



**STOCKPORT, EAST CHESHIRE, HIGH PEAK, URMSTON & DISTRICT CEREBRAL
PALSY SOCIETY**

A Charitable Company Limited by Guarantee

**Financial statements for the year ended
31 MARCH 2022**

**Company Registration Number
02683946**

**Financial Statements
For the Year Ended March 2022**

Contents	Page
Combined Trustees' Annual Report and Directors' Report	2 - 13
Financial Review	14-18
Independent Auditors report to the Members	19- 22
Consolidated Statement of Financial Activities	23
Consolidated and Charity Balance Sheets	24
Consolidated and Charity Statement of Cash Flows	25
Notes to the Financial Statements	26 - 41

Combined Trustees' Annual Report and Directors' Report for the year ended 31 March 2022

The Directors (who are also the Trustees) are pleased to present their report and the audited financial statements for the Charity for the year ended 31 March 2022.

Reference and Administrative details of the Charity, its Trustees and Advisors

Charity Number	1009768
Company Number	02683946
Principal Office	Granville House, 20 Parsonage Road, Heaton Moor, Stockport, SK4 4JZ
External Auditors	Beever and Struthers, Statutory Auditors One Express, 1 George Leigh Street, Manchester, M4 5DL
Bankers	Royal Bank of Scotland 1 Heaton Moor Road, Heaton Chapel, Stockport SK4 4LW
Solicitors	Slater Heelis Solicitors Oakland House, 2 nd Floor Suite 2, 34 Washway Road, Sale, M33 6FS

Directors and Trustees

The Directors of the charitable company (the Charity) are its Trustees for the purpose of Charity law and throughout the report are collectively referred to as the Trustees.

The Trustees serving during the year are as follows;

Chairperson	Rob Armstrong
Deputy Chairperson	Roy Dudley-Southern MBE
Executive Committee Members	Natalie Hinchcliffe Nicole Guy Maria Repanos Charlotte Furnival – resigned 16.02.22 Mike Bailey Rory Alkin

Helen Roberts – appointed 15.21.21

Jon Bloom – appointed 15.12.21

Rachel Donnelly – resigned 16.06.21

Vice Presidents

Rodger Harvey

Irene Walton (passed away 05.08.22)

Chief Executive

Sarah Thomas

Company Secretary

Sarah Thomas

Structure, Governance and Management

The full legal name of the Charity is Stockport, East Cheshire, High Peak, Urmston and District Cerebral Palsy Society – the name of the Charity was amended to its current legal title on 26th July 2011 and its Articles of Association were amended at the same time. However, as of 1st October 2019, the known name of the Charity was amended to 'Supportability', including new branding and strap line, under which the organisation now operates on a day-to-day basis, whilst retaining its legal entity status. For the purposes of this report, the name used in relation to the Charity will be 'Supportability'.

Summary of the purpose of the charity as set out in the Governing document

Supportability is a company limited by guarantee governed by its Articles of Association dated 26th July 2011. These Articles amended the Memorandum and Articles of Association dated 11th December 1991. The update reflected the new locations of work for the organisation, which specifically were Trafford and Salford. Supportability is a Charity registered with the Charity Commission and, as of 31st March 2022, there were 40 members who each have a liability of £1 in the event of the Charity ceasing to operate.

Appointment of Trustees

The Board must have a minimum of 5 Trustees and a maximum of 14, who are appointed by the Annual General Meeting (AGM). At the AGM, all members of the Board who have served for three years since their last election shall either retire or opt to be considered for re-election. Between AGMs the Board may co-opt Committee members for the period up to the date of the next AGM, so long as the maximum number of 14 Trustees is not exceeded.

Trustees' Induction and Training

Newly appointed Trustees are provided with a copy of the Charity's Trustee handbook as part of the induction process. The handbook covers various aspects of the role of a Trustee including copies of the Charity's Articles of Association, the structure of the Charity, the latest Business Strategy document, the job description for all Trustee roles including the Chair and Deputy roles, as well as the Code of Conduct for Trustees. As well as being allocated a mentor from the Board,

newly appointed Trustees are also encouraged to attend appropriate internal and external training that supports the role.

Organisation

The Board of Trustees meets monthly and where required working groups are established and support issues such as Finance and Estates.

The Chief Executive is appointed by the Trustees principally to manage the day-to-day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority for all operational matters including finance, employment and registration of services where applicable.

Related Parties

The Charity has a trading subsidiary, Granville House Ltd, that until 2015 operated two charity shops with a separate Board of Directors, one of whom also sat on the Board of the Charity. The accounts for Granville House Ltd have been consolidated within the financial statements of Supportability in accordance with the Companies Act 2006. During the financial year of 2021/22 and since the closure of the charity shops, Granville House Ltd has not actively traded.

Risk Management

One of the Trustees' roles is to assess the major risks to which the Charity is exposed, particularly those relating to the operations and financial matters of the organisation. During 2021/22, the Charity worked to a three-year Business Strategy and associated plan which focuses on delivery of the key strategic objectives, which are primarily the redesign of services, potential new developments, progressing the wider Estates plan and achieving a balanced budget for the Charity.

The Risk Register, developed in conjunction with the Business Strategy, was also reviewed and updated in line with the three-year Business Strategy by the Board of Trustees. The Charity's Senior Leadership Team (SLT) are responsible for the maintenance and ongoing review of the Register to ensure it remains fit for purpose and is responsive to the work of the Charity. Trustees monitor and oversee the Register at least bi-annually.

Objectives and Activities

The Charity is established to promote the care, welfare, interest, education and advancement, in the metropolitan boroughs of Stockport, Trafford, Salford, Urmston, the unitary authority of Cheshire East, the non-metropolitan district of High Peak and surrounding districts, for people with Cerebral Palsy and associated disabilities.

The aims of the Charity

Our beliefs Civil rights, maximum independence and challenging discrimination faced by people with disabilities.

- Services are designed specifically to support people with complex learning and physical disabilities and associated health conditions.
- The work of the Charity is geographically restricted by its constitution.
- People don't have to be members of the Charity to access services.
- Whilst the organisation charges fees for its services, these fee levels depend on the service being accessed. Fees are necessary to enable the Charity to carry out its aims and reflect

the high level of need being supported. Priority is given to those with the highest support needs including severe disabilities and additional medical needs such as Epilepsy.

- The Charity continues to see demand for its services, which is positive and means that its service offer is one that is wanted and meets people's support needs.
- Public benefit guidance no longer requires charities to evidence that people are not precluded from using services due to fees being charged. Supportability continues to take measures to ensure that its services are affordable and investment in additional resources to attract third party funding for its services demonstrates this commitment. Achieving a balance of individual income from service users, monies from statutory bodies and contributions resulting from fund-raising activities to achieve a neutral financial position remains an ongoing focus and challenge.
- Supportability have developed action plans to address the balance in required funding. The purpose of having this approach in place is to reduce the financial risk for the organisation, given the current climate relating to ongoing reductions in social care funding, as well as enabling it to make decisions as to how charitable funds will be utilised for the benefit of service users and their carers.
- Supportability also uses its own income via monies generated from previous Investments as well as Reserves to underpin and support service delivery.

Supportability's Strategy

During 2021/22, Supportability has continued to work to and deliver to the three-year Business Strategy and delivery plan. The strategy builds on the Charity's core service offer and ensures that its resources are sufficient for what the Charity wants to offer to those with the most complex of disabilities.

The climate in which the Charity is working had been challenging for some time pre pandemic, but this has been exasperated both during the height of the pandemic and as we learn to live with Covid. This will continue to be the case, especially as we really understand the pandemic's legacy for the health and social care sector.

As a direct impact of the pandemic and impact on service delivery the Senior Leadership Team (SLT) recommended to the Board of Trustees that the overarching Business Strategy be reviewed. As a result of this review an amended Business Strategy for 2022/25 was developed that factored in the learning from the first twelve months of working through a pandemic, whilst also considering its known impact on being able to fulfil the previous Business Strategy.

Whilst the focus of the redrafted Strategy remains the implementation of service development/delivery plans, these plans have been reviewed and amended to reflect the impact that the pandemic has had on services and those being supported. This has included factoring in such things as the enhanced infection control measures we continue to work to, in our day services and residential care home in particular. These control measures are significant and have affected how the service development plans have been rolled out and actioned in terms of these additional measures being incorporated and action plans amended.

The move to a new IT platform in 2020/21 enabled successful hybrid working of the business support services during the height of the pandemic and which continues to date. Further work is

needed to review the layout of the Microsoft Teams structure to ensure it reflects changes in services etc and this is a piece of work that will be picked up and actioned during the year 2022/23.

The Estates plan linked to a move into a new building for the organisation's day service and back-office functions has continued to be worked on. The original developer identified to lead on the building work had to withdraw from the arrangement however, it has been possible to secure another developer with the same ethics and values to work with the Charity. Various land options and proposals have been considered during the year and at the end of March 2022 there were two possible options being pursued.

The Pandemic had a very significant impact on what it was possible to deliver in the year 2020/21 with the focus for the organisation being the need to ensure the health and wellbeing of service users, their carers and its employees as well as the overall sustainability of the organisation and this has remained the case during 2021/22.

Key Areas of Operation

Supportability provides a range of support and services for children, young people and adults with the most complex needs in terms of physical and learning disabilities.

Day Offer

Supportability has operated a day service, the 'Skills Group', for many years. The service operates from Granville House and Prospect House, the latter being a building owned by Stockport Mencap which the Charity rents from them. The service supports an average of 50 people a day who attend the provision, which operates between 9am and 4pm Monday to Friday. People attend the service from half a day a week up to five days a week. The service normally offers a range of building and non-building based activities during the day for people to access including relaxation, IT, Cookery, sports activities and many more. The service aims to maintain and improve people's independence skills as well as enabling people to develop social networks and relationships.

During 2021/22 the service has continued to be affected by the ongoing impact of the pandemic. Whilst the service re-opened in July 2020, after the first national lockdown, there was a need for the service to adhere to strict infection control measures that included;

- Staff wearing protective personal equipment (PPE) – masks, aprons, gloves always, depending on the activity being undertaken
- Weekly Staff testing regime
- Social bubbles – service users being grouped together with the same staff team and in the same environment- minimising the risk of cross infection etc and maintaining an element of social distancing with others
- Enhanced cleaning schedules in place across the provision

These measures have continued across the whole of 2021/22 which has affected the services ability to be able to offer the full range of activities it would have done pre-pandemic. Managers have worked closely with local public health regarding the services Covid risk assessment in place,

to ensure that as soon as it has been possible, some of these measures have been reduced and/or relaxed.

Due to the continued high infection rates circulating at the start of 2021/22 and the continued need to work restrictively, hampering capacity in the service, Stockport Metropolitan Borough Council (SMBC) agreed to continue to support all social care providers by extending their financial aid for the first quarter of 2021/22. This financial support was by way of a financial risk assessment and resulted in SMBC paying providers 80% of normal service delivery fees (reduced by an appropriate amount received from HMRC CJRS) for the period April to June, irrespective of attendance.

Regular contact has been made across 2021/22 with those not yet back in service so that managers have been clear on what individuals concerns are and how best we could support them in returning to their pre pandemic service offer.

The day service framework operated by SMBC, which should have been re-tendered during 2020/21 – and which pertains to both Skills group and the leisure groups offered by the Charity - remained delayed during 2021/22 due to the ongoing impact of the pandemic, but took place in early 2022/23 and we were confirmed as being on the revised two year framework in August 2022.

Leisure Offer

The leisure groups were offered pre pandemic across a seven-day period including evenings and formed part of the Charity's extended day offer under SMBC's Day services framework. However, the groups were very significantly affected by the pandemic and the decision made by local public health that people could only access one provider of day support provision to reduce the potential risk of cross infection.

Many people who were using this provision at the time had a mixed package of support in that they utilised the leisure groups one day a week and then also accessed an alternative day service provision. As a result of this 'stick and pick' approach, people had to make the decision to choose which provision they would access and in the main people chose the provision that provided them with the most support across the week. This resulted in the leisure groups only operating for approximately four weeks in the year 2020/21. However, this provision was financially supported on the same basis as Skills group by SMBC during that year, which ensured that we have been able to grow this provision back during 2021/22. By the end of March 2022, we are delivering 4 groups per week and demand is growing.

The cycling sessions via "Wheelers," a provision offering adapted cycling sessions three times a week, was also affected by the restrictions imposed by the Government, but this provision was able to operate successfully via a booking system in the latter part of 2020/21, which we have continued to utilise as it has worked so successfully. Whilst Wheelers has an element of third-party funding in place that helps support the provision, this is one service that is very much underpinned by Charity funds to ensure its sustainability.

Twenty-Four Hour Support

Supportability operates a Residential Care Home, Cheddle Lodge, based in Cheadle. The home has 13 beds and supports people with complex physical and learning disabilities. The home is staffed on a 24/7 basis, which also includes waking night support. The home is registered with the Care Quality Commission (CQC) and is rated 'Good'. SMBC have a contract for 10 of the 13 beds available and the remaining 3 beds are available on a spot-purchase basis, 2 of which are currently funded by Manchester City Council and the remaining bed by SMBC.

At the start of 2021/22, the home was fully occupied following a new referral into the service for a bed that became vacant in the latter half of 2020, this was a spot purchase agreement with SMBC.

The Home remained fully occupied throughout the majority of 2021/22, with increased staff resources to support the level of need where required and a new post of activity co-ordinator introduced that has begun to make an impact in terms of the development of person centred activities both within and outside of the home. Like Skills group, Cheddle Lodge has continued to operate under enhanced infection control measures in line with public health requirements including the use of PPE, staff testing regime in place, enhanced cleaning schedules and an element of social distancing wherever possible within the home.

Sadly, in the latter half of March 2022 a resident who had lived at Cheddle Lodge since it opened passed away after a period of ill health. The home was able to support them in their wishes to be supported at Cheddle Lodge in their latter days as opposed to hospital.

The home has continued to be reviewed remotely by the Care Quality Commission (CQC) in relation to general monitoring measures put in place by CQC in response to the fact they could not readily undertake their usual inspection regimes due to the ongoing pandemic issues. The Registered Manager has completed and updated the pre inspection report by CQC and this has been used, along with other supporting information, to assess Cheddle's risk in relation to inspection. Monthly updates have been received from CQC indicating that there are no issues that would prompt an inspection at this time. This risk-based approach by CQC is one of the ways in which they are managing the backlog of inspections due to the pandemic.

Supportability's supported living service continued to take the same approach to managing the impact of the pandemic as Cheddle Lodge, with a slow re-introduction of external activities from the latter half of 2021/22. The Charity has continued to work closely with the family to ensure the health and wellbeing of the individual and this remains a positive contractual relationship.

Geographical Localities

The service is registered with the CQC and was last inspected in March 2020, retaining its 'Good' rating across all five key lines of enquiry. The aim of the provision is to deliver support locally to where a person lives, where possible and practicable, with the overall objective of meeting their needs.

This service has in the main recovered well during 2021/22 in that demand for the service is still apparent and all service users who chose to shield and/or reduce their provision during 2020/21

have now returned to the service. Like our other services, this provision has also continued to operate under enhanced infection control measures including the use of PPE, staff testing regimes and where applicable enhanced cleaning schedules.

As per our other service provisions, this service also received continued financial support from SMBC during the first quarter of 2021/22 due to the ongoing impact of the pandemic by way of a financial risk assessment resulting in SMBC paying 80% of normal service delivery fees for the period.

By the end of March 2022, the service is providing approximately 87% of its pre-Covid delivery level with return dates agreed with the remaining service users for between April and June 2022, some of whom did return in this timeframe whilst a small number of users have remained anxious about returning and have yet to return to date. We have been supporting the users and carers considered and are hopeful that they will return to services during 2022/23.

Business Support Functions

Whilst not a direct service provision, the functions of the Business support team underpin the Charity as a whole. In addition to the essential role of Supportability's Financial Management, other services include Human Resources (HR), Learning and Development, Event fundraising, Marketing and Communications as well as general Administrative Support.

Since the start of the first lockdown in March 2020, back office staff worked predominantly from home and this continued to be the case during 2021/22, but more latterly a move towards hybrid working, which is proving to be a beneficial and workable option.

Following the cancellation of all our fundraising activities in 2020/21, we retained a small element of event fundraising capacity which enabled us to be able to deliver our annual Golf Day in July 2021. The event was well attended – it was one of the first group activities the Golf Club had been able to offer since the first lockdown in March 2020 – and raised approximately £16k for the Charity.

We also had volunteers undertaking fundraising activities on our behalf such as taking part in local half marathons etc which enabled us to generate additional income in the year. As a result of the fact that events and opportunities to be able to fundraise was gathering momentum during 2021/22 we invested time in developing a Fundraising strategy with input from a very experienced fundraiser who was able to help shape the narrative and our overall approach.

The Head of Finance stepped down into a reduced role during 2021/22 and as a result a restructure took place within the existing finance team with the Assistant Accountant stepping into a Financial Controller role with additional responsibilities and accountabilities. This role has worked well during 2021/22 and the wider review of the Finance team is planned for 2022/23.

HR has continued to be a significant contributor during 2021/22, as we have continued to manage the impact of the pandemic for our staff teams. Because of the way in which HR has worked during the pandemic the role of HR is now much more widely understood and appreciated across the Charity.

Learning and Development has continued to be a focus during 2021/22 with the need for new learning opportunities being highlighted in response to the changing needs of the people we support. More of our training courses have been delivered face to face during 2021/22 as it was recognised that whilst it was possible to manage staff's learning remotely, face to face training offers a more holistic way for people to learn and the relaxation of public health measures enabled this to be an option.

More internal developmental opportunities were also offered in relation to Train the Trainer options including Moving and Handling, Medication competency and Positive Behaviour support which has helped grow and develop our staff teams even further in the year. Towards the end of 2021/22, the Learning and Development manager, in conjunction with the Head of Operations, began to develop a Learning and Development strategy for the Charity, which was implemented during 2022/23, having been agreed and signed off by the Charity's SLT.

Communications, both internally with staff and externally with parents and carers, continued during 2021/22 on the same stepped up basis as 2020/21 with a minimum of monthly communications being shared. These communications have provided updates on how the Charity has continued to manage the impact of the pandemic as well being a way of sharing other relevant information.

In November 2020, the Charity upgraded its IT systems to Office 365 including Teams and moved to a new IT support provider. Whilst challenging to do this at the time it was felt to be essential as we needed a more effective way of supporting the need to be able to work remotely and improve internal comms. During 2021/22 we have continued to embed Teams/Office 365 into the organisation and are seeing the benefits of this daily. The relationship with the new IT support provider has also proven to be very positive with speedy responses to queries and issues and an effective comms hub that can be used to log calls quickly and easily.

Volunteers

The reviewed Business strategy for the organisation considered the impact of the pandemic on volunteering and the importance of increasing volunteering opportunities within the Charity at all levels and this is included as an action within the overall business strategy action plan. The Board of Trustees is a volunteer board and are fully engaged, working closely with the Charity's SLT, which has been invaluable as we have continued to manage the impact of the pandemic during 2021/22.

Performance

For the year 2021/22 a deficit budget of £60k was agreed by the Board of Trustees. The agreed budget was a decreasing deficit budget with the aim of ensuring the Charity was on target to achieve a sustainable cash break even budget position by March 2022.

Budget planning for 2021/22 took a prudent approach in particular regarding proposed income levels across all three main service areas, as there were still people at the end of 2020/21, who

were unclear about when or even if they would return to services once the worst effects of the pandemic passed.

It was also difficult to be able to predict at what point people may return to services, but the budget considered a level of risk associated with income at a sufficient level so that if people didn't return to services as planned then the impact on the overall budget would be minimal.

The key relationships developed with SMBC Commissioners during 2020/21 continued during 2021/22 and because of this continued positive relationship and other factors, the following achievements were made.

- An extension to the 80% pay on plan provided by SMBC for the first quarter of 2021/22 – this hadn't been budgeted for so was an immediate positive benefit to the annual budget and forecast position.
- A 3% uplift in fees payable via SMBC from April 22 which was mirrored by the other local authorities the charity works with.
- Ensuring that information required for service registration with the Care Quality Commission was kept up to date to ensure continued access to the free PPE put in place by the Government during the height of the pandemic and which during 2021/22, it was confirmed would remain in place until March 23.
- Maintaining budgeted occupancy levels at Cheddle Lodge.
- Retaining and extending competency levels for support staff throughout the year by continued training.
- Tight management of staff and direct service costs during the period.
- An agreed Fundraising strategy in place.
- An agreed Learning and Development Strategy in place.

Taking this approach has enabled the organisation to achieve a surplus position for 2021/22. However, this is partly to support the recovery period for the Charity as we emerge from The Pandemic, with its ongoing impact and potential new variants affecting service users and their carers' confidence to attend services.

Overall Covid-19 Statement

2021/22 continued to be a year dominated by Covid with significant support being given to service providers such as Supportability in relation to how services needed to be managed and delivered.

Locally the Covid vaccination programme has proven to be very successful with high uptake across all age ranges, however, towards the end of 2021/22 it became apparent that new variants of Covid were in circulation and discussions were being shared about the effectiveness of the vaccines against these new variants.

We have seen fluctuating rates of infection for both our staff teams and our service users throughout 2021/22 and in some respects, this was and had been anticipated hence the approach taken regarding setting a prudent budget for the charity for 2021/22.

It was also because of the unpredictability of the virus that SMBC for example, took the approach of extending their financial support to providers across the first quarter of 2021/22, so that providers such as us have a financial cushion to be able to weather the unpredictability of the virus and its impact.

At the end of 2021/22 services are still working under enhanced infection control measures but we hope that as we move into 2022/23 that we can move to a more positive position of “learning to live with Covid” that will also enable us to work proactively on our service development plans in conjunction with our service users, staff and carers.

a) Reduced availability of standard fees and grant funding to support services due to lower levels of deliverable commissioned services from local authorities and sessions purchased using personal budgets. This was as a direct result of national and local lockdowns and social distancing restrictions.

- b) An inability to deliver on the majority of our fundraising plans across the year, leading to cancellation of our annual events calendar.
- c) Increased levels of staffing ratios to support our service users when working in 'bubbles' at our Skills Day Service and Cheddle Lodge, our residential care facility. The fees paid by our key customers in many cases do not reflect the increased level of support required by the Public Health social distancing rules.
- d) During the year our residential services faced the highest potential personal risk from Covid. The prospect of unfilled vacancies that could result remains a key financial risk to the Charity. We are committed to working with the Local Authority with a view to ensuring that this service remains viable and fit for purpose.
- e) Significant difficulties in attracting and retaining staff at sustainable pay levels and with the pressures on the sector. This remains a key issue facing the Charity and there are ongoing efforts to improve the position within challenging cost constraints.

As reported in previous years' Trustees' Reports, the Charity had operated a wholly owned trading company, Granville House Limited, with a separate board of directors, for a number of years. Granville House Limited publishes its own accounts, which have been grouped with the accounts of the Charity in these consolidated Financial Statements and this year the Company remained dormant following the closure of the shops in 2015/16. Residual reserves of the subsidiary following closure are £4k.

Reserves policy

Supportability adopts a risk based approach to the management of its reserves that seeks to strike an appropriate balance between financial prudence and investment in front line services. In assessing the level of free reserves required the trustees have taken due note of the major risks facing the Charity, considered the likelihood of the risks, and likely financial impacts. The on-going risks fall broadly into the categories of income generation (including fundraising), maintaining current and consistent levels of service delivery, unexpected operational cost pressures, unplanned capital requirements, supporting the three year business plan, and broader macro-economic factors. The additional potential impact of Covid 19 across all the risk areas identified above has been considered and included. The reserves policy is reviewed formally on an annual basis, or as required by trustees, and can be summarised as follows:

- Supportability's free reserves policy is to hold sufficient free reserves to fund the financial impact of negative events. This is currently calculated at £0.95m.
- Supportability's designated reserves policy is to hold appropriate designated reserves for strategic and capital projects as determined on an annual basis.
- When necessary and legally required, we will hold restricted funds.
- We will hold sufficient liquid assets at all times to provide both operational working capital and to cover the cost of any significant event and will ensure that cash balances never fall below £0.1m.
- If reserves fall below the level as stated in the policy, the Trustees and the Senior Leadership Team (SLT) will agree a strategy which will build the level of reserves in the future back to the minimum as per the policy. The Trustees will agree and closely monitor any reserves replenishment plan to be actioned by SLT.

As at 31 March 2022 Supportability held £2.7m in total reserves (2021: £2.4m). Of this we identified a total of £0.003m (2021: £0.003m) as designated funds.

Free Reserves - of the total reserves held, £1.6m were held as free reserves (2021: £1.3m) being the total of unrestricted (less designated) funds (£2.5m), less unrestricted fixed assets (£0.9m). The current level of free reserves is therefore above the minimum level required by the policy of £0.95m. The trustees have determined that these excess funds be used to support the deficit budgets over the short term until the Charity returns to a surplus position, as per the Business Strategy.

Cash at bank and in hand as at 31 March 2022 was £1.7m which is in excess of the £0.1m required by the policy.

The general unrestricted reserves (excluding designated funds) held at 31 March 2022 totalled £2.5m (2021: £2.2m).

Designated funds

Each year, Supportability reviews the need to keep some of its reserves set aside for specific future activities. We call these our designated funds. The need for such funds varies from time to time depending on many factors, including our future plans. They are set, amended and released based upon the discretion of the Executive Committee and Senior Leadership Team. At 31 March 2022 Supportability identified a total of £0.003m of its reserves as designated funds. These are held in order to subsidise specific projects while future funding options are explored.

Supportability has a phased plan for the use of these designated funds, which may change at any time at the discretion of the Executive Committee based on the needs of the charity.

The Charity recognises that opportunities to build reserves are very limited in the current financial climate but believes that the current level is adequate for the provision of planned services and to maintain the Charity as a going concern.

Investment powers and policy

Under the Articles of Association, the Charity has the power to deposit or invest funds in any manner (but to invest only after obtaining advice from an individual, company or firm who is an authorised person or an exempt person within the meaning of the Financial Services Act 1986 [a financial expert]) and having regard to the suitability of investments and the need for diversification. In addition, the Executive Committee has the power to delegate the management of investments to a financial expert, but only on terms that:

1. The investment policy is set down in writing for the financial expert by the members of the Executive Committee;
2. Every transaction is reported promptly to members of the Executive Committee;
3. The performance of investments is reviewed regularly with the members of the Executive Committee;
4. The members of the Executive Committee are entitled to cancel the delegation arrangement at any time;
5. The investment policy and the delegation arrangement are reviewed at least once a year;
6. All payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the members of the Executive Committee in receipt;
7. The financial expert must not do anything outside the powers of the members of the Executive Committee.

The current investment policy was produced in 2013/14 detailing the instructions that the Charity's Executive Committee gave to our investment managers. The policy aims, amongst other things, to balance the need for regular income with which to support services along with some capital growth to support future investment in service. In addition, as a charity, the Executive Committee have recognised their responsibilities to invest available funds in appropriate areas of business and the policy set down areas that the Charity would not wish to invest in. This policy has been reviewed for 2021/22 and remains robust in meeting the Charity's responsibilities. The risk category of any investments held places slightly higher emphasis on capital growth although the risk category remains 'balanced' between income and growth.

During the year no investments were held.

Statement of the Trustees' Responsibilities in Respect of the Accounts

The trustees (who are also directors of Stockport, East Cheshire, High Peak, Urmston & District Cerebral Palsy Society for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity 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 in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the Charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Auditors

Beever and Struthers are deemed to be re-appointed under Section 487(2) of the Companies Act 2006.

Approved by the Board of Directors on 16th November 2022

Signed on their behalf by:  **Director**

Rob Armstrong (Chairperson)

**Independent Auditor's Report to the members of Stockport, East Cheshire, High Peak, Urmston & District
Cerebral Palsy Society**

Opinion

We have audited the financial statements of Stockport, East Cheshire, High Peak, Urmston & District Cerebral Palsy Society (the 'parent charitable company') and its subsidiary (the 'group') for year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities (including Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statement of Cash Flows and the notes to the financial statements including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2022 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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 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 (who are also the directors of the group and the parent charitable company for the purposes of company law) are responsible for the other information. 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.

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

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

- Matters on which we are required to report by exception**

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

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

As explained more fully in the Statement of the Trustees' Responsibilities in respect of the Accounts set out on page 18, the trustees (who are also the directors of the group and the parent 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 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 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

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

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including

fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the parent charitable company through discussions with Trustees and other management, and from our commercial knowledge and experience of the charity sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the parent charitable company, including the Companies Act 2006, the Charities Act 2011, data protection, employment, and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the parent charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures on income and salaries to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent 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 parent charitable company and the parent charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

Mark Bradley BA BFP FCA (Senior Statutory Auditor)

For and on behalf of

BEEVER AND STRUTHERS

Statutory Auditor

Suite 9b

The Beehive

Llons Drive

Shadsworth Buisness Park

Blackburn

BB1 2QS

Date

Consolidated Statement of Financial Activities (Including income and expenditure account)
For the year ended 31 March 2022

	Note	Unrestricted funds	Restricted funds	Total funds 2022	Total funds 2021
		£	£	£	£
Income from:					
Donations and legacies	4	14,497	-	14,497	47,889
Other trading activities	5	22,251	-	22,251	10,484
Investments	6	131	-	131	288
Charitable activities	7	3,379,182	111,078	3,490,260	3,699,019
Total income		<u>3,416,061</u>	<u>111,078</u>	<u>3,527,139</u>	<u>3,757,680</u>
Expenditure on:					
Raising funds	8	41,028	-	41,028	58,808
Charitable activities	9	3,068,409	130,638	3,199,047	3,151,382
Other	11	12,281	-	12,281	31,418
Total expenditure		<u>3,121,718</u>	<u>130,638</u>	<u>3,252,356</u>	<u>3,241,608</u>
Net income/(expenditure) and net movement in funds for the year		294,343	(19,560)	274,783	516,072
Reconciliation of Funds					
Total funds brought forward	20/21	2,183,596	246,818	2,430,414	1,914,342
<i>Total funds carried forward</i>	<i>20/21</i>	<u><i>2,477,939</i></u>	<u><i>227,258</i></u>	<u><i>2,705,197</i></u>	<u><i>2,430,414</i></u>

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

All income and expenditure derive from continuing activities.

The notes on pages 26 to 41 form an integral part of these financial statements.

Consolidated and Charity Balance Sheets as at 31 March 2022

		Group		Charity	
	Note	2022 £	2021 £	2022 £	2021 £
Fixed Assets:					
Tangible fixed assets	14	1,093,268	1,122,911	1,093,268	1,122,911
Investments	15	-	-	2	2
Total fixed assets		1,093,268	1,122,911	1,093,270	1,122,913
Current Assets:					
Debtors	16	469,374	754,008	468,894	753,526
Cash at bank and in hand	28	1,693,290	973,653	1,689,707	970,070
Total current assets		2,162,664	1,727,661	2,158,601	1,723,596
Creditors:					
Amounts falling due within one year	17	(550,735)	(420,158)	(550,735)	(420,158)
Net current assets		1,611,929	1,307,503	1,607,866	1,303,438
Total assets less current liabilities		2,705,197	2,430,414	2,701,136	2,426,351
The funds of the charity:					
Restricted income funds	20	227,258	246,818	227,258	246,818
Unrestricted Funds:					
Designated income funds	20	2,543	2,543	2,543	2,543
Unrestricted income funds	20	2,454,552	2,160,209	2,450,491	2,156,146
Non-charitable trading funds	20	20,844	20,844	20,844	20,844
Total unrestricted funds		2,477,939	2,183,596	2,473,878	2,179,533
Total charity funds		2,705,197	2,430,414	2,701,136	2,426,351

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

These financial statements on pages 23 to 41 were approved by the Directors on 16th November 2022 and are signed on their behalf by:

Rob Armstrong

(Chairperson)

Roy Dudley-Southern

(Director)

Company registration number: 02683946

The notes on pages 26 to 41 form an integral part of these financial statements.

Consolidated and Charity Statement of Cash Flows
For the year ended 31 March 2022

		Group		Charity	
	Note	2022 £	2021 £	2022 £	2021 £
Cash provided by operating activities	27	754,603	350,669	754,603	350,668
Cash flows from investing activities					
Interest income		131	288	131	288
Purchase of tangible fixed assets		(35,097)	(36,318)	(35,097)	(36,318)
Cash (used in) investing activities		(34,966)	(36,030)	(34,966)	(36,030)
Change in cash and cash equivalents in the year		719,637	314,639	719,637	314,638
Cash and cash equivalents at the beginning of the year		973,653	659,014	970,070	655,432
Cash and cash equivalents at the end of the year		1,693,290	973,653	1,689,707	970,070

The notes on pages 26 to 41 form an integral part of these financial statements.

Notes to the Financial Statements for the year ended 31 March 2022

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with 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) – (Charities SORP 2019 (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Stockport, East Cheshire, High Peak, Urmston & District Cerebral Palsy Society (Supportability) 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 notes.

b) Group financial statements

The financial statements consolidate the results of Supportability and its wholly owned subsidiary, Granville House Limited, on a line-by-line basis. A separate Statement of Financial Activities, and Income and Expenditure Account for Supportability have not been presented because Supportability has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

c) Going concern

The trustees have given careful consideration and reviewed the ongoing impact of Covid-19 during 2021/22. Although we continued to experience disruptions to service delivery because of Covid-19, which has had an impact on some service users confidence to return to services as originally planned, the continued support of the local authority's "Pay on Plan" arrangements for quarter one of 2021/22 and the continued Government funding relating to infection control and free personal protective equipment across the year has ensured the financial stability of the Charity and supported the continued additional costs relating to operating and providing services whilst Covid1-9 has still been very much in circulation.

After reviewing Supportability's forecasts and projections the trustees have a reasonable expectation that Supportability has adequate funds to continue in operation for the foreseeable future, being a minimum of 12 months from the date of approval of these financial statements. There are no material uncertainties about the Charity's ability to continue as a going concern and Supportability therefore continues to adopt the going concern basis in preparing its financial statements.

d) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

- Determination of whether there are indicators of impairment of the Charity's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Notes to the Financial Statements for the year ended 31 March 2022 (*continued*)

1. Accounting policies (*continued*)

- Determination of recoverability of trade debtors. A specific provision is made against certain debts where in the opinion of the trustees the debt is not fully recoverable.

Other key sources of estimation and assumptions:

- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

e) Incoming resources

Income is recognised when Supportability has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when Supportability 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.

Income is only deferred when the criterion for income recognition has not been met, and occurs in the following circumstances:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions, which must be met before Supportability has unconditional entitlement.

Income from fundraising and trading activities is recognised as earned as the related services are provided.

Investment income is recognised on a receivable basis.

Income from charitable activities, including income received under contract or where entitlement to grant funding is subject to specific performance conditions, is recognised as earned (as the related services are provided). Grant income included in this category provides funding to support services and is recognised where there is entitlement, certainty or receipt and the amount can be measured with sufficient reliability. Income is deferred when service related grants are received in advance of the service provision to which they relate.

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

1. Accounting policies (continued)

f) Volunteers

In accordance with FRS 102 and the Charities SORP 2019 (FRS 102), the economic contribution of general volunteers is not recognised in the accounts. Further details of the contribution made by volunteers can be found in the Trustees' Annual Report.

g) Interest receivable

Interest on funds is included when receivable and the amount can be measured reliably by Supportability; this is normally upon notification of the interest paid or payable by the Bank.

h) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of Supportability. Designated funds are unrestricted funds of Supportability which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of Supportability's work or for specific projects being undertaken by Supportability.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

- Costs of raising funds include those costs incurred in attracting voluntary income and those incurred in management service provision that raise funds.
- Charitable activities include expenditure associated with the provision of residential, supported living, day and community services and include the direct costs, support costs and governance costs relating to these activities. Governance costs include those incurred in the governance of Supportability and its assets and liabilities and are primarily associated with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Support costs are those functions that assist the work of Supportability but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel and payroll costs which support Supportability's activities. These costs have been allocated to expenditure on charitable activities on a basis consistent with the use of resources, e.g. allocating management and administration salaries in proportion to direct salaries.

k) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

1. Accounting policies (continued)

l) Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives as follows:

<u>Asset Category</u>	<u>Annual Rate and basis</u>
Freehold Land & Buildings	2% straight line
Fixtures, Fittings & Equipment	20% reducing balance
Computer Equipment	20% reducing balance
Motor Vehicles	25% straight line

A full year's depreciation is charged in the year of acquisition.

Supportability has used previous GAAP revaluations as deemed cost for the freehold property at:

- 1) Cheddle Lodge, which was valued by Roger Hannah & Co Chartered Surveyors at £840,000 at March 2014; and
- 2) Granville House, which was valued by Roger Hannah & Co Chartered Surveyors at £237,500 at June 2013.

m) Fixed asset investments

The only investments held by Supportability are 2 shares of £1 each in its wholly owned trading subsidiary company, Granville House Ltd, which is incorporated in the UK. These are the only shares allotted, called up and fully paid.

These unquoted investments are shown at cost in Note 15.

n) Debtors

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

o) Financial instruments

Supportability 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.

p) Cash at bank and in hand

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

q) Creditors and provisions

Creditors and provisions are recognised where Supportability has a present obligation resulting from a past event that will probably result in the transfer to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

r) Pension costs

Supportability operates an Aviva Stakeholder Pension Scheme which is a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of Supportability. The annual contributions payable are charged

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

1. Accounting policies (continued)

to the Statement of Financial Activities. Supportability's contribution rate equates to that of the employee, subject to a maximum of 10% of pensionable pay.

An additional defined contribution scheme provided by NOW Pensions to facilitate pension auto-enrolment was introduced during 2014-15. The assets of this scheme are also administered by trustees in funds independent from those of Supportability. The annual contributions payable are charged to the Statement of Financial Activities. Supportability's contribution rate is 3%, and the employee's contribution rate is 5% of pension band earnings.

s) Redundancy and Termination costs

Supportability pays redundancy costs in accordance with statutory requirements. No voluntary redundancy scheme has operated during the year.

Termination payments are made in accordance with contractual obligations and may include employees legal expenses incurred to a maximum value of £500 (including VAT).

2. Legal Status of Supportability

Supportability is the name used by Stockport, East Cheshire, High Peak, Urmston and District Cerebral Palsy Society, a company limited by guarantee without share capital. In the event of Supportability being wound up, the liability in respect of the guarantee is limited to £1 per member of Stockport, East Cheshire, High Peak, Urmston and District Cerebral Palsy Society by clause 8 of the Memorandum of Association of the company.

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

3. Results of Trading Subsidiary

The Charity has a wholly owned trading subsidiary (Granville House Limited) which is incorporated in the UK (company number 00914954) and makes donations out of its profit to the Charity via gift aid. The subsidiary did not trade in the year. Granville House Limited previously operated two retail outlets selling donated goods, both retail outlets ceased trading in May 2015.

Subsidiary Balance Sheet	2022 £	2021 £
Current Assets	<u>4,066</u>	<u>4,066</u>
Net Current Assets	<u>4,066</u>	<u>4,066</u>
Members' Funds	<u>4,066</u>	<u>4,066</u>

4. Donations and legacies

	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Gifts and donations – Other	14,497	11,777
Grants	-	36,112
	<u>14,497</u>	<u>47,889</u>

5. Other trading activities

	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Fundraising events	<u>22,251</u>	<u>10,484</u>
	<u>22,251</u>	<u>10,484</u>

6. Investment income

	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Bank Interest	<u>131</u>	<u>288</u>
	<u>131</u>	<u>288</u>

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

7. Incoming resources from charitable activities

	Residential Services	Supported Living	Day Services	Community Services	Unrestricted Funds 2022	Restricted Funds 2022	2022 TOTAL
	£	£	£	£	£	£	£
Service fees	1,171,469	204,969	1,202,293	780,046	3,368,777	-	3,368,777
Contractual receipts, grants	-	-	-	20,405	20,405	111,078	131,483
	<u>1,171,469</u>	<u>204,969</u>	<u>1,202,293</u>	<u>800,451</u>	<u>3,379,182</u>	<u>111,078</u>	<u>3,490,260</u>

	Residential Services	Supported Living	Day Services	Community Services	Unrestricted Funds 2021	Restricted Funds 2021	Total 2021
	£	£	£	£	£	£	£
Service fees	979,276	173,117	1,185,272	880,466	3,218,131	-	3,218,131
Contractual receipts grants	-	-	83,628	297,328	380,956	99,932	480,888
	<u>979,276</u>	<u>173,117</u>	<u>1,268,900</u>	<u>1,177,794</u>	<u>3,599,087</u>	<u>99,932</u>	<u>3,699,019</u>

8. Costs of generating funds

	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Voluntary income costs	<u>41,028</u>	<u>58,808</u>
	<u>41,028</u>	<u>58,808</u>

9. Analysis of charitable expenditure

	Activities Undertaken Directly £	Support Costs £	Governance Costs £	Total 2022 £	Total 2021 £
Residential services	869,050	229,796	4,961	1,103,807	1,049,282
Supported living services	156,221	55,593	960	212,774	186,713
Day services	790,615	215,744	4,558	1,010,917	1,033,996
Community services	811,751	55,869	3,929	871,549	881,391
	<u>2,627,637</u>	<u>557,002</u>	<u>14,408</u>	<u>3,199,047</u>	<u>3,151,382</u>

Restricted expenditure of £130,638 (2021 £121,976) is included within charitable expenditure.

10. Analysis of support costs and governance costs

The allocation of support costs are detailed in Note 1, j.

	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Provision for rationalisation costs	-	15,344
Provision for bad debts	12,281	16,074
	<u>12,281</u>	<u>31,418</u>

The bad debt provision was increased by £12,281.

	2022	2021
	£	£
Wages & salaries	2,070,460	2,234,907
Social security costs	140,488	145,702
Pension costs	52,039	54,846
	<u>2,262,987</u>	<u>2,435,455</u>

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

12. Staff costs (continued)

The average monthly head count was 137 staff (2021: 151 staff) and the average number of full time equivalent employees including casual and part time staff analysed by function was as follows:

	2022	2021
	No.	No.
Residential services	24	22
Supported living	5	5
Day services	27	33
Community services	24	27
Administration and support	11	14
	<u>91</u>	<u>101</u>

The Trustees received no remuneration during the year (2021 £Nil). One Trustee had expenses paid of £10 in the year 21/22 (2021 £nil)

Agency staff costs for the year £146,709 (2021 £39,215).

No employees earned in excess of £60,000 in the current or previous years.

The key management personnel of the group comprise: the Trustees; the Chief Executive (who is also the Company Secretary); the Deputy Chief Executive, the Head of Business Strategy, the Head of Finance and the Head of Operations.

The total employee benefits of the key management personnel were £208,093 (2021 £234,121).

13. Net income / (expenditure) for the year

This is stated after charging:

	2022	2021
	£	£
Operating leases - Equipment	15,692	10,568
- Buildings	-	43,092
Depreciation	64,738	62,177
Auditor's remuneration (excluding VAT)	9,880	9,300

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

14. Tangible Fixed Assets

GROUP/CHARITY	Freehold property & Land £	Fixtures & fittings £	Computer equipment £	Motor vehicles £	Total £
Cost					
As at 1 April 2021	1,123,338	548,713	413,406	169,359	2,254,816
Additions	-	31,301	3,796	-	35,097
Disposals	-	-	-	(53,762)	(53,762)
As at 31 March 2022	1,123,338	580,014	417,202	115,597	2,236,151
Depreciation					
As at 1 April 2021	159,268	475,656	327,622	169,359	1,131,905
Charged in year	22,467	24,357	17,916	-	64,740
Disposals	-	-	-	(53,762)	(53,762)
As at 31 March 2022	181,735	500,013	345,538	115,597	1,142,883
Net book value					
As at 31 March 2022	941,603	80,001	71,664	-	1,093,268
As at 31 March 2021	964,070	73,057	85,784	-	1,122,911

15. Charity Investments

	2022 £	2021 £
Unquoted investments		
Shares in subsidiary undertaking at cost	<u>2</u>	<u>2</u>
Total	<u>2</u>	<u>2</u>

The Charity holds 2 shares of £1 each in its wholly owned trading subsidiary company Granville House Limited which is incorporated in the UK. These are the only shares allotted, called up and fully paid. The activities and results of this company are summarised in note 3.

16. Debtors

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	270,483	400,433	270,483	400,433
Amounts owed by subsidiary undertaking	-	-	(480)	(482)
Prepayments and accrued income	198,891	353,575	198,891	353,575
	<u>469,374</u>	<u>754,008</u>	<u>468,894</u>	<u>753,526</u>

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

17. Creditors: Amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	315,890	210,286	315,890	210,286
Accruals and deferred income	187,231	174,509	187,231	174,509
Taxation and social security	31,110	28,426	31,110	28,426
Other creditors	16,504	6,937	16,504	6,937
	<u>550,735</u>	<u>420,158</u>	<u>550,735</u>	<u>420,158</u>

18. Deferred income

Deferred income comprises service income where terms and conditions have not been met at the balance sheet date.

	Group / Charity	
	2022	2021
	£	£
Balance as at 1 April 2021	78,869	13,769
Amount released to income earned from charitable activities	(5,000)	(13,769)
Amount deferred in year	5,000	78,869
Balance as at 31 March 2022	<u>78,869</u>	<u>78,869</u>

19. Group and Charity Financial Commitments

	2022	2021
	£	£
Total of future minimum lease payments under non-cancellable operating leases for each of the following periods:		
Not later than one year	15,889	6,453
Later than one year and not later than five years	19,459	1,877
	<u>35,348</u>	<u>8,330</u>
Total lease payments recognised in the accounts as an expense	<u>15,692</u>	<u>53,660</u>

Notes to the Financial Statements for the year ended 31 March 2022 (*continued*)

20. Analysis of Charitable Funds

Analysis of restricted fund movements – Current year

	Funds at 1 April 2021 £	Incoming resources £	Resources expended £	Funds at 31 March 2022 £
Equipment & Fittings fund	128,695	-	(8,708)	119,987
Support for activities (Covid – staffing)	-	111,078	(111,078)	-
Cheddle Lodge benefit fund	116,342	-	(10,496)	105,846
Cheddle Lodge Legacies fund	1,781	-	(356)	1,425
Total	<u>246,818</u>	<u>111,078</u>	<u>(130,638)</u>	<u>227,258</u>

Analysis of restricted fund movements – Previous year

	Funds at 1 April 2020 £	Incoming resources £	Resources expended £	Funds at 31 March 2021 £
Equipment & Fittings fund	139,412	-	(10,717)	128,695
Support for activities (Covid – staffing)	-	99,932	(99,932)	-
Cheddle Lodge benefit fund	127,224	-	(10,882)	116,342
Cheddle Lodge Legacies fund	2,226	-	(445)	1,781
Total	<u>268,862</u>	<u>99,932</u>	<u>(121,976)</u>	<u>246,818</u>

Description, nature and purpose of the restricted funds

Equipment & Fittings fund	To purchase various items of equipment and fittings funded by grants and donations.
Support for activities	To provide various activities across our Day and Locality services
Cheddle Lodge benefit fund	Funds received as a donation from the Overstone Trust used for land acquisition and property improvements at Cheddle Lodge for the benefit of the residents at Cheddle Lodge.
Cheddle Lodge Legacies fund	Funds received as a legacy for the purposes of either maintaining or improving the property at Cheddle Lodge, or for the residents of that property.

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

20. Analysis of Charitable Funds (continued)

Analysis of unrestricted fund movements – Current year

	Funds at 1 April 2021 £	Incoming resources £	Resources expended £	Funds at 31 March 2022 £
Designated fund	2,543	-	-	2,543
Non-charitable fund	20,844	-	-	20,844
General fund	2,160,209	3,416,061	(3,121,718)	2,454,552
Total	2,183,596	3,416,061	(3,121,718)	2,477,939

Analysis of unrestricted fund movements – Previous year

	Funds at 1 April 2020 £	Incoming resources £	Resources expended £	Funds at 31 March 2021 £
Designated fund	2,543	-	-	2,543
Non-charitable fund	20,844	-	-	20,844
General fund	1,622,093	3,657,748	(3,119,632)	2,160,209
Total	1,645,480	3,657,748	(3,119,632)	2,183,596

Description, nature and purpose of the designated funds

Designated funds are where the Trustees have decided to subsidise specific projects for a period of time to provide continuity while future funding options are explored.

21. Analysis of Group Net Assets between Funds – Current year

	Restricted Funds £	Unrestricted Funds £	Total Funds 2022 £
Tangible fixed assets	181,837	911,431	1,093,268
Cash at bank and in-hand	45,421	1,647,869	1,693,290
Other net current assets	-	(81,361)	(81,361)
Net assets at 31 March 2022	227,258	2,477,939	2,705,197

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

21. Analysis of Group Net Assets between Funds – Previous year (continued)

	Restricted Funds	Unrestricted Funds	Total Funds 2021
	£	£	£
Tangible fixed assets	187,006	935,905	1,122,911
Cash at bank and in-hand	59,812	913,841	973,653
Other net current assets	-	333,850	333,850
Net assets at 31 March 2021	246,818	2,183,596	2,430,414

22. Related Party Transactions

The Charity owns 100% of the share capital of Granville House Limited, a trading company incorporated in the UK.

The director N Guy is also a director of Granville House Limited.

The subsidiary did not trade in the financial years following the closure of its retail outlets in May 2015. During the year there were no administration recharges (2021 £NIL) made to the subsidiary. As the subsidiary did not generate a surplus in the year the Charity did not accrue for a gift aid payment (2021 £Nil).

Balances owing (to) the subsidiary at the year-end amounted to (£480) (2021 (£482)).

There were no related party transactions during this year (2021 - No related party transactions).

23. Pensions

The Charity contributes to a defined contribution pension scheme for the benefit of employees. The assets of the scheme are administered by trustees in funds independent from those of the Charity.

In January 2014 an admission agreement was signed for an additional defined contribution scheme to facilitate pension auto-enrolment. The assets of this scheme are also administered by trustees in funds independent from those of the Charity.

The pension charge for the year is £52,039 (2021 £54,846). At the balance sheet date there were outstanding pension contributions of £6,139 (2021 £5,397) included within 'other creditors'.

24. Grant Funding

Grants received in year ending 31 March 2022 £131,483 (2021 £510,217).

Included in the figure above is HMRC CJRS Grant of £13,622 (2021 £374,173)

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

25. Restricted Funds Donations

The Charity gratefully acknowledges all donations/gifts in kind received during the year and would particularly like to recognise the following organisations:

Morrisons Foundation
The Broome Charitable Trust
Zochonis Charitable Trust
Associated Manchester Electrical Trust
Tour De Manc
Wizard 5
National Lottery Awards for All
Strong Arm Finance
Peter Harrison Foundation

26. Surplus Attributable to the Parent Charity

	2022 £	2021 £
Surplus attributable to the parent charity	<u>274,783</u>	<u>516,072</u>

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

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Net Income for the reporting period (as per the SOFA)	274,783	516,072	274,783	516,072
Adjustments for:				
Depreciation charges	64,740	62,177	64,740	62,177
Income shown in investment activities	(131)	(288)	(131)	(288)
Decrease/(increase) in debtors	284,634	(369,058)	284,634	(369,059)
Increase in creditors	130,577	141,766	130,577	141,766
Net cash provided by operating activities	<u>754,603</u>	<u>350,669</u>	<u>754,603</u>	<u>350,668</u>

28. Analysis of changes in net debt

Cash and cash equivalents	At 1 April 2021	Group Cash Flows	At 31 March 2022	At 1 April 2021	Charity Cash Flows	At 31 March 2022
	£	£	£	£	£	£
Cash	973,653	719,637	1,693,290	970,070	719,637	1,689,707
	973,653	719,637	1,693,290	970,070	719,637	1,689,707