

**MID-WARWICKSHIRE SOCIETY FOR  
MENTALLY HANDICAPPED CHILDREN AND  
ADULTS  
A COMPANY LIMITED BY GUARANTEE –  
NOT HAVING A SHARE CAPITAL**

**FINANCIAL STATEMENTS  
31 MARCH 2021**

**Registered Company No: 2560195  
Registered Charity No: 1040654**

**MID-WARWICKSHIRE SOCIETY FOR MENTALLY HANDICAPPED CHILDREN AND ADULTS  
A COMPANY LIMITED BY GUARANTEE – NOT HAVING A SHARE CAPITAL**

**YEAR ENDED 31<sup>st</sup> MARCH 2021**

**INDEX**

<b>1.</b>	<b>REFERENCE AND ADMINISTRATIVE INFORMATION</b>
<b>2. – 7.</b>	<b>TRUSTEES' REPORT</b>
<b>8. – 9.</b>	<b>AUDITORS' REPORT</b>
<b>10.</b>	<b>STATEMENT OF FINANCIAL ACTIVITIES</b>
<b>11.</b>	<b>COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES</b>
<b>12.</b>	<b>BALANCE SHEET</b>
<b>13.</b>	<b>STATEMENT OF CASH FLOWS</b>
<b>14. – 21.</b>	<b>NOTES TO THE FINANCIAL STATEMENTS</b>
<b>22.</b>	<b>INCOME AND EXPENDITURE ACCOUNT</b>

**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

**REFERENCE & ADMINISTRATIVE INFORMATION**

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**CHARITY NAME:** Mid-Warwickshire Society for Mentally Handicapped Children and Adults  
and known as Way Ahead Support Services

**CHARITY REGISTRATION NO:** 1040654

**COMPANY REGISTRATION NO:** 2560195

**REGISTERED OFFICE**

4 Jephson Court  
Tancred Close  
Leamington Spa  
CV31 3RZ

**EXECUTIVE COMMITTEE**

Sheila Cunningham  
Gillian Williams  
Karen Ralph  
Alan Rhead  
Michael Powell-Brett  
Michael Porter  
Amelia Tankard  
Alan Newbold  
Simon Hodges

Members of the executive committee are directors of the Company and Trustees of the Charity.

**SENIOR MANAGEMENT TEAM**

Louise De Bruyne	Chief Executive
Lorraine Plant	Finance Manager
Emile Oulton-Rowe	Central Operations Manager
Angie Gwilliam	Activity Services Manager
Sylvia Lawlor	Registered Service Manager
Michelle Turner	Office Personnel Manager

**SECRETARY**

Amelia Tankard

**SENIOR STATUTORY  
AUDITOR**

Steven R Mugglestone

**AUDITORS**

**Michael Harwood & Co**  
Greville House  
10 Jury Street  
Warwick  
CV34 4EW

**BANKERS**

Lloyds TSB Plc  
73 The Parade  
Leamington Spa  
CV32 4BB

**SOLICITORS**

Band Hatton Button LLP  
25 Warwick Road  
Coventry  
CV1 2EZ

Wright Hassell LLP  
Olympus Avenue  
Leamington Spa  
CV34 6B

## **TRUSTEES' REPORT**

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The Mid-Warwickshire Society for Mentally Handicapped Children and Adults is a charitable company limited by guarantee, and is known as Way Ahead Support Services. The directors present their report and the audited financial statements for the year ended 31 March 2021. The directors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statements of the charity.

### **GOVERNING DOCUMENT**

The company is a registered charity (Number 1040654) and a private company limited by guarantee, having no share capital (company number 2560195). The company was established under a Memorandum and Articles which established the objects and powers of the charitable company and is governed under its Articles of Association agreed at the EGM in March 2013. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The company is affiliated to the Royal Mencap Society and pays an annual affiliation fee.

### **OBJECTIVES**

Way Ahead Support Services has been providing support in the Warwickshire Area for over 50 years.

Way Ahead provides a supportive, enabling service to vulnerable individuals including people with learning disabilities, people with mental ill health and individuals on the Autistic Spectrum.

The person centred support provided is delivered in an enabling way, encouraging the individual to take control of their lives and to be as independent as possible.

Our aims and objectives are to fully support the person in developing and learning skills to the fullest extent of their abilities and to use these skills with confidence.

### **ACTIVITIES AND SERVICES**

Way Ahead provide supported living for people living within 3 converted properties managed by the organisation.

The support is delivered between the hours of 7am and 10pm with a sleep-in provision as required.

This support is looked at holistically with the person at the centre of everything and is delivered 365 days a year.

Further support is provided to people living within their local communities and within their own homes, owned, rented or living with their families, we call this our Outreach Services. This support is provided with the same ethos, objectives and values.

Way Ahead also provide day opportunities. We call this our Activity Service. We provide our Activity Services both within our main Activity building and on a one to one basis. The activities we provide are centred around the wants and needs of the individuals participating. The activities are meaningful, empowering people to maintain and improve upon skills, try something new, work together and establish links with others in the local community, tackling the potential of social isolation and striving to support people in achieving the positive outcomes they are looking for.

## **MID-WARWICKSHIRE SOCIETY FOR MENTALLY HANDICAPPED CHILDREN AND ADULTS**

### **A COMPANY LIMITED BY GUARANTEE – NOT HAVING A SHARE CAPITAL**

#### **TRUSTEES' REPORT**

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#### **ACHIEVEMENTS AND PERFORMANCE**

In a year that has been dominated by the effects of the COVID-19 pandemic, Way Ahead have faced an unprecedented challenge. With all aspects of the business being affected, the management team and the staff have pulled together, albeit in many instances virtually, to navigate our way through the crisis. We have had to adopt new ways to continue to bring a meaningful service to our community and new practices to ensure the safety and wellbeing of all.

Despite all of these challenges however, the Trustees are extremely proud to report a strong financial position this year. We have been able to increase our financial reserves which will provide the service with longer term security to face whatever the next few years may bring.

The lockdown in March 2020 meant that the whole organisation had to review all risk assessments and reorganise staff accordingly. Senior staff were moved to each of the properties and the staff numbers at Head Office were reduced to maximise infection control. The infection control measures are continued to be used in all buildings with regular lateral flow tests and PCR tests on all staff so that any infection may be isolated immediately.

Netherfield, the hub of Activity Services, was obliged to close its doors due to government restrictions. The lack of structure and direct social contact has been very difficult for many of the individuals who would normally access these Services. Once again the staff have shown their adaptability and have been offering virtual Zoom activity sessions in place of face to face contact. Fortunately Netherfield has been able to reopen with restricted numbers being able to attend sessions due to social distancing. A full weekly activities timetable is being provided once more with the return the photography and gardening groups, cooking and arts & crafts. Netherfield even held it's own Olympics! Although many individuals have returned and enjoy being with their friends again, there are some who feel they are unable to return just yet so Netherfield continues to provide Zoom activity sessions for individuals to access from home.

The potential loss of income due to the closure of Netherfield was minimised due to a 'Pay-as-Planned' approach adopted by the Local Authority, reimbursing the service for lost income for part of the financial year. Because of this support, Way Ahead were able to continue to provide a vital link to the outside world to many vulnerable individuals in our community. The Local Authority also provided the service with financial support with the huge cost in purchasing PPE to keep our staff safe and able to continue to provide our Services.

The Board of Trustees would like to extend their gratitude to the Local Authority for their continuing support throughout the past year.

The Trustees also kindly extend their thanks to those in the community who have donated to the service this year. Along with grants awarded by the Big Lottery Fund and other Trusts and Foundations, the service is now able to access greater levels of digital technology within the communities we support. The donated funds have enabled the service to support the purchase of a number of tablets, data, and insurance to support people to maintain contact and reduce the feeling of being isolated.

In January 2020 the service was audited by CQC. Once again the service was awarded 'GOOD' in all categories in which is testament to the dedication of our hard working staff.

With the advent of the global pandemic a lot of sectors are now being affected by a national employment crisis. The Social Care sector has always struggled to compete to attract new members of staff and this has been exacerbated by a national employee shortage. We continue to look for new ways to attract applicants but the task is becoming more and more difficult particularly as the care sector as a whole continues to be under-funded and care workers paid a lower rate of pay compared to other many other sectors. We are fortunate however to have long-serving bank staff who work within the service giving us the ability to cover the staff rota efficiently.

The Trustees have continued to work closely with the Senior Management team by holding virtual bi-monthly meetings throughout the year. Due to the temporary closure of our Daily Activity Services at Netherfield and therefore a potential temporary loss of an income stream, the financial aspects of the business were monitored more closely than usual with monthly reports being sent out to Trustees demonstrating the cash-flow position in addition to the quarterly budget reports discussed at the meetings. Although the year end accounts are the healthiest we have seen for a number of years we are extremely mindful that the next few years will be difficult to navigate and are grateful to be in such a strong financial position at this point in time.

Trustees continue to monitor our Risk Register at quarterly meetings and are about to resume our Business Planning meetings to ensure the service moves ahead with a measured approach over the coming years.

To conclude, although facing a global pandemic meant operating the service under unprecedented conditions we are proud in the way we were able to adapt our service provision to 'think outside the box' in continuing to support the

**MID-WARWICKSHIRE SOCIETY FOR MENTALLY HANDICAPPED CHILDREN  
AND ADULTS**

**A COMPANY LIMITED BY GUARANTEE – NOT HAVING A SHARE CAPITAL**

**TRUSTEES' REPORT**

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most vulnerable individuals in our community. The staff at Way Ahead again proved their hard work and dedication to their vocation which is at the very heart of what Way Ahead is about.

**FINANCIAL REVIEW**

The financial outturn was much improved on last year with a surplus of £228,579 being reflected compared to a surplus of £126,297 on charitable activities in the previous year. Although the charity's main form of income via charitable activities fell by £21,499 in the year, the charity was supported by generous grants from both the local council and the national government that totalled £151,225. Overheads in total rose by £39,031, with the main increases being in wages costs by £16,211, and repair costs increasing by £20,209. The Management and Trustees have monitored revenues and costs very carefully which has contributed to the surplus in the financial year under review. The Management and Trustees are confident that with the continued support of its own staff and the local authority, the financial outturn for the charity for the current financial year should still be positive, even though recruitment of staff within the care sector continues to be an issue in these challenging times.

**PLANS FOR THE FUTURE**

Having faced the pressures of operating the service during a global pandemic, the Trustees are extremely mindful that the path ahead will be difficult to navigate.

Although we find ourselves currently in a strong financial position, we don't know what the future may bring. The building of our reserves is vital to secure our long term future. We will continue to be ever vigilant with the monitoring of income and expenditure.

The COVID crisis has thrown up other unforeseen pressures such as the increased difficulties in staffing due to the national shortage of employees. Additional expenditure on PPE and other infection control methods will also need to be considered going forward.

With these changes in mind the Trustees will need to reassess the Risk Strategies to make sure the service is prepared as much as we can be.

We are confident that with the continued support of the Local Authority, Way Ahead can continue to provide a meaningful service to individuals and support to those in the wider community.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The charity has an executive committee of up to 12 members who meet regularly and are responsible for the strategic direction and policy of the charity. At present the Committee has 8 members from a variety of professional backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Chief Executive along with the Senior Management Team.

The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met.

The Manager for our Learning Disabilities Services and the Activity Services Manager have responsibility for the day to day operational management of the charity, individual supervision of the staff and also ensuring that the team continue to develop their skills and working practices in line with good practice.

**MID-WARWICKSHIRE SOCIETY FOR MENTALLY HANDICAPPED CHILDREN  
AND ADULTS**

**A COMPANY LIMITED BY GUARANTEE – NOT HAVING A SHARE CAPITAL**

**TRUSTEES' REPORT**

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**RECRUITMENT AND APPOINTMENT OF EXECUTIVE COMMITTEE**

The Directors of the company are also charity Trustees for the purposes of charity law and under the company's Articles are known as members of the Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Executive Committee are elected to serve annually and must be re-elected at each Annual General Meeting.

The Executive Committee seeks to ensure that the needs of this group are appropriately reflected through the diversity of the trustee body. Business and care skills are well represented on the executive committee.

Some of the current members of the executive committee are related to individuals being supported by it and have long term connections with, and understanding of the charity.

**TRUSTEE INDUCTION AND TRAINING**

A copy of the Charity Commission's guide "The Essential Trustee" is distributed to all new trustees along with the Memorandum and Articles and the latest financial statements.

New Trustees are invited with opportunities to meet with the CEO and existing trustees to formalise their transition onto the Board.

**STAFF TRAINING**

Way Ahead are extremely proud of the dedication of the employees and their commitment to their continuous professional development (CPD).

All new staff commence a full induction into the service which includes the completion of the Care Certificate. This involves a full training schedule including titles such as Risk Assessment, Manual Handling, Person Centred Approach, Safeguarding, Equality and Diversity, First Aid and Medication to name some.

Existing staff complete the Care Certificate and regular CPD in line with Health and Social Care expectations and the changing needs of the individuals supported.

**PUBLIC BENEFIT**

The Trustees confirm that they have complied with the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

The charity meets these criteria as it provides additional support to individuals supplementing that commissioned by the statutory authorities. The charity also subsidises rents for its properties if individuals experience hardship.

**RISK STATEMENT**

The Trustees have a risk management strategy which reviews the major risks and implements strategies to minimise such risks. A risk register is maintained and reviewed at regular intervals.

Particular attention has been focused on the financial risks with all the changes made by Warwickshire County Council, and its impact on the charity. Health and Safety have also been regularly reviewed. Emphasis has been placed on the systems and procedures to mitigate risks.

The quality audit systems have been focused on with the internal 'Traffic Light' systems being upgraded for Quality audit processes.

A 'Good' report (dated 14<sup>th</sup> January 2020) was received via the latest CQC inspection and this report can be found on the CQC website: [www.cqc.org.uk](http://www.cqc.org.uk)

## **TRUSTEES' REPORT**

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### **RESERVES POLICY**

The charity has set an ideal level of unrestricted readily available funds equating to 6 months or 182 days' worth of overhead expenditure; these reserves being available to augment the resources provided by Social Services.

At the year end, the level of readily available funds represented 202 days expenditure (2020: 130 days). This improvement reflects the careful monitoring of revenues and costs by the management and Trustees.

### **GOING CONCERN AND BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

Whilst the charity has made a surplus of income over expenditure this year of £228,579 (2020: £126,297), this follows on from deficits reflected in recent earlier financial years. The Trustees and Management are very pleased with the turnaround in the results of the Charity in what is still a very challenging time for Charities operating within the care sector. The surplus reflects the very careful monitoring of revenues and costs but the Trustees recognise that moving forward those revenues and costs will come under pressure, especially in the light of the financial pressures caused by the ongoing COVID – 19 pandemic that started in March 2020. Trustees are also aware that certain government grants that were previously available, are due to be phased out in the near future.

The trustees have considered the results of the current and previous financial years and have concluded that it remains appropriate to prepare the accounts on the going concern basis.

### **TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also Directors of Mid-Warwickshire Society for Mentally Handicapped Children and Adults Limited for the purposes of company law) are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year.

The Trustees have prepared the financial statements in accordance with FRS 102 (the Financial Reporting Standard applicable in the UK and Republic of Ireland). In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.



**TRUSTEES' REPORT**

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**TRUSTEES' RESPONSIBILITIES (Cont'd)**

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

So far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board.

Amelia Tankard  
**Secretary**

**Dated: 18<sup>th</sup> November 2021**

**MID-WARWICKSHIRE SOCIETY FOR MENTALLY HANDICAPPED CHILDREN  
AND ADULTS****A COMPANY LIMITED BY GUARANTEE – NOT HAVING A SHARE CAPITAL**

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**Opinion**

We have audited the financial statements of the Mid-Warwickshire Society for Mentally Handicapped Children and Adults Limited (the 'charitable company') for the year ended 31<sup>st</sup> March 2021 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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 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 Trustees' Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

# INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF

## MID-WARWICKSHIRE SOCIETY FOR MENTALLY HANDICAPPED CHILDREN AND ADULTS

### A COMPANY LIMITED BY GUARANTEE – NOT HAVING A SHARE CAPITAL

#### 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 the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustee's /Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities statement set out on pages 6 & 7, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditor's responsibilities for the audit of the financial statements

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

As part of our audit procedures, we evaluate the high-risk areas of the assignment that could potentially result in a material misstatement within the accounts. Such risky areas include revenue recognition, management override and understatement of liabilities. We mitigate these risks by a combination of:

- obtaining independent third-party evidence
- performing analytical procedures to ensure the accounts appear reasonable
- maintaining an air of professional scepticism throughout the audit process
- challenging management regarding the basis of accounting policies and any estimates included in the accounts.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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

#### 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Steven R Muggleston (Senior Statutory Auditor)  
For and on behalf of Michael Harwood & Co  
Chartered Accountants and Statutory Auditors  
Greville House  
10 Jury Street  
Warwick  
CV34 4EW

Dated: 18<sup>th</sup> November 2021

STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating the Income and Expenditure Account) for the year ended 31 MARCH 2021

	Notes	Unrestricted £	Designated £	Restricted £	Property Endowment Fund £	2021 Total £
<b>INCOME AND ENDOWMENTS FROM:</b>						
Donations and legacies	2	7,418	-	53,472	-	60,890
Charitable activities	3	-	-	1,080,395	-	1,080,395
Investment income						
Bank interest		6	-	-	-	6
Rent		189,273	-	-	-	189,273
Other income		12,673	-	-	-	12,673
COVID-19 Related Grants Received	4	96,333	-	54,892	-	151,225
<b>TOTAL INCOME AND ENDWOMENTS</b>		305,703	-	1,188,759	-	1,494,462
<b>EXPENDITURE ON:</b>						
Raising funds	6	7,270	-	-	-	7,270
Charitable activities						
Housing management	6	88,777	-	-	-	88,777
Support services	6	34,500	-	1,135,336	-	1,169,836
<b>TOTAL RESOURCES EXPENDED</b>		130,547	-	1,135,336	-	1,265,883
<b>NET INCOME FOR THE YEAR</b>		175,156	-	53,423	-	228,579
<b>TRANSFERS BETWEEN FUNDS</b>		41,506	-	(41,506)	-	-
<b>NET MOVEMENT IN FUNDS</b>		216,662	-	11,917	-	228,579
<b>FUND BALANCES BROUGHT FORWARD AT 1<sup>st</sup> APRIL 2020</b>		767,701	12,864	3,511	280,000	1064,076
<b>FUND BALANCES CARRIED FORWARD AT 31 MARCH 2021</b>	15	984,363	12,864	15,428	280,000	1,292,655

The notes on pages 14 – 21 form part of these financial statements.

The surplus for the year arises from the company's continuing operations.

STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating the Income and Expenditure Account) for the year ended 31 MARCH 2020

	Notes	Unrestricted £	Designated £	Restricted £	Property Endowment Fund £	2020 Total £
<b>INCOME AND ENDOWMENTS FROM:</b>						
Donations and legacies	2	48,615	-	18,675	-	67,290
Charitable activities	3	-	-	1,101,894	-	1,101,894
Investment income						
Bank interest		4	-	-	-	4
Rent		172,346	-	-	-	172,346
Other income		11,615	-	-	-	11,615
<b>TOTAL INCOME AND ENDWOMENTS</b>		232,580	-	1,120,569	-	1,353,149
<b>EXPENDITURE ON:</b>						
Raising funds	6	9,944	-	-	-	9,944
Charitable activities						
Housing management	6	80,455	-	-	-	80,455
Support services	6	32,033	-	1,104,420	-	1,136,453
<b>TOTAL RESOURCES EXPENDED</b>		122,432	-	1,104,420	-	1,226,852
<b>NET INCOME FOR THE YEAR</b>		110,148	-	16,149	-	126,297
<b>TRANSFERS BETWEEN FUNDS</b>		14,688	-	(14,688)	-	-
<b>NET MOVEMENT IN FUNDS</b>		124,836	-	1,461	-	126,297
<b>FUND BALANCES BROUGHT FORWARD AT 1<sup>st</sup> APRIL 2019</b>		642,865	12,864	2,050	280,000	937,779
<b>FUND BALANCES CARRIED FORWARD AT 31 MARCH 2020</b>	15	767,701	12,864	3,511	280,000	1,064,076

The notes on pages 14 – 21 form part of these financial statements.

The surplus for the year arises from the company's continuing operations.

**BALANCE SHEET**  
**31 MARCH 2021**

	<b>Notes</b>	<b>2021 £</b>	<b>2020 £</b>
<b>FIXED ASSETS</b>			
Tangible assets	10	605,264	637,511
		-----	-----
<b>CURRENT ASSETS</b>			
Debtors	11	110,944	166,974
Cash at bank and in hand		595,167	305,432
		-----	-----
		706,111	472,406
<b>CREDITORS</b>			
Amounts falling due within one year	12	(18,720)	(45,841)
		-----	-----
<b>NET CURRENT ASSETS</b>		687,391	426,565
		-----	-----
<b>NET ASSETS</b>		1,292,655	1,064,076
		=====	=====
<b>FUNDS AND RESERVES</b>			
Unrestricted	15	959,363	742,701
Revaluation reserve	15	25,000	25,000
		-----	-----
		984,363	767,701
Designated	15	12,864	12,864
Restricted	15	15,428	3,511
Property Endowment	15	280,000	280,000
		-----	-----
		1,292,655	1,064,076
		=====	=====

The financial statements were approved by the Trustees on 18<sup>th</sup> November 2021

..... **Director**                      Mrs A. Tankard

..... **Director**                      Mrs K. Ralph

The notes on pages 14 to 21 form part of these financial statements.

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2021**

	<b>2021 £</b>	<b>2020 £</b>
<b>Cash flows from operating activities:</b>		
<b>Net cash used in operating activities:</b>		
Net income for the year as per the Statement of Financial Activities	228,579	126,297
Adjustments for:		
Depreciation	34,242	35,076
Decrease / (increase) in debtors	56,030	(7,052)
Loss on disposal of fixed assets	-	710
Increase / (decrease) in creditors	(27,121)	(36,763)
	<u>291,730</u>	<u>118,268</u>
<b>Cash flows from investing activities:</b>		
Purchase of fixed assets	1,995	5,391
<b>Change in cash and cash equivalents in the reporting period</b>	<u>289,735</u>	<u>112,877</u>
Cash and Cash Equivalents at the beginning of the reporting period	305,432	192,555
<b>Cash and Cash Equivalents at the end of the reporting period</b>	<u><u>595,167</u></u>	<u><u>305,432</u></u>

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 MARCH 2021

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1. ACCOUNTING POLICIES

a) **Basis of Accounting**

The charity is a public benefit entity.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland SORP 2019 (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The presentation currency of the financial statements is the Pound Sterling (£).

**Statement of Compliance**

These financial statements have been prepared in accordance with the provisions of the Charities SORP 2019 (FRS 102)

b) **Going concern and basis of preparing the financial statements**

The trustees have considered the excess of expenditure over income incurred in the current and previous financial year and have concluded that it remains appropriate to prepare the accounts on the going concern basis. In forming this opinion, the trustees have taken account of the factors noted more fully on Page 6 of this Report.

c) **Income recognition**

**General**

All incoming resources are included in the Statement of Financial Activities as soon as the following three factors can be met:

- 1) entitlement – arises when a particular resource is receivable or the charity's right becomes legally enforceable;
- 2) high probability – when it is more likely than not that the income will be received;
- 3) measurement – when the monetary value of the income can be measured with sufficient reliability:

The following specific policies are applied to particular categories of income:

- General donations, gifts, subscriptions and legacies are brought into account when received.
- Donations and grants given for specific purposes are treated as income in the year of receipt. Unspent restricted income is included under restricted funds as it is fully committed.
- Income received in advance is accounted for in the accounting period to which it relates and is shown as deferred income within Creditors.

**Government grants**

- In response to the COVID -19 pandemic, the UK and Local Government made various grants available to businesses to support them through the economic uncertainties caused by the pandemic.
- These government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

d) **Resources expended**

**General**

All Expenditure is accounted for on an accruals basis inclusive of VAT and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.



NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 MARCH 2021

1. ACCOUNTING POLICIES (Cont'd)

Activities in furtherance of the charity's objects comprise the costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on a basis consistent with budgeted use of resources.

**Expenditure categories**

Expenditure is allocated to one of three functional categories which reflect the charitable activities of the company:

Fund-raising costs are those costs attributable to generating income for the charity and include staff costs and fees paid to external fundraising advisors.

Maintenance of Rental Properties      The upkeep and associated costs of the various properties.

Support Services      To support and supply the provision of clinics, workshops and other associated services. This also includes the provision of short term care for people with a learning disability.

- e) **Transfer between Funds**      Represents the amount required to be transferred from unrestricted income to cover the deficit arising in the year on restricted activities.

- f) **Fixed assets**  
Fixed assets are stated at cost or valuation and in the case of donated assets at an approximate valuation. Items costing less than £100 are not capitalised.

Investments were reflected at their market value at the balance sheet date until their disposal in the year. Depreciation is provided to write off the costs of fixed assets over their estimated useful lives as detailed below:-

Property	over 50 years
Furniture and Equipment	15% to 30% reducing balance
Improvements to short leasehold property	over 21 years
Property refurbishment	over 10 years

However due to the specialist nature of the freehold property valued at £280,000 and referred to in Note 10, no depreciation has been provided on this property for the reasons outlined in the Note.

- g) **Pension Costs**

The assets of the schemes are held separately from those of the company in an independently administered fund. The pension costs represent the contributions payable by the company to the funds.

- h) **Operating leases**

Operating lease rentals are charged to the income and expenditure account as they become due.

- i) **Fund accounting**

Unrestricted funds are available for use at the discretion of the Executive Committee in furtherance of the general objectives of the company.

Restricted funds are funds subject to specific restricted conditions imposed by donors. The purposes and use of the restricted funds are set out in note 15 to the financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 MARCH 2021**

**2. INCOMING RESOURCES FROM DONATIONS AND LEGACIES**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Donations and gifts	60,890	59,277
Tax refunds on Gift Aid donations	-	8,013
	-----	-----
	60,890	67,290
	=====	=====

We are very grateful to the following organisations and individuals who supported our activities in the year with their generous grants and donations: National Lottery Community Fund, Souter Charitable Trust, The 29<sup>th</sup> May 1961 Charitable Trust, Baron Davenport's Charity, The Michael Marsh Charitable Trust, Royal Mencap Society, Warwickshire Police Community Fund, The Vinci UK Foundation, The WPH Charitable Trust, and The Edward Gostlin Fund.

**3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Social Services	1,080,395	1,101,894
	=====	=====

**4. COVID – 19 RELATED GRANTS RECEIVED**

Government Grants – COVID 19 related		
Job Retention Scheme Grants	31,816	-
Local Government COVID Infection		
Control Grants	54,892	-
Local Government COVID 19 Support Grant		
Warwick County Council	64,517	-
	-----	-----
	151,225	-
	=====	=====

**5. INTANGIBLE INCOME FROM DONATED FACILITIES**

The charity has the use rent free of a property. The intangible benefit arising from the rent-free use of the donated property is difficult to quantify given its specialist nature. The financial statements do not reflect this income.

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 MARCH 2021

6. RESOURCES EXPENDED

	Housing Management	Support Services	2021 Total	2020 Total
	£	£	£	£
<b>Expenditure on raising funds</b>				
Staff costs, training and external advisors	-	7,270	7,270	9,944
	=====	=====	=====	=====
<b>Direct costs</b>				
Wages	-	1,015,471	1,015,471	999,260
Motor & Travel	-	4,875	4,875	8,912
Office Rent and Rates	-	23,581	23,581	23,550
Materials & Costs re Day Activities	-	669	669	890
Luncheon Club Direct Costs	-	-	-	4,224
Utilities	26,489	8,044	34,533	36,583
Insurance	1,749	7,931	9,680	10,488
Telephone	2,351	12,942	15,293	14,238
Professional Fees	-	6,993	6,993	11,017
Staff Training	-	1,755	1,755	3,651
Recruitment & Adverts	-	875	875	1,238
Repairs Maintenance and Cleaning	29,266	17,580	46,846	26,637
Sundry Expenses	-	16,582	16,582	11,820
Bad Debts Recovered	-	(1,812)	(1,812)	(277)
Equipment Hire	-	7,374	7,374	1,570
Office Expenses	-	28,652	28,652	14,958
<b>Support costs</b>				
Depreciation	28,922	5,320	34,242	35,076
Loss on Disposal of Fixed Assets	-	-	-	710
Governance Costs (below)	-	13,004	13,004	12,363
	=====	=====	=====	=====
	88,777	1,169,836	1,258,613	1,216,908
	=====	=====	=====	=====
<b>Total Expenditure</b>	88,777	1,177,106	1,265,883	1,226,852
	=====	=====	=====	=====

	2021 £	2020 £
<b>Governance costs above include:</b>		
Audit Fee	10,680	9,960
Indemnity Insurance	1,325	1,286
Registration for Care Quality Commission	999	1,117
	=====	=====
	13,004	12,363
	=====	=====

7. NET INCOMING RESOURCES FOR THE YEAR

	2021 £	2020 £
This is stated after charging:		
Auditors Remuneration – Audit	10,680	9,960
Depreciation	34,242	35,076
Operating leases – Buildings and Equipment Rentals	28,974	21,600
	=====	=====

8. STAFF COSTS AND NUMBERS

	2021 £	2020 £
Staff costs during the year amounted to:		
Salaries	905,130	891,006
Social Security Costs	67,528	63,401
Pension Costs	42,813	44,853
	=====	=====
	1,015,471	999,260
	=====	=====

Average number of staff on the payroll during the year	49	52
	=====	=====
The number of full-time equivalent staff numbers were	22	23
	=====	=====

No individual employee received remuneration above £60,000. Remuneration paid in aggregate to the key management personnel amounted to £159,303 (2020: £161,344).

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 MARCH 2021**

**9. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS**

No members of the Executive Committee received any remuneration during the year.

Expenses amounting to £Nil (2020: £Nil) were reimbursed to members of the Executive Committee. No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity.

Indemnity insurance has been purchased for the Trustees at a cost of £1,325 (2020: £1,286).

**10. TANGIBLE FIXED ASSETS**

**COST OR VALUATION**

	<b>Improvements to short leasehold £</b>	<b>Improvements to Freehold Property</b>	<b>Freehold land and building £</b>	<b>Furniture and Equipment £</b>	<b>Total £</b>
1 April 2020	393,025	29,166	625,197	143,446	1,190,834
Additions	-	-	-	1,995	1,995
Disposals	-	-	-	-	-
31 March 2021	393,025	29,166	625,197	145,441	1,192,829

**DEPRECIATION**

1 April 2020	328,489	4,083	100,865	119,886	553,323
Charge for year	21,511	583	6,828	5,320	34,242
Eliminated on Disposals	-	-	-	-	-
31 March 2021	350,000	4,666	107,693	125,206	587,565

**NET BOOK VALUE**

31 March 2021	43,025	24,500	517,504	20,235	605,264
31 March 2020	64,536	25,083	524,332	23,560	637,511

All the fixed assets are used in direct furtherance of the charity's objectives.

The charity's work focuses on help, care and support for vulnerable people and people with learning disabilities. Part of the support includes the provision of suitable accommodation at below market rent.

Freehold property includes £345,197 relating to a property situated in Warwick. The historical cost of this property was £60,628. A revaluation by Directors in October 2002 at £160,000 was incorporated in these accounts prior to improvements carried out in 2009 and 2010 costing £185,197. The property was re-valued by Heritage Property in July 2011 at a valuation of £400,000 on an open market basis, although that valuation is not reflected above.

The other freehold property located in Leamington was acquired following the merger on 1<sup>st</sup> February 2014 with another local charity, The Netherfield Management Committee. This property is reflected above at its valuation of £280,000 on 4<sup>th</sup> July 2011 by Hawkesford Chartered Surveyors on an open market basis, and taking into account the continued existence of a covenant restricting the use of the building. Because of the specialised nature and use of the property, the usage restriction, and the charity's policy to maintain it in good condition, no depreciation is provided and the property is valued at its valuation on acquisition, and which is considered to be a fair value.

Improvements to Freehold Property originally costing £29,166 above, relate to a freehold property that was donated to the charity a few years ago and is the property referred to in Note 5, Intangible Income from Donated Facilities.

**NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 MARCH 2021**

<b>11. DEBTORS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors	104,898	161,946
Other debtors	4,000	2,100
Prepayments and accrued income	2,046	2,928
	-----	-----
	110,944	166,974
	=====	=====

<b>12. CREDITORS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade creditors	3,348	13,907
Social security and other taxes	-	16,525
Accruals	10,730	10,570
Other creditors	4,642	4,839
	-----	-----
	18,720	45,841
	=====	=====

- 13. PENSION COMMITMENTS**  
The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension charge amounted to £42,813 (2020: £44,853).

**14. LEASING COMMITMENTS**

At 31<sup>st</sup> March 2021, the charity had total minimum lease commitments under non-cancellable operating leases over the remaining life of the lease of £27,425 (2020: £36,766).

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 MARCH 2021

15. MOVEMENT ON RESERVES

	Balance 1 April 2020 £	Income in Year £	Expenditure In Year £	Transfers In Year £	Balance 31 March 2021 £
<b>Restricted Funds</b>					
Social Services	-	1,080,395	1,038,889	(41,506)	-
Sunday Luncheon Club	361	4,045	-	-	4,406
Digital Inclusion Project	1,100	29,907	31,007	-	-
Round the World Challenge	50	6,764	4,881	-	1,933
Grants re Core Running Costs	2,000	-	2,000	-	-
Purchase of Computer Tablets & Data SIMS	-	4,256	-	-	4,256
Provision of Virtual Sessions	-	5,500	2,667	-	2,833
COVID Testing	-	3,000	1,000	-	2,000
COVID Infection Control	-	54,892	54,892	-	-
	3,511	1,188,759	1,135,336	(41,506)	15,428
<b>Unrestricted Funds</b>					
Unrestricted Funds	742,701	305,703	130,547	41,506	959,363
Designated Funds	12,864	-	-	-	12,864
Revaluation reserve	25,000	-	-	-	25,000
	780,565	305,703	130,547	41,506	997,227
<b>Property Endowment</b>					
Brought forward	280,000	-	-	-	280,000
<b>Total Funds</b>	1,064,076	1,494,462	1,265,883	-	1,292,655

**Restricted Funds**

**Social Services Fund** – This represents the receipt and application of monies from Warwickshire County Council Social Services in respect of specific clients.

**Sunday Luncheon Club** - Grants received as contributions towards the costs of providing a Sunday lunch and social activities once a month to vulnerable adults. Due to COVID restrictions, there were no Sunday lunches held during the year.

**Connecting People and Building Bridges (Digital Inclusion)** - Grant received from National Lottery towards providing digital inclusion sessions to address the issues of isolation and loneliness amongst individuals with learning disabilities living in the Warwickshire area. The funding has been provided for digital signposting, providing a community resource library kiosk, promotion, resources and broadband upgrade.

**Round the World Challenge** - Funding received from the Royal Mencap Society to organise and support participants to attend physical activity sessions within a group and or community setting.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 MARCH 2021**

<b>Grants re Core Running Costs</b>	-	Grants received specifically towards core running costs including towards staff costs of ensuring the provision of safe levels of support carers.
<b>Purchase of Computer Tablets &amp; Data Sims</b>	—	Purchase of this digital equipment to loan out within the community.
<b>Provision of Virtual Sessions</b>	—	Due to COVID the activities at the Netherfield Centre are restricted from 48 individuals with Learning Disabilities attending to a maximum of 18, hence the funding can assist with providing Zoom sessions to reach other people that we would have supported.
<b>COVID Testing and Infection Control</b>	—	Grants towards the large cost involved in keeping our staff safe and being able to continue to provide our services.

**Property Endowment Fund**

This represents a freehold property that was acquired following the merger in February 2014 with another charity, Netherfield Management Committee. The property was subject to a restrictive covenant to ensure that it could only be used for charitable purposes.

**Designated Fund**

The designated fund represents monies set aside to meet major maintenance costs which may arise in respect of the charity's properties.

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Tangible Fixed Assets</b>	<b>Net Current Assets</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Property Endowment Funds	280,000	-	280,000
Restricted Funds	-	15,428	15,428
Unrestricted Funds	325,264	671,963	997,227
	-----	-----	-----
	605,264	687,391	1,292,655
	-----	-----	-----

**17. TAXATION**

The company is a registered charity and is therefore exempt from taxation under Chapter 3 of Part 11 of the Corporation Taxes Act 2011.

**18. CONTROLLING PARTY**

The charity is a company limited by guarantee which means that it does not have an issued share capital and is therefore not controlled by any one person or entity.

**INCOME AND EXPENDITURE ACCOUNT**  
**For the year ended 31 MARCH 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>INCOMING RESOURCES</b>		
Rent	189,273	172,346
Support Services	1,080,395	1,101,894
Donations	60,890	67,290
Bank Interest	6	4
Other income	10,655	7,433
Office Rental Income	2,018	4,182
COVID 19 Related Grants Received	151,225	-
	-----	-----
	1,494,462	1,353,149
	-----	-----
<b>EXPENDITURE</b>		
Salaries/Administration	1,015,471	999,260
Fundraising Costs	7,270	9,944
Travelling	4,875	8,912
Staff Recruitment and Advertising	875	1,238
Staff Training	1,755	3,651
Office Rent and Rates	23,581	23,550
Materials and Direct Costs re Day Activities	669	890
Luncheon Club Direct Costs	-	4,224
Utilities	34,533	36,583
Telephone	15,293	14,238
Insurance	9,680	10,488
Stationery, Computer and Office Expenses	28,652	14,958
Equipment Hire	7,374	1,570
Professional Charges	6,993	11,017
Repairs and Renewals	46,846	26,637
Miscellaneous Expenses	16,582	11,820
Bad Debts Recovered	(1,812)	(277)
Depreciation	34,242	35,076
Loss on Disposal of Fixed Assets	-	710
	-----	-----
<b>GENERAL OFFICE COSTS</b>	1,252,879	1,214,489
	-----	-----
Audit and Other Financial Information	10,680	9,960
Indemnity Insurance	1,325	1,286
CQC Registration	999	1,117
	-----	-----
	1,265,883	1,226,852
	-----	-----
<b>SURPLUS FOR THE YEAR</b>	£ 228,579	£ 126,297
	=====	=====