
Auditors' remuneration for non-audit work	**-**	*30,644*
Depreciation - owned assets	**108,383**	*104,653*
Surplus on disposal of fixed assets	**(507)**	*(1,400)*
	123,176	*142,487*

Auditors remuneration for non-audit work in the prior year relates entirely to fees payable to the charity's former auditors.

14. Staff costs

	2021 £	*2020* *£*
Wages and salaries	**4,677,846**	*5,703,083*
Social security costs	**264,697**	*283,598*
Contribution to defined contribution pension schemes	**134,406**	*153,134*
	5,076,949	*6,139,815*

Dutring the year the Charity agreed a settlement figure of £22,018 plus pension of £5,010 to the former CEO as a result of the termination of his employment.

In addition, the Charity paid £12,999 to a former employee in lieu of notice on termination of her employment.

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	*2020* *No.*
Homes for older people	**71**	*78*
Nursing home	**32**	*61*
Residential network inc Westleigh House	**57**	*63*
Community network	**67**	*78*
Head office	**15**	*15*
Ryfields Village	**20**	*49*
	262	*344*

14. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	*2020*
	No.	*No.*
In the band £60,001 - £70,000	**1**	*1*

The key management personnel of the charity comprise the Senior Management Team and the Company Secretary. The total remuneration paid in respect of the charity's key management personnel was £551,928 (2020: £473,784).

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2020 - £NIL)*.

During the year ended 31 March 2021, expenses totalling £268 were reimbursed or paid directly to the Trustees, *(2020 - £NIL to* the Trustees).

16. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Improvements to property £	Total £
Cost or valuation						
At 1 April 2020	**3,960,603**	**210,000**	**52,384**	**574,742**	**118,495**	**4,916,224**
Additions	**-**	**-**	**-**	**32,760**	**1,987**	**34,747**
Disposals	**-**	**-**	**(14,500)**	**(910)**	**(42,188)**	**(57,598)**
At 31 March 2021	**3,960,603**	**210,000**	**37,884**	**606,592**	**78,294**	**4,893,373**
Depreciation						
At 1 April 2020	**1,936,953**	**54,951**	**31,728**	**534,108**	**77,482**	**2,635,222**
Charge for the year	**71,328**	**4,200**	**8,249**	**20,774**	**3,832**	**108,383**
On disposals	**-**	**-**	**(14,500)**	**(404)**	**(42,188)**	**(57,092)**
At 31 March 2021	**2,008,281**	**59,151**	**25,477**	**554,478**	**39,126**	**2,686,513**
Net book value						
At 31 March 2021	**1,952,322**	**150,849**	**12,407**	**52,114**	**39,168**	**2,206,860**
At 31 March 2020	*2,023,650*	*155,049*	*20,656*	*40,634*	*41,013*	*2,281,002*

The cost of freehold property above is net of a grant to the value of £327,975 from the Health Authority dating back to the 1990s in relation to two properties. Whilst the charity is legal owner of the properties, there is a charge providing that in the event of a change in use or disposal of the properties, the Health Authority is to receive the open market value of the properties. The grant represents the total cost of the properties.

A grant was received to fund the purchase of another of the charity's freehold properties, 10a Lodge Lane, Warrington. A condition of the grant was that if the building were sold or no longer used as a nursing home for clients with mental health disorder, the grant would be repayable. The amount repayable would be 25.5% of the market value of the property at the date of sale less the costs of sale. There is no intention to sell or change the use of the property.

All fixed assets, including freehold property are for the use in direct furtherance of the charity's objects.

17. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2020	**309,173**
Additions	**6,369**
Revaluations	**28,474**
At 31 March 2021	**344,016**
Net book value	
At 31 March 2021	**344,016**
At 31 March 2020	*309,173*

There were no investment assets held outside the UK.

The historical cost of investments at 31 March 2021 amounted to £278,297 (2020 - £271,928).

18. Debtors

	2021 £	*2020 £*
Due within one year		
Trade debtors	**410,528**	*504,684*
Other debtors	**-**	*28,972*
Prepayments and accrued income	**262,968**	*356,177*
	673,496	*889,833*

19. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	**-**	*50,037*
Trade creditors	**290,709**	*578,996*
Other taxation and social security	**58,953**	*61,577*
Other creditors	**50,042**	*56,779*
Accruals and deferred income	**190,283**	*182,412*
	589,987	*929,801*

The bank loan was secured

20. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at cost through income and expenditure	**2,056,214**	*1,423,489*
Finacial assets measured at fair value	**344,016**	*309,173*
	2,400,230	*1,732,662*

	2021 £	2020 £
Financial liabilities		
Financial liabilities measured at cost through income and expenditure	**531,034**	*868,224*

Financial assets measured at costs through income and expenditure comprise trade debtors and cash

Financial instruments measured at fair value through income and expenditure comprise investments

Financial liabilities measured at cost through income and expenditure comprise trade and other creditors and accruals

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

21. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Designated Funds - all funds	**2,139,315**	**-**	**(71,102)**	**-**	**2,068,213**
General funds					
General funds	**2,419,622**	**6,037,070**	**(6,309,553)**	**-**	**2,147,139**
Revaluation reserve	**37,245**	**-**	**-**	**28,474**	**65,719**
	2,456,867	**6,037,070**	**(6,309,553)**	**28,474**	**2,212,858**
Total unrestricted funds	**4,596,182**	**6,037,070**	**(6,380,655)**	**28,474**	**4,281,071**

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2020* £
Unrestricted funds						
Designated funds						
Designated Funds - all funds	*2,615,798*	*-*	*(276,358)*	*(200,125)*	*-*	*2,139,315*
General funds						
General funds	*3,066,525*	*7,015,243*	*(7,747,679)*	*195,949*	*(110,416)*	*2,419,622*
Revaluation reserve	*60,566*	*-*	*-*	*4,176*	*(27,497)*	*37,245*
Pension reserve	*(58,000)*	*-*	*-*	*-*	*58,000*	*-*
	3,069,091	7,015,243	(7,747,679)	*200,125*	*(79,913)*	*2,456,867*
Total unrestricted funds	5,684,889	7,015,243	(8,024,037)	*-*	*(79,913)*	*4,596,182*

22. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	**Income** £	**Expenditure** £	**Gains/ (Losses)** £	**Balance at 31 March 2021** £
Designated funds	**2,139,315**	**-**	**(71,102)**	**-**	**2,068,213**
General funds	**2,456,867**	**6,037,070**	**(6,309,553)**	**28,474**	**2,212,858**
	4,596,182	**6,037,070**	**(6,380,655)**	**28,474**	**4,281,071**

22. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2019 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2020* £
Designated funds	*2,615,798*	*-*	*(276,358)*	*(200,125)*	*-*	*2,139,315*
General funds	*3,069,091*	*7,015,243*	*(7,747,679)*	*200,125*	*(79,913)*	*2,456,867*
	5,684,889	*7,015,243*	*(8,024,037)*	*-*	*(79,913)*	*4,596,182*

Designated funds had been set aside for the significant refurbishment and renovation works

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	**Total funds 2021 £**
Tangible fixed assets	2,206,860	**2,206,860**
Fixed asset investments	344,016	**344,016**
Current assets	2,320,182	**2,320,182**
Creditors due within one year	(589,987)	**(589,987)**
Total	4,281,071	**4,281,071**

23. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	*Total funds 2020 £*
Tangible fixed assets	2,281,002	*2,281,002*
Fixed asset investments	309,173	*309,173*
Current assets	2,935,808	*2,935,808*
Creditors due within one year	(929,801)	*(929,801)*
Total	4,596,182	*4,596,182*

24. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	*2020 £*
Net expenditure for the year (as per Statement of Financial Activities)	**(343,585)**	*(1,008,794)*
Adjustments for:		
Depreciation charges	**108,383**	*104,653*
Dividends, interests and rents from investments	**(8,949)**	*(6,016)*
Profit on the sale of fixed assets	**(193)**	*(1,400)*
Decrease in debtors	**216,337**	*20,840*
Increase/(decrease) in creditors	**(289,778)**	*484,244*
Increase/(reduction) in pension liability	**-**	*(58,000)*
Actuarial Loss on Pension Scheme	**-**	*(52,416)*
Net cash used in operating activities	**(317,785)**	*(516,889)*

25. Analysis of cash and cash equivalents

	2021	*2020*
	£	*£*
Cash in hand	**1,646,686**	*2,045,975*
Total cash and cash equivalents	**1,646,686**	*2,045,975*

26. Analysis of changes in net debt

	At 1 April 2020	Cash flows	At 31 March 2021
	£	£	£
Cash at bank and in hand	**2,045,975**	**(399,289)**	**1,646,686**
Debt due within 1 year	**(50,037)**	**50,037**	**-**
	1,995,938	**(349,252)**	**1,646,686**

27. Employee benefit obligations

In previous years the charity was an admitted body to the Cheshire Pension Fund providing benefits based upon final pensionable pay. The pension scheme is funded by the payment of contributions and the assets of the scheme are held in a separately administered fund.

Since exiting the scheme the charity has operated a defined contribution scheme. Payments made to the scheme

The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £134,406 (2020 - £153,134). £22,215 (2020: £25,938) was payable to the fund at the balance sheet date and are included in creditors."

28. Indemnity insurance

The charity has made payments for insurance on behalf of the trustees and officers of the company to indemnify them against any obligations which may arise as a result of their actions in connection with the objects of the company. Payments amounts to £2,851 (2020 - £2,376) and is charged in the Statement of Financial Activities.

29. Funds held as custodian for others

The charity acts as custodian of monies belonging to certain of its service users. These monies are held in bank accounts separate from the accounts of the charity. At 31 March 2021, the charity held £126,060 (2020 - £323,962) as custodian.

30. Operating lease commitments

At 31 March 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	*2020* *£*
Not later than 1 year	**221,012**	*106,329*
Later than 1 year and not later than 5 years	**150,762**	*138,806*
Later than 5 years	**38,941**	-
	410,715	*245,135*

31. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2021.