

PADLEY GROUP

England & Wales · Charity number 1015652

Details

Other names	PADLEY DAY CENTRE, PADLEY DEVELOPMENT CENTRE, PADLEY DIRECT ACCESS HOSTEL
Status	Registered
Legal form	Charitable company
Company number	02769300
Registered	1992-12-10
Register	View on the Charity Commission register

Contact

Address	YMCA 770 London Road Alvaston Derby DE24 8UT
Phone	01332774480
Email	theo.vesey@ymcaderbyshire.org.uk
Website	https://ymcaderbyshire.org.uk/our-services/padley-group/

Activities

Objects: The Company is established for the relief of homelessness and related poverty

Activities: Padley Group, a registered charity, empowers people affected by homelessness to improve their lives through the Padley Day Centre, providing a range of services, facilities, training and volunteering opportunities, and dispersed supported housing.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, Disability, The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** People With Disabilities, The General Public/mankind

Geography

- Derbyshire
- Nottinghamshire
- Staffordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-07-31	£0	£0	-	-
2023-07-31	£686,127	£1,145,002	£0	0
2022-03-31	£590,723	£636,652	£458,875	18
2021-03-31	£817,584	£625,005	£504,804	22
2020-03-31	£594,228	£675,146	£245,668	24

Trustees

Name	Role	Appointed
Andrew Armstrong		2023-07-14
Gillian Helen Sewell		2023-07-14
Grace Harrison		2023-07-14
Julian Paul Smith		2023-07-14
Kate Gillespie		2023-07-14
andreea tudor		2021-07-14

PADLEY GROUP

England & Wales - Charity number 1015652

Accounts

Registered number: 2769300
Charity number: 1015652

THE PADLEY GROUP
(A company limited by guarantee)

Trustees' report and financial statements

For the period ended 31 July 2023

THE PADLEY GROUP
(A company limited by guarantee)

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THE PADLEY GROUP
(A company limited by guarantee)

Reference and administrative details of the Charity, its Trustees and advisers
For the period ended 31 July 2023

Trustees

J P Smith, Chair (appointed 14 July 2023)
A Shaw, Chair (resigned 14 July 2023)
M Connell, Vice Chair (resigned 14 July 2023)
A Layzell, Secretary (resigned 14 July 2023)
P Inman, Treasurer (resigned 14 July 2023)
K Gosden (appointed 16 November 2022, resigned 14 July 2023)
G Bennett, Vice Chair (resigned 18 May 2022)
A Armstrong (appointed 14 July 2023)
C Gillespie (appointed 14 July 2023)
G Harrison (appointed 14 July 2023)
G Sewell (appointed 14 July 2023)
A Tudor
B Samra (resigned 14 July 2023)
R Gourlay (resigned 14 July 2023)

Company registered number

2769300

Charity registered number

1015652

Registered office

27 East Street
Derby
Derbyshire
DE1 2AL

Company secretary

K J Jackson

Independent auditors

Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE12RJ

Bankers

Lloyds TSB plc
43 Irongate
Derby
DE1 3FT

THE PADLEY GROUP
(A company limited by guarantee)

Trustees' report
For the period ended 31 July 2023

OUR AIMS AND OBJECTIVES

The Padley Group, a registered charity, was founded in 1985 to provide relief of homelessness and related poverty.

- To provide or assist in the provision of facilities for persons who are homeless, destitute and distressed,, which are necessary to relieve such persons who by reason of their condition are in necessitous circumstances.
- To provide residential accommodation, including social housing, for people of all ages, who are in need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances.
- To help such persons in such circumstances to regain a sense of personal worth through the provision of support, training and encouragement.
- To provide opportunities for care to be expressed to those who often experience rejection.
- To meet basic needs of such persons who have next-to-nothing in order to enhance the quality of their lives.
- To provide the opportunity for such persons to share in a caring community in order to help break down feelings of isolation. The Company shall be non-party in politics and non-sectarian in religion.

On 14th July 2023 the Trustees of Padley Group agreed to merge with YMCA Derbyshire and, in doing so, donated the assets and liabilities of the charity to YMCA Derbyshire Ltd. YMCAD Derbyshire Ltd is a company limited by guarantee and a registered charity and registered social landlord. The trustees of Padley Group believe YMCA Derbyshire is in a better place to meet the needs of Padley Group beneficiaries going forward than by Padley Group continuing on its own. It is the intention of the Trustees to formally wind up Padley Group as a legal entity over the next 12 months.

Public Benefit

Padley's charitable objects as stipulated in the Memorandum and Articles of Association are shown above. During 2022/23, the public benefit achieved in meeting these objectives were through:

- The provision of self-contained accommodation to those who are homeless, giving them support, referrals, signposting and assistance to move on in their lives and move into shared or their own permanent accommodation.
- The provision at the Day Centre of facilities, including toilets, shower, laundry facilities, food, clothing, hairdressing, a chiropodist, an optician, access to specialist support services and professionals which tend to the basic needs of those who are not in permanent accommodation. The provision at the Day Centre of activities to increase wellbeing, self-confidence, increase skills, and education alongside support, signposting and encouragement to help those affected by homelessness, or poverty regain or achieve for the first time a sense of personal worth.
- The provision of facilities and services which offer opportunities for people who are homeless or in danger of becoming homeless and others in need to interact with others and to share in a caring community, consequently breaking down feelings of isolation and distress.
- The provision of learning opportunities and training through activities, work experience and volunteering routes within the different operations.
- All of the facilities we offer are to improve the quality of life and well-being of those who are disadvantaged in our society. We are ecumenical, non-party political and non-sectarian in religion in all of our operations.

The Trustees have taken into account the Charity Commission guidance on Public Benefit in accordance with section 4 of the Charities Act 2006.

ACHIEVEMENTS AND PERFORMANCE

2022/23 has been a year of transition. The requirement by Derby City Council that Padley relocate from its long-held premises in Beckett St in order to fulfil a major redevelopment project has continued to impact on the activities of the charity.

The housing element of services has been replaced, in conjunction with Derby Homes, by 18 self-contained dispersed housing units. This provision offers support and assistance to residents whilst developing their skills

THE PADLEY GROUP
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Trustees' report (continued)
For the period ended 31 July 2023

to enable them to move on to their own permanent accommodation. Other than the benefits to the resident of personal esteem, having a front door key and personal address- hugely important when seeking employment- this new accommodation provision enabled Padley to provide direct housing support to females as well as males. The charity (The Padley Group) and its trading subsidiary (Padley Trading) also provided opportunities for work placements.

Community activity previously at Beckett Street has been relocated temporarily to re-furnished premises in Liversage St, Derby (day centre). However, despite these challenges, the charity maintained its work for public benefit. Since January 2023, Padley@YMCA Derbyshire has supported over, 800 people who have visited us 7372 for help and support. We have provided 6849 hot meals at our day centre, 2278 food parcels, 1290 toiletry parcels, and 423 clothing parcels. We have held 521 group support sessions and 415 1 to 1 support sessions. The total number of meals provided from our day centre and in our food parcels is 20,517. We have been successful in securing the community dental services truck that visits the day centre once per month and is always fully booked. Mid Mercia CAB run a clinic once a week from the day centre, making sure people are on the correct amount of benefits and reducing their Debt. Derby City employability services come once per month to help people in recovery from substance misuse back into work. Staff are to be congratulated on their professional and flexible response to the re-location challenges. Services were maintained to the maximum possible and our charitable objectives fulfilled at a time when circumstances were changing on an almost daily basis.

The annual Harvest campaign is crucial in maintaining and expanding the Padley food offer. Many churches throughout Derbyshire contributed to this campaign by providing food, toiletries and monetary donations. During Harvest 2022, many organisations contributed. We received almost £6,120 in financial donations. Our food supply costs were kept low thereby enabling the continuing production of high-quality nutritious meals for a fraction of what would be charged elsewhere. The Harvest operation was supported by two temporary staff providing valuable work experience and qualifications to beneficiaries who had recently been homeless and who had been supported to be ready for work. Our food operation during the Covid period was also supported by regular donations of fresh produce from individuals and local companies, including Morrisons, Griffith Foods, Sainsbury's (Chaddesden), St Peter's Church (Edensor) and through our partnerships with Food4Thought Alliance, Rolls Royce and Fairshare.

Many Donations were received during the year from companies, churches, organisations and individuals, including Griffith Foods, NFU Mutual, Loughborough Building Society, Davlyn Construction, Enterprise RAC, LDC Managers, Mortgage Advice Bureau, Enthuse, Institute of our Mercy, Central Derby URC, St. John's Church Mickleover.

PLANS FOR FUTURE PERIODS

With the transfer of operations to YMCA Derbyshire on 14th July 2023 it is anticipated that the existing legal entity will be wound up over the next 12 months.

FINANCIAL REVIEW

The financial result for the year is detailed in the following Financial Statements. With the transfer of all assets and liabilities to YMCA Derbyshire on 14th July 2023 the accounts have not been prepared on a going concern basis.

Principal sources of funding

Total income for the 16 month period was £686,127 (12 months to March 2022 £590,723). Donations based income has fallen in the most recent period but this has been offset by a re-growth of housing based income as new properties were progressively mobilised. Income from Padley Trading activities has remained relatively consistent throughout. One off items of £93,903 relating primarily to a profit on the sale of fixed assets in 2021-22 have not been repeated.

THE PADLEY GROUP
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Trustees' report (continued)
For the period ended 31 July 2023

Resources expended

Operating expenditure includes the net value of the donation of the assets and liabilities of the charity, which was £462,000.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, governed by its Memorandum and Articles of Association as amended on 17 June 1996. It is registered as a charity with the Charity Commission.

Induction and training of Trustees

Padley advertised as necessary to recruit new Trustees, seeking to maintain a balance of skill-sets within the Board. The organisation normally operated with 8 to 12 Trustees, all being subject to re-election by rotation at the Annual General Meeting. When a new Trustee is appointed they receive an appropriate induction from the Chair and are supported effectively by existing Trustees.

Organisational structure

The Board of Trustees now administers the charity through periodic meetings with the aim of winding up the legal entity.

The Charity's wholly owned subsidiary, Padley Trading Limited, was established in 1991 to operate one or more retail shops including a textile recycling project. The shares in the subsidiary were transferred to YMCA Derbyshire as part of the merger process.

Principal risks and uncertainties

The Trustees examine the major risks that the charity faces when preparing the annual budget and business plan and when updating the strategic plan. Systems have developed to monitor and control these risks and mitigate any impact that they may have on the charity in the future.

TRUSTEES' APPRECIATION

The Board would like to publicly acknowledge their appreciation of the Padley staff and volunteers without whom our achievements would not have been possible. Staff and volunteers have gone beyond 'the call of duty' to support our many clients which has enabled the service to function effectively. This has been particularly the case during 2022/23 as staff continued to meet the needs of our beneficiaries whilst also preparing for the merger and their transfer to YMCA Derbyshire.

Many local businesses and individuals helped us get through this most challenging of years including: Griffith Foods, NFU Mutual, Loughborough Building Society, Davlyn Construction, Enterprise RAC, LDC Managers, Mortgage Advice Bureau, Enthuse, Institute of our Mercy, Central Derby URC, St. John's Church Mickleover. We would also like to acknowledge with gratitude the on-going support we receive from the Churches in Derby and Derbyshire who have continued to support so strongly the organisation that they founded.

Without such support the work of Padley would not take place. Thank you all!

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of The Padley Group 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

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Trustees' report (continued)
For the period ended 31 July 2023

view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

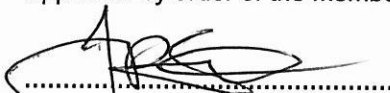
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation,

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

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

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

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



J.P. Smith
(Chair of Trustees)

Date: 26.3.24

THE PADLEY GROUP
(A company limited by guarantee)

Independent auditors' report to the Members of The Padley Group

Opinion

We have audited the financial statements of The Padley Group (the 'parent charitable company') and its subsidiaries (the 'group') for the period ended 31 July 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2023 and of the Group's 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 Companies Act 2006 and 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Financial statements prepared on a basis other than going concern

We draw attention to note 24 in the financial statements, which indicates that the company transferred its trade and assets on 14 July 2023 and therefore do not consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern. Our opinion is not modified in respect of this matter.

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our 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.

THE PADLEY GROUP
(A company limited by guarantee)

Independent auditors' report to the Members of The Padley Group (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial period for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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:

Based on our understanding of the charity and sector in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

Audit procedures performed by the engagement team included:

- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance

THE PADLEY GROUP
(A company limited by guarantee)

Independent auditors' report to the Members of The Padley Group (continued)

- with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.

Wayne Thomas ACA (Senior Statutory Auditor)

for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors

Chartered Accountants

The Mills

Canal Street

Derby

DE12RJ

Date:

THE PADLEY GROUP
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the period ended 31 July 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and legacies	2	325,775	325,775	334,393
Charitable activities	3	249,643	249,643	85,482
Other trading activities	4	108,859	108,859	76,904
Investments	5	1,850	1,850	41
Other income	6	-	-	93,903
Total income		686,127	686,127	590,723
Expenditure on:				
Raising funds		5,713	5,713	46,785
Charitable activities		1,139,289	1,139,289	589,867
Total expenditure		1,145,002	1,145,002	636,652
Net movement in funds		(458,875)	(458,875)	(45,929)
Reconciliation of funds:				
Total funds brought forward		458,875	458,875	504,804
Net movement in funds		(458,875)	(458,875)	(45,929)
Total funds carried forward		-	-	458,875

The notes on pages 13 to 28 form part of these financial statements.

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(A company limited by guarantee)
Registered number: 2769300

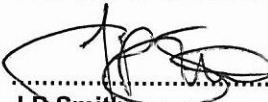
Consolidated balance sheet
As at 31 July 2023

	Note	31 July 2023 £	31 March 2022 £
Fixed assets		-	-
Current assets			
Debtors	12	54,530	
Investments	13	133,748	
Cash at bank and in hand		411,715	
		599,993	
Creditors: amounts falling due within one year	14	(141,118)	
Net current assets		-	458,875
Total assets less current liabilities		-	458,875
Total net assets		-	458,875
Charity funds			
Restricted funds	15	-	-
Unrestricted funds	15	-	458,875
Total funds		-	458,875

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:


J P Smith
 (Chair of Trustees)
 Date: 26-3-24

The notes on pages 13 to 28 form part of these financial statements.

THE PADLEY GROUP
(A company limited by guarantee)
Registered number: 2769300

Charity balance sheet
As at 31 July 2023

	Note	31 July 2023 £	31 March 2022 £
Fixed assets			
Investments	11	-	2
		-	2
Current assets			
Debtors	12	-	42,190
Investments	13	-	133,748
Cash at bank and in hand		-	410,383
		-	586,321
Creditors: amounts falling due within one year	14	-	(149,217)
Net current assets		-	437,104
Total assets less current liabilities		-	437,106
Total net assets		-	437,106
Charity funds			
Restricted funds	15	-	-
Unrestricted funds	15	-	437,106
Total funds		-	437,106

The Charity's net movement in funds for the period was £(437,106) (2022 - £(11,550)).

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:


.....
J P Smith
(Chair of Trustees)
Date: 26.3.24

THE PADLEY GROUP
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Consolidated statement of cash flows
For the period ended 31 July 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(547,313)	(81,128)
Cash flows from investing activities		
Proceeds from the sale of tangible assets	-	250,000
Interest received	1,850	-
Net cash provided by investing activities	1,850	250,000
Change in cash and cash equivalents in the period	(545,463)	168,872
Cash and cash equivalents at the beginning of the period	545,463	376,591
Cash and cash equivalents at the end of the period	-	545,463

The notes on pages 13 to 28 form part of these financial statements

THE PADLEY GROUP
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Notes to the financial statements
For the period ended 31 July 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Padley Group meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

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

1.2 Income

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

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 Charity 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 Charity, can be reliably measured.

Grants are included in the Consolidated 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.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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Notes to the financial statements
For the period ended 31 July 2023

1. Accounting policies (continued)

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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

1.4 Government grants

Government grants are recognised when the grant is receivable and conditions have been met.

1.5 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment.

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

1.6 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.7 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

1.8 Pensions

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

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the period ended 31 July 2023

1. Accounting policies (continued)

1.9 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Government grants				
Derby City Council	-	-	-	124,544
	-	-	-	124,544
Donations	-	268,527	268,527	189,768
Legacies	-	57,248	57,248	20,081
	-	325,775	325,775	334,393
Total 2022	76,745	257,648	334,393	

3. Income from charitable activities

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Hostel income	-	106,126	106,126	61,282
Grant income	-	143,517	143,517	24,200
	-	249,643	249,643	85,482
Total 2022	21,000	64,482	85,482	

THE PADLEY GROUP
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Notes to the financial statements
For the period ended 31 July 2023

4. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Fundraising	29,433	29,433	19,757
Other trading income	(20)	(20)	92
Shop trading income	79,218	79,218	50,210
Sale of food and products	228	228	6,845
	<u>108,859</u>	<u>108,859</u>	<u>76,904</u>

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Interest on cash deposits	1,850	1,850	41

6. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Employment allowance	-	-	4,000
Profit on sale of fixed assets	-	-	89,903
	<u>-</u>	<u>-</u>	<u>93,903</u>

THE PADLEY GROUP
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Notes to the financial statements
For the period ended 31 July 2023

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Hostel and centres	301,501	341,268	642,769	589,380
Grants	496,520	-	496,520	487
	<u>798,021</u>	<u>341,268</u>	<u>1,139,289</u>	<u>589,867</u>

Analysis of direct costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	285,741	229,972
Depreciation	333	1,623
Grants	496,520	487
Kitchen and collection costs	11,926	336
Service user costs	3,501	370
	<u>798,021</u>	<u>232,788</u>

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the period ended 31 July 2023

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	154,063	135,713
Maintenance	7,594	7,806
Finance costs	885	-
Relocation costs	-	124,544
Legal and professional fees	43,651	3,859
Training and personnel	4,824	3,531
Administration	14,248	10,263
Auditors remuneration	9,997	4,240
Cleaning and premises expenses	22,383	15,288
Utilities	16,230	6,280
Fundraising and publicity	4,362	2,867
Rent, rates and insurance	63,031	42,688
	<u>341,268</u>	<u>357,079</u>

8. Staff costs

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Wages and salaries	410,076	333,406	410,076	333,406
Social security costs	18,808	23,067	18,808	23,067
Contribution to defined contribution pension schemes	10,920	9,212	10,920	9,212
	<u>439,804</u>	<u>365,685</u>	<u>439,804</u>	<u>365,685</u>

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

	Group 2023 No.	<i>Group 2022 No.</i>
Average number of employees	<u>19</u>	<u>21</u>

THE PADLEY GROUP
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Notes to the financial statements
For the period ended 31 July 2023

8. Staff costs (continued)

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

Key management personnel are considered to be the Business Manager and Finance Co-ordinator who received total remuneration of £67,724 (2022: £48,552).

9. Trustees' remuneration and expenses

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

During the period ended 31 July 2023, no expenses were reimbursed or paid directly to Trustees (2022 - £Nil).

10. Tangible fixed assets

Group

	Motor vehicles £	Fixtures and fittings £	Total £
Cost			
At 1 April 2022	6,495	-	6,495
Additions	-	2,632	2,632
Disposals	(6,495)	(2,632)	(9,127)
At 31 July 2023	-	-	-
At 1 April 2022	6,495	-	6,495
Charge for the period	-	333	333
On disposals	(6,495)	(333)	(6,828)
At 31 July 2023	-	-	-
Net book value			
At 31 July 2023	-	-	-
At 31 March 2022	-	-	-

THE PADLEY GROUP
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Notes to the financial statements
For the period ended 31 July 2023

10. Tangible fixed assets (continued)

Charity

	Fixtures and fittings £
Cost	
Additions	1,392
Disposals	(1,392)
At 31 July 2023	-
Charge for the period	23
On disposals	(23)
At 31 July 2023	-
Net book value	
At 31 July 2023	-
At 31 March 2022	-

11. Fixed asset investments

	Investments in subsidiary companies £
At 1 April 2022	2
Disposals	(2)
At 31 July 2023	-

On 14 July 2023, under the terms of the Transfer Agreement, YMCA Derbyshire acquired 100% of the share capital of Padley Trading Ltd.

THE PADLEY GROUP
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Notes to the financial statements
For the period ended 31 July 2023

12. Debtors

	Group 31 July 2023 £	<i>Group</i> <i>31 March</i> <i>2022</i> £	Charity 31 July 2023 £	<i>Charity</i> <i>31 March</i> <i>2022</i> £
Due within one year				
Trade debtors	-	3,562	-	3,542
Other debtors	-	5,596	-	3,667
Prepayments and accrued income	-	45,372	-	34,981
	<u>-</u>	<u>54,530</u>	<u>-</u>	<u>42,190</u>

13. Current asset investments

	Group 31 July 2023 £	<i>Group</i> <i>31 March</i> <i>2022</i> £	Charity 31 July 2023 £	<i>Charity</i> <i>31 March</i> <i>2022</i> £
Short term deposits	<u>-</u>	<u>133,748</u>	<u>-</u>	<u>133,748</u>

THE PADLEY GROUP
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Notes to the financial statements
For the period ended 31 July 2023

14. Creditors: Amounts falling due within one year

	Group 31 July 2023 £	<i>Group</i> <i>31 March</i> <i>2022</i> £	Charity 31 July 2023 £	<i>Charity</i> <i>31 March</i> <i>2022</i> £
Trade creditors	-	82,446	-	79,567
Amounts owed to group undertakings	-	-	-	15,931
Other creditors	-	9,344	-	7,411
Accruals and deferred income	-	49,328	-	46,308
	<u>-</u>	<u>141,118</u>	<u>-</u>	<u>149,217</u>
	<u><u>-</u></u>	<u><u>141,118</u></u>	<u><u>-</u></u>	<u><u>149,217</u></u>
	Group 31 July 2023 £	<i>Group</i> <i>31 March</i> <i>2022</i> £	Charity 31 July 2023 £	<i>Charity</i> <i>31 March</i> <i>2022</i> £
Deferred income at 1 April 2022	4,325	10,095	4,325	10,095
Resources deferred during the period	-	4,325	-	4,325
Amounts released from previous periods	(4,325)	(10,095)	(4,325)	(10,095)
	<u>-</u>	<u>4,325</u>	<u>-</u>	<u>4,325</u>
	<u><u>-</u></u>	<u><u>4,325</u></u>	<u><u>-</u></u>	<u><u>4,325</u></u>

THE PADLEY GROUP
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Notes to the financial statements
For the period ended 31 July 2023

15. Statement of funds

Statement of funds - current period

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2023 £
Unrestricted funds					
Designated funds					
Transition Fund	-	-	-	-	-
Property Fund	300,000	-	-	(300,000)	-
	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>(300,000)</u>	<u>-</u>
General funds					
General Funds	158,875	686,127	(1,145,002)	300,000	-
	<u>158,875</u>	<u>686,127</u>	<u>(1,145,002)</u>	<u>300,000</u>	<u>-</u>
Total Unrestricted funds	<u>458,875</u>	<u>686,127</u>	<u>(1,145,002)</u>	<u>-</u>	<u>-</u>
Restricted funds					
Day centre refurbishments	-	-	-	-	-
EMDA - Recycling centre capital grant	-	-	-	-	-
Lloyds Bank Foundation	-	-	-	-	-
Jeff Wellor Community Grant	-	-	-	-	-
WoRTH	-	-	-	-	-
DCC ARG	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total of funds	<u>458,875</u>	<u>686,127</u>	<u>(1,145,002)</u>	<u>-</u>	<u>-</u>

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the period ended 31 July 2023

15. Statement of funds (continued)

Statement of funds - prior period

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2022 £</i>
Unrestricted funds					
Designated funds					
Transition Fund	150,000	-	(95,968)	(54,032)	-
Property Fund	-	-	-	300,000	300,000
	<u>150,000</u>	<u>-</u>	<u>(95,968)</u>	<u>245,968</u>	<u>300,000</u>
General funds					
General Funds	218,146	492,978	(431,007)	(121,242)	158,875
	<u>218,146</u>	<u>492,978</u>	<u>(431,007)</u>	<u>(121,242)</u>	<u>158,875</u>
Total Unrestricted funds	<u>368,146</u>	<u>492,978</u>	<u>(526,975)</u>	<u>124,726</u>	<u>458,875</u>
Restricted funds					
Day centre refurbishments	65,977	-	-	(65,977)	-
EMDA - Recycling centre capital grant	52,976	-	-	(52,976)	-
Lloyds Bank Foundation	11,932	21,000	(32,932)	-	-
Jeff Wellor Community Grant	773	-	-	(773)	-
WoRTH	5,000	-	-	(5,000)	-
DCC ARG	-	76,745	(76,745)	-	-
	<u>136,658</u>	<u>97,745</u>	<u>(109,677)</u>	<u>(124,726)</u>	<u>-</u>
Total of funds	<u>504,804</u>	<u>590,723</u>	<u>(636,652)</u>	<u>-</u>	<u>458,875</u>

THE PADLEY GROUP
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Notes to the financial statements
For the period ended 31 July 2023

16. Description of funds

Restricted Funds

Day Centre refurbishment represents funds received of £50,000 from Derby City Council and £174,000 from the National Lottery to acquire the lease of the Day Centre. The fund was written off over the useful life of the asset in accordance with its depreciation policy.

East Midlands Development Agency fund relates to £24,638 received in 2002 to purchase the freehold building now forming the Recycling Centre, and £62,462 received in 2003 towards the cost of refurbishing that building.

Lloyds foundation funding is to support staff costs in the delivery of Housing support to reduce homelessness and prevent repeat homelessness. This funding is part of the Enhance programme providing additional support from consultants to undertake: Governance Review; achieve Registered Provider status; Business Manager's skill development and many more dependent on need.

WoRTH funding provided by MHCLG from Tampon Tax funding to support the "Ending of risk to Women through Homelessness", Padley is the lead partner of a tripartite arrangement with Mid Mercia CAB and Women's Work. We have appointed a Women's Champion who is being supported and mentored by Women's Work and supported with advice surgeries by MMCAB. The aims of the project are to upskill our own staff in delivering Trauma Informed gender specific services and provide a gender informed space for the delivery of our services. We are to map provision for Women at Risk in Derby and share those pathways with all relevant sectors. We will also train 40 staff across organisations in the City to also deliver trauma informed gender specific services.

The DCC Grant related to the relocation of the Day Centre at Becket Street to Liversage Street due to the Becketwell site development.

Transfers

The transfers made during the prior year were in relation to balances for the Day Centre Refurbishments and East Midlands Development Agency. These funds were held in for the property which has now been sold, with the only expenditure against the fund balances being depreciation. As a result of the disposal during the year, no further funds will be allocated to this development.

Designated Funds

The transition fund was created to cover the costs of the enforced re-location of the Padley Centre and Warehouse from Beckett Street, Derby in order to enable the major City centre Becketwell Development to take place, and specifically the proposed Arena. This reserve supported the costs of transition management, the change over a period of time from hostel type accommodation to self-contained dispersed housing units.

The property fund has been designated for the contribution towards developments of the new Padley Centre at an alternative site. This is made up of the £50,000 remaining from the transition fund designated in 2021 and another £250,000 designated from the general reserves in the prior year.

THE PADLEY GROUP
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Notes to the financial statements
For the period ended 31 July 2023

17. Summary of funds

Summary of funds - current period

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2023 £
Designated funds	300,000	-	-	(300,000)	-
General funds	158,875	686,127	(1,145,002)	300,000	-
	<u>458,875</u>	<u>686,127</u>	<u>(1,145,002)</u>	<u>-</u>	<u>-</u>

Summary of funds - prior period

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	150,000	-	(95,968)	245,968	300,000
General funds	218,146	492,978	(431,007)	(121,242)	158,875
Restricted funds	136,658	97,745	(109,677)	(124,726)	-
	<u>504,804</u>	<u>590,723</u>	<u>(636,652)</u>	<u>-</u>	<u>458,875</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Total funds 31 July 2023 £
Total	<u>-</u>

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the period ended 31 July 2023

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 31 March 2022 £</i>	<i>Total funds 31 March 2022 £</i>
Current assets	599,993	599,993
Creditors due within one year	(141,118)	(141,118)
Total	<u>458,875</u>	<u>458,875</u>

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

	<i>Group 31 July 2023 £</i>	<i>Group 31 March 2022 £</i>
Net expenditure for the period (as per Statement of Financial Activities)	(458,875)	(45,929)
Adjustments for:		
Depreciation charges	-	1,623
Dividends, interests and rents from investments	(1,850)	-
Loss/(profit) on the sale of fixed assets	-	(89,904)
Movement in debtors	42,190	(36,655)
Movement in creditors	(128,778)	89,737
Net cash used in operating activities	<u>(547,313)</u>	<u>(81,128)</u>

20. Analysis of cash and cash equivalents

	<i>Group 31 July 2023 £</i>	<i>Group 31 March 2022 £</i>
Cash in hand	-	411,715
Current asset investments	-	133,748
Total cash and cash equivalents	<u>-</u>	<u>545,463</u>

THE PADLEY GROUP
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Notes to the financial statements
For the period ended 31 July 2023

21. Analysis of changes in net debt

	At 1 April 2022	Cash flows
	£	£
Cash at bank and in hand	411,715	(411,715)
Liquid investments	133,748	(133,748)
	<u>545,463</u>	<u>(545,463)</u>

22. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £10,920 (2022 - £9,212). Contributions totaling £1,010 (2022 - £1,761) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

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

	Group 31 July 2023	Group 31 March 2022
	£	£
Not later than 1 year	23,022	23,022
Later than 1 year and not later than 5 years	44,478	67,500
	<u>67,500</u>	<u>90,522</u>

24. Related party transactions

On 14 July 2023 The Padley Group entered into a Transfer Agreement with YMCA Derbyshire under which YMCA Derbyshire assumed responsibility for the liabilities of the group in consideration for the transfer of all assets with full title guarantee.

PADLEY GROUP

England & Wales - Charity number 1015652

Accounts

THE PADLEY GROUP
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 March 2022

THE PADLEY GROUP
(A company limited by guarantee)

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THE PADLEY GROUP
(A company limited by guarantee)

Reference and administrative details of the Charity, its Trustees and advisers
For the year ended 31 March 2022

Trustees

A Shaw, Chair
M Connell, Vice Chair
A Layzell, Secretary
P Inman, Treasurer
G Bennett, Vice Chair (resigned 18 May 2022)
A Tudor (appointed 14 July 2021)
B Samra
E Thomson (resigned 12 May 2021)
J Gratton (resigned 9 October 2021)
R Gourlay (appointed 18 May 2022)
T Harrison (resigned 30 November 2021)
V Miller (resigned 9 November 2021)

Company registered number

2769300

Charity registered number

1015652

Registered office

27 East Street
Derby
Derbyshire
DE1 2AL

Company secretary

A Layzell

Business Manager

D Litchfield

Independent auditors

Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE12RJ

Bankers

Lloyds TSB plc
43 Irongate
Derby
DE1 3FT

THE PADLEY GROUP
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Trustees' report
For the year ended 31 March 2022

OUR AIMS AND OBJECTIVES

The Padley Group, a registered charity, was founded in 1985 to provide relief of homelessness and related poverty.

- To provide or assist in the provision of facilities for persons who are homeless, destitute and distressed which are necessary to relieve such persons who by reason of their condition are in necessitous circumstances.
- To provide residential accommodation, including social housing, for people of all ages, who are in need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances.
- To help such persons in such circumstances to regain a sense of personal worth through the provision of support, training and encouragement.
- To provide opportunities for care to be expressed to those who often experience rejection.
- To meet basic needs of such persons who have next-to-nothing in order to enhance the quality of their lives.
- To provide the opportunity for such persons to share in a caring community in order to help break down feelings of isolation. The Company shall be non-party in politics and non-sectarian in religion.

A twelve room all-male Hostel above the Day Centre was provided until 5 March 2021 at which time, following consultations with City partners including discussions regarding the redevelopment of Becket Street, and informed by the recognition of a challenging safeguarding environment, Trustees made a decision to permanently close the Hostel. This provision is being replaced, in conjunction with Derby Homes, by 18 self-contained dispersed housing units, a transition which will be completed during 2022. This provision will offer support and assistance to residents whilst developing their skills to enable them to move on to their own permanent accommodation. Other than the benefits to the resident of personal esteem, having a front door key and personal address- hugely important when seeking employment- this new accommodation provision enables Padley to provide direct housing support to females as well as males.

The charity (The Padley Group) and its trading subsidiary (Padley Trading) also provide opportunities for work placements.

Public Benefit

Padley's charitable objects as stipulated in the Memorandum and Articles of Association are shown above. During 2021/22, the public benefit achieved in meeting these objectives were through:

- The provision of self-contained accommodation to those who are homeless, giving them support, referrals, signposting and assistance to move on in their lives and move into shared or their own permanent accommodation.
- The provision at the Day Centre of facilities, including toilets, shower, laundry facilities, food, clothing, hairdressing, a chiropodist, an optician, access to specialist support services and professionals which tend to the basic needs of those who are not in permanent accommodation.
- The provision at the Day Centre of activities to increase wellbeing, self-confidence, increase skills, and education alongside support, signposting and encouragement to help those affected by homelessness, or poverty regain or achieve for the first time a sense of personal worth.
- The provision of facilities and services which offer opportunities for people who are homeless or in danger of becoming homeless and others in need to interact with others and to share in a caring community, consequently breaking down feelings of isolation and distress.
- The provision of learning opportunities and training through activities, work experience and volunteering routes within the different operations.

All of the facilities we offer are to improve the quality of life and well-being of those who are disadvantaged in our society. We are ecumenical, non-party political and non-sectarian in religion in all of our operations.

The Trustees have taken into account the Charity Commission guidance on Public Benefit in accordance with section 4 of the Charities Act 2006.

THE PADLEY GROUP
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Trustees' report (continued)
For the year ended 31 March 2022

ACHIEVEMENTS AND PERFORMANCE

2021/22 was very much a year of transition. Two external factors impacted upon the charity's activities.

1. The prolonged consequences of the COVID-19 pandemic.
 - The on-going restrictions on social distancing and lack of confidence within the public at large, severely limited the capacity to raise funds through events. Traditionally, valuable income (as well as important public relations and profile raising) has been raised through summer fetes, coffee mornings etc as well as Padley sponsored events, for example the Ladies' Lunch, Bollywood Ball, the great majority of which had to be cancelled.
 - The success of the government-led initiative 'Everyone In' has led to a significant reduction of rough sleeping, though not a reduction in those living in temporary accommodation without a permanent home and consequently those at risk of being homeless.
2. The requirement by Derby City Council that Padley relocate from its long-held premises in Beckett St in order to fulfil a major redevelopment project.

As a consequence:

- The overall loss against both income and budget was significant. The charity had been singularly successful in achieving grant funds during the first few months of the pandemic which compensated for the operational losses during 2021/22 such that the end of year balance sheet of the charity was broadly similar to that pre-Covid. Following the sale of assets in Beckett St for £250k, the cash reserves were greater, these funds being placed in a restricted reserve for longer term facility investment, the capital assets owned by the charity were similarly reduced.
- Much Trustee and senior management energy was engaged in negotiating terms for the disposal of the Becket St assets and for the transfer of the Day Centre to leased, re-furnished premises in Liversage St, Derby. This transfer was successfully completed in February 2022.

However, despite these challenges, the charity maintained its work for public benefit. During 2021/22, 966 visits were made to our day centre sessions from those seeking support. Over 2220 hot meals were provided for people attending our sessions and for others out in the community who do not have access to cooking facilities. The charity provided 1310 emergency food parcels, 239 clothing parcels and 387 toiletry parcels. Padley also shared 126 industrial trays of food with other food banks across Derby and Derbyshire when they had shortages of specific products. Staff are to be congratulated on their professional and flexible response to the ongoing pandemic and re-location challenges. Services were maintained to the maximum possible and our charitable objectives fulfilled at a time when circumstances were changing on an almost daily basis.

Following the closure of the Hostel during March 2021, all aspects of the Group's services were reviewed in order to secure the safest possible environment for both service users and staff. An action plan was put in place which led to the revision of relevant policies and procedures alongside a comprehensive staff training programme.

The annual Harvest campaign is crucial in maintaining and expanding the Padley food offer. In 2021 it was again challenging as produce needed to be collected in a way that ensured those who donated felt safe and were kept safe. Many churches were just starting to reopen for community worship and schools were educating in a mixed model of in-school and home education. Consequently, we received fewer donations of food from Harvest celebrations than pre-Covid, but did collect more than the previous year. During Harvest 2021, 129 organisations contributed, including Churches, schools, a scout group and a Health Club. One Nursery School provided 12 Food hampers. Overall, we received around three quarters of our normal pre-pandemic levels. We also received almost £300 in cash donations. Our food supply costs were kept low thereby enabling the continuing production of high-quality nutritious meals for a fraction of what would be charged elsewhere. The Harvest operation was supported by two temporary staff providing valuable work experience and qualifications to beneficiaries who had recently been homeless and who had been supported to be ready for work. Our food operation during the Covid period was also supported by regular donations of fresh produce from individuals and local companies, including Morrisons, Griffith, Sainsbury's (Chaddesden), St Peter's Church (Edensor) and through our partnerships with Food4Thought Alliance, Rolls Royce and Fairshare.

THE PADLEY GROUP
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 March 2022

PLANS FOR FUTURE PERIODS

Working with St James' Securities of Leeds, the Derby City Council announced in July 2020 that the Becketwell Development in Victoria Street, Derby, was to acquire property and land in Becket Street in order to provide access to an Arena. This has involved the demolition of Padley House, our Centre for Homeless People, and the re-purposing of the adjoining warehouse. A grant agreement with the City Council will enable the charity to find suitable alternative accommodation, at no additional cost and with at least equivalent facilities. The day centre is currently in temporary premises leased from the City Council. The charity has undertaken a root and branch review of its services and partnership arrangements and is considering the nature of accommodation requirements to fulfil this work. Once this has been completed permanent premises will be sought. The Warehouse was not required for re-development until some months into the 22/23 year and was used for normal operations during 21/22.

In accordance with our values, the charity is seeking to work ever more closely with other agencies, both statutory and voluntary, who share the same objectives. Partnership working with Derby Homes and the Food4Thought Alliance are very much part of future strategies. We recognise that only by working together can some of the major challenges surrounding people who are homeless and those in danger of being homeless be effectively addressed.

FINANCIAL REVIEW

The financial result for the year is detailed in the following Financial Statements. Padley continues to adapt to a changing environment, but inevitably, funding remains a constant challenge.

Principal sources of funding

Total income at £590,723 showed a significant decrease over the previous year. This was a result firstly, of a reduction in voluntary and fundraising income during the year and secondly, the exceptionally high COVID-19 related grant funding achieved by the charity in the previous year.

Fifty-five percent of income came from voluntary income and fundraising activity. Almost 25% came from Housing Benefit to support the new self-contained accommodation and a further 10% from shop sales. Grants and legacies made up the remainder.

Resources expended

Careful management led to a reduction in operational expenditure of some 18%. The overdraft facility did not need to be utilised during the year.

Reserves policy

The unrestricted undesignated reserves at 31 March 2022 were £158,875, this represents around 4 months operating costs. The reserves policy is to have six months operating costs and we continue to work towards that objective over time.

During January 2022 Trustees determined to place the £250,000 from the sale of the Becket St assets within a designated reserve to cover the costs of accommodation to replace those lost during the enforced re-location. This capital, plus the agreed grant from Derby City Council will enable suitable alternative facilities to be provided.

Investments powers, policy and performance

The Trustees' investment powers are governed by the Memorandum and Articles of Association, which permits the charity's funds to be invested in such investments, securities or property as thought fit.

Fixed Assets

Details of movements in Fixed Assets are shown in Note 10 of the Accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, governed by its Memorandum and Articles of Association as amended on 17 June 1996. It is registered as a charity with the Charity Commission.

THE PADLEY GROUP
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 March 2022

Induction and training of Trustees

Padley advertises as necessary to recruit new Trustees, seeking to maintain a balance of skill-sets within the Board. The organisation normally operates with 8 to 12 Trustees, all being subject to re-election by rotation at the Annual General Meeting. When a new Trustee is appointed they receive an appropriate induction from the Chair and are supported effectively by existing Trustees.

Organisational structure

The Board of Trustees now administers the charity through bi-monthly meetings and three committees: Operations, Performance and People; Finance; and Fund-raising, Marketing and Communication.

The Charity's wholly owned subsidiary, Padley Trading Limited, was established in 1991 to operate one or more retail shops including a textile recycling project. The subsidiary gift-aids any operating surplus to the charity.

Principal risks and uncertainties

The Trustees examine the major risks that the charity faces when preparing the annual budget and business plan and when updating the strategic plan. Systems have developed to monitor and control these risks and mitigate any impact that they may have on the charity in the future. There are three particular categories of risk: the first relates to voluntary and trading income, which by their nature can fluctuate. The Charity is now entirely reliant on funds directly raised through provision of services and fundraising activities without the 'safety net' of public funding. The Board and Finance Committee received regular budgetary control and cash flow reports to ensure financial risks are monitored. The second is concerned with Health and Safety, including Safeguarding, which is particularly important in view of the different categories of client Padley seeks to help. Regular reviews of operating policies and procedures are carried out to ensure mitigation of operational risks and regular risk assessment of properties and equipment are carried out to minimise health and safety risks. Finally, Trustees are concerned with minimising reputational risk. For many reasons, including those relating to fundraising and partnership working, the positive local and national reputation of Padley and its work is essential in enabling it to fulfil its aims and objectives.

TRUSTEES' APPRECIATION

The Board would like to publicly acknowledge their appreciation of the Padley staff and volunteers without whom our achievements would not have been possible. Staff and volunteers continue to go beyond 'the call of duty' to support our many clients which has enabled the service to function effectively. This has been particularly the case during 2021/22 when the challenges of Covid-19 have been immense.

The year was indeed very difficult for our Events and Fundraising programme. As a result of Covid restrictions, our shop remained closed for much of the year, events were cancelled and the lockdowns prevented many of our supporters from undertaking their traditional fundraising activities. Many local businesses and individuals helped us get through this most challenging of years including: Griffith Foods; Institute of our Lady of Mercy; Countess of Meath Hill Trust; Lloyds Band Foundation; Homeless Link; Muggington PCC; Central United Reform Church; NFU Mutual; Dignity Crematorium; the Loughborough Building Society; M&S Gregory and Mr and Mrs Cresswell.

We would also like to acknowledge with gratitude the on-going support we receive from the Churches in Derby and Derbyshire who continue to support so strongly the organisation that they founded.

We are also grateful to the schools in Derby and Derbyshire and the many businesses, organisations and individuals that are established contributors to the running of the services we deliver through funding, donations and volunteering their time. We are also grateful for the support of Derby City Council and Public Health who continue to work with us to offer services to the most vulnerable in our society. Our thanks must also go to the NHS both nationally and locally and the Police and many other statutory bodies with whom we seek to work on a daily basis to rebuild shattered lives.

Finally, we would like to acknowledge specifically the Rotary Clubs across Derbyshire, the Lions, members of Women's Institutes, businesses, organisations and groups of all kinds who responded to the Padley4000 Campaign when it was launched and have continued to support it. We will always be enormously grateful for your wonderful, generous and caring response to our need for help.

THE PADLEY GROUP
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 March 2022

Without such support the work of Padley would not take place. Thank you all!

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of The Padley Group 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation,

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

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

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

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

A Shaw

Date: 16 November 2022

THE PADLEY GROUP
(A company limited by guarantee)

Independent auditors' report to the Members of The Padley Group

Opinion

We have audited the financial statements of The Padley Group (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our 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.

THE PADLEY GROUP
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Independent auditors' report to the Members of The Padley Group (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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:

Based on our understanding of the charity and sector in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

Audit procedures performed by the engagement team included:

- Enquiry of management around actual and potential litigation and claims;

THE PADLEY GROUP
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Independent auditors' report to the Members of The Padley Group (continued)

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.

Wayne Thomas ACA (Senior Statutory Auditor)

for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors

Chartered Accountants

The Mills

Canal Street

Derby

DE12RJ

24 November 2022

THE PADLEY GROUP
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	2	76,745	257,648	334,393	246,737
Charitable activities	3	21,000	64,482	85,482	433,591
Other trading activities	4	-	76,904	76,904	133,146
Investments	5	-	41	41	110
Other income	6	-	93,903	93,903	4,000
Total income		97,745	492,978	590,723	817,584
Expenditure on:					
Raising funds		-	46,785	46,785	43,819
Charitable activities		109,677	480,190	589,867	581,186
Total expenditure		109,677	526,975	636,652	625,005
Net (expenditure)/income		(11,932)	(33,997)	(45,929)	192,579
Transfers between funds	15	(124,726)	124,726	-	-
Net movement in funds		(136,658)	90,729	(45,929)	192,579
Reconciliation of funds:					
Total funds brought forward		136,658	368,146	504,804	312,225
Net movement in funds		(136,658)	90,729	(45,929)	192,579
Total funds carried forward		-	458,875	458,875	504,804

The notes on pages 14 to 29 form part of these financial statements.

THE PADLEY GROUP
(A company limited by guarantee)
Registered number: 2769300

Consolidated balance sheet
As at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	10	-	161,719
		<u>-</u>	<u>161,719</u>
Current assets			
Debtors	12	54,530	27,903
Investments	13	133,748	133,707
Cash at bank and in hand		411,715	242,884
		<u>599,993</u>	<u>404,494</u>
Creditors: amounts falling due within one year	14	(141,118)	(61,409)
Net current assets		<u>458,875</u>	<u>343,085</u>
Total assets less current liabilities		<u>458,875</u>	<u>504,804</u>
Total net assets		<u><u>458,875</u></u>	<u><u>504,804</u></u>
Charity funds			
Restricted funds	15	-	136,658
Unrestricted funds	15	458,875	368,146
Total funds		<u><u>458,875</u></u>	<u><u>504,804</u></u>

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:

A Shaw

Date: 16 November 2022

The notes on pages 14 to 29 form part of these financial statements.

THE PADLEY GROUP
(A company limited by guarantee)
Registered number: 2769300

Charity balance sheet
As at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	10	-	123,915
Investments	11	2	2
		<u>2</u>	<u>123,917</u>
Current assets			
Debtors	12	42,190	14,335
Investments	13	133,748	133,707
Cash at bank and in hand		410,383	239,363
		<u>586,321</u>	<u>387,405</u>
Creditors: amounts falling due within one year	14	(149,217)	(75,988)
Net current assets		<u>437,104</u>	<u>311,417</u>
Total assets less current liabilities		<u>437,106</u>	<u>435,334</u>
Total net assets		<u><u>437,106</u></u>	<u><u>435,334</u></u>
Charity funds			
Restricted funds	15	-	136,658
Unrestricted funds	15	437,106	298,676
Total funds		<u><u>437,106</u></u>	<u><u>435,334</u></u>

The Charity's net movement in funds for the year was £1,772 (2021 - £189,666).

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:

A Shaw

Date: 16 November 2022

THE PADLEY GROUP
(A company limited by guarantee)

Consolidated statement of cash flows
For the year ended 31 March 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	(81,128)	189,595
Cash flows from investing activities		
Proceeds from the sale of tangible assets	250,000	-
Net cash provided by investing activities	250,000	-
Change in cash and cash equivalents in the year	168,872	189,595
Cash and cash equivalents at the beginning of the year	376,591	186,996
Cash and cash equivalents at the end of the year	545,463	376,591

The notes on pages 14 to 29 form part of these financial statements

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

The Padley Group meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

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

1.2 Income

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

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 Charity 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 Charity, can be reliably measured.

Grants are included in the Consolidated 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.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2022

1. Accounting policies (continued)

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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

1.4 Government grants

Government grants are recognised when the grant is receivable and conditions have been met.

1.5 Tangible fixed assets and depreciation

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

At each reporting date the Charity 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, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- over the period of the lease
Motor vehicles	- 25% per annum straight line basis

1.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment.

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

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2022

1. Accounting policies (continued)

1.7 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.8 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

1.9 Pensions

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

1.10 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Government grants				
Coronavirus Job Retention Scheme	-	-	-	23,775
Derby City Council	76,745	47,799	124,544	-
	76,745	47,799	124,544	23,775
Donations	-	189,768	189,768	208,528
Legacies	-	20,081	20,081	14,434
	76,745	257,648	334,393	246,737
<i>Total 2021</i>	-	246,737	246,737	

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2022

3. Income from charitable activities

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Hostel income	-	61,282	61,282	192,344
Grant income	21,000	3,200	24,200	241,247
	<u>21,000</u>	<u>64,482</u>	<u>85,482</u>	<u>433,591</u>
<i>Total 2021</i>	<u><u>141,267</u></u>	<u><u>292,324</u></u>	<u><u>433,591</u></u>	

4. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Fundraising	19,757	19,757	94,295
Other trading income	92	92	6,013
Shop trading income	50,210	50,210	17,904
Sale of food and products	6,845	6,845	14,934
	<u>76,904</u>	<u>76,904</u>	<u>133,146</u>

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Interest on cash deposits	41	41	110

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2022

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Employment allowance	4,000	4,000	4,000
Profit on sale of fixed assets	89,903	89,903	-
	<u>93,903</u>	<u>93,903</u>	<u>4,000</u>

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Hostel and centres	232,301	357,079	589,380	574,244
Grants	487	-	487	6,942
	<u>232,788</u>	<u>357,079</u>	<u>589,867</u>	<u>581,186</u>

Analysis of direct costs

	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	229,972	312,698
Depreciation	1,623	15,054
Grants	487	6,942
Kitchen and collection costs	336	1,761
Service user costs	370	2,509
	<u>232,788</u>	<u>338,964</u>

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2022

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	135,713	112,054
Maintenance	7,806	22,356
Relocation costs	124,544	-
Legal and professional fees	3,859	5,738
Training and personnel	3,531	1,063
Administration	10,263	9,927
Auditors remuneration	4,240	4,050
Cleaning and premises expenses	15,288	23,326
Utilities	6,280	14,393
Fundraising and publicity	2,867	5,150
Rent, rates and insurance	42,688	44,165
	357,079	242,222

8. Staff costs

	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Wages and salaries	333,406	399,681	333,406	399,681
Social security costs	23,067	16,866	23,067	16,866
Contribution to defined contribution pension schemes	9,212	8,205	9,212	8,205
	365,685	424,752	365,685	424,752

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

	Group 2022 No.	<i>Group 2021 No.</i>
Average number of employees	21	23

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2022

8. Staff costs (continued)

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

Key management personnel are considered to be the Business Manager and Finance Co-ordinator who received total remuneration of £48,552 (2021: £45,155).

9. 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 expenses were reimbursed or paid directly to Trustees (2021 - £Nil).

10. Tangible fixed assets

Group

	Long-term leasehold property £	Motor vehicles £	Total £
Cost			
At 1 April 2021	426,251	6,495	432,746
Disposals	(426,251)	-	(426,251)
At 31 March 2022	-	6,495	6,495
Depreciation			
At 1 April 2021	266,155	4,872	271,027
Charge for the year	-	1,623	1,623
On disposals	(266,155)	-	(266,155)
At 31 March 2022	-	6,495	6,495
Net book value			
At 31 March 2022	-	-	-
At 31 March 2021	160,096	1,623	161,719

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2022

10. Tangible fixed assets (continued)

Charity

	Long-term leasehold property £
Cost	
At 1 April 2021	312,547
Disposals	(312,547)
At 31 March 2022	-
At 1 April 2021	188,632
On disposals	(188,632)
At 31 March 2022	-
Net book value	
At 31 March 2022	-
<i>At 31 March 2021</i>	<i>123,915</i>

11. Fixed asset investments

	Investments in subsidiary companies £
Charity	
Cost	
At 1 April 2021	2
At 31 March 2022	2

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Notes to the financial statements
For the year ended 31 March 2022

11. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Padley Trading Ltd	02635560	27 East Street, Derby, DE1 2AL	Charity Shop

Class of shares	Holding	Included in consolidation
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Ordinary	100%	Yes
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The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Loss for the year £	Net assets £
Padley Trading Ltd	50,210	97,911	(47,701)	21,771

12. Debtors

	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Due within one year				
Trade debtors	3,562	<i>3,184</i>	3,542	<i>3,184</i>
Other debtors	5,596	<i>5,438</i>	3,667	<i>3,591</i>
Prepayments and accrued income	45,372	<i>19,281</i>	34,981	<i>7,560</i>
	54,530	<i>27,903</i>	42,190	<i>14,335</i>

13. Current asset investments

	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Short term deposits	133,748	<i>133,707</i>	133,748	<i>133,707</i>

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Notes to the financial statements
For the year ended 31 March 2022

14. Creditors: Amounts falling due within one year

	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Trade creditors	82,446	22,807	79,567	21,801
Amounts owed to group undertakings	-	-	15,931	19,225
Other creditors	9,344	8,515	7,411	8,515
Accruals and deferred income	49,328	30,087	46,308	26,447
	141,118	61,409	149,217	75,988
	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Deferred income at 1 April 2021	10,095	18,347	10,095	18,347
Resources deferred during the year	4,325	10,095	4,325	10,095
Amounts released from previous periods	(10,095)	(18,347)	(10,095)	(18,347)
	4,325	10,095	4,325	10,095

Deferred income at 31 March 2022 relates to grant income received by the Charity in accordance with their respective funding agreements.

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Notes to the financial statements
For the year ended 31 March 2022

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Transition Fund	150,000	-	(95,968)	(54,032)	-
Property Fund	-	-	-	300,000	300,000
	<u>150,000</u>	<u>-</u>	<u>(95,968)</u>	<u>245,968</u>	<u>300,000</u>
General funds					
General Funds	218,146	492,978	(431,007)	(121,242)	158,875
	<u>218,146</u>	<u>492,978</u>	<u>(431,007)</u>	<u>(121,242)</u>	<u>158,875</u>
Total Unrestricted funds	<u>368,146</u>	<u>492,978</u>	<u>(526,975)</u>	<u>124,726</u>	<u>458,875</u>
Restricted funds					
Day centre refurbishments	65,977	-	-	(65,977)	-
EMDA - Recycling centre capital grant	52,976	-	-	(52,976)	-
Lloyds Bank Foundation	11,932	21,000	(32,932)	-	-
Jeff Wellor Community Grant	773	-	-	(773)	-
WoRTH	5,000	-	-	(5,000)	-
DCC ARG	-	76,745	(76,745)	-	-
	<u>136,658</u>	<u>97,745</u>	<u>(109,677)</u>	<u>(124,726)</u>	<u>-</u>
Total of funds	<u>504,804</u>	<u>590,723</u>	<u>(636,652)</u>	<u>-</u>	<u>458,875</u>

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2022

15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2021 £</i>
Unrestricted funds					
Designated funds					
Transition Fund	-	-	-	150,000	150,000
General funds					
General Funds - all funds	176,115	678,037	(486,006)	(150,000)	218,146
Total Unrestricted funds	176,115	678,037	(486,006)	-	368,146
Restricted funds					
Day centre refurbishments	66,836	-	(859)	-	65,977
EMDA - Recycling centre capital grant	59,405	-	(6,429)	-	52,976
Lloyds Bank Foundation	-	52,932	(41,000)	-	11,932
Jeff Wellor Community Grant	773	-	-	-	773
WoRTH	9,096	25,579	(29,675)	-	5,000
Community Action Derby	-	250	(250)	-	-
Derbyshire Community Foundation	-	6,367	(6,367)	-	-
Tesco	-	500	(500)	-	-
Big Lottery	-	55,639	(55,639)	-	-
	136,110	141,267	(140,719)	-	136,658
Total of funds	312,225	819,304	(626,725)	-	504,804

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2022

16. Description of funds

Restricted Funds

Day Centre refurbishment represents funds received of £50,000 from Derby City Council and £174,000 from the National Lottery to acquire the lease of the Day Centre. The fund is being written off over the useful life of the asset in accordance with its depreciation policy.

East Midlands Development Agency fund relates to £24,638 received in 2002 to purchase the freehold building now forming the Recycling Centre, and £62,462 received in 2003 towards the cost of refurbishing that building.

Lloyds foundation funding is to support staff costs in the delivery of Housing support to reduce homelessness and prevent repeat homelessness. This funding is part of the Enhance programme providing additional support from consultants to undertake: Governance Review; achieve Registered Provider status; Business Manager's skill development and many more dependent on need.

WoRTH funding provided by MHCLG from Tampon Tax funding to support the "Ending of risk to Women through Homelessness", Padley is the lead partner of a tripartite arrangement with Mid Mercia CAB and Women's Work. We have appointed a Women's Champion who is being supported and mentored by Women's Work and supported with advice surgeries by MMCAB. The aims of the project are to upskill our own staff in delivering Trauma Informed gender specific services and provide a gender informed space for the delivery of our services. We are to map provision for Women at Risk in Derby and share those pathways with all relevant sectors. We will also train 40 staff across organisations in the City to also deliver trauma informed gender specific services.

The DCC Grant related to the relocation of the Day Centre at Becket Street to Liversage Street due to the Becketwell site development.

Transfers

The transfers made during the year were in relation to balances for the Day Centre Refurbishments and East Midlands Development Agency. These funds were held in for the property which has now been sold, with the only expenditure against the fund balances being depreciation. As a result of the disposal during the year, no further funds will be allocated to this development.

Designated Funds

The transition fund has been created to cover the costs of the enforced re-location of the Padley Centre and Warehouse from Beckett Street, Derby in order to enable the major City centre Becketwell Development to take place, and specifically the proposed Arena. This reserve will support the costs of transition management, the change over a period of time from hostel type accommodation to self-contained dispersed housing units.

The property fund has been designated for the contribution towards developments of the new Padley Centre at an alternative site. This is made up of the £50,000 remaining from the transition fund designated in 2021 and another £250,000 designated from the general reserves in the year.

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2022

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	150,000	-	(95,968)	245,968	300,000
General funds	218,146	492,978	(431,007)	(121,242)	158,875
Restricted funds	136,658	97,745	(109,677)	(124,726)	-
	<u>504,804</u>	<u>590,723</u>	<u>(636,652)</u>	<u>-</u>	<u>458,875</u>

Summary of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2021 £</i>
Designated funds	-	-	-	150,000	150,000
General funds	176,115	678,037	(486,006)	(150,000)	218,146
Restricted funds	136,110	141,267	(140,719)	-	136,658
	<u>312,225</u>	<u>819,304</u>	<u>(626,725)</u>	<u>-</u>	<u>504,804</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Current assets	599,993	599,993
Creditors due within one year	(141,118)	(141,118)
Total	<u>458,875</u>	<u>458,875</u>

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2022

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	118,801	42,918	161,719
Current assets	37,857	366,637	404,494
Creditors due within one year	(20,000)	(41,409)	(61,409)
Total	<u>136,658</u>	<u>368,146</u>	<u>504,804</u>

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

	Group 2022 £	<i>Group 2021 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	(45,929)	192,579
Adjustments for:		
Depreciation charges	1,623	15,054
Loss/(profit) on the sale of fixed assets	(89,904)	-
Movement in debtors	(36,655)	(188)
Movement in creditors	89,737	(17,850)
Net cash provided by/(used in) operating activities	<u>(81,128)</u>	<u>189,595</u>

20. Analysis of cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>
Cash in hand	411,715	242,884
Current asset investments	133,748	133,707
Total cash and cash equivalents	<u>545,463</u>	<u>376,591</u>

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Notes to the financial statements
For the year ended 31 March 2022

21. Analysis of changes in net debt

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	242,884	168,831	411,715
Liquid investments	133,707	41	133,748
	<u>376,591</u>	<u>168,872</u>	<u>545,463</u>

22. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £9,212 (2021 - £8,205). Contributions totaling £1,761 (2021 - £3,533) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

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

	Group 2022 £	Group 2021 £
Not later than 1 year	23,022	23,820
Later than 1 year and not later than 5 years	67,500	522
	<u>90,522</u>	<u>24,342</u>

24. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2022.

PADLEY GROUP

England & Wales - Charity number 1015652

Accounts

THE PADLEY GROUP
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 March 2021

THE PADLEY GROUP
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THE PADLEY GROUP
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Reference and administrative details of the Charity, its Trustees and advisers
For the year ended 31 March 2021

Trustees

V Miller
B Samra
A Layzell, Secretary
E Thomson
A Shaw, Chair
P Inman, Treasurer
M Connell, Vice Chair
G Bennett, Vice Chair
J Gratton (appointed 13 January 2021)
T Harrison (appointed 13 January 2021)
A Tudor (appointed 14 July 2021)
S Keily (appointed 11 November 2020, resigned 11 March 2021)

Company registered number

2769300

Charity registered number

1015652

Registered office

27 East Street
Derby
Derbyshire
DE1 2AL

Company secretary

A Layzell

Business Manager

D Litchfield

Independent auditors

Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE12RJ

Bankers

Lloyds TSB plc
43 Irongate
Derby
DE1 3FT

THE PADLEY GROUP
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Trustees' report
For the year ended 31 March 2021

OUR AIMS AND OBJECTIVES

The Padley Group, a registered charity, was founded in 1985 to provide relief of homelessness and related poverty.

- To provide or assist in the provision of facilities for persons who are homeless, destitute and distressed which are necessary to relieve such persons who by reason of their condition are in necessitous circumstances.
- To provide residential accommodation, including social housing, for people of all ages, who are in need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances.
- To help such persons in such circumstances to regain a sense of personal worth through the provision of support, training and encouragement.
- To provide opportunities for care to be expressed to those who often experience rejection.
- To meet basic needs of such persons who have next-to-nothing in order to enhance the quality of their lives.
- To provide the opportunity for such persons to share in a caring community in order to help break down feelings of isolation. The Company shall be non-party in politics and non-sectarian in religion.

A twelve room Hostel above the Day Centre was provided until 5 March 2021 at which time, following consultations with City partners, driven by the recognition of a challenging safeguarding environment and discussions around the redevelopment of Becket Street, Trustees made a decision to permanently close the Hostel. This provision will be replaced by 18 self-contained dispersed housing units which will be introduced by March 2022, in conjunction with Derby Homes, and will offer support and assistance to residents whilst developing their skills to enable them to move on to their own permanent accommodation.

The charity (The Padley Group) and its trading subsidiary (Padley Trading) provide opportunities for work placements.

Public Benefit

Padley's charitable objects as stipulated in the Memorandum and Articles of Association are shown above. During 2020/21, the public benefit achieved in meeting these objectives were through:

- The provision of hostel accommodation to those who are homeless, giving them support, referrals, signposting and assistance to move on in their lives and move into shared or their own permanent accommodation.
- The provision at the Day Centre of facilities, including toilets, shower, laundry facilities, food, clothing, hairdressing, a chiropodist, an optician, access to a Community Psychiatric Nurse and other health related services and professionals which tend to the basic needs of those who have next to nothing, and in so doing enhance the quality of their lives.
- The provision at the Day Centre of support, signposting and encouragement to help homeless, destitute and distressed people regain or achieve for the first time a sense of personal worth.
- The provision of facilities and services which offer opportunities for people who are homeless and others in need to interact with others and to share in a caring community, consequently breaking down feelings of isolation and distress.
- The provision of learning opportunities and training through activities and volunteering routes at the different operations.

All of the facilities we offer are to improve the quality of life and well-being of those who are disadvantaged in our society. We are ecumenical, non-party political and non-sectarian in religion in all of our operations. The Trustees have taken into account the Charity Commission guidance on Public Benefit in accordance with section 4 of the Charities Act 2006.

THE PADLEY GROUP
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Trustees' report (continued)
For the year ended 31 March 2021

ACHIEVEMENTS AND PERFORMANCE

The year was very much affected by the Covid-19 pandemic which prevented direct access to the Day Centre and consequently severely limited the opportunities for face-to-face support. The Centre remained closed throughout the year.

However, throughout the pandemic, the Charity was able to maintain its key role in supporting homeless people and others in need.

- Despite the Centre being able to offer a 'take-away' food service and very limited access to other services, 2,191 visits were made to the Centre for food, showers, fresh clothing and other support.
- 243 different people accessed our services directly (many others benefited from our services as many meals were distributed through third parties)
- 17,186 meals were provided in total, with a peak during the first lockdown of over 100 meals distributed to other hostels and temporary accommodation services each day
- 43 men were provided with accommodation in the hostel during the year
- 73% of men who left the hostel did so in a planned and managed way
- 12 men were supported into long term accommodation
- 841 emergency food parcels were distributed

Staff are to be congratulated on their magnificent and flexible response to the pandemic. Services were maintained to the maximum possible and our charitable objectives fulfilled at a time when circumstances were changing on an almost daily basis.

Following the closure of the Hostel during March 2020, all aspects of the Group's services were reviewed in order to secure the safest possible environment for both service users and staff. An action plan was put in place which led to the revision of relevant policies and procedures alongside a comprehensive staff training programme.

During 2019/20 we suffered a deficit of some £80k due to grant payments delayed into 2020/21. Consequently, when these delayed receipts were added to grant income directly related to the pandemic, the charity made a surplus on its income and expenditure account for 2020/21; this was supported by the reduction in staff costs of some £51k due to the reduction in some services and diligent use of the job retention scheme (furlough).

Our campaign of regular donations, 'Padley4000', has remained steady and provides essential core funding which is crucial for the work at the Day Centre for people experiencing homelessness

The annual Harvest campaign was particularly challenging as we needed to develop a way of collecting produce that ensured compliance with Covid restrictions. Many churches had not taken part in community worship, schools were educating our young in a mixed model of in-school and home education. Consequently, we received fewer donations of food from Harvest celebrations. However, 90 organisations still contributed in this way, which is around 50% of our normal Harvest food yield. Churches who were unable to hold Harvest festivals were very generous in making donations totaling over £5,000 in lieu of produce. The collection, sorting, freezing and storing operation during September and October within a Covid secure environment ensured that our food supply costs were kept very low, whilst allowing the production of high-quality nutritious meals for a fraction of what would be charged elsewhere. This operation was supported by 3 work placements, providing work experience and qualifications to those who had recently been homeless and were now ready for work. One of these young men secured a permanent role with us. Our food operation during the covid period was supported by regular donations of fresh produce from individuals and local companies, including Morrisons, Griffith, Sainsbury's (Chaddesden), St Peter's Church (Edensor) and our partnerships with Food 4Thought Alliance and Fairshare.

THE PADLEY GROUP
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Trustees' report (continued)
For the year ended 31 March 2021

The year was also very challenging for our Events and Fundraising programme. Covid meant that our shop was closed for the great majority of the year, events were cancelled and the lockdowns prevented many of our supporters from undertaking their fundraising activities for us. However, the management secured grant funding to compensate for the loss of much Events and shop income. Many local businesses helped us to get through this most challenging of years including: Griffith Foods; The Miller partnership; Goldcrest surveyors; The Mortgage Advice Bureau; and the Loughborough Building Society.

Without such support the work of Padley would not take place. Thank you all!

PLANS FOR FUTURE PERIODS

Working with St James' Securities of Leeds, the Derby City Council announced in July 2020 that the Becketwell Development in Victoria Street, Derby, was to acquire property and land in Becket Street in order to provide access to an Arena. This will involve the demolition of Padley House, our Centre for Homeless People, and the re-purposing of the adjoining warehouse. The City Council have agreed to enable the charity to find suitable alternative accommodation, at no additional cost and with at least equivalent facilities. These negotiations have yet to be concluded and have placed considerable demands on Trustees and staff alike. The current challenging timescale is for Padley House and the Warehouse to be vacated by Feb 1 2022.

One outcome of these re-location discussions has been an agreement with Derby Homes to move away from a twelve-bed male hostel to eighteen dispersed single self-contained accommodation units whose residents will receive 'floating support' from our care staff to help their well-being and develop the skills they need for truly independent living. The eighteen units are being introduced in a phases until all eighteen are in operation by May 2022.

In accordance with our values, the charity is seeking to work ever more closely with other agencies, both statutory and voluntary, who share the same objectives. Partnership working with Derby Homes and the Food4Thought Alliance are very much part of future strategies. Padley has signed a Memorandum of Understanding with the Mid Mercia Citizens' Advice Bureau to explore potential for collaborative working. We recognise that only by working together can some of the major challenges surrounding people who are homeless be effectively addressed.

FINANCIAL REVIEW

The financial result for the year is detailed in the following Financial Statements. Padley continues to adapt to a changing environment, but inevitably, funding remains a constant challenge.

Principal sources of funding

Total income at £819,000 showed a significant increase over the previous year, though, as noted above, approximately 10% of this income was delayed income relating to the previous year.

Income from hostel tenancies at £187,318 (23% of total) was virtually the same as the previous year. Grants, for both specific work and to meet Covid-related income shortfall, provided for 30% of income. The remainder was a result of fundraising activities, alongside donations and shop sales and other trading income (covenanted by our non-charitable subsidiary, Padley Trading).

Resources expended

Overall expenditure decreased by 4.8%, primarily a result of a reduction in staffing costs of some £51,000- a natural outcome of the reduction of activities at the Day Centre.

The overdraft facility did not need to be utilised during the year.

THE PADLEY GROUP
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 March 2021

Reserves policy

As at 31 March 2021 the total reserves held are £504,804 with unrestricted reserves of £368,146. £161,719 of total funds can only be realised by disposing of Tangible Fixed assets. Undesignated reserves at 31 March 2021 were £218,146, an increase of £42,031, this represents around four months operating costs. The reserves policy is to have six months operating costs and we continue to work towards that objective over time.

During March 2021 Trustees determined to place £150,000 within a designated reserve to cover the costs of the enforced re-location of the Padley Centre and Warehouse from Beckett Street, Derby in order to enable the major City centre Becketwell Development to take place, and specifically the proposed Arena. This reserve will support the costs of transition management, the change over a period of time from hostel type accommodation to self-contained dispersed housing units and a contribution of £50,000 towards development of a new Padley Centre at an alternative site.

Investments powers, policy and performance

The Trustees' investment powers are governed by the Memorandum and Articles of Association, which permits the charity's funds to be invested in such investments, securities or property as thought fit.

Fixed Assets

Details of movements in Fixed Assets are shown in Note 11 of the Accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, governed by its Memorandum and Articles of Association as amended on 17 June 1996.

It is registered as a charity with the Charity Commission.

Induction and training of Trustees

Padley advertises as necessary to recruit new Trustees, seeking to maintain a balance of skill-sets within the Board. The organisation normally operates with 8 to 12 Trustees, all being subject to re-election by rotation at the Annual General Meeting. When a new Trustee is appointed they receive an appropriate induction from the Chair and are supported effectively by existing Trustees.

Organisational structure

The Board of Trustees now administers the charity through bi-monthly meetings and three committees: Operations, Performance and People; Finance; and Fund-raising, Marketing and Communication.

The Charity's wholly owned subsidiary, Padley Trading Limited, was established in 1991 to operate one or more retail shops including a textile recycling project. The subsidiary gift-aids any operating surplus to the charity.

Principal risks and uncertainties

The Trustees examine the major risks that the charity faces when preparing the annual budget and business plan and when updating the strategic plan. Systems have developed to monitor and control these risks and mitigate any impact that they may have on the charity in the future. There are three particular categories of risk: the first relates to voluntary and trading income, which by their nature can fluctuate. As described in the Financial Review, the Charity is now entirely reliant on funds directly raised through provision of services and fundraising activities without the 'safety net' of public funding. The Board and Finance Committee received regular budgetary control and cash flow reports to ensure financial risks are monitored. The second is concerned with Health and Safety, including Safeguarding, which is particularly important in view of the different categories of client Padley seeks to help. Regular reviews of operating policies and procedures are carried out to ensure mitigation of operational risks and regular risk assessment of properties and equipment are carried out to minimise health and safety risks. Finally, Trustees are concerned with minimising reputational risk. For many reasons, including those relating to fundraising and partnership working, the positive local and national reputation of Padley and its work is essential in enabling it to fulfil its aims and objectives.

THE PADLEY GROUP
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Trustees' report (continued)
For the year ended 31 March 2021

TRUSTEES' APPRECIATION

The Board would like to publicly acknowledge their appreciation of the Padley staff and volunteers without whom our achievements would not have been possible. Staff and volunteers continue to go beyond 'the call of duty' to support our many clients which has enabled the service to function effectively. This has been particularly the case during 2020/21 when the challenges of Covid-19 have been immense.

We would also like to acknowledge with gratitude the on-going support we receive from the Churches in Derby and Derbyshire who continue to support so strongly the organisation that they founded.

We are also grateful to the schools in Derby and Derbyshire and the many businesses, organisations and individuals that are established contributors to the running of the services we deliver through funding, donations and volunteering their time. We are also grateful for the support of Derby City Council and Public Health who continue to work with us to offer services to the most vulnerable in our society. Our thanks must also go to the NHS both nationally and locally and the Police and many other statutory bodies with whom we seek to work on a daily basis to rebuild shattered lives.

A number of organisations and individuals have been particularly generous in providing grants during the time when voluntary fund-raising events were unable to take place. The Lloyds Foundation, Griffith Foods and Homeless Link have provided funds for core funding during this difficult time.

Finally, we would like to acknowledge specifically the Rotary Clubs across Derbyshire, the Lions, members of Women's Institutes, businesses, organisations and groups of all kinds who responded to the Padley4000 Campaign when it was launched and have continued to support it. We will always be enormously grateful for your wonderful, generous and caring response to our need for help.

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of The Padley Group 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation

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

THE PADLEY GROUP
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Trustees' report (continued)
For the year ended 31 March 2021

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

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

This report was approved by the Trustees, in their capacity as company directors and signed on their behalf by:

A Shaw

Date: 15 November 2021

THE PADLEY GROUP
(A company limited by guarantee)

Independent auditors' report to the Members of The Padley Group

Opinion

We have audited the financial statements of The Padley Group (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

THE PADLEY GROUP
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Independent auditors' report to the Members of The Padley Group (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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:

Based on our understanding of the charity and sector in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

Audit procedures performed by the engagement team included:

THE PADLEY GROUP
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Independent auditors' report to the Members of The Padley Group (continued)

- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.

Wayne Thomas ACA (Senior Statutory Auditor)

for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors

Chartered Accountants

The Mills

Canal Street

Derby

DE12RJ

21 December 2021

THE PADLEY GROUP
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2021

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	-	246,737	246,737	163,317
Charitable activities	4	141,267	292,324	433,591	309,720
Other trading activities	5	-	133,146	133,146	120,327
Investments	6	-	110	110	864
Other income	7	-	4,000	4,000	-
Total income		141,267	676,317	817,584	594,228
Expenditure on:					
Raising funds		-	43,819	43,819	38,576
Charitable activities	8	140,719	440,467	581,186	635,879
Total expenditure		140,719	484,286	625,005	674,455
Net movement in funds		548	192,031	192,579	(80,227)
Reconciliation of funds:					
Total funds brought forward		136,110	176,115	312,225	392,452
Net movement in funds		548	192,031	192,579	(80,227)
Total funds carried forward		136,658	368,146	504,804	312,225

The notes on pages 15 to 30 form part of these financial statements.

THE PADLEY GROUP
(A company limited by guarantee)
Registered number: 2769300

Consolidated balance sheet
As at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	161,719	176,773
		<u>161,719</u>	<u>176,773</u>
Current assets			
Debtors	13	27,903	39,533
Investments	14	133,707	133,602
Cash at bank and in hand		242,884	53,394
		<u>404,494</u>	<u>226,529</u>
Creditors: amounts falling due within one year	15	(61,409)	(91,077)
Net current assets		343,085	135,452
Total assets less current liabilities		<u>504,804</u>	<u>312,225</u>
Total net assets		<u>504,804</u>	<u>312,225</u>
Charity funds			
Restricted funds	16	136,658	136,110
Unrestricted funds	16	368,146	176,115
Total funds		<u>504,804</u>	<u>312,225</u>

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:

A Shaw

Date: 15 November 2021

The notes on pages 15 to 30 form part of these financial statements.

THE PADLEY GROUP
(A company limited by guarantee)
Registered number: 2769300

Charity balance sheet
As at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	123,915	132,797
Investments	12	2	2
		<u>123,917</u>	<u>132,799</u>
Current assets			
Debtors	13	14,335	37,353
Investments	14	133,707	133,602
Cash at bank and in hand		239,363	29,014
		<u>387,405</u>	<u>199,969</u>
Creditors: amounts falling due within one year	15	(75,988)	(87,100)
		<u>311,417</u>	<u>112,869</u>
Net current assets		311,417	112,869
Total assets less current liabilities		<u>435,334</u>	<u>245,668</u>
Total net assets		<u>435,334</u>	<u>245,668</u>
Charity funds			
Restricted funds	16	128,670	136,110
Unrestricted funds	16	306,664	109,558
Total funds		<u>435,334</u>	<u>245,668</u>

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:

A Shaw

Date: 15 November 2021

THE PADLEY GROUP
(A company limited by guarantee)

Consolidated statement of cash flows
For the year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	189,595	7,800
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(39,840)
Net cash provided by/(used in) investing activities	-	(39,840)
Change in cash and cash equivalents in the year	189,595	(32,040)
Cash and cash equivalents at the beginning of the year	186,996	219,036
Cash and cash equivalents at the end of the year	376,591	186,996

The notes on pages 15 to 30 form part of these financial statements

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Padley Group meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

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

1.2 Income

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

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 Charity 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 Charity, can be reliably measured.

Grants are included in the Consolidated 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.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2021

1. Accounting policies (continued)

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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

1.4 Government grants

Government grants are recognised when the grant is receivable and conditions have been met.

1.5 Tangible fixed assets and depreciation

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

At each reporting date the Charity 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, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- over the period of the lease
Motor vehicles	- 25% per annum straight line basis

1.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment.

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

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

1. Accounting policies (continued)

1.7 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.8 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

1.9 Pensions

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

1.10 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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. Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

3. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Government grants			
Coronavirus Job Retention Scheme	23,775	23,775	-
	23,775	23,775	-
Donations	208,528	208,528	150,430
Legacies	14,434	14,434	12,887
	246,737	246,737	163,317

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

4. Income from charitable activities

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Hostel income	-	192,344	192,344	186,245
Grant income	141,267	99,980	241,247	118,210
Training contracts	-	-	-	5,265
	<u>141,267</u>	<u>292,324</u>	<u>433,591</u>	<u>309,720</u>
<i>Total 2020</i>	<u>88,210</u>	<u>221,510</u>	<u>309,720</u>	

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Fundraising	94,295	94,295	75,092
Other trading income	6,013	6,013	14,324
Shop trading income	17,904	17,904	22,289
Sale of food and products	14,934	14,934	8,622
	<u>133,146</u>	<u>133,146</u>	<u>120,327</u>

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Interest on cash deposits	110	110	864

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2021

7. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Employment allowance	4,000	4,000	-

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Hostel and centres	332,022	242,222	574,244	619,992
Grants	6,942	-	6,942	15,887
	<u>338,964</u>	<u>242,222</u>	<u>581,186</u>	<u>635,879</u>

Analysis of direct costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	312,698	372,995
Depreciation	15,054	15,206
Kitchen and collection costs	1,761	2,118
Grant expenditure	6,942	15,887
Service user costs	2,509	2,030
	<u>338,964</u>	<u>408,236</u>

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	112,054	100,668
Maintenance	22,356	9,746
Legal and professional fees	5,738	6,206
Training and personnel	1,063	3,263
Administration	9,927	10,155
Auditors remuneration	4,050	4,600
Cleaning and premises expenses	23,326	26,427
Utilities	14,393	17,967
Fundraising and publicity	5,150	2,733
Rent, rates and insurance	44,165	45,878
	242,222	227,643

9. Staff costs

	Group 2021 £	<i>Group 2020 £</i>	Charity 2021 £	<i>Charity 2020 £</i>
Wages and salaries	399,681	440,244	399,681	440,244
Social security costs	16,866	24,780	16,866	24,780
Contribution to defined contribution pension schemes	8,205	8,639	8,205	8,639
	424,752	473,663	424,752	473,663

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

	Group 2021 No.	<i>Group 2020 No.</i>
Average number of employees	23	24

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

9. Staff costs (continued)

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

Key management personnel are considered to be the Business Manager and Finance Co-ordinator who received total remuneration of £45,155 (2020: £42,599).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, travel expenses totaling £NIL were reimbursed or paid directly to Trustee (2020 - £205 to 2 Trustees).

11. Tangible fixed assets

Group

	Long-term leasehold property £	Motor vehicles £	Total £
Cost			
At 1 April 2020	426,251	6,495	432,746
At 31 March 2021	426,251	6,495	432,746
Depreciation			
At 1 April 2020	252,725	3,248	255,973
Charge for the year	13,430	1,624	15,054
At 31 March 2021	266,155	4,872	271,027
Net book value			
At 31 March 2021	160,096	1,623	161,719
At 31 March 2020	173,526	3,247	176,773

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2021

11. Tangible fixed assets (continued)

Charity

	Long-term leasehold property £
Cost	
At 1 April 2020	312,547
At 31 March 2021	<u>312,547</u>
Depreciation	
At 1 April 2020	179,750
Charge for the year	8,882
At 31 March 2021	<u>188,632</u>
Net book value	
At 31 March 2021	<u><u>123,915</u></u>
<i>At 31 March 2020</i>	<u><u>132,797</u></u>

12. Fixed asset investments

	Investments in subsidiary companies £
Charity	
Cost	
At 1 April 2020	2
At 31 March 2021	<u><u>2</u></u>

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2021

12. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Padley Trading Ltd	02635560	27 East Street, Derby, DE1 2AL	Charity Shop

Class of shares	Holding	Included in consolidation
------------------------	----------------	----------------------------------

Ordinary	100%	Yes
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The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Padley Trading Ltd	52,904	49,991	2,913	69,472

13. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Due within one year				
Trade debtors	3,184	14,156	3,184	14,156
Amounts owed by group undertakings	-	-	-	7,407
Other debtors	5,438	9,289	3,591	6,961
Prepayments and accrued income	19,281	16,088	7,560	8,829
	27,903	39,533	14,335	37,353

14. Current asset investments

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Short term deposits	133,707	133,602	133,707	133,602

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2021

15. Creditors: Amounts falling due within one year

	Group 2021 £	<i>Group 2020 £</i>	Charity 2021 £	<i>Charity 2020 £</i>
Trade creditors	22,807	46,453	21,801	46,453
Amounts owed to group undertakings	-	-	19,225	-
Other creditors	8,515	10,315	8,515	10,315
Accruals and deferred income	30,087	34,309	26,447	30,332
	61,409	91,077	75,988	87,100
	Group 2021 £	<i>Group 2020 £</i>	Charity 2021 £	<i>Charity 2020 £</i>
Deferred income at 1 April 2020	18,347	5,350	18,347	5,350
Resources deferred during the year	10,095	18,347	10,095	18,347
Amounts released from previous periods	(18,347)	(5,350)	(18,347)	(5,350)
	10,095	18,347	10,095	18,347

Deferred income at 31 March 2021 relates to grant income received by the Charity in accordance with their respective funding agreements.

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Notes to the financial statements
For the year ended 31 March 2021

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Transition Fund	-	-	-	150,000	150,000
General funds					
General Funds - all funds	176,115	678,037	(486,006)	(150,000)	218,146
Total Unrestricted funds	176,115	678,037	(486,006)	-	368,146
Restricted funds					
Day centre refurbishments	66,836	-	(859)	-	65,977
EMDA - Recycling centre capital grant	59,405	-	(6,429)	-	52,976
Lloyds Bank Foundation	-	52,932	(41,000)	-	11,932
Jeff Wellor Community Grant	773	-	-	-	773
WoRTH	9,096	25,579	(29,675)	-	5,000
Community Action Derby	-	250	(250)	-	-
Derbyshire Community Foundation	-	6,367	(6,367)	-	-
Tesco	-	500	(500)	-	-
Big Lottery	-	55,639	(55,639)	-	-
	136,110	141,267	(140,719)	-	136,658
Total of funds	312,225	819,304	(626,725)	-	504,804

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Notes to the financial statements
For the year ended 31 March 2021

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2020 £</i>
Unrestricted funds						
General Funds - all funds	256,104	506,018	(611,648)	24,950	691	176,115
Restricted funds						
Day centre refurbishments	67,695	-	(859)	-	-	66,836
EMDA - Recycling centre capital grant	65,986	-	(6,581)	-	-	59,405
PCC - Grant 2	2,667	7,333	(10,000)	-	-	-
Lloyds Bank Foundation	-	31,000	(31,000)	-	-	-
DCC - Clinical room	-	24,950	-	(24,950)	-	-
Enterprise Development Fund	-	10,000	(10,000)	-	-	-
Jeff Wellor Community Grant	-	1,285	(512)	-	-	773
WoRTH	-	13,642	(4,546)	-	-	9,096
	136,348	88,210	(63,498)	(24,950)	-	136,110
Total of funds	392,452	594,228	(675,146)	-	691	312,225

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Notes to the financial statements
For the year ended 31 March 2021

17. Description of funds

Restricted Funds

Day Centre refurbishment represents funds received of £50,000 from Derby City Council and £174,000 from the National Lottery to acquire the lease of the Day Centre. The fund is being written off over the useful life of the asset in accordance with its depreciation policy.

East Midlands Development Agency fund relates to £24,638 received in 2002 to purchase the freehold building now forming the Recycling Centre, and £62,462 received in 2003 towards the cost of refurbishing that building.

Lloyds foundation funding is to support staff costs in the delivery of Housing support to reduce homelessness and prevent repeat homelessness. This funding is part of the Enhance programme providing additional support from consultants to undertake: Governance Review; achieve Registered Provider status; Business Manager's skill development and many more dependent on need.

WoRTH funding provided by MHCLG from Tampon Tax funding to support the "Ending of risk to Women through Homelessness", Padley is the lead partner of a tripartite arrangement with Mid Mercia CAB and Women's Work. We have appointed a Women's Champion who is being supported and mentored by Women's Work and supported with advice surgeries by MMCAB. The aims of the project are to upskill our own staff in delivering Trauma Informed gender specific services and provide a gender informed space for the delivery of our services. We are to map provision for Women at Risk in Derby and share those pathways with all relevant sectors. We will also train 40 staff across organisations in the City to also deliver trauma informed gender specific services.

The grant received from Community Action Derby was a Covid-19 Emergency Grant which was given to buy equipment so that staff would be able to carry out their work safely whilst maintaining social distancing.

Derbyshire Community Foundation provided funding to allow Padley to increase meal preparation and delivery systems, to ensure cooked breakfasts and lunches to the community currently in hostels across Derby city.

The Tesco grant received was to help the Charity deal with the Covid-19 crisis.

National Lottery provided funding to support the Charity delivery activities that are specifically aimed to help support the community through the Covid-19 crisis.

Designated Funds

The transition fund has been created to cover the costs of the enforced re-location of the Padley Centre and Warehouse from Beckett Street, Derby in order to enable the major City centre Becketwell Development to take place, and specifically the proposed Arena. This reserve will support the costs of transition management, the change over a period of time from hostel type accommodation to self-contained dispersed housing units and a contribution of £50,000 towards development of a new Padley Centre at an alternative site.

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2021

18. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	-	-	-	150,000	150,000
General funds	176,115	678,037	(486,006)	(150,000)	218,146
Restricted funds	136,110	141,267	(140,719)	-	136,658
	<u>312,225</u>	<u>819,304</u>	<u>(626,725)</u>	<u>-</u>	<u>504,804</u>

Summary of funds - prior year

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2020 £</i>
General funds	256,104	506,018	(611,648)	24,950	691	176,115
Restricted funds	136,348	88,210	(63,498)	(24,950)	-	136,110
	<u>392,452</u>	<u>594,228</u>	<u>(675,146)</u>	<u>-</u>	<u>691</u>	<u>312,225</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	118,801	42,918	161,719
Current assets	37,857	366,637	404,494
Creditors due within one year	(20,000)	(41,409)	(61,409)
Total	<u>136,658</u>	<u>368,146</u>	<u>504,804</u>

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Notes to the financial statements
For the year ended 31 March 2021

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	126,241	50,532	176,773
Current assets	21,801	204,728	226,529
Creditors due within one year	(11,932)	(79,145)	(91,077)
Total	136,110	176,115	312,225

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

	Group 2021 £	<i>Group 2020 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	192,579	(80,227)
Adjustments for:		
Depreciation charges	15,054	15,206
Movement in debtors	(188)	31,742
Movement in creditors	(17,850)	41,079
Net cash provided by operating activities	189,595	7,800

21. Analysis of cash and cash equivalents

	Group 2021 £	<i>Group 2020 £</i>
Cash in hand	242,884	53,394
Current asset investments	133,707	133,602
Total cash and cash equivalents	376,591	186,996

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Notes to the financial statements
For the year ended 31 March 2021

22. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	53,394	189,490	242,884
Liquid investments	133,602	105	133,707
	<u>186,996</u>	<u>189,595</u>	<u>376,591</u>

23. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £8,205 (2020 - £8,639). Contributions totaling £3,533 (2020 - £1,710) were payable to the fund at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 March 2021 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £
Not later than 1 year	23,820	31,320
Later than 1 year and not later than 5 years	522	24,342
	<u>24,342</u>	<u>55,662</u>

PADLEY GROUP

England & Wales - Charity number 1015652

Accounts

THE PADLEY GROUP
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 March 2020

THE PADLEY GROUP
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THE PADLEY GROUP
(A company limited by guarantee)

Reference and administrative details of the Charity, its Trustees and advisers
For the year ended 31 March 2020

Trustees

V Miller
B Samra
A Layzell
E Thomson
A Shaw, Chair
P Inman, Secretary
M Connell
G Bennett, Vice Chair

Company registered number

2769300

Charity registered number

1015652

Registered office

27 East Street
Derby
Derbyshire
DE1 2AL

Company secretary

P S Inman

Independent auditors

Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE12RJ

Bankers

Lloyds TSB plc
43 Irongate
Derby
DE1 3FT

THE PADLEY GROUP
(A company limited by guarantee)

Trustees' report
For the year ended 31 March 2020

OUR AIMS AND OBJECTIVES

The Padley Group, a registered charity, was founded in 1985 to provide support, services and facilities for homeless, disadvantaged and distressed people.

The objectives of the charity are:

- To provide facilities for persons who are homeless, destitute, and distressed, and to help them regain a sense of personal worth through the provision of opportunities for training, support and encouragement
- To provide opportunities for care to be expressed to those who often experience rejection
- To meet the basic needs of those who have next to nothing in order to enhance the quality of their lives
- To provide the opportunity for people who have next to nothing to share in a caring community in order to break down feelings of isolation
- To be non-party in politics and non-sectarian in religion, rather being ecumenical, involving the main Christian groups, those of other faiths and those with none.

The charity operates a drop-in Day Centre at Padley House, in Becket Street, Derby providing services, advice, support and facilities for homeless and disadvantaged people. There is a twelve room Hostel above the Day Centre which offers support and assistance to residents in moving on to their own permanent accommodation.

A major review of Padley's work undertaken in September 2018, which recommended that the charity should focus solely on work supporting homeless people. Consequently, the Padley Development Centre, which provided therapeutic and occupational activities together with non-vocational and vocational training for people with various difficulties and disadvantage was closed on April 6 2019. The needs of those attending the Centre are now being met by a successor organisation who is delivering similar services from the same premises, which minimised disruption to this vulnerable group of adults.

The charity (The Padley Group) and its trading subsidiary (Padley Trading) provide opportunities for work placements.

Public Benefit

Padley's charitable objects as stipulated in the Memorandum and Articles of Association are shown above. The public benefit achieved in meeting these objectives are through:

- The provision of hostel accommodation to those who are homeless, giving them support, referrals, signposting and assistance to move on in their lives and move into shared or their own permanent accommodation.
- The provision at the Day Centre of facilities, including toilets, shower, laundry facilities, food, clothing, hairdressing, a chiropodist, an optician, access to a Community Psychiatric Nurse and other health related services and professionals which tend to the basic needs of those who have next to nothing, and in so doing enhance the quality of their lives.
- The provision at the Day Centre of support, signposting and encouragement to help homeless, destitute and distressed people regain or achieve for the first time a sense of personal worth.
- The provision of facilities and services which offer opportunities for people who are homeless and others in need to interact with others and to share in a caring community, consequently breaking down feelings of isolation and distress.
- The provision of learning opportunities and training through activities and volunteering routes at the different operations.

All of the facilities we offer are to improve the quality of life and well-being of those who are disadvantaged in our society. We are ecumenical, non-party political and non-sectarian in religion in all of our operations.

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Trustees' report (continued)
For the year ended 31 March 2020

The Trustees have taken into account the Charity Commission guidance on Public Benefit in accordance with section 4 of the Charities Act 2006.

ACHIEVEMENTS AND PERFORMANCE

Until the outbreak of the Covid-19 pandemic, financial performance was satisfactory despite the very demanding financial environment. However, during March 2020, fundraising virtually ceased and additional expenditure was required to meet the demands of ensuring the safety of both homeless people and staff. With the closure of the Adult Social Care provision, the opportunity was taken to move the group headquarters staff into a central Derby location in East Street, and amalgamate it with shop premises to form a new 'Padley Hub' facility. There were a number of one-off costs associated with this relocation. As a result of all these factors, a loss of some £80k was incurred during 2019/20. Subsequently, a number of grants have been received which, retrospectively, have made up for the loss of income and increased expenditure caused by the pandemic such that the Group has since restored its cash reserves to pre-pandemic levels.

Income from fundraising activities, including individual and corporate donations, shop sales, letting's and non-statutory grants, made up 69% of overall income as the Group continued to diversify sources of income in order to give greater financial stability. Our campaign of regular donations, 'Padley4000', has remained steady and provides essential core funding which is crucial for the work at the Day Centre for Homeless People.

During the summer months of 2019 extensive work was undertaken to search for new premises to accommodate both the shop and headquarters staff. Previously based in Sadler Gate, Derby, the shop suffered cramped conditions and was in an area with limited footfall. The headquarters staff were located in separate unsatisfactory premises, also distant from the Centre for Homeless People. Opportunity was sought to provide a larger shop site, closer to the main retail area of the City with sufficient upper floor space to house headquarters staff. This was successfully concluded with the acquisition of a lease for premises in East Street, Derby, in November 2019. December saw much work to transfer activities to the new 'Padley Hub', moves which were satisfactorily completed by the end of the year.

The widespread use of 'spice' and other new psychoactive substances continues to place great pressure on all those staff and volunteers working at the Centre for Homeless People. Whilst our work is already a major contributor to the overall City-wide approach to combating homelessness, the charity is fully aware that could greater resources be found, the extent and quality of this work could be much extended.

During 2019-2020 there were over 16,500 visits to the Homeless Centre prior to the March 2020 shutdown, equivalent to around 50 a day, 365 days a year. Six hundred and seventy eight different individuals received support from the Centre, an increase of 25% over the previous year. The great majority of visitors had multiple and complex needs: substance misuse, enduring mental health issues and alcohol abuse were often to be observed within the same person alongside homelessness and unstable social relationships. Warmth, showers and fresh clothing were provided as appropriate. But above all, care, companionship and a sense of 'a place to go' when there was nowhere else. Emergency food parcels were distributed to those in greatest need; over 1,000 during the year were issued.

Visiting clinics and well-being provision at the Homeless Centre have continued and were very well received. Specialist nurses and staff from the Derby Drug Service attended the Centre frequently. Homeless people benefited from regular visits from a hairdresser, optician and podiatrist. Links with the probation service have grown stronger which has supported the rehabilitation of clients. In September 2019 Derby City Public Health Department provided funds to create a medical treatment room at Padley House which was subsequently very well used by the paramedic who is appointed specifically to support people who are homeless. This proved to be of great benefit to the many who required medical treatment, guidance and support.

The men's hostel provided twelve short term beds for those in particular need. A total of 54 different men were accommodated throughout the year, with 83% of moves being a positive and planned exit to accommodation more suited to their needs. Due to the City's high level of need, the hostel was permanently full, with vacant rooms being filled immediately a vacancy occurred.

Catering remained a very important part of Padley's work, providing cooked breakfasts for rough sleepers,

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Trustees' report (continued)
For the year ended 31 March 2020

nourishing lunches at the Centre for Homeless People and ensuring that cups of tea and coffee were available virtually throughout the day. During 2019-20, just over 12,000 meals were prepared.

The great majority of the food prepared by our cooks was given following Harvest celebrations in Churches and schools - 192 schools and churches contributed. The huge collection, sorting, freezing and storing operation during September and October ensured that our food supply costs were kept very low, whilst allowing the production of high-quality nutritious meals for a fraction of what would be charged elsewhere. This has also been greatly supported throughout the year by regular donations of fresh produce from local companies, including Morrisons, Asda, KP snacks, Nandos, Sainsbury's (Chaddesden) and Poundstretcher.

The year had many highlights with many events held by organisations to raise funds for us. Padley managed events depend on the support of benefactors such as Kedleston Golf Club and Derby Cathedral providing venues, with many others organising fundraising activities, including: Derby Homes, The Loughborough Building Society, Flint Bishop, Griffiths Foods, and Rotary Clubs. Another 40 organisations including Women's Institutes, Churches and many local businesses organised fundraising activities. Without such support the work of Padley supporting people who are homeless would not take place. Thank you all!

FINANCIAL REVIEW

The financial result for the year is detailed in the following Financial Statements. Padley continues to adapt to a changing environment, but inevitably, funding remains a constant challenge.

Principal sources of funding

Total income at £594,228 showed a decrease on 2018/19 of 8.8%, a result of the Covid-19 impact during March 2020.

Income from hostel tenancies provided 31% of total income. Grants, mainly for specific work, provided for 20% of income. The remainder was a result of fundraising activities, alongside donations and shop sales (covenanted by our non-charitable subsidiary, Padley Trading).

Resources expended

Overall expenditure increased by 2.8% (£18,469) but was maintained well within budget.

The overdraft facility did not need to be utilised during the year.

Reserves policy

The unrestricted reserves at 31 March 2020 were £176,115, a decrease of 31% (£80,000), this represents around three months operating costs. The reserves policy is to have six months operating costs.

The Trustees and Management are working towards increasing the reserves to meet the goal of 6 month of operating costs. The reserve reduction in the 2019/20 year given the increased costs associated with the closure of Padley Development Centre and the move of the shop to the new premises on East Street, however, it is expected that reserves will get closer to the policy level during the 2020/21 year as income improves.

Out of the unrestricted reserves £50,532 can only be realised by disposing of tangible fixed assets.

Investments powers, policy and performance

The Trustees' investment powers are governed by the Memorandum and Articles of Association, which permits the charity's funds to be invested in such investments, securities or property as thought fit.

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Trustees' report (continued)
For the year ended 31 March 2020

Fixed Assets

Details of movements in Fixed Assets are shown in Note 10 of the Accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, governed by its Memorandum and Articles of Association as amended on 17 June 1996.

It is registered as a charity with the Charity Commission.

Induction and training of Trustees

Padley advertises as necessary to recruit new Trustees, seeking to maintain a balance of skill-sets within the Board. The organisation normally operates with 8 to 12 Trustees, all being subject to re-election by rotation at the Annual General Meeting. When a new Trustee is appointed they receive an appropriate induction from the Chair and are supported effectively by existing Trustees.

Organisational structure

The Board of Trustees administers the charity through bi-monthly meetings and two committees: Finance and Business Operations. The Business Operations committee also oversees the implementation of the Charity's 2020 Vision.

The Padley Group seeks to remunerate all staff at rates commensurate with regional practice, fairness and skill level. Pay rates are reviewed annually at Board level.

The Charity's wholly owned subsidiary, Padley Trading Limited, was established in 1991 to operate one or more retail shops including a textile recycling project. The subsidiary gift-aids any operating surplus to the charity.

Principal risks and uncertainties

The Trustees examine the major risks that the charity faces when preparing the annual budget and business plan and when updating the strategic plan. Systems have developed to monitor and control these risks and mitigate any impact that they may have on the charity in the future. There are three particular categories of risk: the first relates to voluntary and trading income, which by their nature can fluctuate. As described in the Financial Review, the Charity is now entirely reliant on funds directly raised through provision of services and fundraising activities without the 'safety net' of public funding. The Board and Finance Committee received regular budgetary control and cash flow reports to ensure financial risks are monitored. The second is concerned with Health and Safety, including Safeguarding, which is particularly important in view of the different categories of client Padley seeks to help. Regular reviews of operating policies and procedures are carried out to ensure mitigation of operational risks and regular risk assessment of properties and equipment are carried out to minimise health and safety risks. Finally, Trustees are concerned with minimising reputational risk. For many reasons, including those relating to fundraising and partnership working, the positive local and national reputation of Padley and its work is essential in enabling it to fulfil its aims and objectives.

PLANS FOR FUTURE PERIODS

Working with St James' Securities of Leeds, the Derby City Council announced in July 2020 that the Becketwell Development in Victoria Street, Derby, was to acquire property and land in Becket Street in order to provide access to an Arena. This will involve the demolition of Padley House, our Centre for Homeless People. The City Council have agreed to enable the charity to find suitable alternative accommodation, at no additional cost and with at least equivalent facilities. These negotiations are as yet in the initial stages, though the proposed challenging timescale is to complete the relocation by the summer of 2021.

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Trustees' report (continued)
For the year ended 31 March 2020

Further to the renewed emphasis on tackling homelessness, and working with Metropolitan Thames Valley Housing, our current landlords at Padley House, (our Centre for Homeless People), Padley is also exploring the potential of providing move-on accommodation for hostel residents. Currently, many landlords are reluctant to let property to men moving on from hostel accommodation whilst Padley are equally reluctant to move men out of the hostel when they are capable of supported, independent living without the certainty of a responsible landlord.

In accordance with our values, the charity is seeking to work ever more closely with other agencies, both statutory and voluntary, who share the same objectives. Padley has signed a Memorandum of Understanding with the Mid Mercia Citizens' Advice Bureau to explore potential for collaborative working. We recognise that only by working together can some of the major challenges surrounding people who are homeless be effectively addressed.

TRUSTEES' APPRECIATION

The Board would like to publicly acknowledge their appreciation of the Padley staff and volunteers without whom our achievements would not have been possible. Staff and volunteers continue to go beyond 'the call of duty' to support our many clients which enables the service to function effectively. This has been particularly the case during 2019/20 when both the headquarters and the shop moved locations and all users of the Development Centre were found alternative provision and, in the month of March, when the challenges of Covid-19 began to emerge.

We would also like to acknowledge with gratitude the on-going support we receive from the Churches in Derby and Derbyshire who continue to support so strongly the organisation that they founded.

We are also grateful to the schools in Derby and Derbyshire and the many businesses, organisations and individuals that are established contributors to the running of the services we deliver through funding, donations and volunteering their time. We are also grateful for the support of Derby City Council and Public Health who continue to work with us to offer services to the most vulnerable in our society. Our thanks must also go to the NHS both nationally and locally and the Police and many other statutory bodies with whom we work on a daily basis to rebuild shattered lives.

Finally, we would like to acknowledge specifically the Rotary Clubs across Derbyshire, the Lions, members of Women's Institutes, businesses, organisations and groups of all kinds who responded to the Padley4000 Campaign when it was launched and have continued to support it. We will always be enormously grateful for your wonderful, generous and caring response to our need for help.

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of The Padley Group 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation,

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the

THE PADLEY GROUP
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 March 2020

financial position of the charitable group 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

This report was approved by the Trustees, in their capacity as company directors and signed on their behalf by:

A Shaw

Date: 30 November 2020

THE PADLEY GROUP
(A company limited by guarantee)

Independent auditors' report to the Members of The Padley Group

Opinion

We have audited the financial statements of The Padley Group (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

THE PADLEY GROUP
(A company limited by guarantee)

Independent auditors' report to the Members of The Padley Group (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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

THE PADLEY GROUP
(A company limited by guarantee)

Independent auditors' report to the Members of The Padley Group (continued)

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.

Wayne Thomas ACA (Senior Statutory Auditor)

for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors

Chartered Accountants

The Mills

Canal Street

Derby

DE12RJ

3 December 2020

THE PADLEY GROUP
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2020

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	-	163,317	163,317	174,156
Charitable activities	4	88,210	221,510	309,720	322,814
Other trading activities	5	-	120,327	120,327	153,848
Investments	6	-	864	864	995
Total income		88,210	506,018	594,228	651,813
Expenditure on:					
Raising funds		-	38,576	38,576	23,042
Charitable activities		63,498	573,072	636,570	633,635
Total expenditure		63,498	611,648	675,146	656,677
Net gains on investments		-	691	691	-
Net income/(expenditure)		24,712	(104,939)	(80,227)	(4,864)
Transfers between funds	15	(24,950)	24,950	-	-
Net movement in funds		(238)	(79,989)	(80,227)	(4,864)
Reconciliation of funds:					
Total funds brought forward		136,348	256,104	392,452	397,316
Net movement in funds		(238)	(79,989)	(80,227)	(4,864)
Total funds carried forward		136,110	176,115	312,225	392,452

The notes on pages 15 to 29 form part of these financial statements.

THE PADLEY GROUP
(A company limited by guarantee)
Registered number: 2769300

Consolidated balance sheet
As at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	176,773	152,139
		<u>176,773</u>	<u>152,139</u>
Current assets			
Debtors	12	39,533	63,058
Investments	13	133,602	132,646
Cash at bank and in hand		53,394	86,390
		<u>226,529</u>	<u>282,094</u>
Creditors: amounts falling due within one year	14	(91,077)	(41,781)
		<u>135,452</u>	<u>240,313</u>
Net current assets			
		<u>135,452</u>	<u>240,313</u>
Total assets less current liabilities		312,225	392,452
		<u>312,225</u>	<u>392,452</u>
Total net assets		312,225	392,452
		<u>312,225</u>	<u>392,452</u>
Charity funds			
Restricted funds	15	136,110	136,348
Unrestricted funds	15	176,115	256,104
		<u>312,225</u>	<u>392,452</u>
Total funds		312,225	392,452
		<u>312,225</u>	<u>392,452</u>

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:

A Shaw

Date: 30 November 2020

The notes on pages 15 to 29 form part of these financial statements.

THE PADLEY GROUP
(A company limited by guarantee)
Registered number: 2769300

Charity balance sheet
As at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	132,797	101,991
Investments	11	2	2
		<u>132,799</u>	<u>101,993</u>
Current assets			
Debtors	12	37,353	61,009
Investments	13	133,602	132,646
Cash at bank and in hand		29,014	65,193
		<u>199,969</u>	<u>258,848</u>
Creditors: amounts falling due within one year	14	(87,100)	(57,405)
Net current assets		<u>112,869</u>	<u>201,443</u>
Total assets less current liabilities		<u>245,668</u>	<u>303,436</u>
Total net assets		<u><u>245,668</u></u>	<u><u>303,436</u></u>
Charity funds			
Restricted funds	15	136,110	136,348
Unrestricted funds	15	109,558	167,088
Total funds		<u><u>245,668</u></u>	<u><u>303,436</u></u>

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:

.....
A Shaw

Date: 30 November 2020

THE PADLEY GROUP
(A company limited by guarantee)

Consolidated statement of cash flows
For the year ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	7,800	(41,635)
Cash flows from investing activities		
Proceeds from the sale of tangible fixed assets	-	1,000
Purchase of tangible fixed assets	(39,840)	(6,495)
Net cash used in investing activities	(39,840)	(5,495)
Change in cash and cash equivalents in the year	(32,040)	(47,130)
Cash and cash equivalents at the beginning of the year	219,036	266,166
Cash and cash equivalents at the end of the year	186,996	219,036

The notes on pages 15 to 29 form part of these financial statements

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2020

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

The Padley Group meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

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

1.2 Income

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

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 Charity 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 Charity, can be reliably measured.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2020

1. Accounting policies (continued)

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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

1.4 Tangible fixed assets and depreciation

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

At each reporting date the Charity 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, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- over the period of the lease
Motor vehicles	- 25% per annum straight line basis

1.5 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment.

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

1.6 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2020

1. Accounting policies (continued)

1.7 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

1.8 Pensions

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

1.9 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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. Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

3. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Donations	150,430	150,430	152,908
Legacies	12,887	12,887	21,248
	<u>163,317</u>	<u>163,317</u>	<u>174,156</u>

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2020

4. Income from charitable activities

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Hostel income	-	186,245	186,245	180,460
Grant income	88,210	30,000	118,210	33,324
Training contracts	-	5,265	5,265	109,030
	<u>88,210</u>	<u>221,510</u>	<u>309,720</u>	<u>322,814</u>
<i>Total 2019</i>	<u>33,324</u>	<u>289,490</u>	<u>322,814</u>	

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Fundraising	75,092	75,092	82,946
Other trading income	14,324	14,324	24,243
Shop trading income	22,289	22,289	30,198
Sale of food and products	8,622	8,622	16,461
	<u>120,327</u>	<u>120,327</u>	<u>153,848</u>

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Interest on cash deposits	864	864	995
	<u>864</u>	<u>864</u>	<u>995</u>

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2020

7. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Hostel and centres	392,349	244,221	636,570	633,635

Analysis of direct costs

	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	372,995	334,291
Depreciation	15,206	13,612
Kitchen and collection costs	2,118	4,562
Service user costs	2,030	2,487
	392,349	354,952

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2020

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	100,668	128,479
Maintenance	9,746	12,167
Finance costs	15,887	8,356
Legal and professional fees	6,206	4,182
Training and personnel	3,263	2,206
Administration	10,155	12,508
Auditors remuneration	4,600	4,580
Cleaning and premises expenses	26,427	26,251
Utilities	17,967	23,493
Fundraising and publicity	2,733	14,875
Rent, rates and insurance	46,569	41,586
	244,221	278,683

8. Staff costs

	Group 2020 £	<i>Group 2019 £</i>	Charity 2020 £	<i>Charity 2019 £</i>
Wages and salaries	440,244	426,350	440,244	426,350
Social security costs	24,780	27,883	24,780	27,883
Contribution to defined contribution pension schemes	8,639	8,537	8,639	8,537
	473,663	462,770	473,663	462,770

Redundancy payments of £12,520 have been paid during the year (2019; £Nil) due to the closure of the Padley Development Centre ceasing operation. These are measured at the cost to the company and are fully paid at the balance sheet date.

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2020

8. Staff costs (continued)

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

	Group 2020 No.	<i>Group 2019 No.</i>
Average number of employees	24	23

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

Key management personnel are considered to be the Business Manager and Finance Co-ordinator who received total remuneration of £42,599 (2019: £67,363).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 March 2020, travel expenses totalling £205 were reimbursed or paid directly to 2 Trustees (2019 - £141 to 1 Trustee).

10. Tangible fixed assets

Group

	Long-term leasehold property £	Motor vehicles £	Total £
Cost			
At 1 April 2019	386,411	6,495	392,906
Additions	39,840	-	39,840
At 31 March 2020	426,251	6,495	432,746
Depreciation			
At 1 April 2019	239,143	1,624	240,767
Charge for the year	13,582	1,624	15,206
At 31 March 2020	252,725	3,248	255,973
Net book value			
At 31 March 2020	173,526	3,247	176,773
At 31 March 2019	147,268	4,871	152,139

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2020

10. Tangible fixed assets (continued)

Group (continued)

Charity

	Long-term leasehold property £
Cost	
At 1 April 2019	272,707
Additions	39,840
At 31 March 2020	<u>312,547</u>
Depreciation	
At 1 April 2019	170,716
Charge for the year	9,034
At 31 March 2020	<u>179,750</u>
Net book value	
At 31 March 2020	<u><u>132,797</u></u>
<i>At 31 March 2019</i>	<u><u>101,991</u></u>

11. Fixed asset investments

	Investments in subsidiary companies £
Charity	
Cost	
At 1 April 2019	2
At 31 March 2020	<u><u>2</u></u>

THE PADLEY GROUP
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Notes to the financial statements
For the year ended 31 March 2020

11. Fixed asset investments (continued)

Padley Trading Limited is a wholly owned subsidiary. Its results have been included in the consolidated financial statements. The company is incorporated in England and Wales, and its principal activity was that of the sale of donated clothing and bric-a-brac, and the operation of a clothing recycling unit.

During the year ended 31 March 2020 Padley Trading limited reported a turnover of £22,289 (2019: £30,198) and an operating loss for the year of £22,459 (2019: £984 profit). At the balance sheet date the company had net assets of £66,559 (2019: £89,018).

12. Debtors

	Group 2020 £	<i>Group 2019 £</i>	Charity 2020 £	<i>Charity 2019 £</i>
Due within one year				
Trade debtors	14,156	<i>17,475</i>	14,156	<i>17,475</i>
Amounts owed by group undertakings	-	<i>-</i>	7,407	<i>-</i>
Other debtors	9,289	<i>13,186</i>	6,961	<i>13,080</i>
Prepayments and accrued income	16,088	<i>32,397</i>	8,829	<i>30,454</i>
	39,533	<i>63,058</i>	37,353	<i>61,009</i>

13. Current asset investments

	Group 2020 £	<i>Group 2019 £</i>	Charity 2020 £	<i>Charity 2019 £</i>
Short term deposits	133,602	<i>132,646</i>	133,602	<i>132,646</i>

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2020

14. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade creditors	46,453	17,737	46,453	17,737
Amounts owed to group undertakings	-	-	-	15,624
Other creditors	10,315	9,922	10,315	9,922
Accruals and deferred income	34,309	14,122	30,332	14,122
	91,077	41,781	87,100	57,405

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Deferred income at 1 April 2019	5,350	6,177	5,350	6,177
Resources deferred during the year	18,347	5,350	18,347	5,350
Amounts released from previous periods	(5,350)	(6,177)	(5,350)	(6,177)
	18,347	5,350	18,347	5,350

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Unrestricted funds						
General Funds - all funds	256,104	506,018	(611,648)	24,950	691	176,115
Restricted funds						
Day centre refurbishments	67,695	-	(859)	-	-	66,836
EMDA - Recycling centre capital grant	65,986	-	(6,581)	-	-	59,405
PCC - Grant 2	2,667	7,333	(10,000)	-	-	-
Lloyds Bank Foundation	-	31,000	(31,000)	-	-	-
DCC - Clinical room	-	24,950	-	(24,950)	-	-

THE PADLEY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2020

15. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Enterprise Development Fund	-	10,000	(10,000)	-	-	-
Jeff Wellor Community Grant	-	1,285	(512)	-	-	773
WoRTH	-	13,642	(4,546)	-	-	9,096
	<u>136,348</u>	<u>88,210</u>	<u>(63,498)</u>	<u>(24,950)</u>	<u>-</u>	<u>136,110</u>
Total of funds	392,452	594,228	(675,146)	-	691	312,225

Statement of funds - prior year

	Balance at 1 April 2018 £	Income £	Expenditure £	Balance at 31 March 2019 £
Unrestricted funds				
General Funds - all funds	214,788	618,489	(577,173)	256,104
Restricted funds				
Co-op Making a Difference Community Dividend	1,508	-	(1,508)	-
Day centre refurbishments	74,277	-	(6,582)	67,695
EMDA - Recycling centre capital grant	66,844	-	(858)	65,986
Hedley Foundation	21	-	(21)	-
Lloyds Bank Foundation	12,299	-	(12,299)	-
PCC	7,204	-	(7,204)	-
PCC - Grant 2	19,375	29,334	(46,042)	2,667
The Gordon Trust	1,000	-	(1,000)	-
Foundation Derbyshire FERN	-	3,990	(3,990)	-
	<u>182,528</u>	<u>33,324</u>	<u>(79,504)</u>	<u>136,348</u>

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15. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2019 £</i>
Total of funds	<u>397,316</u>	<u>651,813</u>	<u>(656,677)</u>	<u>392,452</u>

16. Description of funds

Day Centre refurbishment represents funds received of £50,000 from Derby City Council and £174,000 from the National Lottery to acquire the lease of the Day Centre. The fund is being written off over the useful life of the asset in accordance with its depreciation policy.

East Midlands Development Agency fund relates to £24,638 received in 2002 to purchase the freehold building now forming the Recycling Centre, and £62,462 received in 2003 towards the cost of refurbishing that building.

PCC and grant 2 are the Police Crime Commissioner grants received to help fund the opening of the Homeless Centre Bistro for longer hours two days a week.

Lloyds foundation funding is to support staff costs in the delivery of Housing support to reduce homelessness and prevent repeat homelessness. This funding is part of the Enhance programme providing additional support from consultants to undertake: Governance Review; achieve Registered Provider status; Business Manager's skill development and many more dependent on need.

WoRTH funding provided by MHCLG from Tampon Tax funding to support the "Ending of risk to Women through Homelessness", Padley is the lead partner of a tripartite arrangement with Mid Mercia CAB and Women's Work. We have appointed a Women's Champion who is being supported and mentored by Women's Work and supported with advise surgeries by MMCAB. The aims of the project are to upskill our own staff in delivering Trauma Informed gender specific services and provide a gender informed space for the delivery of our services. We are to map provision for Women at Risk in derby and share those pathways with all relevant sectors. We will also train 40 staff across organisations in the City to also deliver trauma informed gender specific services.

DCC Public health England funding to provide Clinical facilities at a venue of choice for the provision of primary health care service to the homeless community.

The DCC Clinical room funding has been transferred as the funding was provided in order complete works at Padley House. Upon the completion the restrictions are fulfilled and no further restrictions over the works are present therefore is now classified as unrestricted.

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17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
General funds	256,104	506,018	(611,648)	24,950	691	176,115
Restricted funds	136,348	88,210	(63,498)	(24,950)	-	136,110
	<u>392,452</u>	<u>594,228</u>	<u>(675,146)</u>	<u>-</u>	<u>691</u>	<u>312,225</u>

Summary of funds - prior year

	Balance at 1 April 2018 £	Income £	Expenditure £	Balance at 31 March 2019 £
General funds	214,788	618,489	(577,173)	256,104
Restricted funds	182,528	33,324	(79,504)	136,348
	<u>397,316</u>	<u>651,813</u>	<u>(656,677)</u>	<u>392,452</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	126,241	50,532	176,773
Current assets	21,801	204,728	226,529
Creditors due within one year	(11,932)	(79,145)	(91,077)
Total	<u>136,110</u>	<u>176,115</u>	<u>312,225</u>

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Restricted funds 2019 £</i>	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	133,681	18,458	152,139
Current assets	2,667	279,427	282,094
Creditors due within one year	-	(41,781)	(41,781)
Total	<u>136,348</u>	<u>256,104</u>	<u>392,452</u>

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

	Group 2020 £	<i>Group 2019 £</i>
Net expenditure for the period (as per Statement of Financial Activities)	(80,227)	(4,864)
Adjustments for:		
Depreciation charges	15,206	13,612
Loss/(profit) on the sale of fixed assets	-	(1,000)
Movement in stocks	-	441
Movement in debtors	31,742	(44,092)
Movement in creditors	41,079	(5,732)
Net cash provided by/(used in) operating activities	<u>7,800</u>	<u>(41,635)</u>

20. Analysis of cash and cash equivalents

	Group 2020 £	<i>Group 2019 £</i>
Cash in hand	53,394	86,390
Current asset investments	133,602	132,646
Total cash and cash equivalents	<u>186,996</u>	<u>219,036</u>

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21. Analysis of changes in net debt

	At 1 April 2019	Cash flows	At 31 March 2020
	£	£	£
Cash at bank and in hand	86,390	(32,996)	53,394
Liquid investments	132,646	956	133,602
	<u>219,036</u>	<u>(32,040)</u>	<u>186,996</u>

22. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £8,639 (2019 - £8,537). Contributions totalling £1,710 (2019 - £698) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

At 31 March 2020 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £
Not later than 1 year	31,320	1,393
Later than 1 year and not later than 5 years	24,342	1,440
	<u>55,662</u>	<u>2,833</u>

24. Other financial commitments

The Charity extended its housing management contract with Metropolitan Housing Trust Limited for the top floor of Systems House, paying a rent of £30,000 per annum for six months commencing 1 April 2020.