

London Ability

England & Wales · Charity number 1010796

Details

Other names	ELLINGHAM EMPLOYMENT SERVICES
Status	Registered
Legal form	Charitable company
Company number	01984355
Registered	1992-05-06
Register	View on the Charity Commission register

Contact

Address	5 Ellingham Road London E15 2AU
Phone	02085195234
Email	enquiries@londonability.org.uk
Website	www.londonability.org.uk

Activities

Objects: TO RELIEVE THE NEED OF PEOPLE WITH LEARNING AND/OR PHYSICAL DISABILITIES, IN PARTICULAR, BUT NOT EXCLUSIVELY BY THE PROVISION OF VOCATIONAL TRAINING, SHELTERED AND SUPPORTED WORK PLACEMENTS IN THE GREATER LONDON AREA.

Activities: London Ability (formerly known as Ellingham Employment Services) provides accredited and/or vocational preparation courses to people with disabilities and to assist them to find, and maintain, employment placements in the Greater London area, with or without support from ourselves.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Disability, Economic/community Development/employment
- **Who:** People With Disabilities

Geography

- **Area of benefit:** GREATER LONDON
- Essex
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,359,502	£1,207,199	£710,510	43
2024-03-31	£1,301,593	£1,153,750	£558,207	42
2023-03-31	£1,108,488	£1,054,444	£410,364	41
2022-03-31	£1,016,349	£924,940	£356,320	36
2021-03-31	£1,351,589	£1,332,107	£264,910	61

Trustees

Name	Role	Appointed
Christopher Bailey	Chair	2019-06-19
Inga Anna Astrid Strydom		2021-09-07
Linda Bailey		2021-07-20
Lukasz Kowalczyk		2018-12-04
PETER JOHN BARRY LE RASLE		

London Ability

England & Wales - Charity number 1010796

Accounts

LONDON ABILITY LTD.
Formerly Known as Ellingham Employment Services
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Trustees' Report	2 - 11
Independent Auditor's Report on the Financial Statements	12 - 15
Statement of Financial Activities	16
Balance Sheet	17 - 18
Notes to the Financial Statements	19 - 36

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025**

Trustees	C Bailey (Chair) P J B Le Rasle L Kowalczyk I A A Strydom L Bailey (Treasurer)
Company registered number	01984355
Charity registered number	1010796
Registered office	5 - 11 Ellingham Road Leytonstone London E15 2AU
Independent auditor	Haslers Chartered Accountants Old Station Road Loughton Essex IG10 4PL

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees of London Ability are pleased to present their annual report together with financial statements for the year ending 31st March 2025. Under section 383 of The Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013, London Ability qualifies as small and as a result a strategic report is not required.

Trustees are pleased to report that the last financial year to 31st March 2025 has been one of growth and success both in service provision, delivery and organisational development. At the start of the year, the organisation undertook a significant change programme to develop a new name and brand to further enhance its position, visibility and reputation. The Board of Trustees formally approved the name change from Ellingham Employment Services to London Ability by special resolution in September 2024.

Our Purpose and Activities

London Ability is a long standing and firmly established community organisation that has developed a reputation for innovation and excellence.

Throughout its history it has consistently provided high quality support, training and employment opportunities for hundreds of adults with learning and associated physical and sensory disabilities, and young people with Special Educational Needs (SEND) across the London boroughs of Waltham Forest, Hackney, Newham, Redbridge, Tower Hamlets, Islington, and Barking and Dagenham.

The organisation changes lives by empowering people with disabilities to fulfil their potential with a unique, bespoke approach and range of services including:

- Specialist employment programmes for young people aged 18–25 with Special Educational Needs and/or disabilities.
- Day opportunities, delivering work related skills, independence and structured activities for adults with learning disabilities.
- Supported work programmes to help disabled people find and sustain paid roles.

In addition, to further our aims, increase our impact and breakdown barriers, the team has been supporting local employers by providing neurodiversity training to raise awareness and create sustainable opportunities for our clients.

Our Values

We are proud to be a values-led organisation. Our values guide us in everything we do.

At London Ability we are:

Invested - We will do what it takes to help our clients succeed and achieve their goals. We are dedicated. Our clients are our priority.

Inclusive - We reflect and represent our community. We are passionate about everyone having the same opportunities and feeling valued.

Empowering - We nurture potential. We give people the support that is right for them, so they feel more confident and achieve their goals.

Achievements and performance

The Trustees are pleased to report that the last financial year has been a positive and productive one for the organisation and its clients.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

We have successfully achieved our agreed objectives by:

- Expanding day opportunities services for clients with more complex needs to grow the service and enhance provision.
- Expanding our range of supported internships across other boroughs and referral agencies.
- Delivering high performance in our contract with Hackney Education
- Maintaining prudent financial management in 2024/25 to secure our reserve levels.
- Reviewing the Senior Management Team (SMT) and Chief Executive Officer's roles and responsibilities to future proof the organisation and maintain high quality leadership and management across the organisation.
- Continuing to embed the organisation's values across all teams and all areas of work.
- Undertaking an Investors in People re-assessment in early 2024 and implementing the findings of the staff survey and review. The result of this led to London Ability being identified as one of the Top 5 Investors in People accredited employers in the UK!
- Committing to undertake a refurbishment of the front of the building in line with the access audit undertaken during 2023/24 drawing on our reserves, alongside funding secured from charitable trusts and other funding bodies
- Fully implementing the re-branding of Ellingham Employment Services to London Ability whilst maintaining high quality services to our clients.

Partnership Working

The Trustees are proud of the newly developed and longstanding partnerships that have underpinned our work this year. The Board recognise that working with other organisations and individuals that share our values is key to our development, longevity and ability to source and create valuable opportunities for all London Ability clients. Staff from London Ability continue to work in partnership with:

- East London Business Alliance on corporate volunteer projects including the Digital Compass project and work with a distinguished construction management professional who has been invaluable in advising on the Head Office refurbishment.
- The London Boroughs of Waltham Forest and Newham, Learning Disability Provider Forums.
- Waltham Forest College Social Care Workforce Development Forum to extend opportunities for young people to work in social care and give employers a voice in developing the training on offer to students. London Ability continue to host work placements for these students.
- Hackney Supported Internship Employment Forum where a London Ability senior manager holds the Chair.
- National Development Team for Inclusion (NDTI) on their 'Pathfinder Preparing for Adulthood' project, transforming SEND employment pathways for young people with additional needs.
- Local SMEs and other employers who support our clients with work placements and training opportunities.
- Local authority social work teams, allied health professionals, education and college staff and local SEND teams.

Senior Managers hosted visits throughout the year from stakeholder organisations, social work teams, referral partners, voluntary organisations, service providers, advocacy groups and grant makers. These partnerships enrich the work of the organisation, raise awareness, and create opportunities for broadening our scope, reach and development.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Key highlights and activities throughout the year

May 2024

Investors in People re-accreditation was achieved with outstanding results.

June - July

The Senior Management Team worked with various contractors and the Centre for Accessible Environments to deliver a fully costed refurbishment plan for our Head Office building that fully implemented the findings of the 2023 access audit. Funding applications for this refurbishment were submitted to capital funding charitable trusts.

A soft launch of the new brand was carried out.

September

In September the whole organisation celebrated the official launch of "London Ability". The leadership team also joined a corporate volunteering project that matched organisations with volunteers interested in supporting digital initiatives in charities. This led to the development of a social media strategy, linked to the rebrand and an outline on how to effectively build the organisation's online presence.

November - January 2025

The Senior Management Team focussed their efforts on implementing the new brand along with developing bids to raise funds to support the refurbishment.

In November, the organisation was shortlisted for UK small employer of the year at the Investors in People Awards 2024.

February 2025

Senior managers began to implement the new social media strategy with support from a communications professional.

Recognition and acknowledgement

The Board of Trustees extends its overwhelming gratitude to:

- The entire staff team for their efforts throughout the year, during which they all showed their outstanding commitment to London Ability, its clients, and each other. Their dedication to providing a high-quality service for all is hugely appreciated.
- The Senior Management Team, Donna Darrell, Rosemary Clark, and Miles Leonard, under the leadership of Helen Gore, for their unwavering commitment to the organisation and its clients.
- The organisations extended network of supporters, including parents, carers, donors and fundraisers.
- Our trusted collaborators and partner organisations, who have provided invaluable professional support.
- The organisation's invaluable volunteers, including corporate supporters, without whom much of our work would not be possible. Special thanks go to Gary Tompkins from M3, Harrison Smith and the team at Tidyworks, and Kelly Sun, Caiqing Yang and Julian Hallam from SMBC.
- Our charitable trust funders, City Bridge Trust, the Screwfix Foundation, and the National Lottery Community Fund.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Rebranding for the future

Following a soft launch in July 2024, the organisation formally moved away from its long serving identity as "Ellingham Employment Services" on 9 September 2024, re-launching as London Ability. This rebrand followed an extensive values exercise in 2022 and consultation with key stakeholders, clients and staff throughout 2023-24. The rebrand and change programme supports our aim of developing a modern identity that fully represents our work-ethos, excellence and values. A comprehensive project plan, approved by Trustees and led by the Senior Management Team was carried out from January 2024.

Trustees are pleased to report that the rebranding has been a resounding success, with universally positive feedback received from clients, stakeholders, staff and referral partners. The rebranding project is scheduled to be concluded in 2025-26.

London Ability Day Opportunities

This year has seen strong growth in the service overall, with increased numbers of clients attending and staff employed. Trustees are incredibly pleased to note the significant increase in catering provision income, which is due to the quality of meals now prepared in house.

There are more clients than ever taking lunches and other catering services. Our new catering strategy has produced more opportunities for clients to undertake catering activities, both in lunch service and cooking sessions run as an activity. Clients with learning disabilities are supported to undertake food hygiene training, learn skills for work and independent living in a supportive and safe environment. Client feedback has been universally positive, and our expectation is to see further development and growth in the next year.

The Day Opportunities Team have run several well organised, effectively delivered and well attended events for our community over the year, with greater than ever numbers regularly attending to support our activities.

Trustees were pleased to receive the feedback gathered in the Parent/Carer survey for 2024, which demonstrated record levels of client satisfaction and highlighted many areas of good practice and positive impact.

Trustees extend their thanks to our parent/carers community for their feedback and support.

London Ability Supported Internships

Supported internships moved into the final year of the current contract with Hackney Education with over 90% of all participants reaching the outcomes identified. Trustees are pleased to note that 100% of completers moved into a positive destination such as employment, further training, regular volunteering and/or other projects. The transformational effect of this project on young people's lives continues to grow. By empowering young people with SEND to achieve their goals, build their skills and resilience, providing a space for confidence to flourish, our clients are achieving outcomes well.

The project has expanded its partnership working, London Ability is now a key delivery partner for Hackney Education with a sound reputation for delivering person-centred, individually tailored support for local young people with SEND.

Feedback on the service is captured throughout the intern's time on the project, which is fed into annual reviews.

The project continued to engage with a range of employers across East London and source placements in a range of sectors in line with the goals of the project participants. London Ability will look to re-tender for this valuable work to continue for the next four years, this exercise is scheduled to conclude by August 2025.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Access to Work Support

London Ability is pleased to continue providing support services for disabled people in work. Trustees note the well-publicised challenges delivering this programme within the Department for Work and Pensions. Trustees continue to be concerned about the lengthy delays in renewing customer awards, approving new support requests, making payments and processing correspondence. Trustees also note the difficulties obtaining awards for supported internship participants. Customers of London Ability report their continued frustration with these operational challenges, which cause worry and distress. Trustees remain concerned that the proposed funding cuts to this vital programme for working and self-employed disabled people will inevitably compound these difficulties.

Investors in People Re-accreditation

London Ability achieved re-accreditation with Investors in People in May 2024. The Trustees were delighted to receive the report which along with areas for development, highlighted many areas of outstanding practice and record levels of satisfaction among staff. Scores were consistently higher compared to the previous assessment, highlights from the report include:

- 95.3% of all those surveyed agreed this is a great place to work
- 100% of people said our values are clear, they share the same values, and these values guide the way they work and behave
- People believe the values are lived and breathed in the organisation
- 100% of people say they trust the leaders of London Ability; we are open and transparent in communication.
- 95% of people said we have a positive effect on our local community and society. There is a strong belief that the work we do is delivering results for the clients and making a meaningful difference within the wider community.
- Staff are proud of the organisation's unique approach to the way it offers its services to adults with learning disabilities, and they genuinely believe it delivers constructive outcomes.

Trustees were also delighted to learn that the staff survey scores placed London Ability in the top 20 accredited employers in the UK. As a result, the organisation was invited to apply for UK Employer of the Year at the Investors in People Awards 2024 and was subsequently shortlisted in the top five in the category.

London Ability continue to reward and recognise individual employees with the Living Our Values Awards, now in their second year. This peer-to-peer award scheme is hugely popular, the Trustees extend their congratulations to this year's winners, Ellie Hollis, Jane Russell and Wendy Jackson.

Public benefit statement

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Financial review

The statement of financial activities shows a net surplus of £152,303 (2023: £147,843) for the year resulting in reserves standing at £710,510. The charity had a highly successful year and benefitted from increased unrestricted charitable income compared to the previous year.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. They continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

It is agreed that London Ability will ring fence and hold reserves that will enable accurate and prudent control of its resources. These reserves will cover the contingencies of:

- Safeguarding against anticipated and unanticipated fluctuations in income and expenditure.
- Redundancy payments to staff.
- Long term sick cover for staff.
- Maternity payments and cover for staff.
- Unclaimed invoices from suppliers.

In addition, the Trustees may decide from time to time to divert reserves to cover capital expenditure to facilitate the start of a new project, or to build up additional funds. These may be used to cover a long-term capital project, such as refurbishment of buildings, any decision regarding the diversion of resources will be decided by the Board of Trustees under the guidance of the Treasurer.

The Board will reserve amounts as it sees necessary in line with the Charity Commission's recommendations of 3 months to 2 years operating costs as good financial practice. The amounts will vary, as dictated by external influences that decide the levels of income through funders and grant making authorities which are outside the control of the Board of Trustees, although every effort must be made to ensure that levels do not fall below 3 months operating costs at any time.

Based on the level of reserves, we are initiating a rolling programme of updating facilities and equipment at London Ability's sites to maximise environmental and economic sustainability, whilst ensuring premises provide clients with a welcoming facility appropriate to their needs.

Trustees are also in agreement and further designate the sum of £100,000 towards the refurbishment of Head Office, due to begin in September 2025.

Reserves will be invested to earn the best interest with reasonable access being a prerequisite. Levels of reserves will be reported to the Board of Trustees quarterly as part of the financial report.

These actions will empower the Board of Trustees to exercise its authority to ensure the continuation of the financial security of the organisation, through its Instruments of the Memorandum and Articles of Association.

Fundraising standards

London Ability is not registered with the Fundraising Regulator, and the charity has not carried out any significant fundraising activities.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Plans for future periods

Day Opportunities

London Ability's Day Opportunities programme continues to grow and develop as a market leading, high quality service for adults with learning and associated disabilities. We will continue to develop and train staff so that they can meet the changing needs of our client group and offer quality services that build client's skills for life and work. We are committed to developing our services to maximise the use of our site and buildings at 5-11 Ellingham Road and continue to maintain our premises to a good standard.

A parent/carer lunch club will be offered in 2025; this has been developed in line with feedback gathered from the parent/carer survey.

Supported Internships

Services to provide Supported Internships for young people (18-25) with SEND will continue, building on the previous year's success. Young People will be supported to move from education to employment via a combination of in-house learning and a supported work placement in line with their individual goals. This project will benefit from the planned refurbishment of the Head Office building with the improvements to the learning environment and general facilities available to all users of the building.

A parent carer forum will be established from September 2025. Plans to expand the existing provision will be included in the expected re-tender exercise for the contract from Hackney Education.

Access to Work

London Ability will continue to provide this support in employment programme for customers with disabilities.

Refurbishment of Head Office

A refurbishment of the Head Office Building at 5 Ellingham Road will provide improved accessibility at the front entrance, new bathroom and tea point facilities that are fully accessible in line with current regulations, improved lighting and shared facilities. These improvements have been planned to meet the findings of the 2023 Access Audit.

Organisational Development

Staff training and development will continue to be a priority, with opportunities for formal and informal learning and development. We will continue to deliver our communications and social media strategy, growing online engagement, marketing the organisation and its services to potential clients and new members of staff, and building on the rebrand.

Trustees will consider implementing a full annual report and financial statement, to be published alongside the Trustees annual report, with an in-depth analysis of the organisation's impact, for the year 2025-26.

Structure, governance and management

All Trustees have designated roles and will be working with senior staff in these roles for the future development of services and structure of London Ability. Trustee meetings continued both online and face to face during 2024/25, working closely with the Chief Executive and members of the Senior Management Team who have day-to-day management of the organisation.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Board Changes

Trustees are pleased to announce that the Board remained unchanged throughout the year. Meetings continue to be held via a combination of face to face at London Ability Head Office and online.

Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Trust deed.

The company is constituted under a Trust deed and is a registered charity number 1010796.

The principal object of the charitable company is to relieve the need of people with learning and/or physical disabilities but not exclusively by the provision of accredited and/or vocational training, sheltered and supported work placements in the Greater London area.

In the event of the Company being wound up Members are required to contribute an amount not exceeding £1.

Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Under the terms of the Memorandum and Articles of Association the Trustees are elected to serve on an annual basis after which they must be re-elected at the next Annual General Meeting.

Due to the work undertaken at London Ability, its function is to support people who have a range of learning and associated physical and sensory disabilities into employment. The Trustees are recruited on their direct understanding of people with learning disabilities, and ability to demonstrate alignment with our values. On the Board, are representatives from parents/carers to fulfil this role, in addition to those with professional experience in this field.

Organisational structure and decision-making policies

All Trustees carried out their duties well, working with the senior staff to implement statutory requirements to ensure a quality service to our clients.

Day-to-day responsibility for the provision of the charity's services rests with the Chief Executive and members of the Senior Management Team, who also have responsibility for ensuring their departments operate in accordance with our objectives and goals. This continues to work exceedingly well. Staff are supported to develop their skills and working practices through team and individual supervision and appraisal.

The Board of Trustees are extremely delighted that Helen Gore continues as Chief Executive with full responsibility for the management of London Ability and oversight & management of the Senior Management Team. She leads by example in her dedication and commitment to the Organisation and its clients. In what has been an exemplary year, Helen has, amongst many other things, led the SMT & staff team to achieving such excellent results in the Investors in People Awards, in the rebranding of the organisation bringing it to the modern market and the fundraising and leadership of the works surrounding the refurbishment of the building, coordinating and liaising with all parties to ensure the needs identified in the Access Audit will be met for the benefit of all clients using London Ability's services. In addition she has ensured that by working with Trustees that London Ability remains compliant with all statutory requirements.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

The Chief Executive remains an intermediary between the Trustees and the Senior staff in the organisation. Members of the Senior teams attend Trustees' meetings submitting written reports to discuss specific aspects of work or projects where Trustees may need further information.

Induction and training of Trustees

All new recruits to the Board attend a full induction which introduces them to their roles. This includes meeting with the senior staff team to gain a better understanding of the work of London Ability. As part of the Induction package new trustees will be given the latest edition of London Ability's Trustees Annual Report, Code of Practice of Trusteeship, and the latest guidance from the Charity Commission in the appropriate areas of trusteeship.

Pay policy for senior staff

Currently London Ability's Board of Trustees have responsibility of ratifying all salary increases across the organisation, ensuring that we continue to be an accredited London Living Wage employer. Trustees working with the CEO and Finance Manager around budgets, were able to award a pay increase to all staff in 2024/25 of 3%, ensuring that the requirements of London Living Wage are met.

The Board met their target to review the senior staff teams' roles, responsibilities and salary structure to ensure long-term continuity of a quality management team within the organisation.

Risk management

The Trustees have assessed the major risks to which the company is exposed particularly in relation to operations and finances. They are satisfied that there are appropriate systems and procedures are in place to mitigate our exposure to major risks, and these have been identified.

A review of the procedures in place to ensure compliance with Health and Safety of the charity's staff, clients and visitors to the charity's facilities has been undertaken this financial year and the Board are pleased to confirm the appointment of Peninsula Business Services (PBS) as the organisation's new health and safety consultants. On-boarding will continue into the new financial year. Trustees recognise the professional approach and quality of advice provided by PBS. SMT and Trustees will work together to implement the action points of this review.

SMT ensures that all London Ability premises also undergo all statutory checks such as fire risk assessment, annual fire alarm and detection checks, legionella testing, electrical and fixed wire testing, to maintain the health and safety of clients and staff.

Staff are continuously updated with essential training according to our needs assessment. This includes Emergency First Aid at Work, risk assessment awareness, Fire Warden training, manual handling, safeguarding, equalities. This is achieved through regular training sessions either in house or externally run courses.

London Ability continues to retain the services of PBS to assist with human resource and Employment Law Issues.

The Employee Assistance Programme remains available to all staff, offering confidential life management and personal support services to all employees and their families. This is a key part of our wellbeing offer to all staff.

Statement of Trustees' responsibilities

The Trustees (who are also the Directors of the Company for the purposes of company law) are responsible for

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

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 Company 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

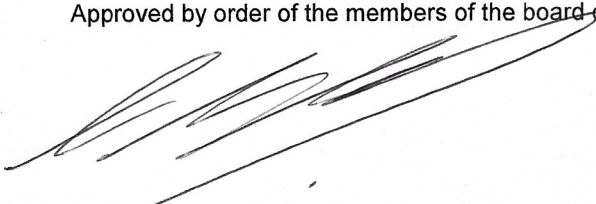
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Haslers, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 8 December 2025 and signed on their behalf by:



C Bailey
(Chair of Trustees)

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON ABILITY LTD.

Opinion

We have audited the financial statements of London Ability LTD. (the 'charitable company') for the year ended 31 March 2025 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 2025 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.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON ABILITY LTD. (CONTINUED)

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.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON ABILITY LTD. (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:

Procedures performed to address these were as follows:

- Walkthrough testing was carried out to identify and assess the design effectiveness of controls management have in place to prevent and detect fraud, including known or suspected instances or non-compliance with laws and regulations and 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,
- Using analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud,
- Assessing the appropriateness of accounting estimates and challenging any significant assumptions or judgements made by management,
- Incorporating testing of manual journal entries that were posted throughout the year. In particular, we focused on material journal entries, journals lacking descriptions, transactions with trustees, and journal entries posted outside normal business working hours. These were scrutinised for evidence of unusual entries,
- Evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business,

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

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

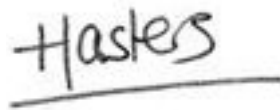
LONDON ABILITY LTD.
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON ABILITY LTD. (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, 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 trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Laura Ambrose BA(Hons) FCA

A handwritten signature in black ink that reads "Haslers" with a horizontal line underneath it.

Haslers

Chartered Accountants
Statutory Auditor
Old Station Road
Loughton
Essex
IG10 4PL

9 December 2025 Date:

Haslers are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	2	28,957	81	29,038	6,105
Charitable activities	3	-	1,277,936	1,277,936	1,260,613
Other trading activities		-	44,341	44,341	29,094
Investments	4	-	8,187	8,187	5,781
Total income		28,957	1,330,545	1,359,502	1,301,593
Expenditure on:					
Raising funds		-	13,414	13,414	9,281
Charitable activities		2,142	1,191,643	1,193,785	1,144,469
Total expenditure		2,142	1,205,057	1,207,199	1,153,750
Net movement in funds		26,815	125,488	152,303	147,843
Reconciliation of funds:					
Total funds brought forward		2,465	555,742	558,207	410,364
Net movement in funds		26,815	125,488	152,303	147,843
Total funds carried forward		29,280	681,230	710,510	558,207

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 19 to 36 form part of these financial statements.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01984355

BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	9	26,239	11,272
		<u>26,239</u>	<u>11,272</u>
Current assets			
Debtors	10	149,581	151,884
Cash at bank and in hand		759,527	626,939
		<u>909,108</u>	<u>778,823</u>
Creditors: amounts falling due within one year	11	(224,837)	(231,888)
Net current assets		684,271	546,935
Total assets less current liabilities		<u>710,510</u>	<u>558,207</u>
Net assets excluding pension asset		<u>710,510</u>	<u>558,207</u>
Total net assets		<u><u>710,510</u></u>	<u><u>558,207</u></u>
Charity funds			
Restricted funds	12	29,280	2,465
Unrestricted funds	12	681,230	555,742
Total funds		<u><u>710,510</u></u>	<u><u>558,207</u></u>

LONDON ABILITY LTD.
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01984355

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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 on 08 December 2025 and signed on their behalf by:



.....
C Bailey
(Chair of Trustees)

The notes on pages 19 to 36 form part of these financial statements.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies

1.1 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.

London Ability LTD. 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.

1.2 Income

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

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.3 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 Company's objectives, as well as any associated support costs.

Not all VAT is recoverable and where this is the case, the VAT which is irrecoverable is recorded within expenditure. Adjustments to VAT under the partial exemption scheme is recorded within the expenditure of the unrestricted fund.

1.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies (continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following bases:

Short-term leasehold property	- fully depreciated
Fixtures and fittings	- 20%
Computer equipment	- 20%

1.6 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.

1.7 Cash at bank and in hand

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

1.8 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 Company 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.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies (continued)

1.9 Financial instruments

The Company 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.

1.10 Pensions

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

1.11 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 Company 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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

2. Income from donations and legacies

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Donations	-	81	81
Grants	28,957	-	28,957
	<u>28,957</u>	<u>81</u>	<u>29,038</u>
	<u><u>28,957</u></u>	<u><u>81</u></u>	<u><u>29,038</u></u>
	<i>Restricted funds 2024 £</i>	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Donations	-	4,485	4,485
Grants	1,620	-	1,620
	<u>1,620</u>	<u>4,485</u>	<u>6,105</u>
	<u><u>1,620</u></u>	<u><u>4,485</u></u>	<u><u>6,105</u></u>

3. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £
Day opportunities	810,760	810,760
Support work	261,851	261,851
Supported internships	205,325	205,325
	<u>1,277,936</u>	<u>1,277,936</u>
	<u><u>1,277,936</u></u>	<u><u>1,277,936</u></u>

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

3. Income from charitable activities (continued)

	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Day opportunities	791,937	791,937
Support work	255,058	255,058
Supported internships	213,618	213,618
	<u>1,260,613</u>	<u>1,260,613</u>

4. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £
Interest receivable	<u>8,187</u>	<u>8,187</u>

	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Interest receivable	<u>5,781</u>	<u>5,781</u>

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

5. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Direct costs	903,717	290,068	1,193,785

	<i>Activities undertaken directly 2024 £</i>	<i>Support costs 2024 £</i>	<i>Total funds 2024 £</i>
Direct costs	879,555	264,914	1,144,469

Analysis of direct costs

	Activities 2025 £	Total funds 2025 £
Staff costs	773,248	773,248
Agency staff costs	75,236	75,236
Travel and subsistence	3,793	3,793
Recruitment	138	138
Qualification costs	20	20
Staff training	499	499
Rent	28,215	28,215
Rates	2,791	2,791
Light and heat	6,280	6,280
Cleaning	3,515	3,515
Repairs and maintenance	5,421	5,421
Printing, postage and stationery	2,020	2,020
Telephone and internet	1,130	1,130
Equipment and materials	1,411	1,411
	903,717	903,717

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

5. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Activities 2024 £</i>	<i>Total funds 2024 £</i>
Staff costs	759,120	759,120
Agency staff costs	58,863	58,863
Travel and subsistence	1,186	1,186
Recruitment	1,490	1,490
Staff training	587	587
Rent	28,214	28,214
Rates	1,495	1,495
Light and heat	10,098	10,098
Cleaning	3,149	3,149
Repairs and maintenance	9,093	9,093
Printing, postage and stationery	1,624	1,624
Telephone and internet	1,087	1,087
Sundry expenses	(99)	(99)
Equipment and materials	3,648	3,648
	<u>879,555</u>	<u>879,555</u>

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2025 £	Total funds 2025 £
Staff costs	164,409	164,409
Depreciation	3,569	3,569
Travel and subsistence	503	503
Staff training	345	345
Staff Welfare	1,535	1,535
Rent and rates	7,276	7,276
Light and heat	2,714	2,714
Cleaning	2,511	2,511
Repairs and maintenance	1,310	1,310
Insurance	11,226	11,226
Printing, postage and stationery	977	977
Telephone and internet	16,779	16,779
Publicity	3,731	3,731
Equipment and materials	781	781
Grant expenditure	2,142	2,142
Auditors' remuneration	10,850	10,850
Legal and professional	13,103	13,103
Bank charges	283	283
Hospitality	4,063	4,063
Consultancy fees	4,018	4,018
Subscriptions	4,435	4,435
Profit/(loss) on disposal	8	8
Storage costs	2,958	2,958
Bad debts	(4,765)	(4,765)
Irrecoverable VAT	35,307	35,307
	<u>290,068</u>	<u>290,068</u>

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

5. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Activities 2024 £</i>	<i>Total funds 2024 £</i>
Staff costs	158,825	158,825
Depreciation	2,159	2,159
Travel and subsistence	533	533
Staff training	166	166
Staff Welfare	777	777
Rent and rates	8,096	8,096
Light and heat	3,053	3,053
Cleaning	1,605	1,605
Repairs and maintenance	933	933
Insurance	10,129	10,129
Printing, postage and stationery	938	938
Telephone and internet	25,161	25,161
Sundry expenses	674	674
Equipment and materials	813	813
Grant Expenditure	1,620	1,620
Auditors' remuneration	10,350	10,350
Legal and professional	13,987	13,987
Bank charges	231	231
Hospitality	466	466
Consultancy Fees	1,553	1,553
Subscriptions	3,862	3,862
Storage costs	2,575	2,575
Bad debts	(8,627)	(8,627)
Irrecoverable VAT	25,035	25,035
	<u>264,914</u>	<u>264,914</u>

6. Auditor's remuneration

	2025 £	2024 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<u>10,850</u>	<u>10,350</u>

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

7. Staff costs

	2025 £	2024 £
Wages and salaries	853,920	841,468
Social security costs	65,168	63,211
Contribution to defined contribution pension schemes	18,569	13,266
	937,657	917,945

The average number of persons employed (including Trustees) by the Company during the year was as follows:

	2025 No.	2024 No.
Trustees	5	5
Management	4	4
Admin	2	2
ICV Support Staff	21	20
ATW Support Worker	11	11
Job Coach	2	2
Cleaner	1	1
Co-ordinators	2	2
	48	47

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration including employee benefits paid to key management personnel during the year was £184,644 (2024: £180,364).

8. Trustees' remuneration and expenses

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

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £NIL).

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

9. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2024	145,317	28,117	-	173,434
Additions	-	6,132	12,412	18,544
Disposals	-	(129)	-	(129)
At 31 March 2025	145,317	34,120	12,412	191,849
Depreciation				
At 1 April 2024	145,317	16,845	-	162,162
Charge for the year	-	2,560	1,009	3,569
On disposals	-	(121)	-	(121)
At 31 March 2025	145,317	19,284	1,009	165,610
Net book value				
At 31 March 2025	-	14,836	11,403	26,239
At 31 March 2024	-	11,272	-	11,272

10. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	87,450	84,716
Other debtors	500	771
Prepayments and accrued income	61,631	66,397
	149,581	151,884

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

11. Creditors: Amounts falling due within one year

	2025	2024
	£	£
Trade creditors	8,534	20,475
Other taxation and social security	42,741	33,175
Pension fund loan payable	6,396	3,335
Other creditors	51,318	49,439
Accruals and deferred income	115,848	125,464
	224,837	231,888

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
Unrestricted funds					
Designated funds					
Refurbishment Shortfall	-	-	-	100,000	100,000
General funds					
General Funds - all funds	555,742	1,330,545	(1,205,057)	(100,000)	581,230
Total Unrestricted funds	555,742	1,330,545	(1,205,057)	-	681,230
Restricted funds					
LBWF Infection Control	2,465	-	-	-	2,465
City Bridge Trust Access Audit (1)	-	1,242	(1,242)	-	-
City Bridge Trust Access Audit (2)	-	900	(900)	-	-
National Lottery Community Fund	-	19,930	-	-	19,930
Screwfix Foundation	-	6,885	-	-	6,885
	2,465	28,957	(2,142)	-	29,280
Total of funds	558,207	1,359,502	(1,207,199)	-	710,510

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

12. Statement of funds (continued)

Restricted Funds

LBWF Infection Control Grant: This is in respect to funds received from Waltham Forest to support staff costs of receiving regular Covid 19 testing and travel to and from work to maintain infection control.

City Bridge Trust Access Audit (1) Grant: This grant funded a design appraisal of plans to refurbish the front of the building in line with the findings of an access audit

City Bridge Trust Access Audit (2) Grant: This grant funded access and equalities training for staff.

Screwfix Foundation Grant: This is in respect to funds received as a contribution towards refurbishment costs for the front building.

National Lottery Community Fund Grant: This is in respect of funds received as a contribution towards refurbishment costs for the front building.

Unrestricted Funds

General funds represent the "free reserves" of the charity for its unrestricted use in connection with its overall charitable objectives.

Designated Funds

Funds have been designated in the year to cover any shortfall in funds received for the purpose of budgeted refurbishment works.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

12. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2024 £</i>
Unrestricted funds					
General Funds - all funds	407,832	1,299,973	(1,152,130)	67	555,742
Restricted funds					
David Solomon Grant	67	-	-	(67)	-
LBWF Infection Control	2,465	-	-	-	2,465
Access Audit Grant	-	1,620	(1,620)	-	-
	2,532	1,620	(1,620)	(67)	2,465
Total of funds	410,364	1,301,593	(1,153,750)	-	558,207

Restricted Funds

The David Soloman Grant was a donation received to be used for the I Can Ventures project.

LBWF Infection Control Grant: This is in respect to funds received from Waltham Forest to support staff costs of receiving regular Covid 19 testing and travel to and from work to maintain infection control.

The Access Audit Grant was provided from City Bridge Trust to carry out an audit to inspect the accessibility of the building for their disabled clients.

Unrestricted Funds

General funds represent the "free reserves" of the charity for its unrestricted use in connection with its overall charitable objectives.

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

13. Summary of funds

Summary of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
Designated funds	-	-	-	100,000	100,000
General funds	555,742	1,330,545	(1,205,057)	(100,000)	581,230
Restricted funds	2,465	28,957	(2,142)	-	29,280
	<u>558,207</u>	<u>1,359,502</u>	<u>(1,207,199)</u>	<u>-</u>	<u>710,510</u>

Summary of funds - prior year

	<i>Balance at 1 April 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2024 £</i>
General funds	407,832	1,299,973	(1,152,130)	67	555,742
Restricted funds	2,532	1,620	(1,620)	(67)	2,465
	<u>410,364</u>	<u>1,301,593</u>	<u>(1,153,750)</u>	<u>-</u>	<u>558,207</u>

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	-	26,239	26,239
Current assets	29,280	879,828	909,108
Creditors due within one year	-	(224,837)	(224,837)
Total	29,280	681,230	710,510

Analysis of net assets between funds - prior year

	<i>Restricted funds 2024 £</i>	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Tangible fixed assets	-	11,272	11,272
Current assets	2,465	776,358	778,823
Creditors due within one year	-	(231,888)	(231,888)
Total	2,465	555,742	558,207

LONDON ABILITY LTD.
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

15. Contingent liabilities

In 1998 the charity received a restricted grant of £150,000 from National Lottery Charities Board in order to build and set up a training centre. The conditions of the grants stipulated that such assets shall not be disposed of without prior written consent of the National Lottery Charities Board and, that they shall not be used for any other financial purpose. This restriction applies for 80 years from the date of acquisition, and expires in the year 2078. If the charity does not comply with these conditions, the grant received will have to be repaid.

We are aware that there is a potential clawback of funding in relation to the work choice income stream. However, at this stage this amount has not been quantified or accepted by the Charity.

16. Pension commitments

The charity operates a defined contribution scheme whose assets are held independently and administered separately from those of the charity. During the year, the cost was £18,791 (2024: £13,266). Contributions totaling £6,945 (2024: £3,335) were payable to the fund at the balance sheet date and are included in creditors. The charity has a commitment in respect of the capital repayment of pension contributions being paid by the London Borough of Waltham Forest of £24,450 (2024: £24,450) due as at year-end.

17. Operating lease commitments

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

	2025 £	2024 £
Not later than 1 year	35,268	35,268
Later than 1 year and not later than 5 years	141,072	141,072
Later than 5 years	191,035	226,303
	<u>367,375</u>	<u>402,643</u>

18. Related party transactions

During the year the Amplified IT, a company in which a trustee is the director, provided the Charity with IT services. The total amount of services provided for the current year was £27,192 (2024: £19,663). At the year end there was a balance of £1,708 (2024: £1,412) payable to Amplified IT.

London Ability

England & Wales - Charity number 1010796

Accounts

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Trustees' Report	2 - 14
Independent Auditors' Report on the Financial Statements	15 - 18
Statement of Financial Activities	19
Balance Sheet	20 - 21
Notes to the Financial Statements	22 - 37

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024

Trustees	C Bailey (Chair) P J B Le Rasle L Kowalczyk I A A Strydom L Bailey (Treasurer)
Company registered number	01984355
Charity registered number	1010796
Registered office	5 - 11 Ellingham Road Leytonstone London E15 2AU

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Trustees are pleased that services have continued to develop during the year 2023-24. The reflection exercises undertaken by SMT, staff & clients during the previous period has meant a reappraisal of service delivery to maximise the continuing quality services provided by Ellingham Employment Services, a result of which has led to an increase in referrals to both I Can Ventures and Supported Internship programmes. It has also meant that Trustees & SMT are looking at the sustainability of the organisation, by exploring the implementation of a change management programme, and in staffing structure to enable progression of staff through the organisation.

In 2022, thanks to the latest Investors in People assessment, the Board and Senior Management Team (SMT) embarked on a values exercise. The purpose of this was to build on the strong ethos of the organisation by identifying three core values and then embed them in our service delivery. The exercise was transformative. At this time, it was also felt that the working name of the organisation, which has been in existence since its inception, was no longer reflecting the modern organisation & its services. During 2023-24 SMT engaged with staff and clients and stakeholders, the result being that it is time to modernise our identity and go forward with a new name that represents who we are now, carries the weight of our excellent work and futureproofs the organisation.

At the same time during 2023/24, an access audit was undertaken by Centre for Accessible Environments (funded by City Bridge) on the front building at Ellingham Road. Built in 1998, the layout no longer suits the services it provides and so as a first step to improvements an access audit was commissioned. Again, consultation between SMT, staff & clients, together with the access audit, led to a brief submitted to contractors for tenders. We were also fortunate to benefit from corporate volunteer support from members of ELBA (East London Business Association) regarding elements of the refurbishment. During the period, work continued to refine the refurbishment design with the contractors, with the intention that in 2024/25 an application will be submitted to City Bridge for funding for the access audit to be carried out.

Because of this, the whole Board of Trustees must extend its overwhelming gratitude to:

- All its staff team for their efforts throughout the year, during which they all showed their commitment to Ellingham's clients, and their flexible approach to finding ways to support clients, and each other, to ensure that clients are placed as a priority and receive a high-quality service. The flexible approach adopted by all staff ensures this.
- The Senior Management Team, Donna Darrell, Rosemary Clark, and Miles Leonard, under the leadership of Helen Gore, for their management & leadership of Ellingham's staff teams during these times ensuring clients' well-being is maintained.
- The Finance & Development team for the strict financial controls and successful external funding applications received that enabled Ellingham to sustain its financial viability during this year.
- Senior Managers who were able to implement new & increased contracts for service delivery.
- The entire dedicated staff team for their prompt reactive responsiveness when needed for the benefit of our clients.

Board Changes:

Trustees are pleased to announce that the Board remained unchanged throughout the year. They continue to hold their meetings in a combination of face to face and internet meetings.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities

a. Policies and objectives

- developing a wide range of day opportunities within the vocational, well-being & independence fields for clients with the most complex barriers to employment
- for these clients, creating supported social enterprises, run on a cooperative-type basis where clients have elected to share all sales profits equally amongst all who participated within the activities.
- providing training to clients with learning disabilities,
- providing work experience commensurate to the abilities of the clients and the programme they are on, and finding and maintaining supported employment placements in the Greater London area for those clients referred on job outcome related programmes.
- Exploring and developing new avenues of service for young people with learning disabilities
- Working with other professionals in the field to assist in a more robust and consolidated services.
- Working in Partnerships with other Agencies to secure the widest range of services available that best matches the need of Ellingham's client base.
- Working with employers on issues of Disability Awareness
- Ensuring comprehensive internal policies
- Ensure our values are embedded in all activities and interaction between staff and clients.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities (continued)

b. Strategies for achieving objectives

Partnership Working

The Trustees are proud of the current work that is being undertaken in the field of working partnerships. The Board also recognise that this strategy is key to its future development and in particular essential to long term funding as the major Funders are now requiring a partnership procedure to ensure successful bids for finance and grants.

Representatives from Ellingham continue to be members of the following:

- Member of Waltham Forest day opportunities provider forum
- Senior Manager I Can Ventures Rosemary Clark remains a member of the Newham Learning Disability & Autism Provider Forum.
- Senior Manager I Can Ventures is working with the Waltham Forest College social care workforce development forum, with the aim of extending opportunities for local young people to work in social care and giving employers a voice in developing the training on offer to students. Ellingham already host work placements for these students.
- Close working with Hackney Education in the delivery of Ellingham's Supported Internship-style programme. As a result of this, Miles Leonard, Senior Manager of Supported Internships, has been elected chair of Hackney Supported Internship Employment Forum. He has also joined the Hackney Young Person's network which looks at opportunities for young people in the borough.
- Miles Leonard also leads training on neurodiversity to London Early Years Foundation.
- Working with corporate volunteers on several projects, including via ELBA (East London Business Association) in the development of the organisation and its refurbishment.

Such partnerships enrich the work of the Organisation and open potential opportunities for broadening its scope for development, as well as establishing closer working and meaningful links within the Community.

It is a strategic part of the Ellingham infrastructure that Partnerships will continue.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

Ellingham's unique selling point is that we recognise that there is no single route to assisting people with learning disabilities and/or associated physical and/or sensory disabilities attain & maintain their potential goals. Therefore, Ellingham has developed a range of activities according to client's requirements and needs:

- **I Can Ventures (ICV)** – services for people with more complex barriers and higher support needs. Activities include a full range of day opportunities, non-accredited training activities, supported employment activities, advocacy and peer support services. All activities have a meaningful purpose as a way of maintaining skills learned and developing new ones.
- **Supported Internships** – based on our experience of working with several local colleges in recent years, Ellingham developed its own in-house programme. Whilst the mainstream Supported Internship programme is one type of study programme specifically aimed at young people aged 16 to 24 who have a statement of special educational needs, a Learning Difficulty Assessment, or an EHC plan, who want to move into employment and need extra support to do so, Ellingham staff have created a tailored programme for those clients who required additional support to those who can access the mainstream programme, thereby filling a gap in client need.
- **DWP Access to Work** – is a tailored practical support programme to people who have a disability, health or mental health condition to enable them to start work, stay in work or to move in self-employment.

d. Main activities undertaken to further the Company's purposes for the public benefit

The main areas of Charitable activities are the provision of vocational training (accredited & non accredited), vocational guidance and supported employment to people who have learning disabilities and/or associated physical, sensory and mental health needs. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future projects. Our main activities, who we try to help, and who used and benefited from our services are described below.

Ellingham has made significant developments in its in-house training strategies, which is assisting many people with disabilities to understand the complexities of the world of work, prior to placing them into valued and meaningful work experience. These programmes have been designed by the specialist staff teams to enhance their skills, provide confidence and equip the clients with a positive outlook and motivation, which will enable them to compete in an ever demanding and sometimes hostile world of work.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

a. Key performance indicators

- As part of the Finance & Development Team's increased vigilance of finances & to ensure financial sustainability, reviews were undertaken as to whether long-term suppliers were offering value for money. Some changes have been made with significant financial savings, and other long-term service providers currently under review.
- As a result of the process of embedding the Ellingham values of Invested, Inclusive, Empowering, with all staff, a "Living Our Values" award was introduced at Christmas 2023. Members of staff were asked to nominate colleagues who they felt best demonstrated the values in their work, with Trustees selecting from the nominations. Trophies were awarded to the 3 winners at the Christmas event. Trustees have agreed to make this an annual award for the future.
- Service delivery in I Can Ventures remains via individual budgets and direct payments from the Local Authorities. Uplifts in unit cost, the first in several years, was readily agreed by some authorities, whilst others insisted on protracted case-by-case agreements. However, Trustees are pleased that eventually all were in place by the end of the financial period. It has been intimated that it is unlikely that a subsequent uplift will be negotiated during 2024-25.
- The new Supported Internship Programme negotiated with Hackney has gone from strength to strength with increased numbers of clients, although several had higher support needs. In previous years, young people undertaking this programme would have been supported in their work placements/employment outcomes via Access to Work, with support staff being recruited specific to the support needs of the individual young person. Unfortunately, on-going delays (up to 18 weeks in some cases) in assessment within this DWP department meant that rather than the young person lose their placement, Ellingham has secured support from external support agencies. Whilst this ensures that the placement can go ahead in line with the young person and employer's timeline, the individually tailored support must be built into daily operational needs.
- As a result of partnership working, I Can Ventures has now become a recognised provider by London Borough of Hackney to provide day opportunities services to its clients with more complex needs.
- As reported in 2018, Working Links, the Prime Contractor for Work Choice went into Administration in February 2019 with debts of £28,591 owing to Ellingham. Following a review of the report issued by the company's liquidators, it is unlikely that any further payments will be received. Therefore, this debt has been written off in the year. There is no effect on the funds for the year as this had historically been provided for in full.
- Reserve levels are at their highest for about 10 years. Whilst this is in part due to tight financial management, Ellingham's staffing levels have been recovering since the COVID-19 pandemic when numbers were reduced significantly with the decreasing client attendance.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

b. Review of activities

Ellingham is in the fortunate position in that despite being a charity it does not rely on fundraising for income, instead it is funded through contracts.

Trustees continue to recognise that Ellingham's greatest asset is its staff. Staffing levels were reduced during Covid period due to diminished service delivery, and Trustees ensured the continuation of support given to the whole staff team during that difficult time. The Board also recognised the additional stress put on staff through the on-going national cost of living crisis. As a result, the Board instructed that all staff receive an overall 10% salary increase to bring rates of pay in line with higher market trends.

Ellingham's programmes during 23/24 included:

I Can Ventures – amongst those clients returning to day services in ICV, there was a continuing high level of well-being additional needs. The changes to the programme schedule within our charitable aims has helped clients cope with their well-being challenges All clients took part in a range of celebrations throughout the year.

There has been an increase in the number of clients attending with higher support needs, but in these cases additional personalised support is agreed prior to commencement. Staffing roles were therefore changed to reflect this change in client programmes, once again reflecting the dedication to our clients' welfare & needs, with the popular reintroduction of supported employment activities of woodwork and gardening. ICV has also expanded its Arts & Crafts activities by purchasing sessions through LBWF Adult Learning Services tutors. Articles made by clients were then sold at the fayres. The areas of referrals have increased to other boroughs including, as a result of the Supported Internship programme, ICV becoming included on the list of day opportunities providers for LB Hackney.

Supported Internships – 23/24 saw clients attending the programme from Hackney, the programme was finally able to recruit attendees from LBWF, LB Redbridge & Barking & Dagenham, with enquiries coming from other local boroughs. As stated above, problems with Access to Work hampered the specialist support previously provided, but the use of specialist support agencies overcame this somewhat. Uniquely in the education field, recruitment to this programme is on a rolling basis to meet the needs of the clients, rather than on an annual basis.

Access to Work – Numbers are slowly increasing, but due to the pre-mentioned delays of several months within the DWP AtW department's assessment process, despite Ellingham's department receiving many potential customer referrals, the delays are not resulting in these being converted into actual support.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

c. Factors relevant to achieve objectives

- Recruitment of new staff remains a challenge with many factors influencing the availability of good quality candidates. However, SMT are optimistic that the change management programme initiated with the values exercise will mean that Ellingham is employer of choice.
- In spite of the on-going concerns from the Board regarding long term financial security, Ellingham continues to be an effective service deliverer in the supported employment and vocational training field. The difficulty of this insecurity has meant planning and development of the Organisation has been down to minimal longevity to programmes. This is despite the Organisation having a wide range of contracts with a diverse group of Statutory funding bodies. There has been a lack of new opportunities for people with disabilities through major funding streams, as DWP.

The lack of longer term funding and financial resources has always been a particular weakness in the Trustees' view of strategic planning and development of its services, its nature of being one of the more respected and experienced employment services in the Greater London region has encouraged funders to invest in its work, however, such conditions will need to be marketed in a totally different way if this level of funding is to be sustained.

d. Investment policy and performance

The Board continue to strongly refuse any sums for deposit that have risk potential, as in stocks and shares and other volatile/risk-based funds and will continue to desist from speculating in such practices.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

b. Reserves policy

It is agreed that Ellingham Employment Services will ring fence and hold reserves that will enable more accurate and prudent control of its resources. These reserves will be to cover the contingencies of:

- Safeguarding against anticipated and unanticipated fluctuations in income and expenditure
- Redundancy payments to staff
- Long term sick cover for staff
- Maternity payments and cover for staff
- Contingency account for unclaimed invoices from suppliers.

In addition, the Directors may decide from time to time to divert reserves to cover capital expenditure to facilitate the start of a new project, or to build up additional funds to cover a long-term capital project, such as refurbishment of buildings, such levels to be decided by the Board of Directors under the guidance of the Treasurer.

The Board will reserve amounts as it sees necessary in line with the Charity Commission's recommendations of 3 months to 2 years operating costs as good financial practice. The amounts will vary, as dictated by external influences that decide the levels of income through funders and grant making authorities which are outside the control of the Board of Directors, although every effort must be made to ensure that levels do not fall below 3 months operating costs at any time. For the year 2023/24, it is anticipated that this sum will be in the region of £290,000. Based on the level of reserves, we are initiating a rolling programme of updating facilities & equipment at Ellingham's sites to maximise environmental & economic sustainability, whilst ensuring premises provide clients with a welcoming facility appropriate to their needs. The level of debtors had increased from the previous year, despite best efforts to attain timely payment, but this is due to increased turnover with a larger number of clients using the service.

Reserves will be invested to earn the best interest, yet with reasonable access to funds, the interest being added to increase the capital thereby adding to reserves. Levels of reserves will be reported to the Board of Directors quarterly as part of the financial report.

These actions will empower the Board of Directors to exercise its authority to ensure the continuation of the financial security of the organisation, through its Instruments of the Memorandum and Articles of Association.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

c. Principal funding

Due to the extensive range of services that Ellingham offers to enhance the skills of the clients it serves, Ellingham has a wide range of funding streams to finance these services.

- Individual budgets
- Contracts with local authorities
- DWP (Access to Work)
- Local authority education departments

For financial prudence, all areas are self-financing, with management/governance costs proportioned to each department to finance such areas.

Structure, governance and management

All Trustees now have designated roles and will be working with Senior staff in these roles for the future development of services & structure of Ellingham Employment Services. Trustee meetings continued via Zoom in addition to returning to face to face during 2023/24 working closely with Chief Executive and members of the Senior Management Team who have day-to-day management of the organisation.

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Trust deed.

The company is constituted under a Trust deed and is a registered charity number 1010796.

The principal object of the charitable company is to relieve the need of people with learning and/or physical disabilities but not exclusively by the provision of accredited and/or vocational training, sheltered and supported work placements in the Greater London area.

In the event of the Company being wound up Members are required to contribute an amount not exceeding £1.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Under the terms of the Memorandum and Articles of Association the Trustees are elected to serve on an annual basis after which they must be re-elected at the next Annual General Meeting.

Due to the work undertaken at Ellingham, its function is to support people who have a range of learning and associated physical and sensory disabilities into employment. The Trustees are recruited on their empathy and direct understanding of people with learning disabilities, and on the Board, are representatives from parents/carers to fulfil this role, in addition to those with professional experience in this field.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

(continued)

c. Organisational structure and decision-making policies

All Trustees carried out their duties well, working the senior staff to implement statutory requirements to ensure a quality service to our clients.

The structure of the day-to-day responsibility for the provision of the charity's services resting with all members of the Senior Management Team, who also have responsibility for ensuring the respective areas of their departments operate in accordance with Team goals/targets is working exceedingly well. This, together with individual supervision and annual staff appraisal of the staff team and also ensuring that the team continue to develop their skills and working practices in line with up-to-date training and knowledge, whilst working jointly and collaboratively on common issues and developments.

The Board of Trustees are extremely delighted that Helen Gore continues as Chief Executive with full responsibility for the management of Ellingham and oversight & management of the Senior Management Team. She leads by example in her dedication and commitment to Ellingham and its clients.

The Chief Executive remains an intermediary between the Trustees and the Senior staff in the organisation. Members of the Senior teams attend Trustees' meetings submitting written reports to discuss specific aspects of work or projects where Trustees may need further information.

d. Policies adopted for the induction and training of Trustees

Most, if not all, of the Trustees are already familiar with the practical aspects of the working structures employed at Ellingham, either from their experiences within their own profession, or experience/expertise with other groups, with training in specific areas of Trustee responsibility being on offer throughout the year.

All new recruits to the Board attend a full induction training programme to introduce them to their roles & by meeting with the senior staff team to gain a better understanding of the work of Ellingham. As part of the Induction package the new recruit will also be given the latest edition of Ellingham's Code Of Practice Of Trusteeship, which identifies Trustees' roles and responsibilities in running a charitable company. They are also provided, within this pack, with the latest documents from the Charity Commission in the appropriate areas of trusteeship. This Code is revised to reflect changes in governance when indicated from central government or the Charity Commission.

Trustees are encouraged, where practicable to attend seminars organised by the Charity Commission et al. to keep abreast of the latest changes in Government legislation. All Trustees are enrolled onto NVCO Trustee Training Programmes to assist with their professional development in their roles.

e. Pay policy for senior staff

Currently Ellingham's Board of Trustees have responsibility of ratifying all salary increases across the whole organisation, ensuring that Ellingham continues to be a London Living Wage organisation. Trustees working with CEO & Senior Manager, Finance, around budgets, were able to award a pay increase to all staff in 2023/24 of 10%, ensuring that the requirements of London Living Wage are met.

As a target for 2024/25 the Board have as a priority a review of the senior staff teams' roles. Job descriptions, salary structure and incentives to ensure long-term continuity of a quality management team within the organisation.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

(continued)

f. Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Where appropriate, systems or procedures have been identified to mitigate the risks the charity faces. Funding being the most adherent risk to the Organisation has meant that a broader diversification of funding providers and matrixes allow for this risk to be minimised to an extent. As the organisation works with vulnerable people, all staff & Trustees undergo regular enhanced DBS checks.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Procedures are in place to ensure compliance with Health and Safety of the charity's staff, clients and visitors to the charity's facilities. MoorePay continues as our external health and safety consultants, undertaking an annual review. SMT & Trustees are currently working through the Action Points of this review. All Ellingham's premises also undergo annual fire/intruder alarm checks, Legionella check and electrical PAC testing to ensure the safety of clients and staff. These are all currently under review to ensure best competitive support to Ellingham's needs.

Staff are updated with risk assessment awareness through regular training sessions either in house or externally run courses with external consultants.

Ellingham continues its membership of Peninsula Business Services to assist with Personnel and Employment Law Issues, by providing a 24-hour advice line in addition to providing training and sending regular updates and newsletters with regular reviews of all HR policies and procedures of the organisation. All staffing issues are administered in consultation with Peninsula. The Employee Assistance Programme remains available to all staff, offering confidential life management and personal support services to all employees and their families, thereby increasing the well-being aspect of staff.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods

- Expand day opportunities services for clients with more complex needs to enhance their choices.
- Expand range of supported internship programme across more referral agencies
- Continue to work in partnership to develop programmes for clients in particular need.
- Ensure appropriate levels of suitably qualified & dedicated staff to be able to deliver all programmes.
- Continue to offer all staff of Ellingham Employment Services appropriate support and well-being, so they can continue to provide the quality service to our clients.
- Ensure prudent financial management controls in 2024/25 to maintain reserve levels.
- To review senior management structure to ensure “future-proofing” of quality management of organisation.
- Ensure that Ellingham’s values permeate all aspects of our work.
- Prepare for the forthcoming Investors in People assessment in early 2024.
- Based on the level of reserves, and with suitable funding being secured from charitable agencies, to undertake a refurbishment of the front building in line with the access assessment undertaken during 2023/24.
- Continue to explore the re-branding of Ellingham Employment Services to a more modern image whilst maintaining its reputation of quality services to our clients.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . 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 Company 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Disclosure of information to auditors

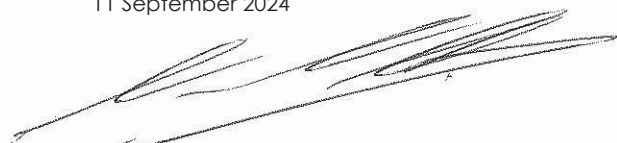
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Haslers, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on
11 September 2024 and signed on their behalf by:



C Bailey
(Chair of Trustees)

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES

Opinion

We have audited the financial statements of Ellingham Employment Services (the 'charitable company') for the year ended 31 March 2024 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 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditors' 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.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES
(CONTINUED)

Auditors' 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 Auditors' 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:

Procedures performed to address these were as follows:

- Identifying and assessing the design effectiveness of controls that management have in place to prevent and detect fraud. This included corroboration by review of Board Minutes and review of correspondence with relevant bodies;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Undertaking testing designed to test the controls in place within the procurement system including access and controls in relation to banking; and,
- Identifying and testing journal entries, in particular any unusual journal entries posted around the year-end and journal entries posted by infrequent system users.

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

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

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES
(CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, 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 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Haslers

Haslers

Chartered Accountants
Statutory Auditor
Old Station Road
Loughton
Essex
IG10 4PL

11 September 2024

Haslers are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	2	1,620	4,485	6,105	6,314
Charitable activities	3	-	1,260,613	1,260,613	1,069,540
Other trading activities		-	29,094	29,094	31,913
Investments	4	-	5,781	5,781	721
Total income		1,620	1,299,973	1,301,593	1,108,488
Expenditure on:					
Raising funds		-	9,281	9,281	10,272
Charitable activities		1,620	1,142,849	1,144,469	1,044,172
Total expenditure		1,620	1,152,130	1,153,750	1,054,444
Net income		-	147,843	147,843	54,044
Transfers between funds	12	(67)	67	-	-
Net movement in funds		(67)	147,910	147,843	54,044
Reconciliation of funds:					
Total funds brought forward		2,532	407,832	410,364	356,320
Net movement in funds		(67)	147,910	147,843	54,044
Total funds carried forward		2,465	555,742	558,207	410,364

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 22 to 37 form part of these financial statements.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01984355

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	9	11,272	9,482
		<u>11,272</u>	<u>9,482</u>
Current assets			
Debtors	10	151,884	131,702
Cash at bank and in hand		626,939	429,908
		<u>778,823</u>	<u>561,610</u>
Creditors: amounts falling due within one year	11	(231,888)	(160,728)
Net current assets		546,935	400,882
Total assets less current liabilities		<u>558,207</u>	<u>410,364</u>
Net assets excluding pension asset		<u>558,207</u>	<u>410,364</u>
Total net assets		<u><u>558,207</u></u>	<u><u>410,364</u></u>
Charity funds			
Restricted funds	12	2,465	2,532
Unrestricted funds	12	555,742	407,832
Total funds		<u><u>558,207</u></u>	<u><u>410,364</u></u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01984355

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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 on
and signed on their behalf by:

11 September 2024



C Bailey
(Chair of Trustees)

The notes on pages 22 to 37 form part of these financial statements.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies

1.1 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.

Ellingham Employment Services 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.

1.2 Income

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

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.3 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 Company's objectives, as well as any associated support costs.

Not all VAT is recoverable and where this is the case, the VAT which is irrecoverable is recorded within expenditure. Adjustments to VAT under the partial exemption scheme is recorded within the expenditure of the unrestricted fund.

1.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following bases:

Short-term leasehold property	- fully depreciated
Fixtures and fittings	- 20%

1.6 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.

1.7 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.

1.8 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 Company 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.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

1.9 Financial instruments

The Company 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.

1.10 Pensions

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

1.11 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 Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Income from donations and legacies

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Donations	-	4,485	4,485
Grants	1,620	-	1,620
	<u>1,620</u>	<u>4,485</u>	<u>6,105</u>

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Donations	6,314	6,314

3. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £
Personalised budget client	629,982	629,982
London boroughs	161,955	161,955
Support work	255,058	255,058
Supported internships	213,618	213,618
	<u>1,260,613</u>	<u>1,260,613</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

3. Income from charitable activities (continued)

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Personalised budget client	560,615	560,615
London boroughs	107,592	107,592
Support work	188,918	188,918
Supported internships	212,415	212,415
	<u>1,069,540</u>	<u>1,069,540</u>

4. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Interest receivable	<u>5,781</u>	<u>5,781</u>

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Interest receivable	<u>721</u>	<u>721</u>

5. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Direct costs	<u>879,555</u>	<u>264,914</u>	<u>1,144,469</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2023 £</i>	<i>Support costs 2023 £</i>	<i>Total funds 2023 £</i>
Direct costs	767,957	276,215	1,044,172

Analysis of direct costs

	Activities 2024 £	Total funds 2024 £
Staff costs	759,120	759,120
Agency staff costs	58,863	58,863
Travel and subsistence	1,186	1,186
Recruitment	1,490	1,490
Staff training	587	587
Rent	28,214	28,214
Rates	1,495	1,495
Light and heat	10,098	10,098
Cleaning	3,149	3,149
Repairs and maintenance	9,093	9,093
Printing, postage and stationery	1,624	1,624
Telephone and internet	1,087	1,087
Sundry expenses	(99)	(99)
Equipment and materials	3,648	3,648
	<u>879,555</u>	<u>879,555</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Activities 2023 £</i>	<i>Total funds 2023 £</i>
Staff costs	648,664	648,664
Agency staff costs	62,938	62,938
Motor expenses	86	86
Travel and subsistence	537	537
Recruitment	359	359
Qualification costs	842	842
Staff training	102	102
Rent	28,214	28,214
Rates	948	948
Light and heat	8,607	8,607
Cleaning	2,953	2,953
Repairs and maintenance	4,102	4,102
Printing, postage and stationery	2,040	2,040
Entertainment	187	187
Telephone and internet	1,021	1,021
Sundry expenses	1,675	1,675
Equipment and materials	4,682	4,682
	<u>767,957</u>	<u>767,957</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2024 £	Total funds 2024 £
Staff costs	158,825	158,825
Depreciation	2,159	2,159
Travel and subsistence	533	533
Staff training	166	166
Staff Welfare	777	777
Rent and rates	8,096	8,096
Light and heat	3,053	3,053
Cleaning	1,605	1,605
Repairs and maintenance	933	933
Insurance	10,129	10,129
Printing, postage and stationery	938	938
Telephone and internet	25,161	25,161
Sundry expenses	674	674
Equipment and materials	813	813
Grant expenditure	1,620	1,620
Auditors' remuneration	10,350	10,350
Legal and professional	13,987	13,987
Bank charges	231	231
Hospitality	466	466
Consultancy fees	1,553	1,553
Subscriptions	3,862	3,862
Storage costs	2,575	2,575
Bad debts	(8,627)	(8,627)
Irrecoverable VAT	25,035	25,035
	<u>264,914</u>	<u>264,914</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Activities 2023 £</i>	<i>Total funds 2023 £</i>
Staff costs	140,425	140,425
Depreciation	1,410	1,410
Motor expenses	154	154
Travel and subsistence	297	297
Staff training	680	680
Rent and rates	7,313	7,313
Light and heat	1,749	1,749
Cleaning	1,463	1,463
Repairs and maintenance	1,024	1,024
Insurance	16,299	16,299
Printing, postage and stationery	766	766
Telephone and internet	22,588	22,588
Sundry expenses	3,154	3,154
Equipment and materials	1,433	1,433
Auditors' remuneration	9,950	9,950
Legal and professional	9,342	9,342
Bank charges	259	259
Hospitality	255	255
Subscriptions	4,422	4,422
(Profit)/loss on disposal	(177)	(177)
Storage costs	1,201	1,201
Bad debts	9,096	9,096
Irrecoverable VAT	43,112	43,112
	<u>276,215</u>	<u>276,215</u>

6. Auditors' remuneration

	2024 £	2023 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<u>10,350</u>	<u>9,950</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

7. Staff costs

	2024	2023
	£	£
Wages and salaries	841,468	719,217
Social security costs	63,211	54,149
Contribution to defined contribution pension schemes	13,266	15,723
	917,945	789,089

The total amount of redundancy payments during the year was £NIL (2023: £7,830) which includes payment in lieu.

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

	2024	2023
	No.	No.
Directors	5	5
Management	4	4
Admin	2	2
ICV Support Staff	20	20
ATW Support Worker	11	10
Job Coach	2	2
Cleaner	1	1
Co-ordinators	2	2
	47	46

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration including employee benefits paid to key management personnel during the year was £180,364 (2023: £167,518).

8. Trustees' remuneration and expenses

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

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 April 2023	145,317	24,168	169,485
Additions	-	3,949	3,949
At 31 March 2024	<u>145,317</u>	<u>28,117</u>	<u>173,434</u>
Depreciation			
At 1 April 2023	145,317	14,686	160,003
Charge for the year	-	2,159	2,159
At 31 March 2024	<u>145,317</u>	<u>16,845</u>	<u>162,162</u>
Net book value			
At 31 March 2024	<u>-</u>	<u>11,272</u>	<u>11,272</u>
At 31 March 2023	<u>-</u>	<u>9,482</u>	<u>9,482</u>

10. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	84,716	56,270
Other debtors	771	950
Prepayments and accrued income	66,397	74,482
	<u>151,884</u>	<u>131,702</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

11. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	20,475	10,021
Other taxation and social security	33,175	17,284
Pension fund loan payable	3,335	159
Other creditors	49,439	-
Accruals and deferred income	125,464	133,264
	231,888	160,728

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Unrestricted funds					
General Funds - all funds	407,832	1,299,973	(1,152,130)	67	555,742
Restricted funds					
David Solomon Grant	67	-	-	(67)	-
LBWF Infection Control	2,465	-	-	-	2,465
Access Audit Grant	-	1,620	(1,620)	-	-
	2,532	1,620	(1,620)	(67)	2,465
Total of funds	410,364	1,301,593	(1,153,750)	-	558,207

Restricted Funds

The David Solomon Grant was a donation received to be used for the I Can Ventures project.

LBWF Infection Control Grant: This is in respect to funds received from Waltham Forest to support staff costs of receiving regular Covid 19 testing and travel to and from work to maintain infection control.

The Access Audit Grant was provided from City Bridge Trust to carry out an audit to inspect the accessibility of the building for their disabled clients.

Unrestricted Funds

General funds represent the "free reserves" of the charity for its unrestricted use in connection with its overall charitable objectives.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

12. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2023 £</i>
Unrestricted funds				
General Funds - all funds	353,788	1,108,488	(1,054,444)	407,832
Restricted funds				
David Solomon Grant	67	-	-	67
LBWF Infection Control	2,465	-	-	2,465
	2,532	-	-	2,532
Total of funds	356,320	1,108,488	(1,054,444)	410,364

13. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
General funds	407,832	1,299,973	(1,152,130)	67	555,742
Restricted funds	2,532	1,620	(1,620)	(67)	2,465
	410,364	1,301,593	(1,153,750)	-	558,207

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

13. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£
General funds	353,788	1,108,488	(1,054,444)	407,832
Restricted funds	2,532	-	-	2,532
	<u>356,320</u>	<u>1,108,488</u>	<u>(1,054,444)</u>	<u>410,364</u>

14. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024	Unrestricted funds 2024	Total funds 2024
	£	£	£
Tangible fixed assets	-	11,272	11,272
Current assets	2,465	776,358	778,823
Creditors due within one year	-	(231,888)	(231,888)
Total	<u>2,465</u>	<u>555,742</u>	<u>558,207</u>

Analysis of net assets between funds - prior period

	<i>Restricted funds 2023</i>	<i>Unrestricted funds 2023</i>	<i>Total funds 2023</i>
	£	£	£
Tangible fixed assets	-	9,482	9,482
Current assets	2,532	559,078	561,610
Creditors due within one year	-	(160,728)	(160,728)
Total	<u>2,532</u>	<u>407,832</u>	<u>410,364</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

15. Contingent liabilities

In 1998 the charity received a restricted grant of £150,000 from National Lottery Charities Board in order to build and set up a training centre. The conditions of the grants stipulated that such assets shall not be disposed of without prior written consent of the National Lottery Charities Board and, that they shall not be used for any other financial purpose. This restriction applies for 80 years from the date of acquisition, and expires in the year 2078. If the charity does not comply with these conditions, the grant received will have to be repaid.

We are aware that there is a potential clawback of funding in relation to the work choice income stream. However, at this stage this amount has not been quantified or accepted by the Charity.

16. Pension commitments

The charity operates a defined contribution scheme whose assets are held independently and administered separately from those of the charity. During the year, the cost was £13,266 (2023: £15,723). Contributions totalling £3,335 (2023: £159) were payable to the fund at the balance sheet date and are included in creditors. The charity has a commitment in respect of the capital repayment of pension contributions being paid by the London Borough of Waltham Forest of £24,450 (2023: £24,450) due as at year-end.

17. Operating lease commitments

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

	2024	2023
	£	£
Not later than 1 year	35,268	35,268
Later than 1 year and not later than 5 years	141,072	141,072
Later than 5 years	226,303	261,571
	402,643	437,911

18. Related party transactions

During the year the Amplified IT, a company in which a trustee is the director, provided the Charity with IT services. The total amount of services provided for the current year was £19,663 (2023: £14,294). At the year end there was a balance of £1,412 (2023: £Nil) owed at the year end.

London Ability

England & Wales - Charity number 1010796

Accounts

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Trustees' Report	2 - 14
Independent Auditors' Report on the Financial Statements	15 - 18
Statement of Financial Activities	19
Balance Sheet	20 - 21
Notes to the Financial Statements	22 - 37

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

Trustees	C Bailey (Chair) P J Le Rasle L Kowalczyk I A A Strydom L Bailey (Treasurer)
Company registered number	01984355
Charity registered number	1010796
Registered office	5 -11 Ellingham Road Leytonstone London E15 2AU

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Following the turmoil of the past couple of years caused by Covid-19 and its impact on services, 2022-23 was a year of consolidation, reflection and redesign. The impact of the loss of DWP work preparation contract has not realised the negative impact on finances as anticipated. In fact due to close financial management, staff restructuring and increases in service delivery of existing contracts annual reserves soared to their highest level in nearly a decade.

Because of this, the whole Board of Trustees must extend its overwhelming gratitude to:

- All its staff team for the handling of these events, during which they all showed their commitment to the well-being & protection of Ellingham's clients, and their flexible approach to finding ways to support clients, and each other, to ensure that clients are placed as a priority and receive a high-quality service. The flexible approach adopted by all staff ensures this.
- The Senior Management Team under the leadership of Helen Gore, for their management & leadership of Ellingham's staff teams during these times ensuring clients' well-being is maintained.
- The Finance & Development team for the strict financial controls and successful external funding applications received that enabled Ellingham to sustain its financial viability during this year.
- Senior Managers who were able to implement new & increased contracts for service delivery.
- The entire dedicated staff team for their prompt reactive responsiveness when needed for the benefit of our clients.

Board Changes:

Trustees are pleased to announce that the Board remained unchanged throughout the year. They continue to hold their meetings in a combination of face to face and internet meetings.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities

a. Policies and objectives

The main objectives and activities for the year had been to focus upon the excellent work carried on from previous successful years, but these had to be extensively modified due to Covid-19 restrictions:

- Developing a wide range of day opportunities within the vocational, well-being & independence fields for clients with the most complex barriers to employment
- For these clients, creating supported social enterprises, run on a cooperative-type basis where clients have elected to share all sales profits equally amongst all who participated within the activities
- Providing training to clients with learning disabilities
- Providing work experience commensurate to the abilities of the clients and the programme they are on, and finding and maintaining supported employment placements in the Greater London area for those clients referred on job outcome related programmes
- Exploring and developing new avenues of service for young people with learning disabilities
- Working with other professionals in the field to assist in a more robust and consolidated services
- Working in Partnerships with other Agencies to secure the widest range of services available that best matches the need of Ellingham's client base
- Working with employers on issues of Disability Awareness
- Ensuring comprehensive internal policies
- Ensure our values are embedded in all activities and interaction between staff and clients

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

b. Strategies for achieving objectives

Partnership Working

The Trustees are proud of the current work that is being undertaken in the field of working partnerships. The Board also recognise that this strategy is key to its future development and in particular essential to long term funding as the major Funders are now requiring a partnership procedure to ensure successful bids for finance and grants.

Representatives from Ellingham continue to be members of the following groups, although meetings held electronically:

- Member of Work Redbridge, a partnership led by Redbridge Regeneration team, which has developed a Strategy and an Action Plan which aims to address unemployment and low skill levels, to support business growth, and to help businesses recruit people with the right skills to meet their needs;
- Member of Redbridge & Waltham Forest Learning Disability Partnership Day Opportunities Forum;
- Senior Manager of I Can Ventures Rosemary Clark's term as Chair of the Newham Learning Disability and Autism Provider Forum has now ended, although she remains a member of the group.
- However, Rosemary is working with the Waltham Forest College social care workforce development forum, with the aim of extending opportunities for local young people to work in social care and giving employers a voice in developing the training on offer to students. Ellingham already host work placements for these students.
- Close working with Hackney Learning Trust in the delivery of Ellingham's Supported Internship-style programme. As a result of this, Miles Leonard, Senior Manager of Supported Internships, has been elected chair of Hackney Supported Internship Employment Forum. He has also joined the Hackney Young Person's network which looks at opportunities for young people in the borough.
- Miles Leonard also led training on neurodiversity to London Early Years Foundation.

Such partnerships enrich the work of the Organisation and open potential opportunities for broadening its scope for development, as well as establishing closer working and meaningful links within the Community.

It is a strategic part of the Ellingham infrastructure that Partnerships will continue.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

Ellingham's unique selling point is that we recognise that there is no single route to assisting people with learning disabilities and/or associated physical and/or sensory disabilities attain & maintain their potential goals. Therefore, Ellingham has developed a range of activities according to client's requirements and needs:

- **I Can Ventures (ICV)** – services for people with more complex barriers and higher support needs. Activities include a full range of day opportunities, non-accredited training activities, supported employment activities, advocacy and peer support services. All activities have a meaningful purpose as a way of maintaining skills learned and developing new ones.

- **Supported Internships (Forward Work Directions - FWD)** – based on our experience of working with several local colleges in recent years, Ellingham developed its own in-house programme. Whilst the mainstream Supported Internship programme is one type of study programme specifically aimed at young people aged 16 to 24 who have a statement of special educational needs, a Learning Difficulty Assessment, or an EHC plan, who want to move into employment and need extra support to do so, Ellingham staff have created a tailored programme for those clients who required additional support to those who can access the mainstream programme, thereby filling a gap in client need.

- **DWP Access to Work** – is a tailored practical support programme to people who have a disability, health or mental health condition to enable them to start work, stay in work or to move in self-employment.

d. Main activities undertaken to further the Company's purposes for the public benefit

The main areas of Charitable activities are the provision of vocational training (accredited & non accredited), vocational guidance and supported employment to people who have learning disabilities and/or associated physical, sensory and mental health needs. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future projects. Our main activities, who we try to help, and who used and benefited from our services are described below.

Ellingham has made significant developments in its in-house training strategies, which is assisting many people with severe disabilities to understand the complexities of the world of work, prior to placing them into valued and meaningful work experience. These programmes have been designed by the specialist staff teams to enhance their skills, provide confidence and equip the clients with a positive outlook and motivation, which will enable them to compete in an ever demanding and sometimes hostile world of work.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

a. Key performance indicators

- As part of the Finance & Development Team's increased vigilance of finances & to ensure financial sustainability, reviews were undertaken as to whether long-term suppliers were offering value for money. As a result, changes have been made to Ellingham's insurers and website supporters, with significant financial savings already made, with other long-term service providers currently under review.
- As a result of suggestions made during the Investors in People review in 2021, SMT undertook a whole staff consultation about values of Ellingham Employment Services. The resulting values were unanimously agreed as "Empowering", "Invested" and "Inclusive". These values are implemented into and across all services due to the positive inclusive role made by staff in this consultation.
- With the ending of Covid restrictions, whilst staff continue to ensure a healthy working environment, referrals to programmes have rapidly increased to pre-Covid levels.
- Despite LBWF's intention that by 2021 it would revert to Commissioned Services when each client's personal budget review took place, so far this has not happened, and clients continue to attend funded through individual budgets showing clients' choice. However, whilst an uplift in unit cost was agreed with effect from 1st April 2022, this was having to be implemented on a case by case basis throughout the year. LB Newham also required Ellingham to undertake a potential uplift exercise, but this still has not been implemented.
- The new Supported Internship Programme negotiated with Hackney has gone from strength to strength with increased numbers of clients, although several had higher support needs. In previous years, young people undertaking this programme would have been supported in their work placements/employment outcomes via Access to Work, with support staff being recruited specific to the support needs of the individual young person. Unfortunately, post-Covid significant delays in assessment within this DWP department meant that rather than the young person losing their placement, Ellingham has secured support from external support agencies. Whilst this ensures that the placement can go ahead in line with the employer's timeline, the individually tailored support is not at the same level of quality.
- Despite all the continuous efforts of the Access to Work Coordinator to ensure full payments of claims from DWP, there remain on-going shortfalls in payments during 2022/23. This, together with the fact that many of the customers with disabilities supported through this programme did not return to work post-Covid, together with the major delays in assessment of new applications/renewal of existing support packages, has meant that this department's income is significantly lower than in previous years. This department will be a focus for development over the coming year.
- As reported in 2018, Working Links, the Prime Contractor for Work Choice went into Administration in February 2019 with debts of £29,782 owing to Ellingham. Despite on-going representations to the Administrators, it was only in July 2022 that a cheque for £1,191.14 was received representing a first dividend of 4p in the £ to non-preferential unsecured creditors. Correspondence states the provision has been made for future costs of the liquidation, which is they exceed the actual costs incurred, then there is scope for a further small dividend to be paid to creditors.
- Reserve levels are at their highest for about 10 years. Whilst this is in part due to tight financial management during Covid period, Ellingham's staffing levels were reduced significantly at this time with the decreasing client attendance. A review of staffing structure & roles was undertaken so that with the return to pre-covid levels of attendance increased staffing levels is enabling them to work more effectively to deliver our quality service.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

b. Review of activities

Ellingham is in the fortunate position in that despite being a charity it does not rely on fundraising for income, instead it is funded through contracts.

Trustees continue to recognise that Ellingham's greatest asset is its staff. Staffing levels were reduced during Covid period due to diminished service delivery, and Trustees ensured the continuation of support given to the whole staff team during that difficult time. The Board also recognised the additional stress put on staff through the national financial crisis, with record fuel prices affecting families. As a result, the Board instructed that all staff receive a one-off fuel grant during the winter months for 22/23, followed a few months later with an overall 8% salary increase to bring rates of pay in line with higher market trends.

Ellingham's programmes during 22/23 included:

I Can Ventures – amongst those clients returning to day services in ICV, there was a continuing high level of well-being additional needs. The changes to the programme schedule within our charitable aims has helped clients cope with their well-being challenges and those challenges of adapting to a different lifestyle after a long time being housebound. All clients took part in a range of celebrations throughout the year to help with this transition, including the Platinum Jubilee and Barbecues, Spring Fayre & Strawberry Fayre.

Client numbers have returned to pre-Covid levels of attendance with a substantial waiting list. There has been an increase in the number of clients attending with higher support needs, but in these cases additional personalised support is agreed prior to commencement. Staffing roles were therefore changed to reflect this change in client programmes, once again reflecting the dedication to our clients' welfare & needs, with the popular reintroduction of supported employment activities of woodwork and gardening. ICV has also expanded its Arts & Crafts activities by purchasing sessions through LBWF Adult Learning Services tutors. Articles made by clients were then sold at the fayres. The areas of referrals have increased to other boroughs including, as a result of the Supported Internship programme, ICV becoming included on the list of day opportunities providers for LB Hackney.

Supported Internships – 22/23 saw the end of the Covid-extended 21/22 programme and the start of the new increased 2022/23 programme. In addition to clients attending the programme from Hackney, the programme was finally able to recruit attendees from LBWF and LB Redbridge, with enquiries coming from other local boroughs. As stated above, problems with Access to Work hampered the specialist support previously provided, but the use of specialist support agencies overcame this somewhat. Uniquely in the education field, recruitment to this programme is on a rolling basis to meet the needs of the clients, rather than on an annual basis.

Access to Work – again, as stated above, many customers supported through this programme did not return to work post-Covid, resulting in the loss of 50% of the support staff team. Numbers are slowly increasing, but due to the pre-mentioned delays of several months within the DWP AtW department's assessment process, despite Ellingham's department receiving many potential customer referrals, the delays are not resulting in these being converted into actual support.

Trustees would like to thank the CEO, SMT & the entire staff team for this excellent result, which is an indication of staff's impression of Ellingham as an employer and the support given by them to teams and individuals.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

c. Factors relevant to achieve objectives

- Recruitment of new staff remains a constant problem.
- In spite of the on-going concerns from the Board regarding long term financial security, Ellingham continues to be an effective service deliverer in the supported employment and vocational training field. The difficulty of this insecurity has meant planning and development of the Organisation has been down to minimal longevity to programmes and staff remaining on annual contracts, this is despite the Organisation having a wide range of contracts with a diverse group of Statutory funding bodies. There has been a lack of new opportunities for people with disabilities through major funding streams, as DWP.

The lack of longer term funding and financial resources has always been a particular weakness in the Trustees' view of strategic planning and development of its services, its nature of being one of the more respected and experienced employment services in the Greater London region has encouraged funders to invest in its work, however, such conditions will need to be marketed in a totally different way if this level of funding is to be sustained.

d. Investment policy and performance

The Board continue to strongly refuse any sums for deposit that have risk potential, as in stocks and shares and other volatile/risk-based funds and will continue to desist from speculating in such practices.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

b. Reserves policy

It is agreed that Ellingham Employment Services will ring fence and hold reserves that will enable more accurate and prudent control of its resources. These reserves will be to cover the contingencies of:

- Safeguarding against anticipated and unanticipated fluctuations in income and expenditure
- Redundancy payments to staff
- Long term sick cover for staff
- Maternity payments and cover for staff
- Contingency account for unclaimed invoices from suppliers.

In addition, the Directors may decide from time to time to divert reserves to cover capital expenditure to facilitate the start of a new project, or to build up additional funds to cover a long-term capital project, such as refurbishment of buildings, such levels to be decided by the Board of Directors under the guidance of the Treasurer.

The Board will reserve amounts as it sees necessary in line with the Charity Commission's recommendations of 3 months to 2 years operating costs as good financial practice. The amounts will vary, as dictated by external influences that decide the levels of income through funders and grant making authorities which are outside the control of the Board of Directors, although every effort must be made to ensure that levels do not fall below 3 months operating costs at any time. For the year 2022/23, it is anticipated that this sum will be in the region of £426,000. Based on the level of reserves, we are initiating a rolling programme of updating facilities & equipment at Ellingham's sites to maximise environmental & economic sustainability, whilst ensuring premises provide clients with a welcoming facility appropriate to their needs. The level of debtors had decreased from the previous year, thanks to best efforts to attain timely payment.

Reserves will be invested to earn the best interest, yet with reasonable access to funds, the interest being added to increase the capital thereby adding to reserves. Levels of reserves will be reported to the Board of Directors quarterly as part of the financial report.

These actions will empower the Board of Directors to exercise its authority to ensure the continuation of the financial security of the organisation, through its Instruments of the Memorandum and Articles of Association.

c. Principal funding

Due to the extensive range of services that Ellingham offers to enhance the skills of the clients it serves, Ellingham has a wide range of funding streams to finance these services.

- Individual budgets
- Contracts with local authorities
- DWP (Access to Work)
- Local authority education departments

For financial prudence, all areas are self-financing, with management/governance costs proportioned to each department to finance such areas.

Structure, governance and management

All Trustees now have designated roles and will be working with Senior staff in these roles for the future development of services & structure of Ellingham Employment Services. Trustee meetings continued via Zoom in addition to returning to face to face during 2022/23 working closely with Chief Executive and members of the Senior Management Team who have day-to-day management of the organisation.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Trust deed.

The company is constituted under a Trust deed and is a registered charity number 1010796.

The principal object of the charitable company is to relieve the need of people with learning and/or physical disabilities but not exclusively by the provision of accredited and/or vocational training, sheltered and supported work placements in the Greater London area.

In the event of the Company being wound up Members are required to contribute an amount not exceeding £1.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Under the terms of the Memorandum and Articles of Association the Trustees are elected to serve on an annual basis after which they must be re-elected at the next Annual General Meeting.

Due to the work undertaken at Ellingham, its function is to support people who have a range of learning and associated physical and sensory disabilities into employment. The Trustees are recruited on their empathy and direct understanding of people with learning disabilities, and on the Board, are representatives from parents/carers to fulfil this role, in addition to those with professional experience in this field.

c. Organisational structure and decision-making policies

All Trustees carried out their duties well, working the senior staff to implement statutory requirements to ensure a quality service to our clients.

The structure of the day-to-day responsibility for the provision of the charity's services resting with all members of the Senior Management Team, who also have responsibility for ensuring the respective areas of their departments operate in accordance with Team goals/targets is working exceedingly well. This, together with individual supervision and annual staff appraisal of the staff team and also ensuring that the team continue to develop their skills and working practices in line with up-to-date training and knowledge, whilst working jointly and collaboratively on common issues and developments.

The Board of Trustees are extremely pleased that Helen Gore continues as Chief Executive with full responsibility for the management of Ellingham and oversight & management of the Senior Management Team. She leads by example in her dedication and commitment to Ellingham and its clients.

The Chief Executive remains an intermediary between the Trustees and the Senior staff in the organisation. Members of the Senior teams attend Trustees' meetings submitting written reports to discuss specific aspects of work or projects where Trustees may need further information.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

(continued)

d. Policies adopted for the induction and training of Trustees

Most, if not all, of the Trustees are already familiar with the practical aspects of the working structures employed at Ellingham, either from their experiences within their own profession, or experience/expertise with other groups, with training in specific areas of Trustee responsibility being on offer throughout the year.

All new recruits to the Board attend a full induction training programme to introduce them to their roles & by meeting with the senior staff team to gain a better understanding of the work of Ellingham. As part of the Induction package the new recruit will also be given the latest edition of Ellingham's Code Of Practice Of Trusteeship, which identifies Trustees' roles and responsibilities in running a charitable company. They are also provided, within this pack, with the latest documents from the Charity Commission in the appropriate areas of trusteeship. This Code is revised to reflect changes in governance when indicated from central government or the Charity Commission.

Trustees are encouraged, where practicable to attend seminars organised by the Charity Commission et al. to keep abreast of the latest changes in Government legislation. All Trustees are enrolled onto NVCO Trustee Training Programmes to assist with their professional development in their roles.

e. Pay policy for senior staff

Currently Ellingham's Board of Trustees have responsibility of ratifying all salary increases across the whole organisation, ensuring that Ellingham continues to be a Living Wage organisation. Trustees working with the CEO around budgets, were able to award a pay increase to all staff in 2022/23 of 8%, ensuring that the requirements of London Living Wage are met. However the Board have as a priority for 2023/24 a review of the senior staff teams' roles, job descriptions, salary structure and incentives to ensure long-term continuity of a quality management team within the organisation.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

(continued)

f. Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Where appropriate, systems or procedures have been identified to mitigate the risks the charity faces. Funding being the most adherent risk to the Organisation has meant that a broader diversification of funding providers and matrixes allow for this risk to be minimised to an extent. As the organisation works with vulnerable people, all staff & Trustees undergo regular enhanced DBS checks.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Procedures are in place to ensure compliance with Health and Safety of the charity's staff, clients and visitors to the charity's facilities. MoorePay continues as our external health and safety consultants, undertaking an annual review. SMT & Trustees are currently working through the Action Points of this review. All Ellingham's premises also undergo annual fire/intruder alarm checks, Legionella check and electrical PAC testing to ensure the safety of clients and staff. These are all currently under review to ensure best competitive support to Ellingham's needs.

Staff are updated with risk assessment awareness through regular training sessions either in house or externally run courses with external consultants.

Ellingham continues its membership of Peninsula Business Services to assist with Personnel and Employment Law Issues, by providing a 24-hour advice line in addition to providing training and sending regular updates and newsletters with regular reviews of all HR policies and procedures of the organisation. All staffing issues are administered in consultation with Peninsula. The Employee Assistance Programme remains available to all staff, offering confidential life management and personal support services to all employees and their families, thereby increasing the well-being aspect of staff.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods

- Expand day opportunities services for clients with more complex needs to enhance their choices.
- Expand range of supported internship programme across more referral agencies.
- Continue to work in partnership to develop programmes for clients in particular need.
- Seek replacement funding to re-establish Ellingham's expertise in work preparation programmes.
- Ensure appropriate levels of suitably qualified & dedicated staff to be able to deliver all programmes.
- Continue to offer all staff of Ellingham Employment Services appropriate support and well-being, so they can continue to provide the quality service to our clients.
- Ensure prudent financial management controls in 2023/24 to maintain reserve levels.
- To review senior management structure to ensure "future-proofing" of quality management of organisation.
- Ensure that Ellingham's values permeate all aspects of our work.
- Based on the level of reserves, initiate a rolling programme of updating facilities & equipment at Ellingham's sites to maximise environmental & economic sustainability, whilst ensuring premises provide clients with a welcoming facility appropriate to their needs.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. 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 Company 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

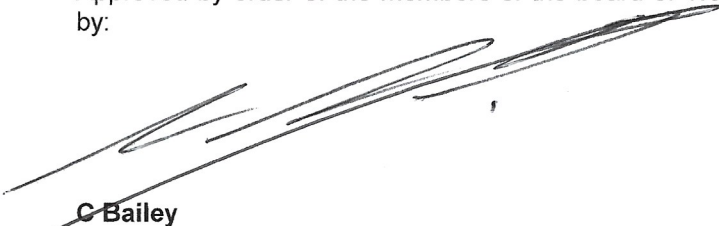
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Haslers, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 13 September 2023 and signed on their behalf by:



C Bailey
(Chair of Trustees)

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES

Opinion

We have audited the financial statements of Ellingham Employment Services (the 'charitable company') for the year ended 31 March 2023 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 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditors' 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.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES
(CONTINUED)

Auditors' 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 Auditors' 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:

Procedures performed to address these were as follows:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud. This included corroboration by review of Board Minutes and review of correspondence with relevant bodies,
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process,
- Undertaking testing designed to test the controls in place within the procurement system including access and controls in relation to banking.
- Identifying and testing journal entries, in particular any unusual journal entries posted around the year-end and journal entries posted by infrequent system users.

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

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

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES
(CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, 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 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Haslers

Haslers
Chartered Accountants
Statutory Auditor
Old Station Road
Loughton
Essex
IG10 4PL

13 September 2023

Haslers are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	2	-	6,314	6,314	60,561
Charitable activities	3	-	1,069,540	1,069,540	931,728
Other trading activities		-	31,913	31,913	24,060
Investments	4	-	721	721	-
Total income		-	1,108,488	1,108,488	1,016,349
Expenditure on:					
Raising funds		-	10,272	10,272	4,996
Charitable activities		-	1,044,172	1,044,172	919,944
Total expenditure		-	1,054,444	1,054,444	924,940
Net movement in funds		-	54,044	54,044	91,409
Reconciliation of funds:					
Total funds brought forward		2,532	353,788	356,320	264,911
Net movement in funds		-	54,044	54,044	91,409
Total funds carried forward		2,532	407,832	410,364	356,320

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 22 to 37 form part of these financial statements.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01984355

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	9	9,482	6,223
		<u>9,482</u>	<u>6,223</u>
Current assets			
Debtors	10	131,702	209,341
Cash at bank and in hand		429,908	282,678
		<u>561,610</u>	<u>492,019</u>
Creditors: amounts falling due within one year	11	(160,728)	(141,922)
Net current assets		400,882	350,097
Total assets less current liabilities		<u>410,364</u>	<u>356,320</u>
Net assets excluding pension asset		<u>410,364</u>	<u>356,320</u>
Total net assets		<u><u>410,364</u></u>	<u><u>356,320</u></u>
Charity funds			
Restricted funds	12	2,532	2,532
Unrestricted funds	12	407,832	353,788
Total funds		<u><u>410,364</u></u>	<u><u>356,320</u></u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01984355

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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 on 13 September 2023 and signed on their behalf by:



C Bailey
(Chair of Trustees)

The notes on pages 22 to 37 form part of these financial statements.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

1. Accounting policies

1.1 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.

Ellingham Employment Services 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.

1.2 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

1.3 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 Company's objectives, as well as any associated support costs.

Not all VAT is recoverable and where this is the case, the VAT which is irrecoverable is recorded within expenditure.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following bases:

Short-term leasehold property	- fully depreciated
Motor vehicles	- 25%
Fixtures and fittings	- 20%

1.6 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.

1.7 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.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.8 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 Company 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.

1.9 Financial instruments

The Company 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.

1.10 Pensions

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

1.11 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 Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

2. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £
Donations	6,314	6,314
	<u>6,314</u>	<u>6,314</u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations	179	179
Legacies	25,000	25,000
Government grants receivable	35,382	35,382
	<u>60,561</u>	<u>60,561</u>

3. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Personalised budget client	560,615	560,615
London boroughs	107,592	107,592
Support work	188,918	188,918
Supported internships	212,415	212,415
	<u>1,069,540</u>	<u>1,069,540</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

3. Income from charitable activities (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Personalised budget client	452,873	452,873
London boroughs	86,650	86,650
Support work	182,554	182,554
Supported internships	209,651	209,651
	<u>931,728</u>	<u>931,728</u>

4. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Interest receivable	<u>721</u>	<u>721</u>	<u>-</u>

5. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Direct costs	<u>767,957</u>	<u>276,215</u>	<u>1,044,172</u>

	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Direct costs	<u>684,055</u>	<u>235,888</u>	<u>919,943</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2023 £	Total funds 2023 £
Staff costs	648,664	648,664
Agency staff costs	62,938	62,938
Motor expenses	86	86
Travel and subsistence	537	537
Recruitment	359	359
Qualification costs	842	842
Staff training	102	102
Rent	28,214	28,214
Rates	948	948
Light and heat	8,607	8,607
Cleaning	2,953	2,953
Repairs and maintenance	4,102	4,102
Printing, postage and stationery	2,040	2,040
Entertainment	187	187
Telephone and internet	1,021	1,021
Sundry expenses	1,675	1,675
Equipment and materials	4,682	4,682
	<u>767,957</u>	<u>767,957</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

5. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Activities 2022 £</i>	<i>Total funds 2022 £</i>
Staff costs	606,898	606,898
Agency staff costs	33,874	33,874
Motor expenses	225	225
Travel and subsistence	686	686
Recruitment	7,802	7,802
Qualification costs	394	394
Staff training	575	575
Rent	17,688	17,688
Rates	601	601
Light and heat	3,690	3,690
Cleaning	2,013	2,013
Repairs and maintenance	2,064	2,064
Printing, postage and stationery	2,325	2,325
Entertainment	95	95
Telephone and internet	1,241	1,241
Sundry expenses	2,428	2,428
Equipment and materials	1,457	1,457
	<u>684,056</u>	<u>684,056</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

5. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2023 £	Total funds 2023 £
Staff costs	140,425	140,425
Depreciation	1,410	1,410
Motor expenses	154	154
Travel and subsistence	297	297
Staff training	680	680
Rent and rates	7,313	7,313
Light and heat	1,749	1,749
Cleaning	1,463	1,463
Repairs and maintenance	1,024	1,024
Insurance	16,299	16,299
Printing, postage and stationery	766	766
Telephone and internet	22,588	22,588
Sundry expenses	3,154	3,154
Equipment and materials	1,433	1,433
Auditors' remuneration	9,950	9,950
Legal and professional	9,342	9,342
Bank charges	259	259
Hospitality	255	255
Subscriptions	4,422	4,422
Profit/(loss) on disposal	(177)	(177)
Storage costs	1,201	1,201
Bad debts	9,096	9,096
Irrecoverable VAT	43,112	43,112
	<u>276,215</u>	<u>276,215</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

5. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Activities 2022 £</i>	<i>Total funds 2022 £</i>
Staff costs	124,867	124,867
Depreciation	1,658	1,658
Motor expenses	228	228
Travel and subsistence	198	198
Staff training	100	100
Rent and rates	10,040	10,040
Light and heat	1,353	1,353
Cleaning	706	706
Repairs and maintenance	5,000	5,000
Insurance	15,882	15,882
Printing, postage and stationery	718	718
Telephone and internet	20,180	20,180
Sundry expenses	1,635	1,635
Equipment and materials	165	165
Auditors' remuneration	8,300	8,300
Legal and professional	14,974	14,974
Bank charges	(93)	(93)
Hospitality	363	363
Subscriptions	3,180	3,180
Storage costs	1,044	1,044
Bad debts	8,506	8,506
Irrecoverable VAT	16,884	16,884
	<u>235,888</u>	<u>235,888</u>

6. Auditors' remuneration

	2023 £	2022 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<u>9,950</u>	<u>8,300</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

7. Staff costs

	2023	2022
	£	£
Wages and salaries	719,217	669,219
Social security costs	54,149	47,389
Contribution to defined contribution pension schemes	15,723	15,157
	789,089	731,765

The total amount of redundancy payments during the year was £7,830 (2022: 12,372) which includes pay in lieu.

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

	2023	2022
	No.	No.
Directors	5	5
Management	4	4
Admin	2	2
Tutors	-	4
ICV Support Staff	20	8
ATW Support Worker	10	10
Job Coach	2	3
Cleaner	1	-
Co-ordinators	2	-
	46	36

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration including employee benefits paid to key management personnel during the year was £167,518 (2022: £168,431)

8. Trustees' remuneration and expenses

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

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

9. Tangible fixed assets

	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2022	145,317	8,916	19,467	173,700
Additions	-	-	4,701	4,701
Disposals	-	(8,916)	-	(8,916)
At 31 March 2023	145,317	-	24,168	169,485
Depreciation				
At 1 April 2022	145,317	8,884	13,276	167,477
Charge for the year	-	-	1,410	1,410
On disposals	-	(8,884)	-	(8,884)
At 31 March 2023	145,317	-	14,686	160,003
Net book value				
At 31 March 2023	-	-	9,482	9,482
At 31 March 2022	-	32	6,191	6,223

10. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	56,270	133,893
Other debtors	950	15,984
Prepayments and accrued income	74,482	59,464
	131,702	209,341

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

11. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	10,021	2,698
Other taxation and social security	17,284	14,162
Pension fund loan payable	159	2,248
Accruals and deferred income	133,264	122,814
	<u>160,728</u>	<u>141,922</u>

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
Unrestricted funds				
General Funds - all funds	353,788	1,108,488	(1,054,444)	407,832
	<u>353,788</u>	<u>1,108,488</u>	<u>(1,054,444)</u>	<u>407,832</u>
Restricted funds				
David Solomon Grant	67	-	-	67
LBWF Infection Control	2,465	-	-	2,465
	<u>2,532</u>	<u>-</u>	<u>-</u>	<u>2,532</u>
Total of funds	<u>356,320</u>	<u>1,108,488</u>	<u>(1,054,444)</u>	<u>410,364</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

12. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2022 £</i>
Unrestricted funds				
General Funds - all funds	260,828	1,016,349	(923,389)	353,788
	<u>260,828</u>	<u>1,016,349</u>	<u>(923,389)</u>	<u>353,788</u>
Restricted funds				
David Solomon Grant	67	-	-	67
LBWF Infection Control	4,015	-	(1,550)	2,465
	<u>4,082</u>	<u>-</u>	<u>(1,550)</u>	<u>2,532</u>
	<u>4,082</u>	<u>-</u>	<u>(1,550)</u>	<u>2,532</u>
Total of funds	<u>264,910</u>	<u>1,016,349</u>	<u>(924,939)</u>	<u>356,320</u>

13. Summary of funds

Summary of funds - current year

	<i>Balance at 1 April 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2023 £</i>
General funds	353,788	1,108,488	(1,054,444)	407,832
Restricted funds	2,532	-	-	2,532
	<u>356,320</u>	<u>1,108,488</u>	<u>(1,054,444)</u>	<u>410,364</u>
	<u>356,320</u>	<u>1,108,488</u>	<u>(1,054,444)</u>	<u>410,364</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

13. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2022 £</i>
General funds	260,828	1,016,349	(923,389)	353,788
Restricted funds	4,082	-	(1,550)	2,532
	<u>264,910</u>	<u>1,016,349</u>	<u>(924,939)</u>	<u>356,320</u>

Restricted Funds

The David Soloman Grant was a donation received to be used for the I Can Ventures project.

LBWF Infection Control Grant: This is in respect to funds received from Waltham Forest to support staff costs of receiving regular Covid 19 testing and travel to and from work to maintain infection control.

Unrestricted Funds

General funds represent the "free reserves" of the charity for its unrestricted use in connection with its overall charitable objectives.

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	9,482	9,482
Current assets	2,532	559,078	561,610
Creditors due within one year	-	(160,728)	(160,728)
Total	<u>2,532</u>	<u>407,832</u>	<u>410,364</u>

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

14. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	6,223	6,223
Current assets	2,532	489,487	492,019
Creditors due within one year	-	(141,922)	(141,922)
Total	<u>2,532</u>	<u>353,788</u>	<u>356,320</u>

15. Contingent liabilities

In 1998 the charity received a restricted grant of £150,000 from National Lottery Charities Board in order to build and set up a training centre. The conditions of the grants stipulated that such assets shall not be disposed of without prior written consent of the National Lottery Charities Board and, that they shall not be used for any other financial purpose. This restriction applies for 80 years from the date of acquisition, and expires in the year 2078. If the charity does not comply with these conditions, the grant received will have to be repaid.

We are aware that there is a potential clawback of funding in relation to the work choice income stream. However, at this stage this amount has not been quantified or accepted by the Charity.

ELLINGHAM EMPLOYMENT SERVICES
(A Company Limited by Guarantee)

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

16. Pension commitments

The charity operates a defined contribution scheme whose assets are held independently and administered separately from those of the charity. During the year, the cost was £15,723 (2022: £15,157). Contributions totalling £159 (2022: £2,248) were payable to the fund at the balance sheet date and are included in creditors. The charity has a commitment in respect of the capital repayment of pension contributions being paid by the London Borough of Waltham Forest of £24,450 (2022: £24,450) due as at year-end.

17. Operating lease commitments

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

	2023	2022
	£	£
Not later than 1 year	35,268	31,000
Later than 1 year and not later than 5 years	141,072	124,000
Later than 5 years	261,571	294,500
	437,911	449,500

18. Related party transactions

During the year the Amplified IT, a company in which a trustee is the director, provided the Charity with IT services. The total amount of services provided for the current year was £14,294 (2022: £15,166). There is no balance outstanding at the year end to Amplified IT.

London Ability

England & Wales - Charity number 1010796

Accounts

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the Company, its Trustees and advisers	1
Trustees' report	2 - 14
Independent auditors' report on the financial statements	15 - 18
Statement of financial activities	19
Balance sheet	20 - 21
Notes to the financial statements	22 - 39

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

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

Trustees

C Bailey, Chair
P J Le Rasle
B Streader M.B.E. (resigned 20 July 2021)
F Vawda (resigned 20 July 2021)
L Kowalczyk
I A A Strydom (appointed 21 September 2021)
L Bailey, Treasurer (appointed 20 July 2021)

**Company registered
number**

01984355

**Charity registered
number**

1010796

Registered office

5 -11 Ellingham Road
Leytonstone
London
E15 2AU

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

2021-22 has been a year of change for Ellingham:

- This is the first report together with the audited financial statements showing a single accounting year from 1st April 2021 to 31st March 2022 since Ellingham changed its accounting period in January 2020.
- This was the first full year without a DWP work preparation contract for over 20 years
- Restriction in services resulted in a further 13% reduction in staffing levels
- There were multiple changes to the Board of Trustees
- Covid-19 still has a major impact on service delivery to our clients
- Trustees were pleased that in July 2021 Charity Commission approved the Board's update to its governing document.

Despite this, the whole Board of Trustees must extend its overwhelming gratitude to:

- All its staff team for the handling of these events, during which they all showed their commitment to the well-being & protection of Ellingham's clients, and their flexible approach to finding ways to support clients, and each other, during this extremely difficult time and to their hard work to ensure a safe, prompt return to services in line with government instructions.
- The London Borough of Waltham Forest for its continued supportive programme around Covid-19 inoculations, with staff continuing to undertake weekly testing and following safety & hygiene guidelines with clients to safeguard everyone, with a weekly deep clean of premises to maintain health of all.
- The Senior Management Team under the leadership of Helen Gore, for their management & leadership of Ellingham's staff teams during difficult times ensuring clients' well-being is maintained.
- The Finance & Development team for the strict financial controls and successful external funding applications received that enabled Ellingham to sustain its financial viability during this year.
- Senior Managers who were able to negotiate new contracts for service delivery during this time.
- The entire dedicated staff team for their prompt reactive responsiveness when needed for the benefit of our clients.

Board Changes:

It was with great regret that, in July 2021, the Chair accepted the resignation of Beryl Streader from the Board. Beryl had been a Trustee since 2008, having previously worked with Ellingham's employment team when she was employed by DWP as a Disability Employment Advisor. She was also a volunteer, working with the clients in I Can Ventures. Beryl will be missed from the Board, but we are pleased to say that she will continue to be a "Friend" of Ellingham. Also in July, Fatima Vawda resigned from the Board in order to go travelling more. Her contribution to the work of I Can Ventures will also be missed, but her role as Parent/Carer representative on the Board left an important vacancy which we are pleased to announce has been filled, in September 2021, by the appointment of Mrs. Inga Strydom. Inga & her family arrived in England from South Africa just as the country entered the first Covid-19 shutdown. The Board are also pleased to announce that, in July 2021, on her retirement from the staff, after helping Chris set up Ellingham in 1984, Linda Bailey has joined the Board as a Trustee. With Linda's retirement, Helen Gore was appointed as Chief Executive of Ellingham Employment Services

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

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

Objectives and activities

a. Policies and objectives

The main objectives and activities for the year had been to focus upon the excellent work carried on from previous successful years, but these had to be extensively modified due to Covid-19 restrictions:

- developing a wide range of day opportunities within the vocational, well being & independence fields for clients with the most complex barriers to employment
- for these clients, creating supported social enterprises, run on a cooperative type basis where clients have elected to share all sales profits equally amongst all who participated within the activities.
- providing training (accredited & non accredited) to clients with learning disabilities,
- providing work experience commensurate to the abilities of the clients and the programme they are on, and finding and maintaining supported employment placements in the Greater London area for those clients referred on job outcome related programmes
- Exploring and developing new avenues of service for young people with learning disabilities
- Working with other professionals in the field to assist in a more robust and consolidated services
- Working in Partnerships with other Agencies to secure the widest range of services available that best matches the need of Ellingham's client base
- Working with employers on issues of Disability Awareness
- Ensuring comprehensive internal policies

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

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

Objectives and activities (continued)

b. Strategies for achieving objectives

Partnership Working

The Trustees are proud of the current work that is being undertaken in the field of working partnerships. The Board also recognise that this strategy is key to its future development and in particular essential to long term funding as the major Funders are now requiring a partnership procedure to ensure successful bids for finance and grants. These working partnerships continued electronically during the Covid-19 closure period.

The partnership with SEND Coffee continued during this period, linked with a new contract from Hackney Learning Trust starting in September 2021. SEND Coffee was able to provide short-term intensive Barista training to our clients, which has resulted in 60% job outcomes, despite the current economic climate. A new programme is being negotiated for 2022/23 which is hoped will have higher job outcome levels.

Representatives from Ellingham continue to be members of the following groups, although meetings held electronically:

Member of Work Redbridge, a partnership led by Redbridge Regeneration team, which has developed a Strategy and an Action Plan which aims to address unemployment and low skill levels, to support business growth, and to help businesses recruit people with the right skills to meet their needs;

Member of Redbridge & Waltham Forest Learning Disability Partnership Day Opportunities Forum;

It is with great pleasure to report that Rosemary Clark, Manager of I Can Ventures, continued in the role as Chair of the Newham Learning Disability and Autism Provider Forum.

Close working with Hackney Learning Trust in the delivery of Ellingham's Supported Internship-style programme.

Such partnerships enrich the work of the Organisation and open potential opportunities for broadening its scope for development, as well as establishing closer working and meaningful links within the Community.

It is a strategic part of the Ellingham infrastructure that Partnerships will continue.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

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

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

Ellingham's unique selling point is that we recognise that there is no single route to assisting people with learning disabilities and/or associated physical and/or sensory disabilities attain & maintain their potential goals. Therefore, Ellingham has developed a range of activities according to client's requirements and needs:

- **I Can Ventures (ICV)** – services for people with more complex barriers and higher support needs. Activities include a full range of day opportunities, accredited and non accredited training activities, advocacy and peer support services. All activities have a meaningful purpose as a way of maintaining skills learned and developing new ones.

- **Supported Internships (Forward Work Directions - FWD)** – based on our experience of working with several local colleges in recent years, Ellingham developed its own in-house programme. Whilst the mainstream Supported Internship programme is one type of study programme specifically aimed at young people aged 16 to 24 who have a statement of special educational needs, a Learning Difficulty Assessment, or an EHC plan, who want to move into employment and need extra support to do so, Ellingham staff have created a tailored programme for those clients who required additional support to those who can access the mainstream programme, thereby filling a gap in client need.

- **DWP Access to Work** – is a tailored practical support programme to people who have a disability, health or mental health condition to enable them to start work, stay in work or to move in self employment.

d. Main activities undertaken to further the Company's purposes for the public benefit

The main areas of Charitable activities are the provision of vocational training (accredited & non accredited), vocational guidance and supported employment to people who have learning disabilities and/or associated physical, sensory and mental health needs. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future projects. Our main activities, who we try to help, and who used and benefited from our services are described below.

Ellingham has made significant developments in its in house training strategies, which is assisting many people with severe disabilities to understand the complexities of the world of work, prior to placing them into valued and meaningful work experience. These programmes have been designed by the specialist staff teams to enhance their skills, provide confidence and equip the clients with a positive outlook and motivation, which will enable them to compete in an ever demanding and sometimes hostile world of work.

Previous comments have been made in this report on the growing development of Partnerships with other Agencies and Funding Bodies, and this scenario is one that the Board are keen to expand.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

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

Achievements and performance

a. Key performance indicators

- Covid-19 continued to have an impact on Ellingham's finances, with an enforced period of closure at the beginning of the new financial year, and with a slow transition to services resumption within I Can Ventures (ICV), although once fully open staff had to introduce a waiting list due to the increased numbers of referrals for services in the department.
- Despite LBWF's intention that by 2021 it would revert to Commissioned Services when each client's personal budget review took place, so far this has not happened, and clients continue to attend funded through individual budgets showing clients' choice.
- Supported Internship programme was able to continue using internet tuition. However, unfunded extensions to individual contracts had to be negotiated so that clients could undertake periods of work experience to fulfil the requirements of the contract. A new contract 2-3year contract was successfully negotiated with Hackney Learning Trust, with potentially double the number of clients, whilst an additional 6-month contract was handed over to Ellingham due to the provider pulling out of the contracting process. It was this contract that was undertaken in partnership with SEND Coffee and has proved extremely successful.
- Senior Manager (Finance) continued to maximise financial support through government's JRS scheme to the total of just under £46,000 during the transition period to full return of services, with a further £5,400 being received from LBWF for Infection Control measures.
- Despite all the continuous efforts of the Access to Work Coordinator to ensure full payments of claims from DWP, there remain on-going shortfalls in payments during 2021/22, together with the dramatic fall in income in this area due to Support Workers & their customers being placed on furlough. It is anticipated that once lockdown is lifted a return to previous levels will occur as this is an area of fluctuating income.
- As reported in 2018, Working Links, the Prime Contractor for Work Choice went into Administration in February 2019 with debts of £29,782 owing to Ellingham. Despite on-going representations to the Administrators, it was only in July 2022 that a cheque for £1,191.14 was received representing a first dividend of 4p in the £ to non-preferential unsecured creditors. Correspondence states the provision has been made for future costs of the liquidation, which is they exceed the actual costs incurred, then there is scope for a further small dividend to be paid to creditors.
- An unexpected legacy donation of £25,000 was received during the year from the estate of Ellingham's former Trustee, Margaret Willett. Trustees & Senior staff was deciding how best to mark this generous gift.
- Due to tight financial management during difficult Covid-19 periods, although Reserves levels were slightly lower than anticipated at year end, the record level of Debtors ensured that financial levels were extremely secure.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

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

Achievements and performance (continued)

b. Review of activities

Despite a period of transition to full working had an impact on income to ICV, once fully operational income has exceeded predicted levels during the year. Access to Work was predicted to remain steady, as does the current level of income from Supported Internships. Due to lack of contract tenders due to Covid-19, no replacement for DWP Work & Health Programme has been found. However, predicted financial impact of the loss of this contract has been positive with the reduced levels of expenditure.

Trustees & staff used the period of lower attendance at Ellingham to carry out all major Health & Safety reviews/maintenance. This period was also used to undertake staff training in safeguarding, first aid, challenging behaviour and Professional Working Practices.

Ellingham is in the fortunate position in that despite being a charity it does not rely on fundraising for income, instead it is funded through contracts.

As a small gesture to show their appreciation of Ellingham's greatest asset – its staff – Trustees continued to focus on ensuring that staff (particularly those isolating through furlough) were fully supported, not only by management & team members but by ensuring they were aware of Ellingham's Employee Assistance Programme, a 24-hour freephone service through Health Assured confidential life management and personal support service available to all staff. Through the phased return to work, the introduction of flexible/hybrid working is now working across all departments as appropriate. In addition, as a recognition to the dedication & quality service staff give to the clients, Trustees ensure very competitive rates of pay and very good conditions of service are given. Also an additional day's "Birthday" leave for all staff has been implemented.

I Can Ventures - Due to several clients' families still being uncertain about returning with Covid-19 still around, the Outreach Service which started in 2020 funded through London Community Response Fund continued, but with increase face to face meetings. Several of these resulted in well-being referrals being made to Local Authority Social Services Departments to provide additional support which had arisen during the period of shutdown. Highest amongst these was increased mental health issues amongst both clients and their families.

It was also identified by staff that amongst those clients returning to day services in ICV, there was a high level of well-being additional needs. It was therefore decided to alter the programme schedule within our charitable aims to help clients cope with their well-being challenges and those challenges of adapting to a different lifestyle after a long time being housebound. Staffing roles were therefore changed to reflect this change in client programmes, once again reflecting the dedication to our clients' welfare & needs.

During the year, several discussions were held with LBWF around their wish for Ellingham to open new services, but these were deemed to be financially unviable, and so turned down.

In addition, Ellingham's programmes during 2021/22 also included:

Supported Internships – As stated above, clients on the 2021/22 programme continued their programme via electronic means, although 6-month unfunded extensions were granted by HLT to enable them to undertake periods of work experience to enable them to complete their programme. A new 2-3year contract had been awarded to start September 2021, and although scope for double the number of referrals had been anticipated, numbers remained constant. Discussions on this & additional contracts are continuing into 2022/23.

Access to Work – with many customers working from home or whose employers had furloughed them, the need for Support Workers remained low during 2021/22. However, there has been an increase in service contract enquiries for 2022/23.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

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

Achievements and performance (continued)

INVESTORS IN PEOPLE

The latest review of this quality standard was carried out in December 2021 and the results were found to be excellent – higher than anticipated, with an overall score of 797 out of a maximum 900, higher than industry standard (744) and IiP Benchmark (727). All staff indicators as to satisfaction of working at Ellingham were above average standard.

Trustees would like to thank CEO, SMT & the entire staff team for this excellent result, which is an indication of staff's impression of Ellingham as an employer and the support given by them to teams and individuals.

c. Factors relevant to achieve objectives

With the ever growing concerns from the Board regarding long term financial security, an issue regularly reported in the Trustees annual reports, Ellingham has continued to be an effective service deliverer in the supported employment and vocational training field. The difficulty of this insecurity has meant planning and development of the Organisation has been down to minimal longevity to programmes and staff remaining on annual contracts, this is despite the Organisation having a wide range of contracts with a diverse group of Statutory funding bodies.

The Finance and Development section work tirelessly to ensure that funding appropriate to the organisation's principles is explored, and partnership working is proving successful in this area, although major funding streams, especially from DWP are no longer available as a direct finance source for an organisation as Ellingham, as the Department seeks to offer contracts solely through major Prime Contractors.

The lack of longer term funding and financial resources has always been a particular weakness in the Trustees view of strategic planning and development of its services, its nature of being one of the more respected and experienced employment services in the Greater London region has encouraged funders to invest in its work, however, such conditions will need to be marketed in a totally different way if this level of funding is to be sustained.

d. Investment policy and performance

The Board continue to strongly refuse any sums for deposit that have risk potential, as in stocks and shares and other volatile/risk-based funds and will continue to desist from speculating in such practices.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

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

b. Reserves policy

It is agreed that Ellingham Employment Services will ring fence and hold reserves that will enable more accurate and prudent control of its resources. These reserves will be to cover the contingencies of:

- Safeguarding against anticipated and unanticipated fluctuations in income and expenditure
- Redundancy payments to staff
- Long term sick cover for staff
- Maternity payments and cover for staff
- Contingency account for unclaimed invoices from suppliers.

In addition, the Directors may decide from time to time to divert reserves to cover capital expenditure to facilitate the start of a new project, or to build up additional funds to cover a long term capital project, such as refurbishment of buildings, such levels to be decided by the Board of Directors under the guidance of the Treasurer.

The Board will reserve amounts as it sees necessary in line with the Charity Commission's recommendations of 3 months to 2 years operating costs as good financial practice. The amounts will vary, as dictated by external influences that decide the levels of income through funders and grant making authorities which are outside the control of the Board of Directors, although every effort must be made to ensure that levels do not fall below 3 months operating costs at any time. For the year 2022/23, it is anticipated that this sum will be in the region of £290,000. Based on the level of reserves, we are initiating a rolling programme of updating facilities & equipment at Ellingham's sites to maximise environmental & economic sustainability, whilst ensuring premises provide clients with a welcoming facility appropriate to their needs. The level of debtors had increased from the previous year, despite best efforts to attain timely payment.

Reserves will be invested to earn the best interest, yet with reasonable access to funds, the interest being added to increase the capital thereby adding to reserves. Levels of reserves will be reported to the Board of Directors quarterly as part of the financial report.

These actions will empower the Board of Directors to exercise its authority to ensure the continuation of the financial security of the organisation, through its Instruments of the Memorandum and Articles of Association.

c. Principal funding

Due to the extensive range of services that Ellingham offers to enhance the skills of the clients it serves, we therefore have a wide range of funding streams to finance these services.

- Individual budgets
- Contracts with local authorities / housing associations
- DWP (Access to Work)
- Local authority education departments

For financial prudence, all areas are self financing, with management costs proportioned to each department to finance such areas.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

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

Structure, governance and management

Trustees have restarted the self-evaluation process, successfully submitting an update to Charity Commission of its governing document in line with Charities Act 2011. All Trustees now have designated roles and will be working with Senior staff in these roles for the future development of services & structure of Ellingham Employment Services. Trustee meetings continued via Zoom during 2021/22 working closely with Chief Executive and members of the Senior Management Team who have day-to-day management of the organisation.

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Trust deed.

The company is constituted under a Trust deed and is a registered charity number 1010796.

The principal object of the charitable company is to relieve the need of people with learning and/or physical disabilities but not exclusively by the provision of accredited and/or vocational training, sheltered and supported work placements in the Greater London area.

In the event of the Company being wound up Members are required to contribute an amount not exceeding £1.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Under the terms of the Memorandum and Articles of Association the Trustees are elected to serve on an annual basis after which they must be re-elected at the next Annual General Meeting.

Due to the work undertaken at Ellingham, its function is to support people who have a range of learning and associated physical and sensory disabilities into employment. The Trustees are recruited on their empathy and direct understanding of people with learning disabilities, and on the Board, are representatives from parents/carers to fulfil this role, in addition to those with professional experience in this field.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

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

(continued)

c. Organisational structure and decision-making policies

All Trustees carried out their duties well, working the senior staff to implement statutory requirements to ensure a quality service to our clients.

The structure of the day-to-day responsibility for the provision of the charity's services resting with all members of the Senior Management Team, who also have responsibility for ensuring the respective areas of its sections operate in accordance with Team goals/targets is working exceedingly well. This, together with individual supervision and annual staff appraisal of the staff team and also ensuring that the team continue to develop their skills and working practices in line with up-to-date training and knowledge, whilst working jointly and collaboratively on common issues and developments

With the retirement of the Executive Director, Helen Gore was appointed as Chief Executive in July 2021 with full responsibility for the management of Ellingham and oversight & management of the Senior Management Team.

The Chief Executive remains an intermediary between the Trustees and the Senior staff in the organisation. Members of the Senior teams attend Trustees' meetings submitting written reports to discuss specific aspects of work or projects where Trustees may need further information.

d. Policies adopted for the induction and training of Trustees

Most, if not all, of the Trustees are already familiar with the practical aspects of the working structures employed at Ellingham, either from their experiences within their own profession, or experience/expertise with other groups. However, Trustees are offered training as and when specific courses are identified by the Executive Directors. Some of these courses have been taken up during the year.

All new recruits to the Board attend a day long induction to the Organisation which covers;

- The obligations of the Board of Trustees;
- The main documents that govern the Organisation and its operational framework for the charity including a copy of the Memorandum and Articles
- Identifying specific roles within the Board of Trustees & working with appropriate Senior staff
- Meeting the various teams, Senior, Middle Management and field/admin teams
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives.

As part of the Induction package the new recruit will also be given the latest edition of Ellingham's Code Of Practice Of Trusteeship, which identifies Trustees' roles and responsibilities in running a charitable company. They are also provided, within this pack, with the latest documents from the Charity Commission in the appropriate areas of trusteeship. This Code is revised to reflect changes in governance when indicated from central government or the Charity Commission.

Trustees are encouraged, where practicable to attend seminars organised by the Charity Commission et al. to keep abreast of the latest changes in Government legislation. All Trustees are enrolled onto NVCO Trustee Training Programmes to assist with their professional development in their roles.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

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

(continued)

e. Pay policy for senior staff

Currently Ellingham's Board of Trustees have responsibility of ratifying all salary increases across the whole organisation, ensuring that Ellingham continues to be a Living Wage organisation. Trustees are working with CEO around budgets to award a pay increase to all staff in 2022/23, ensuring that the requirements of London Living Wage are met.

f. Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

A risk assessment register for all Trustees and Senior Staff has been created and is updated at least annually and processes are being reviewed by CEO & SMT in the light of the Covid-19 shutdown & its implications.

Where appropriate, systems or procedures have been identified to mitigate the risks the charity faces. Funding being the most adherent risk to the Organisation has meant that a broader diversification of funding providers and matrixes allow for this risk to be minimised to an extent. As the organisation works with vulnerable people, all staff & Trustees undergo regular enhanced DBS checks.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Procedures are in place to ensure compliance with Health and Safety of the charity's staff, clients and visitors to the charity's facilities. To this end in 2021 MoorePay were appointed as our external health and safety consultants.

Staff are updated with risk assessment awareness through regular training sessions either in house or externally run courses with external consultants.

Since 2007, Ellingham became a member of Peninsula Business Services to assist with Personnel, employment Law and Health and Safety Issues, by providing a 24-hour advice line in addition to providing training and sending regular updates and newsletters. All staffing issues are administered in consultation with Peninsula. This service was extended in 2014 to include the services of Peninsula in reviewing all HR policies and procedures of the organisation, and in 2015 to a confidential Employee Assistance Programme to all staff, offering confidential life management and personal support services to all employees and their families, thereby increasing the well being aspect of staff. All Ellingham's premises also undergo annual external Health & Safety checks, fire/intruder alarm checks, Legionella check and electrical PAC testing to ensure the safety of clients and staff. These are all currently under review to ensure best competitive support to Ellingham's needs.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

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

Plans for future periods

- Expand day opportunities services for clients with more complex needs to enhance their choices
- Develop range of accredited training programmes on offer to clients
- Develop range of supported internship programmes
- Continue to work in partnership to develop programmes for clients in particular need
- Seek replacement funding to re-establish Ellingham's expertise in work preparation programmes
- Ensure appropriate levels of suitably qualified & dedicated staff to be able to deliver all programmes
- Continue to offer all staff of Ellingham Employment Services appropriate support and well being, so they can continue to provide the quality service to our clients.
- Ensure prudent financial management controls to in 2022/23 to increase reserve levels
- The need for "back-office" procedures & processes to be more efficient and cost-effective.
- Based on the level of reserves, initiate a rolling programme of updating facilities & equipment at Ellingham's sites to maximise environmental & economic sustainability, whilst ensuring premises provide clients with a welcoming facility appropriate to their needs.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . 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 Company 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 judgements 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Haslers, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 21 September 2022 and signed on their behalf by:



C Bailey
(Chair of Trustees)

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES

Opinion

We have audited the financial statements of Ellingham Employment Services (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 Auditors' 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.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES
(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 auditors' 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.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES
(CONTINUED)

Auditors' 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 auditors' 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:

- Scrutinising journals, and other adjustments posted during the year for evidence of unusual entries
- Carrying out substantive testing to cover authorisation of expenditure in line with the financial processes.
- Carrying out walkthrough testing to ensure internal controls are in place to prevent errors and fraud.
- Assessment of appropriateness of accounting estimates.
- Review of large and unusual bank transactions

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 auditors' report.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES
(CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, 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 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Haslers

Haslers

Chartered Accountants
Statutory Auditor

Old Station Road

Loughton

Essex

IG10 4PL

21 September 2022

Haslers are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 15 Months Ended 31 March 2021 £</i>
	Note				
Income from:					
Donations and legacies	2	60,561	-	60,561	207,640
Charitable activities	3	931,728	-	931,728	1,019,901
Other trading activities		24,060	-	24,060	124,048
Total income		<u>1,016,349</u>	<u>-</u>	<u>1,016,349</u>	<u>1,351,589</u>
Expenditure on:					
Raising funds		4,996	-	4,996	3,377
Charitable activities		918,393	1,550	919,944	1,328,729
Total expenditure		<u>923,389</u>	<u>1,550</u>	<u>924,939</u>	<u>1,332,106</u>
Net movement in funds		<u>92,960</u>	<u>(1,550)</u>	<u>91,410</u>	<u>19,483</u>
Reconciliation of funds:					
Total funds brought forward		260,828	4,082	264,911	245,428
Net movement in funds		92,960	(1,550)	91,410	19,483
Total funds carried forward		<u>353,788</u>	<u>2,532</u>	<u>356,320</u>	<u>264,911</u>

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

The notes on pages 22 to 39 form part of these financial statements.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)
REGISTERED NUMBER: 01984355

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	8	6,223	6,104
		<u>6,223</u>	<u>6,104</u>
Current assets			
Debtors	9	209,341	171,398
Cash at bank and in hand		282,678	237,302
		<u>492,019</u>	<u>408,700</u>
Creditors: amounts falling due within one year	10	(141,922)	(149,894)
Net current assets		350,097	258,806
Total net assets		<u>356,320</u>	<u>264,910</u>
Charity funds			
Restricted funds	11	2,532	4,082
Unrestricted funds	11	353,788	260,828
Total funds		<u>356,320</u>	<u>264,910</u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)
REGISTERED NUMBER: 01984355

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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:



C Bailey

(Chair of Trustees)

Date: 21 September 2022

The notes on pages 22 to 39 form part of these financial statements.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. Accounting policies

1.1 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Ellingham Employment Services 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.

1.2 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.3 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 Company's objectives, as well as any associated support costs.

1.4 Government grants

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. Accounting policies (continued)

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised.

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.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Short-term leasehold property	-	fully depreciated
Motor vehicles	-	25%
Fixtures and fittings	-	20%

1.7 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.

1.8 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.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

1.9 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 Company 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.

1.10 Financial instruments

The Company 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.

1.11 Pensions

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

1.12 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 Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £
Donations	179	179
Legacies	25,000	25,000
Government Grant Receivable	35,382	35,382
	<u>60,561</u>	<u>60,561</u>

	<i>Unrestricted funds 15 Months Ended 31 March 2021 £</i>	<i>Total funds 15 Months Ended 31 March 2021 £</i>
Donations	1,491	1,491
Government grants	206,149	206,149
	<u>207,640</u>	<u>207,640</u>

3. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Personalised Budget Client	452,873	452,873
London Borough of Newham	86,650	86,650
Work and Health Programme	-	-
Support Work	182,554	182,554
Supported Internships	209,651	209,651
Outreach East	-	-
Total 2022	<u>931,728</u>	<u>931,728</u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. Income from charitable activities (continued)

	<i>Unrestricted funds 15 Months Ended 31 March 2021 £</i>	<i>Total funds 15 Months Ended 31 March 2021 £</i>
Personalised Budget Client	539,389	539,389
London Borough of Newham	53,961	53,961
Work and Health Programme	27,173	27,173
Support Work	281,994	281,994
Supported Internships	118,422	118,422
Outreach East	(1,038)	(1,038)
<i>Total 2021</i>	<u><u>1,019,901</u></u>	<u><u>1,019,901</u></u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Direct costs	684,055	235,888	919,943

	<i>Activities undertaken directly 15 Months Ended 31 March 2021 £</i>	<i>Support costs 15 Months Ended 31 March 2021 £</i>	<i>Total funds 15 Months Ended 31 March 2021 £</i>
Direct costs	1,047,084	281,645	1,328,729

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £
Staff costs	606,898	606,898
Agency staff costs	33,874	33,874
Motor expenses	225	225
Travel and subsistence	686	686
Recruitment	7,802	7,802
Qualification costs	394	394
Staff Training	575	575
Rent	17,688	17,688
Rates	601	601
Light and heat	3,690	3,690
Cleaning	2,013	2,013
Repairs and maintenance	2,064	2,064
Printing, postage and stationery	2,325	2,325
Entertainment	95	95
Telephone and internet	1,241	1,241
Sundry expenses	2,428	2,428
Equipment and materials	1,457	1,457
	<u>684,056</u>	<u>684,056</u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Activities 15 Months Ended 31 March 2021 £</i>	<i>Total funds 15 Months Ended 31 March 2021 £</i>
Staff costs	923,371	923,371
Agency staff costs	11,506	11,506
Motor expenses	370	370
Travel and subsistence	2,678	2,678
Recruitment	784	784
Qualification costs	385	385
Training	75	75
Rent	64,793	64,793
Rates	2,419	2,419
Light and heat	3,250	3,250
Cleaning	455	455
Repairs and maintenance	5,600	5,600
Printing, postage and stationery	3,645	3,645
Entertainment	164	164
Telephone and internet	4,776	4,776
Sundry expenses	1,368	1,368
Equipment and materials	21,343	21,343
Client allowance	102	102
	<u>1,047,084</u>	<u>1,047,084</u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2022 £	Total funds 2022 £
Staff costs	124,867	124,867
Depreciation	1,658	1,658
Motor expenses	228	228
Travel and subsistence	198	198
Staff training	100	100
Training	10,040	10,040
Light and heat	1,353	1,353
Cleaning	706	706
Repairs and maintenance	5,000	5,000
Insurance	15,882	15,882
Printing, posting and stationery	718	718
Telephone and internet	20,180	20,180
Equipment and materials	1,635	1,635
Equipment and materials	165	165
Auditors' remuneration	8,300	8,300
Legal and professional	14,974	14,974
Bank charges	(93)	(93)
Hospitality	363	363
Subscriptions	3,180	3,180
Storage costs	1,044	1,044
Bad debts	8,506	8,506
Irrecoverable VAT	16,884	16,884
	<u>235,888</u>	<u>235,888</u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Activities 15 Months Ended 31 March 2021 £</i>	<i>Total funds 15 Months Ended 31 March 2021 £</i>
Staff costs	155,167	155,167
Depreciation	5,074	5,074
Travel and subsistence	133	133
Training	15,668	15,668
Light and heat	2,880	2,880
Cleaning	1,524	1,524
Repairs and maintenance	3,173	3,173
Insurance	16,426	16,426
Printing, posting, stationery	4,712	4,712
Telephone and internet	20,132	20,132
Equipment and Materials	1,483	1,483
Auditors' remuneration	8,000	8,000
Legal and professional	15,437	15,437
Bank charges	67	67
Hospitality	446	446
Subscriptions	5,465	5,465
Profit and loss on disposal	9,109	9,109
Storage costs	1,093	1,093
Bad debts	(5,588)	(5,588)
Irrecoverable VAT	21,244	21,244
	<u>281,645</u>	<u>281,645</u>

5. Auditors' remuneration

	<i>2022 £</i>	<i>15 Months Ended 31 March 2021 £</i>
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<u>8,300</u>	<u>8,300</u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

6. Staff costs

	2022	<i>15 Months Ended 31 March 2021</i>
	£	£
Wages and salaries	669,219	990,704
Social security costs	47,389	68,311
Contribution to defined contribution pension schemes	15,157	19,524
	731,765	1,078,539

The total amount of redundancy payments during the year was £12,372 (2021: £48,089) which includes pay in lieu.

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

	2022	<i>15 Months Ended 31 March 2021</i>
	No.	No.
Directors	5	6
Management	4	5
Admin	2	2
Tutors	4	5
Catering	8	11
Support	10	27
Employment consultant	3	5
	36	61

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration including employee benefits paid to key management personnel during the year was £168,431 (2021: £217,412)

7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Tangible fixed assets

	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2021	145,317	8,916	17,691	171,924
Additions	-	-	1,776	1,776
At 31 March 2022	145,317	8,916	19,467	173,700
Depreciation				
At 1 April 2021	145,317	8,870	11,632	165,819
Charge for the year	-	14	1,644	1,658
At 31 March 2022	145,317	8,884	13,276	167,477
Net book value				
At 31 March 2022	-	32	6,191	6,223
At 31 March 2021	-	46	6,058	6,104

9. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	133,893	79,170
Other debtors	15,984	14,248
Prepayments and accrued income	59,464	77,980
	209,341	171,398

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10. Creditors: Amounts falling due within one year

	2022	<i>2021</i>
	£	£
Trade creditors	2,698	28,627
Other taxation and social security	14,162	13,635
Pension fund loan payable	2,248	1,814
Accruals and deferred income	122,814	105,818
	141,922	149,894

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Unrestricted funds				
General Funds - all funds	260,828	1,016,349	(923,389)	353,788
Restricted funds				
David Solomon Grant	67	-	-	67
LBWF Infection Control	4,015	-	(1,550)	2,465
	4,082	-	(1,550)	2,532
Total of funds	264,910	1,016,349	(924,939)	356,320

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2021 £</i>
Unrestricted funds				
General Funds - all funds	245,081	1,239,128	(1,223,381)	260,828
Restricted funds				
David Solomon Grant	347	-	(280)	67
Lottery Community Fund	-	74,533	(74,533)	-
London Community Fund	-	23,528	(23,528)	-
GLA Barrista	-	9,000	(9,000)	-
LBWF Infection Control	-	5,400	(1,385)	4,015
	347	112,461	(108,726)	4,082
Total of funds	245,428	1,351,589	(1,332,107)	264,910

12. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
General funds	260,828	1,016,349	(923,389)	353,788
Restricted funds	4,082	-	(1,550)	2,532
	264,910	1,016,349	(924,939)	356,320

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 January 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2021 £</i>
General funds	245,081	1,239,128	(1,223,381)	260,828
Restricted funds	347	112,461	(108,726)	4,082
	<u>245,428</u>	<u>1,351,589</u>	<u>(1,332,107)</u>	<u>264,910</u>

Restricted Funds

The David Soloman Grant was a donation received to be used for the I Can Ventures project.

National Lottery Community Fund Covid - Reponse: This is in respect of Covid 19, to support Ellingham in relation to the 'I Can Connect' Project.

London Community Response Fund (LCRF) Grant: This is in respect of purchasing Laptops and Ipads for employees and clients to work remotely.

(LCRF) Mayor's Young Londoners Fund GLA Grant: This is in respect to funds received for a new Barrista Project.

LBWF Infection Control Grant: This is in respect to funds received from Waltham Forest to support staff costs of receiving regular Covid 19 testing and travel to and from work to maintain infection control.

Unrestricted Funds

General funds represent the "free reserves" of the charity for its unrestricted use in connection with its overall charitable objectives

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	6,223	-	6,223
Current assets	489,487	2,532	492,019
Creditors due within one year	(141,922)	-	(141,922)
Total	<u><u>353,788</u></u>	<u><u>2,532</u></u>	<u><u>356,320</u></u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	6,104	-	6,104
Current assets	404,619	4,082	408,701
Creditors due within one year	(149,895)	-	(149,895)
Total	<u>260,828</u>	<u>4,082</u>	<u>264,910</u>

14. Contingent liabilities

In 1998 the charity received a restricted grant of £150,000 from National Lottery Charities Board in order to build and set up a training centre. The conditions of the grants stipulated that such assets shall not be disposed of without prior written consent of the National Lottery Charities Board and, that they shall not be used for any other financial purpose. This restriction applies for 80 years from the date of acquisition, and expires in the year 2078. If the charity does not comply with these conditions, the grant received will have to be repaid.

We are aware that there is a potential clawback of funding in relation to the work choice income stream. However, at this stage this amount has not been quantified or accepted by the Charity.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. Pension commitments

The charity operates a defined contribution scheme whose assets are held independently and administered separately from those of the charity. During the year, the cost was £15,157 (2021: £19,524). Contributions totalling £2,248 (2021: £1,814) were payable to the fund at the balance sheet date and are included in creditors. The charity has a commitment in respect of the capital repayment of pension contributions being paid by the London Borough of Waltham Forest of £24,450 (2021: £24,450) due as at year-end.

16. Operating lease commitments

At 31 March 2022 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	<i>2021</i>
	£	£
Not later than 1 year	31,000	<i>31,000</i>
Later than 1 year and not later than 5 years	124,000	<i>124,000</i>
Later than 5 years	294,500	<i>294,500</i>
	449,500	<i>449,500</i>

17. Related party transactions

During the year the Amplified IT, a company in which a trustee is the director, provided the Charity with IT services. The total amount of services provided for the current year was £15,166 (2021: £21,641). There is no balance outstanding at the year end to Amplified IT.

London Ability

England & Wales - Charity number 1010796

Accounts

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the Company, its Trustees and advisers	1
Trustees' report	2 - 16
Independent auditors' report on the financial statements	17 - 20
Statement of financial activities	21
Balance sheet	22 - 23
Notes to the financial statements	24 - 40

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 31 MARCH 2021**

Trustees	C Bailey, Chair P J Le Rasle B Streader M.B.E. S Hussain (resigned 15 September 2020) F Vawda L Kowalczyk
Company registered number	01984355
Charity registered number	1010796
Registered office	5 -11 Ellingham Road Leytonstone London E15 2AU

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MARCH 2021

This is the first report together with the audited financial statements presented by the Trustees since the alteration of the accounting period undertaken in January 2020. Historically, at a time when it received significant ESF funding, Ellingham's financial year mirrored the European financial year. However, since that is no longer applicable, Trustees unanimously agreed to revert to the UK financial period of April to March. This report therefore covers the period 1 January 2020 to 31 March 2021.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

We must report the resignation of Mrs. Saira Hussein from the Board of Trustees in September 2020. As the parent of an Ellingham client, Saira provided a valuable long-standing liaison role between parents and the Board. She leaves with the Board's grateful thanks for her long years of service. Also, at the AGM in 2020, Mrs. Fatima Vawda stood down from the role of Hon. Secretary, and the Board are extremely grateful that she will remain on the Board. Mr. Lucas Kowalczyk was elected to the position of Hon Secretary.

The Board are also pleased that they were able to appoint Mrs. Helen Gore as Chief Operating Officer in May 2020.

Several major changes impacted on Ellingham's work during 2020, with the unanimous decision by Trustees at the end of 2019 to come to a mutually agreed termination of DWP Work & Health Programme contract with Maximus People Services on top of which staff & clients had to deal with the impact of the Covid-19 pandemic (further details below). Trustees are extremely saddened at the loss of the dedicated team of Employment staff who had run the DWP work preparation courses for many years, but wish them well in their futures. The whole Board of Trustees must extend its overwhelming gratitude to all its staff team for the handling of these events, during which they all showed their commitment to the well-being & protection of Ellingham's clients, and their flexible approach to finding ways to support clients, and each other, during this extremely difficult time and to their hard work to ensure a safe, prompt return to services in line with government instructions. The Board would like to thank London Borough of Waltham Forest for its accelerated programme of staff vaccinations which saw the entire Ellingham team to be among the first front line care support staff to receive their inoculations. Staff continue to undertake LCF & PCR tests weekly and follow social distancing and safety & hygiene guidelines with clients to safeguard everyone, with a weekly deep clean of premises to maintain health of all. Trustees would also like to thank the Finance & Development team for the strict financial controls and successful external funding applications received that enabled Ellingham to sustain its financial viability during this year. Trustees continue to be extremely impressed with the prompt reactive responsiveness its dedicated staff team makes when needed for the benefit of our clients.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Objectives and activities

a. Policies and objectives

The main objectives and activities for the year had been to focus upon the excellent work carried on from previous successful years, but these had to be extensively modified due to Covid-19 restrictions:

- developing a wide range of day opportunities within the vocational, well being & independence fields for clients with the most complex barriers to employment
- for these clients, creating supported social enterprises, run on a cooperative type basis where clients have elected to share all sales profits equally amongst all who participated within the activities.
- providing training (accredited & non accredited) to clients with learning disabilities,
- providing work experience commensurate to the abilities of the clients and the programme they are on, and finding and maintaining supported employment placements in the Greater London area for those clients referred on job outcome related programmes
- Exploring and developing new avenues of service for young people with learning disabilities
- Working with other professionals in the field to assist in a more robust and consolidated services
- Working in Partnerships with other Agencies to secure the widest range of services available that best matches the need of Ellingham's client base
- Implementation of employers on issues of Disability Awareness
- Ensuring comprehensive internal policies

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Objectives and activities (continued)

b. Strategies for achieving objectives

Partnership Working

The Trustees are proud of the current work that is being undertaken in the field of working partnerships. The Board also recognise that this strategy is key to its future development and in particular essential to long term funding as the major Funders are now requiring a partnership procedure to ensure successful bids for finance and grants. These working partnerships continued electronically during the Covid-19 closure period.

New for 2020 was the creation of a CIC partnership with SEND Coffee, an initiative developed through the Supported Intern programme, whereby Ellingham is the benefitting charity of all profits generated by the CIC. Unfortunately, due to trading restrictions during Covid-19 this is likely to be delayed.

Representatives from Ellingham continue to be members of the following groups, although meetings held electronically:

Member of Work Redbridge, a partnership led by Redbridge Regeneration team, which has developed a Strategy and an Action Plan which aims to address unemployment and low skill levels, to support business growth, and to help businesses recruit people with the right skills to meet their needs;

Member of Redbridge & Waltham Forest Learning Disability Partnership Day Opportunities Forum;

It is with great pleasure to report that Rosemary Clark, Manager of I Can Ventures, continued in the role as Chair of the Newham Learning Disability and Autism Provider Forum.

Close working with Hackney Learning Trust and 6th form Colleges in the delivery of Ellingham's Supported Internship-style programme.

Such partnerships enrich the work of the Organisation and open potential opportunities for broadening its scope for development, as well as establishing closer working and meaningful links within the Community.

It is a strategic part of the Ellingham infrastructure that Partnerships will continue.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

Ellingham's unique selling point is that we recognise that there is no single route to assisting people with learning disabilities and/or associated physical and/or sensory disabilities attain & maintain their potential goals. Therefore, Ellingham has developed a range of activities according to client's requirements and needs:

- I Can Ventures (ICV) – services for people with more complex barriers and higher support needs. Activities include a full range of day opportunities, accredited and non accredited training activities, advocacy and peer support services. All activities have a meaningful purpose as a way of maintaining skills learned and developing new ones.
- Supported Internships (Forward Work Directions - FWD) – based on our experience of working with several local colleges in recent years, Ellingham developed its own in-house programme. Whilst the mainstream Supported Internship programme is one type of study programme specifically aimed at young people aged 16 to 24 who have a statement of special educational needs, a Learning Difficulty Assessment, or an EHC plan, who want to move into employment and need extra support to do so, Ellingham staff have created a tailored programme for those clients who required additional support to those who can access the mainstream programme, thereby filling a gap in client need.
- DWP Access to Work – is a tailored practical support programme to people who have a disability, health or mental health condition to enable them to start work, stay in work or to move in self employment.

d. Main activities undertaken to further the Company's purposes for the public benefit

The main areas of Charitable activities are the provision of vocational training (accredited & non accredited), vocational guidance and supported employment to people who have learning disabilities and/or associated physical, sensory and mental health needs. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future projects. Our main activities, who we try to help, and who used and benefited from our services are described below.

Ellingham has made significant developments in its in house training strategies, which is assisting many people with severe disabilities to understand the complexities of the world of work, prior to placing them into valued and meaningful work experience. These programmes have been designed by the specialist staff teams to enhance their skills, provide confidence and equip the clients with a positive outlook and motivation, which will enable them to compete in an ever demanding and sometimes hostile world of work.

Previous comments have been made in this report on the growing development of Partnerships with other Agencies and Funding Bodies, and this scenario is one that the Board are keen to expand.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Achievements and performance

a. Key performance indicators

- Lockdown due to Covid-19 pandemic had a major impact on Ellingham's finances. With the closure of all face to face services due to Covid-19 pandemic, local authorities dealt with service payments differently. Whilst Newham & Redbridge continued funding, LBWF insisted that Ellingham produce monthly claims to evidence shortfall of income & so to make a claim for financial sustainability. This frequently led to delays in payment which affected cashflow. The majority of staff were put on furlough, including Access to Work Support Workers, with monthly claims from government's Job Retention Scheme. Senior & key staff members implemented home working. Some staff contracts were not renewed, staff were TUPE-ed due to the transfer of the Work & Health Programme contract and with reduced numbers of clients being able to attend Ellingham's services, staff redundancies from the I Can Ventures staff team were made, meaning that over the period Ellingham's staff team reduced by 25.
- Extraordinary financial income during Covid-19 shutdown included JRS claims totalling £206,149 and grants from London Community Response Fund & GLA of £112,461. This together with the strict financial controls operated by Senior Manager (Finance) including negotiation of payments by instalments to ease cashflow ensured that cash reserve levels at the end of the accounting period were maintained.
- Despite Waltham Forest clients paying for services from their personal budgets to attend I Can Ventures, as they are able to use personal choice to select the services and activities they wish to undertake, 2020 saw the Local Authority negotiate a return to a contracted Commissioned Service. The intention had been that as personal budgets came up for review, they would revert to Commissioned Services under the contractual control of LBWF. Unfortunately, Covid-19 cause a pause in the process, due to restart in 2021.
- The loss of income from DWP Work & Health Programme was counter-balanced by savings on costs of salaries and running costs and it is anticipated will not have a long-term impact on financial levels. Alternative programmes are being sought.
- Due to the success of the Supported Internship programmes, we were able to deliver tailored programmes entering into 2 contracts with Hackney Learning Trust, for 2020/21. The new initiative working with a Jewish Orthodox school & a local employer, saw all 3 clients being offered paid employment. The Covid-19 lockdown saw a limit on the activities able to be undertaken with those clients on the Supported Intern programme, although through negotiations about extending the length of programme, the contract continued as anticipated. As detailed below, a new 2-year contract with Ellingham as sole provider has been entered into with Hackney, with an anticipated doubling of client numbers & therefore income from 2021/22. Also due to the success of a pilot project in a specialist 6th form College in 2020/21, negotiations are underway to develop a similar project for 2021/22.
- Despite all the continuous efforts of the Access to Work Coordinator to ensure full payments of claims from DWP, there remain on-going shortfalls in payments during 2020/21, together with the dramatic fall in income in this area due to Support Workers & their customers being placed on furlough. It is anticipated that once lockdown is lifted a return to previous levels will occur as this is an area of fluctuating income.
- As reported in 2018, Working Links, the Prime Contractor for Work Choice went into Administration in February 2019 with debts of £29,782 owing to Ellingham. Despite on-going representations to the Administrators to date there is still no resolution to this situation.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Achievements and performance (continued)

b. Review of activities

FINDINGS ON THE IMPACT OF COVID-19

Trustees were already aware that 2020 might be a difficult financial year with the loss of the Work & Health Programme, but financial predictions showed that the financial savings outweighed the predicted loss. They were also confident as Reserves levels were beginning to improve once all the new building work had been completed and with the increased income to I Can Ventures and the expansion of services with the Forward Work Directions department with increased contracts for supported internship programmes. Access to Work was predicted to remain steady.

Ellingham is in the fortunate position in that despite being a charity it does not rely on fundraising for income, instead it is funded through contracts.

The Board acted very swiftly in March 2020 following Government guidelines regarding shutdown of all non-essential services. With the Senior Management Team, plans were put in place to ensure that all clients & staff remained well and safe. Resolutions were passed by the Board to enable media meetings to take place instead of face to face ones, and that, if necessary, the restricted reserves could be used to assist cashflow, on the understanding that those levels of finance were to be replaced as soon as possible and the restrictions put back in place.

As a result:

- Work & Health Programme – staff were TUPE-d as from 9th April 2020, but home worked for Ellingham to close the programme from 20th March until then.
- Senior Management Team continue to work as normal from home supervising their departments/ensuring well-being of clients & staff team members.
- Closure of I Can Ventures to all clients. All staff, other than 3 seniors, were put on furlough. The 3 working staff continued to deliver an outreach service to all clients, by telephone calls to ensure well-being of clients & their families, and the delivery of fortnightly newsletters & worksheets. Through this contact staff were able to signpost additional support from additional agencies. As a result, funding continuing from Newham & Redbridge. Full funding was received for March from Waltham Forest but then had to provide monthly evidence of loss of income to receive financial sustainability payments.
- Forward Work Directions – 3 of the team furloughed. Online support, training & communication for all learners by the 2 seniors, ensuring full funding continued.
- Access to Work – Coordinator home working, liaising and coordinating with customers regarding working status and furloughing support workers as required. Funding continued to cover costs of working customers.

In preparation for re-opening, Ellingham staff again overwhelmed Board expectations in their urgent need to make the facilities as safe as possible for clients and staff in line with government guidelines at all time.

As a small gesture to show their appreciation of Ellingham's greatest asset – its staff – Trustees continued to focus on ensuring that staff (particularly those isolating through furlough) were fully supported, not only by management & team members but by ensuring they were aware of Ellingham's Employee Assistance Programme, a 24-hour freephone service through Health Assured confidential life management and personal support service available to all staff. Through the phased return to work, the introduction of flexible/hybrid working is being considered across all departments as appropriate.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Achievements and performance (continued)

I Can Ventures - 2019 saw the start of development and expansion of in-house & community-based services for a greater number of clients with learning disabilities, enabling staff to work with clients with more complex needs. Plans for further development in 2020 were put on hold March 2020 with the total closure of in-house services due to Covid-19 pandemic. However thanks to the flexible & innovative approach staff had to ensuring the well-being of all clients during this difficult time, successful approaches were made to London Community Response Fund to enable a new outreach service to be established whereby weekly contact was made by phone or Zoom with all clients and the families, and monthly work-packs & competitions were created & posted to all. By remaining in close contact, staff were able to offer support and in some cases signpost families for additional support as required, whilst maintaining strict hygiene observances. As lockdown was lifted, "doorstep" visits were undertaken by staff to be with clients in person, again observing strict social distancing.

To ensure social distancing, client numbers for attendance has had to be reduced, which will possibly have an impact on potential income for 2021/22, depending on government guidelines. However, staff have tirelessly negotiated alternative day placements/support for those clients unable to yet return to Ellingham's services. Activities for returning clients have been modified to following guidelines of social distancing. Staff are also noticing an increase in anxiety and mental health issues amongst clients and families, which too is leading to a change in approach to Ellingham's services with signposting to additional support services as required.

To publicise all the new activities within I Can Ventures, and to promote all the other services we offer, Ellingham is making full use of the revamped website & social media platforms created through the work undertaken with Raising IT.

In addition, Ellingham's programmes during 2020 also included:

DWP Work & Health Programme – At the end of 2019, Trustees made the unanimous decision with Senior staff to negotiate a mutual termination of this contract with Maximus People Services. This was an extremely hard decision to make as it would mean the loss of 20+ years of service delivery of DWP work preparation programmes and the loss of a dedicated team of loyal staff. The contract was finally concluded end-March 2020, coinciding with Covid-19 lockdown, with the team being TUPE-ed to the new contractor.

Supported Internships – As a result of the previous successes, under contract to Hackney Learning Trust, Ellingham is running an in-house "supported internship"-style programme, but aimed at clients with higher support needs, who would not be eligible for the statutory programme. Due to Covid shutdown, staff remained in contact with learners electronically undertaking some distance learning. Unfortunately, learners were unable to undertake any work experience placements, a key part of the programme, so have been granted a 6-month extension to their course.

Whilst FWD have been delivering this programme through a small contract with Hackney Learning Trust for the past 3 years, during lockdown the contract was put out to open tender. We are extremely pleased to say that Ellingham has been awarded as sole external contractor for the 2-year contract (with a rolling 2-year extension) for up to double the number of learners. Contract is to start September 2021.

In addition to the tailored programme, the new initiative working with a Jewish Orthodox school & a local employer, which saw the development of a specific supported employment/internship programme to benefit the clients and the employer, saw all learners offered paid employment September 2020.

New for 2020/21 academic year was a pre-internship programme aimed at those learners in their final year of specialist college. Due to social distancing, this started in the college, but as lockdown measures lifted, so the learners were able to undertake their learning at Ellingham's premises. Due to the success of this initial programme, negotiations are underway to explore developments for academic year 2021/22.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Achievements and performance (continued)

c. Factors relevant to achieve objectives

With the ever growing concerns from the Board regarding long term financial security, an issue regularly reported in the Trustees annual reports, Ellingham has continued to be an effective service deliverer in the supported employment and vocational training field. The difficulty of this insecurity has meant planning and development of the Organisation has been down to minimal longevity to programmes and staff remaining on annual contracts, this is despite the Organisation having a wide range of contracts with a diverse group of Statutory funding bodies.

The Finance and Development section work tirelessly to ensure that funding appropriate to the organisation's principles is explored, and partnership working is proving successful in this area, although major funding streams, especially from DWP are no longer available as a direct finance source for an organisation as Ellingham, as the Department seeks to offer contracts solely through major Prime Contractors.

The lack of longer term funding and financial resources has always been a particular weakness in the Trustees view of strategic planning and development of its services, its nature of being one of the more respected and experienced employment services in the Greater London region has encouraged funders to invest in its work, however, such conditions will need to be marketed in a totally different way if this level of funding is to be sustained.

d. Investment policy and performance

The Board continue to strongly refuse any sums for deposit that have risk potential, as in stocks and shares and other volatile/risk-based funds and will continue to desist from speculating in such practices.

2018 saw a major impact on Ellingham's reserves due to the shortfall in funding from BIG Lottery for the new building and as a result Ellingham's reserve levels have dipped to below the levels as set by the Reserves Policy. However, the contingencies made by Trustees to prudent longer-term financial planning (i.e. reduction in use of rental properties, smaller staff teams, budgetary controls, minimising bad debt through non payment of invoices) and proved successful in that despite the financial difficulties during 2020/21 due to Covid-10 restrictions, the period ended with higher reserves than at the start. However, Ellingham still awaits information regarding the debt from Working Links' Administrators.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

b. Reserves policy

It is agreed that Ellingham Employment Services will ring fence and hold reserves that will enable more accurate and prudent control of its resources. These reserves will be to cover the contingencies of:

- Safeguarding against anticipated and unanticipated fluctuations in income and expenditure
- Redundancy payments to staff
- Long term sick cover for staff
- Maternity payments and cover for staff
- Contingency account for unclaimed invoices from suppliers.

In addition, the Directors may decide from time to time to divert reserves to cover capital expenditure to facilitate the start of a new project, or to build up additional funds to cover a long term capital project, such as refurbishment of buildings, such levels to be decided by the Board of Directors under the guidance of the Treasurer.

The Board will reserve amounts as it sees necessary in line with the Charity Commission's recommendations of 3 months to 2 years operating costs as good financial practice. The amounts will vary, as dictated by external influences that decide the levels of income through funders and grant making authorities which are outside the control of the Board of Directors, although every effort must be made to ensure that levels do not fall below 3 months operating costs at any time. For the year 2021/22, it is anticipated that this sum will be in the region of £270,000. Based on the annual audited accounts to March 2021, the Reserves held were below the level set down in this Policy, although actual cash in the bank was higher than the previous year. The level of trade debtors had increased from the previous year, despite best efforts to attain timely payment.

Reserves will be invested to earn the best interest, yet with reasonable access to funds, the interest being added to increase the capital thereby adding to reserves. Levels of reserves will be reported to the Board of Directors quarterly as part of the financial report.

These actions will empower the Board of Directors to exercise its authority to ensure the continuation of the financial security of the organisation, through its Instruments of the Memorandum and Articles of Association.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

c. Principal funding

Due to the extensive range of services that Ellingham offers to enhance the skills of the clients it serves, we therefore have a wide range of funding streams to finance these services.

- Individual budgets
- Contracts with local authorities / housing associations
- DWP (Access to Work)
- Local authority education departments
- During 2020/21 we were extremely pleased to be awarded major grants from National Lottery Community Fund and GLA.

For financial prudence, all areas are self financing, with management costs proportioned to each department to finance such areas.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Trust deed.

The company is constituted under a Trust deed and is a registered charity number 1010796.

The principal object of the charitable company is to relieve the need of people with learning and/or physical disabilities, in particular, but not exclusively by the provision of accredited and/or vocational training, sheltered and supported work placements in the Greater London area.

In the event of the Company being wound up Members are required to contribute an amount not exceeding £1.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Under the terms of the Memorandum and Articles of Association the Trustees are elected to serve on an annual basis after which they must be re-elected at the next Annual General Meeting.

Due to the work undertaken at Ellingham, its function is to support people who have a range of learning and associated physical and sensory disabilities into employment. The Trustees are recruited on their empathy and direct understanding of people with learning disabilities, and on the Board, are representatives from parents/carers to fulfil this role, in addition to those with professional experience in this field.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

All Trustees carried out their duties well, undertaking the restructuring of I Can Ventures department to meet the changing needs of the clients. The Trustees (& SMT) also undertook a self-assessment to measure its governance and leadership skills. Based on the NCVO tool, an Action Plan for development was put in place for 2020 but was interrupted due to Covid-19 shutdown.

The structure of the day to day responsibility for the provision of the charity's services resting with all members of the Senior Management Team, who also have responsibility for ensuring the respective areas of its sections operate in accordance with Team goals/targets is working exceeding well. This, together with individual supervision and annual staff appraisal of the staff team and also ensuring that the team continue to develop their skills and working practices in line with up to date training and knowledge, whilst working jointly and collaboratively on common issues and developments

Whilst the entire SMT team works extremely well undertaking all areas that Trustees expect, one aspect of the impact of the Covid-19 shutdown was the realisation by the (part-time) Executive Director that the direct management from a distance for day to day issues was not the most effective way forward for the organisation. Trustees therefore agreed to the creation of the post of Chief Operating Officer to head up the SMT, taking over responsibility for day to day management of the organisation. It is with great pleasure that Trustees appointed Helen Gore to this role with effect from May 2020.

The Executive Director, remains an intermediary between the Trustees and the Senior staff in the organisation, continues to combine regular direct communication with Chief Operating Officer as well as with individual Senior Managers. Members of the Senior teams attend Trustees' meetings submitting written reports to discuss specific aspects of work or projects where Trustees may need further information.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

Most, if not all, of the Trustees are already familiar with the practical aspects of the working structures employed at Ellingham, either from their experiences within their own profession, or experience/expertise with other groups. However, Trustees are offered training as and when specific courses are identified by the Executive Directors. Some of these courses have been taken up during the year.

All new recruits to the Board attend a day long induction to the Organisation which covers;

- The obligations of the Board of Trustees;
- The main documents that govern the Organisation and its operational framework for the charity including a copy of the Memorandum and Articles;
- Meeting the various teams, Senior, Middle Management and field/admin teams;
- Resourcing and the current financial position as set out in the latest published accounts;
- Future plans and objectives.

As part of the Induction package the new recruit will also be given the latest edition of Ellingham's Code Of Practice Of Trusteeship, which identifies Trustees' roles and responsibilities in running a charitable company. They are also provided, within this pack, with the latest documents from the Charity Commission in the appropriate areas of trusteeship. This Code is revised to reflect changes in governance when indicated from central government or the Charity Commission.

Trustees are encouraged, where practicable to attend seminars organised by the Charity Commission et al. to keep abreast of the latest changes in Government legislation. All Trustees are enrolled onto NVCO Trustee Training Programmes to assist with their professional development in their roles.

e. Pay policy for senior staff

Currently Ellingham's Board of Trustees have responsibility of ratifying all salary increases across the whole organisation, ensuring that Ellingham continues to be a Living Wage organisation. Unfortunately, due to financial constraints, it was not possible to award staff an increase in 2020/21.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Structure, governance and management (continued)

f. Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

A risk assessment register for all Trustees and Senior Staff has been created and is updated at least annually and processes are being reviewed by COO & SMT in the light of the Covid-19 shutdown & its implications.

Where appropriate, systems or procedures have been identified to mitigate the risks the charity faces. Funding being the most adherent risk to the Organisation has meant that a broader diversification of funding providers and matrixes allow for this risk to be minimised to an extent. As the organisation works with vulnerable people, all staff & Trustees undergo regular enhanced DBS checks.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Procedures are in place to ensure compliance with Health and Safety of the charity's staff, clients and visitors to the charity's facilities.

Staff are updated with risk assessment awareness through regular training sessions either in house or externally run courses with external consultants.

Since 2007, Ellingham became a member of Peninsula Business Services to assist with Personnel, employment Law and Health and Safety Issues, by providing a 24-hour advice line in addition to providing training and sending regular updates and newsletters. All staffing issues are administered in consultation with Peninsula. This service was extended in 2014 to include the services of Peninsula in reviewing all HR policies and procedures of the organisation, and in 2015 to a confidential Employee Assistance Programme to all staff, offering confidential life management and personal support services to all employees and their families, thereby increasing the well being aspect of staff. All Ellingham's premises also undergo annual external Health & Safety checks, fire/intruder alarm checks, Legionella check and electrical PAC testing to ensure the safety of clients and staff. These are all currently under review to ensure best competitive support to Ellingham's needs.

Plans for future periods

- Expand day opportunities services for clients with more complex needs to enhance their choices
- Develop range of accredited training programmes on offer to clients
- Develop range of supported internship programmes
- Continue to work in partnership to develop programmes for clients in particular need
- Seek replacement funding to re-establish Ellingham's expertise in work preparation programmes
- Ensure appropriate levels of suitably qualified & dedicated staff to be able to deliver all programmes
- Continue to offer all staff of Ellingham Employment Services appropriate support and well being, so they can continue to provide the quality service to our clients.
- Ensure prudent financial management controls to in 2021/22 to increase reserve levels
- Restart the Governance Code Action Plan to improve leadership and governance skills amongst the Trustees & SMT.
- The need for "back-office" procedures & processes to be more efficient and cost-effective.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . 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 Company 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 judgements 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Haslers, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 7 September 2021 and signed on their behalf by:



C Bailey
(Chair of Trustees)

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES

Opinion

We have audited the financial statements of Ellingham Employment Services (the 'charitable company') for the period 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 period 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 Auditors' 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.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES
(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 auditors' 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.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES
(CONTINUED)

Auditors' 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 auditors' 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:

- Scrutinising journals, and other adjustments posted during the year for evidence of unusual entries
- Carrying out substantive testing to cover authorisation of expenditure in line with the financial processes.
- Carrying out walkthrough testing to ensure internal controls are in place to prevent errors and fraud.
- Assessment of appropriateness of accounting estimates.
- Review of large and unusual bank transactions

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 auditors' report.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELLINGHAM EMPLOYMENT SERVICES
(CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, 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 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Haslers

Haslers

Chartered Accountants
Statutory Auditor

Old Station Road

Loughton

Essex

IG10 4PL

7 September 2021

Haslers are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 MARCH 2021**

		Unrestricted funds 15 Months Ended 31 March 2021 £	Restricted funds 15 Months Ended 31 March 2021 £	Total funds 15 Months Ended 31 March 2021 £	<i>Total funds 12 Months Ended 31 December 2019 £</i>
	Note				
Income from:					
Donations and legacies	2	207,640	-	207,640	5,151
Charitable activities	3	1,019,901	-	1,019,901	1,165,356
Other trading activities		11,587	112,461	124,048	40,469
Total income		<u>1,239,128</u>	<u>112,461</u>	<u>1,351,589</u>	<u>1,210,976</u>
Expenditure on:					
Raising funds		3,377	-	3,377	10,438
Charitable activities		1,220,004	108,726	1,328,729	1,320,202
Total expenditure		<u>1,223,381</u>	<u>108,726</u>	<u>1,332,107</u>	<u>1,330,640</u>
Net movement in funds		<u>15,747</u>	<u>3,735</u>	<u>19,482</u>	<u>(119,664)</u>
Reconciliation of funds:					
Total funds brought forward		245,081	347	245,428	365,092
Net movement in funds		15,747	3,735	19,482	(119,664)
Total funds carried forward		<u>260,828</u>	<u>4,082</u>	<u>264,910</u>	<u>245,428</u>

The Statement of financial activities includes all gains and losses recognised in the period.

The notes on pages 24 to 40 form part of these financial statements.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)
REGISTERED NUMBER: 01984355

BALANCE SHEET
AS AT 31 MARCH 2021

		31 March 2021 £	31 December 2019 £
Fixed assets	Note		
Tangible assets	8	6,104	20,287
		<u>6,104</u>	<u>20,287</u>
Current assets			
Debtors	9	171,398	194,889
Cash at bank and in hand		237,303	195,432
		<u>408,701</u>	<u>390,321</u>
Creditors: amounts falling due within one year	10	(149,895)	(165,180)
Net current assets		<u>258,806</u>	<u>225,141</u>
Total net assets		<u><u>264,910</u></u>	<u><u>245,428</u></u>
Charity funds			
Restricted funds	11	4,082	347
Unrestricted funds	11	260,828	245,081
Total funds		<u><u>264,910</u></u>	<u><u>245,428</u></u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)
REGISTERED NUMBER: 01984355

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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:



C Bailey
(Chair of Trustees)
Date: 7 September 2021

The notes on pages 24 to 40 form part of these financial statements.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

1. Accounting policies

1.1 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Ellingham Employment Services 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.

1.2 Income

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.3 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 Company's objectives, as well as any associated support costs.

1.4 Government grants

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised.

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.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Short-term leasehold property	-	fully depreciated
Motor vehicles	-	25%
Fixtures and fittings	-	20%

1.7 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.

1.8 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.

1.9 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 Company 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.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

1. Accounting policies (continued)

1.10 Financial instruments

The Company 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.

1.11 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the period.

1.12 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 Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Income from donations and legacies

	Unrestricted funds 15 Months Ended 31 March 2021 £	Total funds 15 Months Ended 31 March 2021 £
Donations	1,491	1,491
Government Grant Receivable	206,149	206,149
	207,640	207,640
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Donations	5,151	5,151

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

3. Income from charitable activities

	Unrestricted funds 15 Months Ended 31 March 2021 £	Total funds 15 Months Ended 31 March 2021 £
Personalised Budget Client	539,389	539,389
London Borough of Newham	53,961	53,961
Work and Health Programme	27,173	27,173
Support Work	281,994	281,994
Workchoice	-	-
Supported Internships	118,422	118,422
Outreach East	(1,038)	(1,038)
Total 2021	<u>1,019,901</u>	<u>1,019,901</u>
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Personalised Budget Client	605,143	605,143
London Borough of Newham	58,131	58,131
Work and Health Programme	131,839	131,839
Support Work	229,495	229,495
Workchoice	14,328	14,328
Supported Internships	119,846	119,846
Outreach East	6,574	6,574
<i>Total 2019</i>	<u>1,165,356</u>	<u>1,165,356</u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

4. Analysis of expenditure by activities

	Activities undertaken directly 15 Months Ended 31 March 2021 £	Support costs 15 Months Ended 31 March 2021 £	Total funds 15 Months Ended 31 March 2021 £
Direct costs	1,047,084	281,645	1,328,729

	<i>Activities undertaken directly 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Direct costs	1,083,718	236,483	1,320,201

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

4. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 15 Months Ended 31 March 2021 £	Total funds 15 Months Ended 31 March 2021 £
Staff costs	934,877	934,877
Motor expenses	370	370
Travel and subsistence	2,678	2,678
Recruitment	784	784
Qualification costs	385	385
Staff Training	75	75
Rent	64,793	64,793
Rates	2,419	2,419
Light and heat	3,250	3,250
Cleaning	455	455
Repairs and maintenance	5,600	5,600
Printing, postage and stationery	3,645	3,645
Entertainment	164	164
Telephone and internet	4,776	4,776
Sundry expenses	1,368	1,368
Equipment and materials	21,343	21,343
Client allowance	102	102
	<u>1,047,084</u>	<u>1,047,084</u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

4. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Activities 2019 £</i>	<i>Total funds 2019 £</i>
Staff costs	983,691	983,691
Motor expenses	1,298	1,298
Travel and subsistence	9,995	9,995
Recruitment	3,057	3,057
Qualification costs	896	896
Rent	56,750	56,750
Rates	3,466	3,466
Light and heat	6,762	6,762
Cleaning	1,749	1,749
Repairs and maintenance	3,594	3,594
Printing, postage and stationery	1,440	1,440
Entertainment	527	527
Telephone and internet	3,273	3,273
Advertising	1,603	1,603
Sundry expenses	770	770
Equipment and materials	4,350	4,350
Client allowance	498	498
	<u>1,083,719</u>	<u>1,083,719</u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

4. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 15 Months Ended 31 March 2021 £	Total funds 15 Months Ended 31 March 2021 £
Staff costs	155,167	155,167
Depreciation	5,074	5,074
Travel and subsistence	133	133
Training	15,668	15,668
Light and heat	2,880	2,880
Cleaning	1,524	1,524
Repairs and maintenance	3,173	3,173
Insurance	16,426	16,426
Printing, posting and stationery	4,712	4,712
Telephone and internet	20,132	20,132
Equipment and materials	1,483	1,483
Auditors' remuneration	8,000	8,000
Legal and professional	15,437	15,437
Bank charges	67	67
Hospitality	446	446
Subscriptions	5,465	5,465
Profit and loss on disposal	9,109	9,109
Storage costs	1,093	1,093
Bad debts	(5,588)	(5,588)
Irrecoverable VAT	21,244	21,244
	<u>281,645</u>	<u>281,645</u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

4. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Activities 2019 £</i>	<i>Total funds 2019 £</i>
Staff costs	109,127	109,127
Depreciation	4,907	4,907
Motor expenses	298	298
Travel and subsistence	1,455	1,455
Training	473	473
Repairs and maintenance	5,590	5,590
Insurance	13,853	13,853
Printing, posting, stationery	3,679	3,679
Telephone and internet	22,511	22,511
Sundry expenses	805	805
Equipment and Materials	543	543
Property refurbishments	21,469	21,469
Auditors' remuneration	7,875	7,875
Legal and professional	11,909	11,909
Bank charges	(46)	(46)
Hospitality	797	797
Subscriptions	4,231	4,231
Profit and loss on disposal	(74)	(74)
Storage costs	2,786	2,786
Bad debts	3,892	3,892
Irrecoverable VAT	20,403	20,403
	<u>236,483</u>	<u>236,483</u>

5. Auditors' remuneration

	15 Months Ended 31 March 2021 £	2019 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<u>8,000</u>	<u>7,875</u>

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

6. Staff costs

	15 Months 31 March 2021 £	2019 £
Wages and salaries	1,002,210	1,005,880
Social security costs	68,311	68,486
Contribution to defined contribution pension schemes	19,524	18,452
	<u>1,090,045</u>	<u>1,092,818</u>

The total amount of redundancy payments during the year was £48,089 (2019: £19,497) which includes pay in lieu.

The average number of persons employed by the Company during the period was as follows:

	15 Months Ended 31 March 2021 No.	2019 No.
Directors	6	6
Management	5	7
Admin	2	3
Tutors	5	6
Catering	11	15
Support	27	31
Employment consultant	5	10
	<u>61</u>	<u>78</u>

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration including employee benefits paid to key management personnel during the year was £217,412 (2019: £210,264)

7. Trustees' remuneration and expenses

During the period, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the period ended 31 March 2021, no Trustee expenses have been incurred (2019 - £NIL).

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

8. Tangible fixed assets

	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2020	145,317	8,916	95,007	249,240
Disposals	-	-	(77,316)	(77,316)
At 31 March 2021	145,317	8,916	17,691	171,924
Depreciation				
At 1 January 2020	145,317	8,850	74,786	228,953
Charge for the period	-	20	5,054	5,074
On disposals	-	-	(68,208)	(68,208)
At 31 March 2021	145,317	8,870	11,632	165,819
Net book value				
At 31 March 2021	-	46	6,059	6,105
At 31 December 2019	-	66	20,221	20,287

9. Debtors

	31 March 2021 £	31 December 2019 £
Due within one year		
Trade debtors	79,170	65,167
Other debtors	14,248	12,715
Prepayments and accrued income	77,980	117,007
	171,398	194,889

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

10. Creditors: Amounts falling due within one year

	31 March 2021 £	<i>31 December 2019 £</i>
Trade creditors	28,627	15,904
Other taxation and social security	13,635	15,760
Pension fund loan payable	1,814	4,915
Other creditors	-	25,336
Accruals and deferred income	105,819	103,265
	149,895	165,180

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

11. Statement of funds

Statement of funds - current period

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
General Funds - all funds	245,081	1,239,128	(1,223,381)	260,828
Restricted funds				
David Solomon Grant	347	-	(280)	67
Lottery Community Fund	-	74,533	(74,533)	-
London Community Fund	-	23,528	(23,528)	-
GLA Barrista	-	9,000	(9,000)	-
LBWF Infection Control	-	5,400	(1,385)	4,015
	347	112,461	(108,726)	4,082
Total of funds	245,428	1,351,589	(1,332,107)	264,910

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

11. Statement of funds (continued)

Statement of funds - prior period

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2019 £</i>
Unrestricted funds					
General Funds - all funds	351,500	1,210,977	(1,309,171)	(8,225)	245,081
Restricted funds					
Lottery Capital Grant	9,307	-	(17,532)	8,225	-
David Solomon Grant	3,284	-	(3,284)	-	-
David Soloman Grant	1,000	-	(653)	-	347
	13,591	-	(21,469)	8,225	347
Total of funds	365,091	1,210,977	(1,330,640)	-	245,428

12. Summary of funds

Summary of funds - current period

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
General funds	245,081	1,239,128	(1,223,381)	260,828
Restricted funds	347	112,461	(108,726)	4,082
	245,428	1,351,589	(1,332,107)	264,910

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

12. Summary of funds (continued)

Summary of funds - prior period

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2019 £</i>
General funds	351,500	1,210,977	(1,309,171)	(8,225)	245,081
Restricted funds	13,591	-	(21,469)	8,225	347
	<u>365,091</u>	<u>1,210,977</u>	<u>(1,330,640)</u>	<u>-</u>	<u>245,428</u>

Restricted Funds

National Lottery Community Fund Covid - Reponse: This is in respect of Covid 19, to support Ellingham in relation to the 'I Can Connect' Project.

The Bailey Thomas Grant and David Soloman Grant were donations received that are to be used for the I Can Ventures project.

London Community Response Fund (LCRF) Grant: This is in respect of purchasing Laptops and Ipads for employees and clients to work remotely.

(LCRF) Mayor's Young Londoners Fund GLA Grant: This is in respect to funds received for a new Barrista Project.

LBWF Infection Control Grant: This is in respect to funds received from Waltham Forest to support staff costs of receiving regular Covid 19 testing and travel to and from work to maintain infection control.

Unrestricted Funds

General funds represent the "free reserves" of the charity for its unrestricted use in connection with its overall charitable objectives

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

13. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 31 March 2021 £	Restricted funds 31 March 2021 £	Total funds 31 March 2021 £
Tangible fixed assets	6,104	-	6,104
Current assets	404,619	4,082	408,701
Creditors due within one year	(149,895)	-	(149,895)
Total	260,828	4,082	264,910

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 31 December 2019 £</i>	<i>Restricted funds 31 December 2019 £</i>	<i>Total funds 31 December 2019 £</i>
Tangible fixed assets	20,287	-	20,287
Current assets	389,974	347	390,321
Creditors due within one year	(165,180)	-	(165,180)
Total	245,081	347	245,428

14. Contingent liabilities

In 1998 the charity received a restricted grant of £150,000 from National Lottery Charities Board in order to build and set up a training centre. The conditions of the grants stipulated that such assets shall not be disposed of without prior written consent of the National Lottery Charities Board and, that they shall not be used for any other financial purpose. This restriction applies for 80 years from the date of acquisition, and expires in the year 2078. If the charity does not comply with these conditions, the grant received will have to be repaid.

We are aware that there is a potential clawback of funding in relation to the work choice income stream. However, at this stage this amount has not been quantified or accepted by the Charity.

ELLINGHAM EMPLOYMENT SERVICES
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

15. Pension commitments

The charity operates a defined contribution scheme whose assets are held independently and administered separately from those of the charity. During the year, the cost was £19,524 (2019: £18,452). Contributions totalling £1,814 (2019: £4,914) were payable to the fund at the balance sheet date and are included in creditors. The charity has a commitment in respect of the capital repayment of pension contributions being paid by the London Borough of Waltham Forest of £24,450 (2019: £24,450) due as at year-end.

16. Operating lease commitments

At 31 March 2021 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	31 March 2021 £	<i>31 December 2019 £</i>
Not later than 1 year	31,000	<i>50,917</i>
Later than 1 year and not later than 5 years	124,000	<i>124,000</i>
Later than 5 years	333,250	<i>364,250</i>
	488,250	<i>539,167</i>

17. Related party transactions

During the year the Amplified IT, a company in which a trustee is the director, provided the Charity with IT services. The total amount of services provided for the current year was £21,641 (2019: £15,413). There is no balance outstanding at the year end to Amplified IT.