



Registered Number: 03249335
Charity number: 1059015

HERTS ABILITY
(A Company limited by guarantee)

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

HERTS ABILITY

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HERTS ABILITY

LEGAL AND ADMINISTRATIVE INFORMATION

Herts Ability is registered as a charity and is a company limited by guarantee governed by its Articles of Association.

Company No. 03249335
Charity No. 1059015

Directors/Trustees

The directors of the Charitable company (the Charity) are its trustees for the purposes of charitable law and, throughout this report, are collectively referred to as the trustees.

The trustees serving during the year and since the year end were as follows:

Trustees	Mr N Dotchin (Chair)
	Mrs P Read
	Mr D Cocks (Resigned 5 November 2020)
	Mr K Parker
	Mr D Kellett
	Mr A Picken
	Mrs B McNeil
	Mrs A Mehmet-Garrison

Registered and Principal Office	Unit 2 Weltech Business Centre
	Ridgeway
	Welwyn Garden City
	England
	AL7 2AA

HERTS ABILITY
LEGAL AND ADMINISTRATIVE INFORMATION (CONT'D)

Independent examiners

Moore Kingston Smith LLP
4 Victoria Square
Victoria Street
St Albans
Hertfordshire
AL1 3TF

Bankers

The Co-Operative Bank plc
1 Balloon Street
Manchester
M60 4EP

Fund managers

CCLA Fund Managers Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Solicitors

Ewart Price
16-18 Church Road
Welwyn Garden City
Herts
AL8 6PS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021**Our services during the year**

The Covid-19 pandemic had a huge impact on the business of Herts Ability in 2020/21; a great deal of uncertainty resulted from the three periods of lockdown during which we had to stop offering driving assessments and other services. But we can report that Herts Ability has come through all this a changed but stronger organisation.

Our overall strategy for 2020/21, in the face of a very difficult trading environment, was to minimise the financial effects of the pandemic. In particular, this included liaison with funding bodies. During the first lockdown, Driving Mobility provided all of the Driving Centres with PPE, to enable them to restart with maximum efficiency when allowed to do so in July 2020. Similarly, Driving Mobility provided lateral test kits for Centres during March 2021 to enable an efficient re-start on 12 April 2021. Herts Ability is very grateful to Driving Mobility for this initiative.

As well as having to deal with the pandemic during 2020/21, we also had to find new premises. We were therefore grateful for a grant from DfT which enabled us to move, in October 2020, from the Woodside Centre to the Weltech Business Centre in Welwyn Garden City, from where we have been able to meet our objectives (set out in the Annex to this report). By this time, following much debate by the Trustees, it was felt that the Equipment Centre at Woodside was no longer financially sustainable. To save further on costs, it was therefore decided to take the opportunity to close the Equipment Centre, to coincide with the move of the Driving Centre to the new premises. Unfortunately, it was necessary to make the equipment services staff redundant.

During the lockdown periods, most of the staff at the Herts Ability Driving Centre were part of the Government's furlough scheme. We were unable to reach our 2020/21 target for driving assessments because of the pandemic and subsequent lockdown restrictions. But the fact that we managed to conduct 344 out of 799 assessments is very much a reflection of the dedication and commitment of the staff.

From 12 April 2021, a full programme of driving assessments restarted, with the Driving Centre's funding from DfT for 2021/22 remaining the same as for 2020/21. We have also decided to re-instate the seating assessment service.

Plans for the future

We can now look forward to the year ahead and plan for future growth. But there remains the uncertainty surrounding the pandemic. Experience in 2020/21 taught us that things can change quickly and that we have to be flexible in dealing with the challenges we might face. With a pandemic exit plan in place, we have taken the opportunity to map out our future aspirations and plan to work towards these as much as we can during 2021/22.

The focus for growing the Driving Centre will be on undertaking assessments and expanding the services of the driving school. The East London Hub's opening is now expected to take place in mid/late 2021 - later than planned primarily because of the pandemic. Subject to acquiring additional funding, we are also looking to provide powered wheelchair and mobility scooter assessments, and developing a Transport Hub for Hertfordshire. We will also be looking at the provision of advice, which will help deliver improved mobility and independence for disabled and older people. This strategy (which is set out in more detail on our website) will provide opportunities to extend our reach within the community. But we recognise it can only succeed through a successful marketing and communications strategy.

Organisational structure and decision making

A list of the Trustees who served during the year is on page 1. All of the trustees are volunteers, and spent on average 2/3 days per month attending Board and other meetings, and assisting in various aspects of the Charity's operations, including fundraising and marketing. None of the Trustees were

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

paid any remuneration or received any other benefits. Some took the opportunity to participate in external (online) training on improving the performance of Boards and good governance, as recommended by the Charity Commission. The Board had the support of three 'Associate Board Members' during the year.

The Charity's financial position and funds raised continued to be monitored by the Board of Trustees against targets, as part of the budgeting and monitoring process. The position for 2020/21 is summarised below. In managing the activities of Herts Ability, the Trustees confirm that they have complied with their duty to have due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

Financial Review 2020/21

By March 2020, financial illustrations showed a high underlying deficit, even before the onset of the Covid-19 pandemic. To help us maintain the service during the outbreak, a business continuity plan was produced by the (then) COO and agreed by the Trustees,

The Equipment Centre business case scenarios were revisited in April 2020, and it was concluded that the Centre was not able to become self-sustainable. The uncertain economic climate therefore caused us to take the decision to close the Equipment Centre, and it was agreed that this should coincide with the move of the Driving Centre to new premises at the end of October, to save further on costs.

Covid-19 has meant a great deal of uncertainty for Herts Ability in 2020/21. However, with the financial help that has come through the Government's furloughing scheme and financial support for the move to the Weltech Centre, by the end of the 2020/21 financial year Herts Ability was in a far better financial position than it had been. The small trading surplus of £9k in 2019/20 had increased to £25.4k in 2020/21, so the charity was clearly moving in the right direction.

Other financial considerations**Reserves**

It is the policy of the charity to maintain sufficient free reserves to support any shortfall in funding, replacement of capital items, unforeseen expenditure and deficits. Historically, the charity has taken the view that this should ideally be around 6 months of expenditure but, in 2020/21, reserves were 4.7 months (compared with 3.8 months in 2019/20).

The reserves movement of £103.4k included a defined benefit pension gain of £78k, and £25.4k relating to charitable activities surplus and fixed assets disposal gains.

The Board firmly believes that, although the level of financial reserves and the investments are lower than it regards desirable, with the planning and budgeting that is now in place, the reserves will reach a manageable level in the very near future.

Investment policy

The assets of Herts Ability at 31 March 2021 included tangible fixed assets of £12.0k, current assets to the value of £435.8k and a fixed asset investment of £57.1k (compared with £47.3k in 2019/20), held in COIF Charities investment fund-income units. These investments are readily realisable in normal market conditions, and a buffer to cover any further deficits or outflows.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Investment policy, applied to the fixed asset investments, has historically been based on a policy of low risk with a reasonable capital growth in the medium to longer term and income. Consideration is also given to the ethical nature of the investment.

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Defined Benefit Pension Scheme Commitment

The Charity participates in the Local Government Pension Scheme, which is a multiple employer scheme, in relation to certain employees. The most recent FRS 102 valuation provided by Hymans Robertson LLP in April 2021 shows a pensions surplus of £623k compared with a surplus of £522k in 2019/20.

Following changes in government rules, we were advised that there would be nothing more to pay into the local government pension scheme for the next two years. However, the charity has had to pay a strain cost of £22.5k for a member who was made redundant during the financial year.

Donations and Fundraising

During 2020/21, the Equipment Centre and Driving Centre generated their own income, but the charity also continued to partly finance its activities by donations. These totalled £15.5k in 2020/21, of which £10k was a legacy payment.

As for our fundraising programme, this brought in an insignificant amount of money during the year because of the curtailment of events due to the Covid-19 pandemic. The Board and CEO undertook the development of a new fundraising strategy in 2020/21, in the context of the move to new premises and the Covid-19 pandemic. The focus will now be on corporate fundraising.

This report has been prepared in accordance with the special provisions of part 15 of The Companies Act 2016 relating to small companies.

The report was approved by the Trustees on 02/09/21, and signed on their behalf by:



Nigel Dotchin, Chair, Board of Trustees

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021**ANNEX****Constitution**

Herts Ability is registered as a company limited by guarantee and was set up, under the previous name of Hertfordshire Action on Disability, by a Memorandum of Association on 13 September 1996. The Memorandum and Articles were revised in September 2018.

Trustees' Responsibilities

The Trustees (who are also directors of Herts Ability for the purposes of company law) are responsible for preparing the Trustees' 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 its income and expenditure for that period. In preparing these statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities' Statement of Recommended Practice (SORP).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements.
- State whether a SORP applies and the methods and principles in the SORP have been observed, subject to any material departures which are 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 business.

The Trustees 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.

None of the Trustees had any beneficial interest in any contract to which the Organisation was party during the year.

Method of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected for a period of three years and co-opted under the terms of the Articles of Association. At the end of the three-year term, the retiring Trustees have the option to stand for re-election. Recruitment of new Trustees is based on an identified skills gap.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Board has adopted the Good Governance Code for Voluntary and Community Organisations, and new Trustees are duly inducted into the work of the organisation.

Remuneration Policy

The governing principles of Herts Ability's remuneration policy are as follows:

- to ensure delivery of the Charity's objectives;
- to attract and retain a motivated workforce with the skills and expertise necessary for organisational effectiveness;
- to ensure that remuneration is equitable and coherent across the organisation;
- to take account of the purposes, aims and values of the Charity;
- to ensure that pay levels and pay increases are appropriate in the context of the interests of our beneficiaries.

In deciding remuneration for Herts Ability's senior management team, the Charity considered the potential impact of remuneration levels and structures of senior executives on the wider Charity workforce, and took account of the following additional principles:

- to ensure that the Charity can access the types of skills, experiences and competencies needed in its senior staff, the specific scope of these roles in the Charity and the link to pay should be recognised.
- the wider employment offer made to senior employees should recognise that pay is one part of a package that includes personal development, personal fulfilment and association with the public benefit delivered. The Charity recognises that it is, on occasion, possible to attract senior executives at a discount to public sector or private sector market rates.

Staff remuneration for the year ended 31 March 2021 comprised salary and pension contributions. The total remuneration of the senior management team was £140,413

Aims and Objectives of Herts Ability

The principal aim of Herts Ability continues to be the provision of services to meet the needs of disabled people in the County of Hertfordshire and surrounding area that currently includes parts of Bedfordshire, Buckinghamshire, Cambridgeshire and North London.

The objectives of the Charity are concerned with "delivering innovative, affordable and practical services to disabled people". As the population as a whole ages, more and more people will need help to keep mobile and independent, and the charity has an important role to play here as well.

During 2017-18 it was agreed to update the charity's objectives, to bring greater clarity to the organisation's role. These were agreed with the Charity Commission, and duly agreed by the Board of Trustees in May 2018. It has been necessary to revise the objectives in light of the pandemic in 2020/21, and the financial circumstances of Herts Ability identified at the end of that last reporting year. These are:

- a) To relieve and assist people with physical and cognitive impairments, in particular those people with impaired mobility, as well as those that may be vulnerable to impaired mobility by reason of age or infirmity, and also anybody who has been referred to the service; this will include:

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

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- i. offering fitness to drive assessments for the purposes of maintaining mobility and independent living;
- ii. providing any other support that may now or hereafter be deemed by law to be charitable.
- b) To preserve and protect the health and wellbeing of drivers with physical and cognitive impairments by providing training to improve standards of driving, and to help and encourage them to achieve greater mobility.
- c) To provide advice and signposting to clients, which could provide a springboard to other activities, and to promote and organise co-operation with other authorities and voluntary organisations in the achievement of the above purposes.

In updating our objectives (which have yet to be confirmed with the Charity Commission), the Trustees have given due consideration to the Charity Commission's published guidance on the operation of the Public Benefit requirement.

Independent Examiner's Report to the Members of Herts Ability

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Respective Responsibilities of Trustees and Examiner

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's Statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2) the accounts do not accord with those records; or
- 3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- 4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Silvia Vitiello

For and on behalf of Moore Kingston Smith LLP
Chartered Accountants

4 Victoria Square
St. Albans
Hertfordshire
AL1 3TF

Date: 06/09/2021

HERTS ABILITY
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

		2021				2020			
		Unrestricted Funds		Restricted Funds	Total Funds	Unrestricted Funds		Restricted Funds	Total Funds
	Note	General	Designated			General	Designated		
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS:									
Donations & Legacies	2	21,391	-	156,476	177,867	61,846	-	-	61,846
Income from Charitable activities	4	121,448	-	231,293	352,741	343,910	-	302,283	646,193
Other trading activities		140	-	-	140	21,419	-	-	21,419
Income from investments	3	1,713	-	-	1,713	2,359	-	-	2,359
Total Income and Endowments		144,692	-	387,769	532,461	429,534	-	302,283	731,817
EXPENDITURE:									
Expenditure on raising funds		3,934	-	-	3,934	29,034	-	-	29,034
Expenditure on Charitable activities	5, 6	120,015	-	392,867	512,882	382,746	-	309,343	692,089
Total Expenditure		123,949	-	392,867	516,816	411,780	-	309,343	721,123
Income & Expenditure Sub-Total		20,743	-	(5,098)	15,645	17,754	-	(7,060)	10,694
Gain/(Loss) on revaluation of investment assets	9	9,789	-	-	9,789	(1,538)	-	-	(1,538)
Net (Expenditure)/Income before transfers		30,532	-	(5,098)	25,434	16,216	-	(7,060)	9,156
Transfers between funds		(23,000)	-	23,000	-	4,000	-	(4,000)	-
Net (Expenditure)/Income after transfer between funds		7,532	-	17,902	25,434	20,216	-	(11,060)	9,156
Other recognised gains/(losses)									
Gain on disposal of fixed assets		-	-	-	-	7,089	-	-	7,089
Actuarial gains/(losses) on Defined Pension Benefit Schemes	14	-	-	78,000	78,000	-	-	364,000	364,000
Net movement in funds		7,532	-	95,902	103,434	27,305	-	352,940	380,245
Reconciliation of funds									
Balance brought forward at 1st April 2019		190,885	-	529,097	719,982	163,580	-	176,157	339,737
Balance carried forward at 31st March 2020	12	198,417	-	624,999	823,416	190,885	-	529,097	719,982

The statement of financial activities includes all gains and losses recognised in the year and all income and expenditure derived from continuing activities.

HERTS ABILITY
BALANCE SHEET AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed Assets			
Tangible fixed assets	8	11,992	4,481
Investments	9	57,076	47,287
		<u>69,068</u>	<u>51,768</u>
Current Assets			
Stocks		365	38,897
Debtors	10	13,645	15,146
Cash at bank and in hand		421,827	174,121
		<u>435,837</u>	<u>228,164</u>
Creditors: Amounts falling due within one year	11	<u>(304,489)</u>	<u>(81,950)</u>
Net Current Assets		<u>131,348</u>	<u>146,214</u>
Total Assets less Current Liabilities		200,416	197,982
Defined Benefits Pension Scheme Surplus	14	623,000	522,000
Net Assets		<u><u>823,416</u></u>	<u><u>719,982</u></u>
Funds			
Restricted funds	12	1,999	7,097
Unrestricted funds			
- General funds	12	198,417	190,885
Defined Benefits Pension Scheme	14	623,000	522,000
Total Funds		<u><u>823,416</u></u>	<u><u>719,982</u></u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

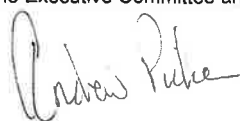
The financial statements on pages 10 to 20 were approved by the Executive Committee and signed on its behalf by:



N Dotchin
Chairman

Date: 02/09/2021

Company number - 03249335



A Picken
Trustee

Date: 02/09/2021

HERTS ABILITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net (Expenditure)/ income for the year	103,434	380,245
Adjustments for:		
Depreciation of tangible fixed assets	3,191	2,218
(Gains)/losses on investments	(9,789)	1,538
(Gains)/losses on fixed assets	-	(7,089)
Dividends, interest and rents from investments	(1,713)	(2,359)
Decrease/ (increase) in stocks	38,532	3,640
Decrease/ (increase) in debtors	1,501	23,909
(Decrease)/ increase in creditors	222,539	10,361
Defined Benefits Pension Scheme movement	(101,000)	(360,000)
Net cash (used in) / generated by operating activities	<u>256,695</u>	<u>52,463</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	1,713	2,359
Purchase of tangible fixed assets	(10,702)	-
Proceeds from the sale of fixed assets	-	14,389
Net cash from investing activities	<u>(8,989)</u>	<u>16,748</u>
Change in cash and cash equivalents in the year	247,706	69,211
Cash and cash equivalents at beginning of year	<u>174,121</u>	<u>104,910</u>
Cash and cash equivalents at end of year	<u><u>421,827</u></u>	<u><u>174,121</u></u>

Analysis of changes in net debt

	At start of year	Cash flows	Fair value movements	At end of year
Cash	174,121	247,706	-	421,827
Cash equivalents	47,287	-	9,789	57,076
Total	<u>221,408</u>	<u>247,706</u>	<u>9,789</u>	<u>478,903</u>

HERTS ABILITY
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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company is a public benefit entity for the purposes of FRS102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the Charities SORP FRS 102 (second edition - October 2019) - 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 and the Companies Act 2006 and Charities Act 2011.

1.2. Going Concern

The trustees have assessed whether the use of going concern is appropriate and have considered financial information for the current year to date, projections and possible events, including the impact of Covid-19, or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern and concluded that going concern is an appropriate basis on which to draw up the accounts.

1.3. Incoming resources

All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably. Donations and grants, including grants in respect of major items of refurbishment, improvements or the purchase of fixed assets are recognised in the Statement of Financial Activities when receivable. Where income is received in advance of meeting any performance-related conditions, there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met.

1.4. Resources expended

Expenditure is included in the Statement of Financial Activities on accruals basis. Expenditure is recognised once there is a legal or constructive obligation which can be measured reliably.

1.5. Fund Accounting

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

Designated funds are also unrestricted funds, but have been designated by the trustees for a particular purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The surplus of the defined benefit pension scheme is only available to the charity to offset against the schemes' future obligations and recognised as restricted funds.

1.6. Tangible fixed assets and depreciation

Depreciation of tangible fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful life.

Leasehold Improvements	-	10%	straight line
Motor Vehicles	-	25%	straight line
Fixtures & Fittings	-	20%	straight line
Computer Equipment	-	33.3%	straight line

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

HERTS ABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

1.7. Fixed Assets Investments

Investments are initially measured at their cost and subsequently measured at their fair value at each reporting date. Fair value is based on their quoted price (inclusive of accrued income) at the balance sheet date without deduction of the estimated future selling costs.

Changes in fair value and gains and losses arising on the disposal of investments are credited or charged to the income or expenditure section of the Statement of Financial Activities as 'gains or losses on revaluation of investment assets' and are allocated to the appropriate fund holding or disposing of the relevant investment.

1.8. Stocks

Stocks of goods for resale are stated at the lower of cost and net realisable value.

1.9. Pension costs and other post-retirement benefits

The charity operates a defined benefit pension scheme and two defined contribution pension schemes. Contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

The reporting requirements of FRS102 have been applied.

1.10 Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. No items in these financial statements include significant judgements and estimates that management has made in the process of applying these accounting policies or that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year.

1.11 Financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised costs using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured as the present value of the future receipts discounted at a market rate of interest.

1.12 Financial Liabilities

Basic financial liabilities are initially measured at transaction price

HERTS ABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

2 DONATIONS AND LEGACIES

	£	£	£	£	2021 £ Total	2020 £ Total
	Equipment Services	Transport Services	Driving Centre	Other		
Other donations & gifts in kind	5,893	-	20	15,478	21,391	34,734
Legacies	-	-	-	-	-	27,112
Coronavirus Job Retention Scheme grant	-	-	-	156,476	156,476	0
Total	5,893	-	20	171,954	177,867	61,846

3 INCOME FROM INVESTMENTS

	2021 £	2020 £
Income from investments	1,671	1,637
Interest received	42	722
Total	1,713	2,359

4 INCOME FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
Equipment Services		
Woodside Equipment Centre shop sales	48,811	232,026
Woodside Equipment Centre grant income	-	2,000
Equipment Centre Online	-	366
Wheelchair Hire	999	6,781
High Back Chair Hire	25	832
Other equipment services	100	385
Equipment Services Total	49,935	242,390
Transport Services	-	12,992
Driving Centre	253,015	384,621
OT Services	15	1,125
Other	49,776	5,065
Total	352,741	646,193

The charity received government grants totalling £212k (2020: £288k) from the Department of Transport to fund the provision and development of its Driving Centre.

06/07/2021

HERTS ABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

	2021 £	2020 £
5 EXPENDITURE ON CHARITABLE ACTIVITIES		
Direct Service Costs	114,083	226,780
Direct Staff Costs	290,893	356,444
Support Costs (see below, including indirect staff costs)	107,906	108,865
Total	512,882	692,089

Support costs are those shared costs which relate to the operation of the organisation and include:

Management	52,684	-
Finance	16,556	37,627
Office Services (including Reception)	6,457	24,028
Human Resources	1,415	3,534
Health & Safety	2,450	2,516
IT	20,447	16,786
Strategic Planning	-	-
Research	-	-
Audit Fees	3,500	1,244
External Consulting	-	-
PR & Marketing	3,681	22,329
Other	716	801
Total	107,906	108,865

6 NET EXPENDITURE	2021	2020
Net (expenditure)/income is stated after charging:	£	£
Depreciation	3,191	2,218
Independent examiner's fees	3,500	1,244

7 STAFF COSTS AND NUMBERS	2021	2020
	£	£
Wages and salaries	318,132	382,426
Social security costs	24,205	30,360
Redundancy Cost	29,765	2,228
Pension costs - FRS102 charge	1,000	19,000
Pension costs - Defined contribution scheme	6,108	6,438
	379,210	440,452

The average monthly number of staff during the year was as follows:
Employees (full time equivalent)

no.	no.
16	23

No employees received employee benefits (excluding employer pension costs) of more than £60,000 in the current or preceding financial period.

Redundancy costs were paid out to personnel as part of a restructuring of the charity in the period.

There are no key personnel, non-executive trustees were used in conjunction with other senior personnel of the organisation

The total employee benefits of the Charity's key management personnel were £140,413 (2020: £145,880)

HERTS ABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

8 TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Motor Vehicles £	Furniture and Equipment £	Total £
Cost				
At 1 April 2020	110,797	6,001	92,282	209,080
Additions	-	-	10,702	10,702
Disposals	-	-	(9,853)	(9,853)
At 31 March 2021	110,797	6,001	93,131	209,929
Depreciation				
At 1 April 2020	110,797	2,500	91,302	204,599
Charge for year	-	1,500	1,691	3,191
Disposals	-	-	(9,853)	(9,853)
At 31 March 2021	110,797	4,000	83,140	197,937
Net book value				
At 31 March 2021	-	2,001	9,991	11,992
At 1 April 2020	-	3,501	980	4,481

9 FIXED ASSET INVESTMENTS

	Investments £
Cost	
At 1 April 2020	22,561
Disposals	-
At 31 March 2021	22,561
Revaluation	
At 1 April 2020	24,726
Revaluation for the year	9,789
Disposals	-
At 31 March 2021	34,515
Net book value	
At 31 March 2021	57,076
At 1 April 2020	47,287

All of the Fixed Asset Investments are held in the UK. The investments are held in the COIF Charities Investment Fund, managed by CCLA Fund Managers Limited.

HERTS ABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

10 DEBTORS	2021 £	2020 £
Due within one year		
Trade Debtors	420	5,032
Prepayments and accrued income	11,558	9,447
Other debtors	1,667	667
	13,645	15,146

11 CREDITORS	2021 £	2020 £
Amounts falling due within one year		
Bank loans	50,000	-
Trade creditors	23,206	32,660
Accruals and deferred income	225,846	33,149
Social security and other taxes	3,985	9,540
Other creditors	1,452	6,601
	304,489	81,950

Bank loan relates to Government Bounce Back loan, which is interest free for the period of 12 months.

Deferred income brought forward	-	10,080
Deferred income released	-	(10,080)
Deferred income charged	222,346	-
Deferred income carried forward	222,346	-

Deferred income relates to grants received in advance and includes £85,000 relating to a grant received from Department For Transport. It is unlikely that the charity will be able to fulfil the grant criteria and it has been estimated that £85,000 will be fulfilled at the later date.

12 STATEMENT OF FUNDS

	Brought Forward	Incoming Resources	(Resources Expended)	Gains/ (Losses)	Reallocation of movement in pension fund	Transfers	Carried Forward 2020
	£	£	£	£	£	£	£
UNRESTRICTED FUNDS							
General funds	190,885	144,692	(123,949)	9,789	(23,000)	-	198,417
Unrestricted funds total	190,885	144,692	(123,949)	9,789	(23,000)	-	198,417
RESTRICTED FUNDS							
Relocation	-	18,903	(18,903)	-	-	-	-
Transport and Driving Centre	7,097	368,866	(373,964)	-	-	-	1,999
Restricted funds total	7,097	387,769	(392,867)	-	-	-	1,999
Total of Funds before DBPS	197,982	532,461	(516,816)	9,789	(23,000)	-	200,416
Defined Benefits Pension Scheme surplus	522,000	-	-	78,000	23,000	-	623,000
Total of Funds	719,982	532,461	(516,816)	87,789	-	-	823,416

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2020 £	Designated Funds 2020 £	Restricted Funds 2020 £	Total Funds 2021 £	Total 2020 £
Tangible fixed assets	11,992	-	-	11,992	4,481
Fixed asset investments	57,076	-	-	57,076	47,287
Current assets	433,838	-	1,999	435,837	228,164
Creditors due within one year	(304,489)	-	-	(304,489)	(81,950)
Sub total	198,417	-	1,999	200,416	197,982
Defined Benefits Pension Scheme surplus - see note 14	-	-	623,000	623,000	522,000
Total	198,417	-	624,999	823,416	719,982

HERTS ABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

14 PENSION COMMITMENTS

The Charity is party to a defined benefit scheme in relation to some employees, operates a Stakeholder Pension Scheme for certain employees and participates in the people's pension for relevant employees. From 1 April 2003 the Charity closed the Defined Benefit Scheme to new entrants. The Charity's contribution to the Stakeholder Pension Scheme is 4% of the employee pensionable salary on a matching basis.

Regarding the defined benefit scheme, the Charity participates in a Local Government Pension Scheme, which is a multiple employer scheme, in relation to certain employees. The most recent FRS 102 valuation provided by Hymans Robertson LLP in April 2021 shows a pensions surplus of £623k compared with a surplus of £522k in 2019/20. The Charity continues to fund the pension commitment by payment of contributions as determined by the actuaries, with the contribution rate during the year at 30.4% of relevant pay.

	2021 £	2020 £
Amounts recognised in the balance sheet		
Fair value of plan assets	1,722,000	1,435,000
Present value of funded liabilities	(1,099,000)	(913,000)
	623,000	522,000
Amounts recognised in the SOFA		
Net Service cost	11,000	(23,000)
Net Interest	12,000	4,000
Employer contributions paid	22,000	15,000
Actuarial gain/(loss) of Defined Benefit Schemes	78,000	364,000
Fair Value of Plan Assets		
Opening Fair value of Plan Assets	1,435,000	1,475,000
Contributions paid	24,000	18,000
Benefits paid	(33,000)	(34,000)
Return on assets	33,000	35,000
Actuarial gains/(losses)	263,000	(59,000)
Closing Fair value of Plan Assets	1,722,000	1,435,000
Defined Benefit Obligation		
Opening defined benefit obligation	913,000	1,313,000
Service cost	11,000	23,000
Interest	21,000	31,000
Contributions	2,000	3,000
Actuarial losses/(gains)	185,000	(423,000)
Benefits paid	(33,000)	(34,000)
Closing defined benefit obligation	1,099,000	913,000

Pension costs are allocated based on the staff costs of the employees engaged in the relevant activities.

15 RELATED PARTIES

During the year £nil (2020: £172.60) travel expenses were reimbursed to trustees. There are otherwise no related party transactions that require disclosure.

16 SHARE CAPITAL

The Charity is a company limited by guarantee.

HERTS ABILITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

17 OPERATING LEASES

The total future minimum payments under non cancellable operating leases for the following periods are:

	2021	2020
Not later than one year	-	1,010
Later than one year but not later than five years	-	-
	-	1,010