

Company number 3341420
Charity number 1064848



OPTIONS FOR LIFE
(A Company limited by Guarantee)

Financial Statements

Year ended 31 March 2022

OPTIONS FOR LIFE

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CHARITY INFORMATION

Directors

Alan Daffern
Harriet Moat
Deborah White
Alma Aganovic
Rosina Singleton

Charity Number

1064848

Company Number

3341420

Charity correspondence address

Oak Green Lodge
Oak Green Way
Oldbury
West Midlands
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Auditors

Mazars LLP
First Floor
Two Chamberlain Square
Birmingham
B3 3AX

Bankers

Lloyds TSB Bank plc
125 High Street
Harborne
Birmingham
B17 9NP

Chief Executive Officer

Nicola Thomson

OPTIONS FOR LIFE

DIRECTORS' AND TRUSTEES' REPORT

The Directors present their report and financial statements for the year ended 31 March 2022.

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 27 March 1997 and registered as a charity on 13 October 1997. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up the members are required to contribute an amount not exceeding £1.

Directors and Trustees

The Board of Trustees is the governing body of the charity. The Board of Directors is the governing body of the company. Selection of Trustees is by application to the Board of Trustees and is managed by the Chair and brought to Board of Trustees Meetings for approval. Selection of Directors is by a vote of the Trustees. The policy is to recruit people to be Trustees with knowledge, skills and experience relevant to the aims and objectives of the charity. Documents detailing the legal structure, organisation, finances and management of the company, which are regularly reviewed, are provided to all Board of Trustee members to facilitate effective governance of the charity. In addition, they are provided with training support and practical experience of the day to day running of the charity.

The Board of Trustees meets on a regular basis to manage the affairs of the charity and formulate policy. The Chief Executive manages the day to day running of the charity assisted by full time and part time employees.

No Trustee receives any payment for carrying out their duties and none of the trustees has any beneficial interest in the company.

Risk Management

A Finance, Audit and Risk Committee, which includes representation from the Board of Trustees, meets regularly to assess financial planning matters and review measures to control risk. A comprehensive risk register is completed annually and reviewed at least quarterly during the year.

External risks, which primarily concern funding, are continually addressed by closely managing the quality and cost effectiveness of all our contracts, identifying areas for new grant applications and ensuring adequate cash reserves are constantly maintained.

An on-going review of key operational and financial processes and procedures combine to mitigate against any potential internal control weaknesses.

Mission and Vision Statement

Our Mission is to provide high quality and coordinated services to all participants which is responsive, flexible and sensitive to their changing needs, enabling them to play an active part in their local community.

Our Vision is to give people with Learning Disabilities and/or Autism choice and control over their lives.

Objectives of the Charity

The charity's objectives are to enable people with learning disabilities to advance their personal development and lead a full life within the community.

The aims and policies adopted in furtherance of these objectives are: -

- Develop a range of services to meet the needs of our participants
- Give control and choice back to our participants
- Enable participants to become integrated into their own communities
- Ensure our services are culturally appropriate to meet the needs of diverse groups
- Provide a variety of meaningful voluntary and work place opportunities
- Promote learning disabilities and/or autism employment benefits to local businesses and organisations

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DIRECTORS' AND TRUSTEES' REPORT

- Evidence the impact on individuals and communities
- Develop and build productive relationships to enhance the delivery of services
- Work alongside commissioners, other agencies and stakeholders to develop future delivery models
- Raise the profile of Options for Life amongst all stakeholders
- Build upon the parent/carer forum
- Develop the organisation's outcome focused approach
- Invest in research projects for growth and development to "Build Back Better"
- Increase the organisation's financial wellbeing
- Grow and diversify funding opportunities
- Celebrate ALL successes
- Value all staff and volunteers and prioritise their growth and wellbeing
- Ensure all staff and volunteers have the right training, values and support

Review of Activities and the Impact of the Coronavirus

The charity operates from a number of locations across Sandwell, providing support and opportunities for people with learning disabilities and/or autism. On Monday 23rd March 2020 Sandwell Council announced that all day centres were to close and subsequently all support activities had to be revised. This had a huge detrimental impact not only for Options for Life but also to our participants.

Outreach began on the 2nd July 2020 and numbers have grown significantly. However, buildings remained closed for participants until 21 June 2021. We subsequently brought back participants where outreach was not suitable. This included participants at Acorn Lodge. With the increase in hours of support, it was crucial to employ additional support workers, where this has been challenging not only recruitment for the organisation but across the sector. This proved successful, however with the additions of local/national lockdowns and ongoing covid restrictions, we have not been in the position to bring all existing participants back as quickly as we would have liked. This impacted on the hours of support which have fluctuated especially with the Omicron variant surfacing late in 2021. This also had a huge impact on staffing for the first quarter of 2022. However it has steadily grown, hours have increased for building based support from 301 hours in June 2021 rising to 1636 hours by March 2022. Outreach has grown from 1555 hours per month in April 2021 – to 2670 in March 2022.

We have placed 5 new participants and will start the new financial year with 16 live referrals in the pipeline/waiting list.

Achievements made in the year included:

- Sign off of the New Strategic Plan
- Sign off of the new 16 month Business Development Plan
- CQC registration for domiciliary support successfully gained.
- Successful 3rd year accreditation with Investors in People.
- Building re-opened on 21st June 2021 for building based participants
- Internal governance review by NCVO - National Council for Voluntary Organisations
- Successful grant funded activities
- Started 2 Kickstart apprentices.
- Introduction of Plan Day which supports staff rotas and scheduling for all staff
- Increased number of participants returning

Public Benefit

In planning our activities, the Trustees and management team keep in mind the Charity Commission's guidance on public benefit. We welcome all participants regardless of personal background, circumstances, faith, gender or economic status and we believe this attitude of openness to all, enriches everyone through the sharing of skills, abilities and life experiences. Our objectives and funding limit the services we provide to adults with learning disabilities and/or autism. We are aware that adults with learning disabilities and/or autism have huge health inequalities in relation to the general public as a whole and even more so following the impact of Covid-19. We

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have a strong focus on breaking down the barriers to access these in order to improve both the quality of life and life expectancy of our participants. The ages of the adults with learning disabilities and/or autism that we support has gradually increased as life expectancy has increased over the last ten years. This has presented new challenges as they have had to cope with an increase in age related health conditions. The impact of the work that Options for Life does, goes far beyond the individual participants that we support as their families are able to cope for far longer than they would otherwise be able on their own.

Review of financial position

The income of the charity for 2021/22 was £1,381,376 (2020/21: £1,653,167) and expenditure was £1,558,537 (2020/21: £1,359,885). This resulted in a net income deficit of £177,161 increasing to £181,073 if the restricted funds surplus of £3,912 is excluded (2020/21 net surplus £293,282). The charity's balance sheet reflects a decrease in funds due to the 2021/22 deficit.

The main commissioner of services to Options For Life is Sandwell Council (SMBC). For the first four months of 2021/22 SMBC continued a financial support package to Options For Life based on a level of service provision prior to the Covid 19 outbreak and resultant temporary centre closures. Since August 2021, SMBC stopped this arrangement and are now paying monthly support based on actual services provided. This has meant a fall in income and the start of an operational deficit position as our participant support adjusted to a new outreach service and also reduced number capacities at our buildings from what it had been prior to the pandemic.

The level of monthly income was beginning to recover and increase during the year but was then affected by the Omicron variant of the virus in winter 2021. This caused both staff and participant absences and reduced levels of service and income. Towards the end of 2021/22 the position began to improve again as staff recruitment rose and the number of sessions and participant support increased.

An issue arose after the end of 2021/22 relating to our pension scheme and staff Xmas savings account and payment of staff on national minimum wage rates. This resulted in a late provision of £58,078 in our accounts for this cost up to 31/3/22. There is additional information to this in note 6 of the financial statements.

Reserves policy

It is the policy of the charity to establish designated reserve funds to manage any potential financial risks to the viability of the organization. The level of reserves links to our financial assessment of risks that the organization faces over the medium term 2-3 year period. In the light of the Covid-19 virus outbreak the charity faced unprecedented financial uncertainty and the level of designated reserve for 2020/21 reflected this and increased to £712,000. The charity considered both potential contract re-evaluations, reduced short-term numbers from non-returning participants and alternative service provisions as well as rising costs particularly from estimated increases to the National Living Wage over coming years.

The basis of the reserves has been reviewed for this statement. The biggest financial threat to the organization is rising staff and operational costs whilst income charges are unlikely to rise at a similar level. The service is adjusting to a new service delivery model with movement from traditional building based services to community outreach provision for many of our participants. The financial position is expected to remain difficult for at least the next two financial years and the reserve will include an estimated sum to cover operational deficits. There are also sums set aside for potential future virus outbreaks, National Living Wage future increases and potential creation of a new domiciliary service for the charity. As a result of these risks it is now considered prudent to set aside £773,000 within our designated reserves for the period from 22/23 onwards.

The Senior Leadership Team and our trustees will continue to monitor closely our risks and financial performance during 2022/23.

Future Developments

With the introduction of the Strategic Plan and Business Development plan following the review on all services offered post covid, the focus will be:

Build Independence & Social Inclusion - we want our participants to experience a strong boost of self-esteem, positivity and independence through life skills and social inclusion. To achieve this we are going to focus on developing a range of services to meet the needs of our participants by giving control and choice back. Enabling our participants to become integrated into their own communities and ensure our services are culturally appropriate to meet the needs of diverse groups.

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DIRECTORS' AND TRUSTEES' REPORT

Skills for Life Pathways - we want to inspire and encourage our participants to achieve their goals by providing skills and opportunities to maximise their potential. We will tackle the impact of social isolation and loneliness for people with learning disabilities, by enabling independence through work experience, paid employment and volunteering. We recognise the impact that self-directed support can offer people with learning disabilities and/or autism to have greater choice and control in their lives. We want to support our participants to develop new skills and hold on to existing skills, whether this is supporting them in their own home or accessing community sessions.

Strengthen Partnerships - we will build strong relationships based on trust, common values and mutual respect. We will achieve this by continuing to develop and build productive relationships to enhance the delivery of services and work alongside commissioners, other agencies and stakeholders to develop future delivery models. Through marketing we will raise the profile of Options for Life amongst all stakeholders and build upon the parent/carer forum.

Be Fit for Future - we will continuously improve and expand our services to benefit our participants and ensure a sustainable future for the organisation. Moving towards becoming outcome focused. Investing in research projects for growth and development to "Build back Better" which will increase the organisation's financial wellbeing by growing and diversify funding opportunities.

Employees and Remuneration

The charity operates policies based on a range of issues including those to ensure that no discrimination is made against any employee or participant based on their disabilities, age, gender or ethnicity.

There was no general pay award for staff in 2021/22 but the majority of staff received a pay rise from their salary grade being linked to the National Living Wage which rose by 2.2%.

Withdrawal of the United Kingdom from the European Union

The Trustees have considered the effect of the withdrawal of the United Kingdom from the European Union and to date it has not had any material impact on the business of the charity.

Directors / Trustees

The Directors, who served during the period, are shown below and all are trustees.

Alan Daffern
Deborah White
Nick Kirby (resigned 6 December 2021)
Harriet Moat
Alma Aganovic
Rebekah Roebuck (resigned 18 October 2021)
Rosina Singleton (appointed 18 October 2021)

Indemnity provision for Directors

Indemnity insurance has been taken out for all Directors and Trustees for any potential claim risk to value of £2 Million (2021 £2,000,000).

Responsibilities of Directors / Trustees

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

UK company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed; and

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- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for the system of internal control, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the financial statements and comply with the charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice (FRS102), "Accounting and Reporting by Charities" (effective October 2019).

In accordance with company law, as the company directors, we certify that:

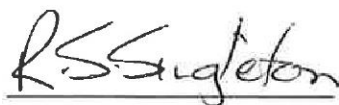
- so far as we are aware, there is no relevant audit information of which the company's auditor is unaware: and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

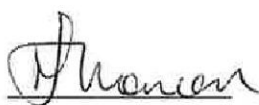
Mazars LLP acted as auditor of the company throughout the year and will continue in office in accordance with the Companies Act 2006 section 487(2).

In preparing this report, the Directors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

Approved by the Finance, Audit & Risk Committee on 20 March 2023 and signed on the Board's behalf by



Rosina Singleton
Treasurer of the Board of Trustees



Nicola Thomson
Chief Executive Officer

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OPTIONS FOR LIFE

We have audited the financial statements of Options for Life (the 'charity') for the year ended 31 March 2022 which comprise Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Directors and 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 Directors' and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' and Trustees' Report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OPTIONS FOR LIFE

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' and Trustee's 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 and proper 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 trustees' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Directors' were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' and Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Group and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the anti-bribery, corruption and fraud, money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act 2011.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to fund accounting, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OPTIONS FOR LIFE

- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and regulations made or having effect thereunder. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.



David Hoose (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
First Floor
Two Chamberlain Square
Birmingham
B3 3AX

23 March 2023

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STATEMENT OF FINANCIAL ACTIVITIES (incorporating Income and Expenditure Account) For the year ended 31 March 2022

	Notes	Restricted funds £	Designated funds £	Unrestricted funds £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations & legacies		-	-	843	843	5,189
Charitable activities	2	43,263	-	1,328,772	1,372,035	1,633,055
Other trading activities	2	-	-	5,426	5,426	10,500
Investments		-	-	3,072	3,072	4,423
		<u>43,263</u>	<u>0</u>	<u>1,338,113</u>	<u>1,381,376</u>	<u>1,653,167</u>
Expenditure on:						
Charitable activities	3	39,351	-	1,519,186	1,558,537	1,359,885
		<u>39,351</u>	<u>0</u>	<u>1,519,186</u>	<u>1,558,537</u>	<u>1,359,885</u>
Net income / (expenditure)		<u>3,912</u>	<u>0</u>	<u>(181,073)</u>	<u>(177,161)</u>	<u>293,282</u>
Transfer between funds	12	-	61,000	(61,000)	-	-
Net movement in funds		3,912	61,000	(242,073)	(177,161)	293,282
Reconciliation of funds:						
Total funds brought forward		<u>31,476</u>	<u>712,000</u>	<u>1,719,260</u>	<u>2,462,736</u>	<u>2,169,454</u>
Total funds carried forward		<u>35,388</u>	<u>773,000</u>	<u>1,477,187</u>	<u>2,285,575</u>	<u>2,462,736</u>

The notes on pages 12 to 23 form part of these financial statements.

There were no recognised gains or losses other than those in the Statement of Financial Activities.

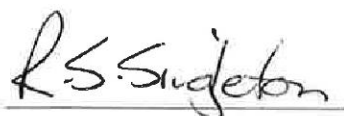
All surpluses are a result of continuing activities as one-off activities are structured so as to produce no surplus or deficit.

OPTIONS FOR LIFE**BALANCE SHEET
As at 31 March 2022****Company No. 3341420**

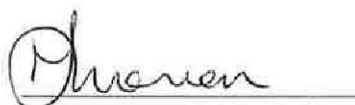
	Notes	2022 £	2021 (Restated) £
Fixed assets			
Tangible assets	7	1,229,544	1,265,441
Current assets			
Debtors	8	145,777	32,687
Investments	9	135,002	160,000
Cash at bank and in hand	10	882,051	1,054,446
		<u>1,162,830</u>	<u>1,247,133</u>
Liabilities			
Creditors: Amounts falling due in less than one year	11	(106,799)	(49,838)
Net current assets		<u>1,056,031</u>	<u>1,197,295</u>
Total assets		<u><u>2,285,575</u></u>	<u><u>2,462,736</u></u>
The Funds of the charity			
Restricted funds	12	35,388	31,476
Unrestricted funds			
Designated funds	12	773,000	712,000
Unrestricted funds	12	1,477,187	1,719,260
		<u><u>2,285,575</u></u>	<u><u>2,462,736</u></u>

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

**Approved and authorised for issue by the Board on 20 March 2023
and signed on their behalf by:**



Rosina Singleton
Treasurer of the Board of Trustees.



Nicola Thomson
Chief Executive Officer.

The notes on pages 12 to 23 form part of these financial statements.

OPTIONS FOR LIFE**CASH FLOW STATEMENT
As at 31 March 2022****Company No. 3341420**

	2022	2021 (restated)
	£	£
Cash flows from operating activities:		
Net cash used in operating activities	(185,785)	449,203
Cash flows from investing activities:		
Dividends, interest and rent from investments	3,072	4,424
Proceeds from the sale of investments	160,000	427,627
Purchase of investments	(135,002)	(160,000)
Purchase of property, plant and equipment	(14,680)	(28,024)
Net cash provided by investing activities	13,390	244,027
Reconciliation of net cash flow to movement in funds		
Change in cash and cash equivalents in the year	(172,395)	693,230
Cash and cash equivalents at 1 April	1,054,446	361,216
Cash and cash equivalents at 31 March	882,051	1,054,446
Reconciliation of next movement in funds to net cash outflow from operating activities		
Net movement in funds for the year ended 31 March 2022	(177,161)	293,282
Adjustments for:		
Depreciation	50,577	47,077
Dividends, interest and rent from investments	(3,072)	(4,424)
Decrease/(Increase) in debtors	(113,090)	142,881
Increase in other creditors	56,961	(29,613)
Net cash used in operating activities	(185,785)	449,203
Analysis of cash and cash equivalents		
Notice deposits (up to 3 months)	425,505	382,621
Cash in hand	456,546	671,825
Cash and cash equivalents	882,051	1,054,446

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

1 Accounting policies

Options for Life is incorporated as a company limited by guarantee, registered in England and Wales (No. 3341420)

Basis of Accounting

The financial statements are prepared under the historical cost convention, in accordance with Accounting and Reporting by Charities; the Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2019) – (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Income

Income is predominantly grants, charitable service contracts and income from social business activities and is recognised in the Statement of Financial Activities when received or on completion of the delivery of the specified terms of the Service Level Agreement.

Expenditure

All expenditure is accounted for on an accruals basis and is recognised where there is a legal or constructive obligation to pay. Expenditure has been classified under headings that aggregate all costs related to that category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and includes both the direct and support costs relating to these activities.

Support costs consist of central administration and property costs. They would normally be allocated equitably between activities but due to covid 19 closures these costs are simply disclosed in Note 4.

Governance

Governance costs of the charity include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charitable company. Details on governance costs are shown in Note 4.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of the objectives of the Charity unless the funds have been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes or to meet potential financial risks or pressures that the charity may face.

Restricted funds are subject to specific terms and conditions by donors as to how they may be used.

Grants and donations

Grants and donations are only included in the Statement of Financial Activities when the charity has unconditional entitlement to the resources.

Donated services and facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Judgments in applying accounting policies and key sources of estimation uncertainty

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The trustees confirm there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

1. Accounting policies (continued)

Value Added Tax

VAT has been treated as irrecoverable by the Charity, due to the scale and type of activities being regarded as exempt. To ensure the charity complies with HMRC's regulatory requirements both the sources of income and the aggregate amounts that could constitute taxable supplies, are frequently reviewed.

Tangible fixed assets and depreciation

Tangible fixed assets for use by the charity are stated at cost less depreciation. Since April 2019 individual items costing less than £5,000 are written off in the Statement of the Financial Activities.

Depreciation is provided at rates calculated to write off the cost less estimated residual value, over their expected useful lives.

Office equipment - 25% on a straight line basis

Motor vehicles - 25% on a straight line basis

Building – Leasehold - 10% on a straight line basis

Building – Freehold - 2% on a straight line basis

Freehold land is not depreciated

Pension costs

The charity fulfilled its legal obligation in adopting the Government's Workplace Pension Scheme Auto-Enrolment in October 2014 integrating this with the defined contributions pension scheme that was already part of the remuneration policy. Those employees who have opted for the minimum contribution of 5% of pensionable salary under auto-enrolment rules enjoy an employer's contribution of 4%, this increases to 5% after 10 years service.

Employee Benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity has committed to terminate the employment of an employee or to provide termination benefits.

Going concern

At the time of preparing the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue its operational existence for the foreseeable future. There are no other material uncertainties that may cast a significant doubt about the Charity's ability to continue as a going concern. Therefore, the accounts have continued to be prepared on the going concern basis of accounting.

There will be significant future challenges to be faced by the Charity. It is clear that the Charity won't go back to operating its services as they did before the outbreak but there is now in place a revised staff and business model looking to deliver new and flexible ways of service delivery.

Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Operating leases

Rental costs under operating leases are charged to the income and expenditure account in equal annual amounts over the period of the lease.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

2 Income

	2022	2021
	£	£
Restricted income		
Charitable activities		
Mencap	13,426	-
Kickstart	14,649	-
Screwfix Foundation	4,680	-
The Roger & Douglas Charitable Trust	3,000	-
Sandwell MBC – Community Infrastructure Levy	508	-
Will Charitable Trust	7,000	-
Baily Thomas Charitable Fund	-	10,000
Skipton Building Society Charitable Foundation	-	1,983
Sandwell MBC re notional ground rent	-	4,200
Total restricted income from charitable activities	<u>43,263</u>	<u>16,183</u>
Unrestricted income		
Charitable activities		
Adult social care – Sandwell MBC	960,716	1,104,944
Coronavirus Job Retention Scheme grant - HMRC	-	336,054
Additional Restrictions Support Grant - SMBC	-	98,500
Direct payments	219,147	68,138
NHS Sandwell & West Birmingham CCG	109,639	-
One to One Support – Sandwell MBC	8,990	8,356
Government Grant - reclaimed Statutory Sick Pay	2,113	-
SMBC - Infection Control Grant	14,833	-
SMBC - Omicron Hospitality Grant	13,334	-
Social business income	-	(20)
Neighbourly Community Fund	-	400
W.E.D Charitable Trust	-	500
Total unrestricted income from charitable activities	<u>1,328,772</u>	<u>1,616,872</u>
Total income from charitable activities	<u>1,372,035</u>	<u>1,633,055</u>
Other trading activities income		
Activities, fund raising and sales of work	4,619	-
Insurance settlement	-	9,800
Room hire charges	807	-
Surplus on disposal of assets	-	700
	<u>5,426</u>	<u>10,500</u>

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

3 Expenditure	2022	2021
	£	£
Charitable Service Operational Costs		
Direct staffing costs	880,827	837,002
Severance costs	19,044	26,690
Indirect staff related costs	31,536	19,868
Premises, repairs and running costs	38,636	35,588
Cleaning, personal protective equipment and waste disposal	10,357	14,651
Vehicle and transport costs	40,815	39,436
Activities and materials	38,859	4,607
IT and office costs	15,370	8,530
Depreciation costs	38,391	41,649
Total charitable operational costs	1,113,835	1,028,021
Management and Support Costs	377,600	312,806
Governance costs	27,751	19,058
Total charitable expenditure	1,519,186	1,359,885

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

4 Expenditure – Charitable activities

	2022	2021
	£	£
Management support costs		
Salaries	264,410	227,141
Staff recruitment, training, travel, other	7,430	8,010
Office costs	60,213	45,537
External professional support	16,259	9,452
Miscellaneous	0	2,375
Equipment depreciation	5,590	5,428
Vehicle costs	3,473	2,449
Premises related costs	20,225	12,414
	<u>377,600</u>	<u>312,806</u>

Governance costs

	2022	2021
	£	£
Audit	9,264	9,743
Other insurance costs	6,716	5,795
Bank charges	1,974	1,268
Professional & consultancy fees	9,450	2,160
Miscellaneous	347	92
	<u>27,751</u>	<u>19,058</u>

5 Net movement in funds for the year

	2022	2021
	£	£
The net movement in funds for the year is stated after charging:		
Depreciation of tangible assets	50,577	47,077
Operating lease expenditure	33,881	33,568
Audit	9,264	9,743

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

6 Staff costs

	2022	2021
	£	£
Wages & salaries	1,046,897	981,968
Social security costs	62,840	49,855
Pension costs	31,521	32,320
	<u>1,141,258</u>	<u>1,064,143</u>

	Number	Number
The average monthly number of staff employed by the charity during the year was as follows:		
Administrative	10	8
Project based	49	60
	<u>59</u>	<u>68</u>

Employer benefits to Senior Management Team Members

During the year to 31 March 2022 payments to key members of the management team in the form of salary and pensions amounted to £151,339. This compares with £127,296 for the prior year.

There was one employee whose annual emoluments were £60,000 or more.

Termination Payments

In 2021/2022 there were total termination payments of £19,044 relating to settlement and notice period payments for two former employees. In 2020/21 there were termination payments of £28,999.

Back-Payments to Staff relating to the National Minimum Wage

All staff had been entitled to join the salary sacrifice pension and the staff Xmas savings schemes. After the end of 2021/22 it was realised that for those staff paid at National Minimum Wage levels and contributing towards the above two schemes, then their gross pay would be seen by HMRC as below the minimum wage levels. The Charity will correct this situation and will repay back relevant sums to both current and former staff in 2022/23. The liability up to 31 March 2022 has been calculated at £58,078 including any employer national insurance and pension costs. It will be repaid back to both current and former staff affected.

Payments to Directors/Trustees

In 2021/22 no remuneration was paid to any trustees.

There were no expense reimbursements paid to trustees in performing their duties in 2021/22. There had been trustee expense reimbursements of £92 in 2020/21.

OPTIONS FOR LIFE**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 March 2022****7 Tangible fixed assets for use by the charity**

	Freehold properties	Leasehold Improvements	Office equipment / fixtures & fittings	Vehicles	Total
	£	£	£	£	£
Cost					
As at 1 April 2021	1,585,963	19,492	187,164	30,150	1,822,769
Additions	-	14,680	-	-	14,680
As at 31 March 2022	<u>1,585,963</u>	<u>34,172</u>	<u>187,164</u>	<u>30,150</u>	<u>1,837,449</u>
Depreciation					
As at 1 April 2021	386,216	6,034	134,928	30,150	557,328
Charge for the year	27,521	3,172	19,884	-	50,577
As at 31 March 2022	<u>413,737</u>	<u>9,206</u>	<u>154,812</u>	<u>30,150</u>	<u>607,905</u>
Net Book Value					
As at 31 March 2022	<u>1,172,226</u>	<u>24,966</u>	<u>32,352</u>	<u>-</u>	<u>1,229,544</u>
As at 31 March 2021	<u>1,199,747</u>	<u>13,458</u>	<u>52,236</u>	<u>-</u>	<u>1,265,441</u>

Land at cost carried forward £210,000 is not depreciated (2021 - £210,000)

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

8 Debtors

	2022	2021
	£	£
Trade debtors	55,153	11,273
Prepayments & sundry debtors	90,624	21,414
	<u>145,777</u>	<u>32,687</u>

9 Investments

	2022	2021 (restated)
	£	£
Market value brought forward	160,000	427,627
Additions to investments at cost	135,002	160,000
Disposals at carrying value	(160,000)	(427,627)
Market value as at 31 March	<u>135,002</u>	<u>160,000</u>
Comprised:		
Investments at fair value comprised		
Cash on deposit	<u>135,002</u>	<u>160,000</u>

Prior Year Adjustment

The comparative figures in the primary statement and notes have been restated to reflect the prior period error. The charity identified £160,000 of cash on deposit with a maturity over 3 months, resulting in its reclassification from cash at bank and in hand to investments. This adjustment has no impact on the reported result for either period or the charity's net asset position at either balance sheet date.

10 Bank and cash

	2022	2021 (restated)
	£	£
Bank accounts	877,145	1,051,884
Petty cash	4,906	2,562
	<u>882,051</u>	<u>1,054,446</u>

11 Creditors: Amounts falling due in less than one year

	2022	2021
	£	£
Trade creditors	6,508	6,474
Accrued expenses	72,210	23,677
Tax and social security	17,846	11,038
Pensions	6,890	5,364
Other creditors	3,345	3,285
	<u>106,799</u>	<u>49,838</u>

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

12 FUNDS

	1 April 2021	Income	Expenditure	31 March 2022
Restricted Funds	£	£	£	£
Mencap	-	13,426	(13,426)	-
Kickstart Grant	-	14,649	(14,649)	-
Screwfix Foundation	-	4,680	(4,680)	-
Roger & Douglas Turner Charitable Trust	-	3,000	-	3,000
Will Charitable Trust	-	7,000	-	7,000
Sandwell Council	-	508	-	508
Clothworkers Foundation	14,797	-	(5,062)	9,735
Richardson Brothers	3,000	-	-	3,000
Turner Trust	692	-	(346)	346
Edward Gostling Foundation	2,987	-	(355)	2,632
Baily Thomas Charitable Fund	10,000	-	(833)	9,167
Total restricted funds	31,476	43,263	(39,351)	35,388

Further information on all funds held during 2021/22:

Mencap	Funding towards Lets Go Digital and Lets Get Active projects. The purchase of computer tablets and other IT digital equipment as well as introduction of interactive fitness sessions.
Kickstart Grant	Grant towards the 6 month employment of two young people.
Screwfix Foundation	Grant towards the renovation of the kitchen at Oak Green Lodge.
The Roger and Douglas Turner Charitable Trust	To develop further the Lets Go Digital project.
Sandwell Council – Community Infrastructure Levy Fund	To assist in purchasing of computer tablets for participants.
Will Charitable Trust	To purchases additional musical equipment for sessions.
Clothworkers Foundation and Richardson Brothers	To purchase music and sensory equipment at Acorn Lodge.
Turner Trust	Used to purchase musical instruments.
Edward Gosling Foundation	Used for wet room improvements at the Ashes centre.
Baily Thomas Charitable Fund	Supported living flat renovation at Ashes centre.

12 Unrestricted funds

	2022	2021
	£	£
Unrestricted capital funds brought forward	1,719,260	1,461,224
Movement for the year	(181,073)	285,036
Transfer to/from Designated Funds	(61,000)	(27,000)
Unrestricted funds carried forward	<u>1,477,187</u>	<u>1,719,260</u>

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

12 Designated funds

	2022	2021
	£	£
Designated funds brought forward	712,000	685,000
Movement in the year	61,000	27,000
Total designated funds carried forward	773,000	712,000
Total unrestricted funds	2,250,187	2,431,260

13 Analysis of net assets between funds

	Tangible fixed assets	Other net assets/ liabilities	Total
	£	£	£
Restricted	-	35,388	35,388
Unrestricted funds			
Designated funds	-	773,000	773,000
Unrestricted funds	1,229,545	247,642	1,477,187
	<u>1,229,545</u>	<u>1,056,030</u>	<u>2,285,575</u>

14 Commitments under operating leases

At 31 March 2022 the Company had commitments under non-cancellable leases in respect of minibuses and photocopiers:

	2022	2021
	£	£
Within one year	32,178	31,678
Within two to five years	16,801	39,665
	<u>48,979</u>	<u>71,343</u>

15 Related party transactions

There were two transactions involving payments to a business whose director is a partner of a senior charity employee. These payments in total in 2021/22 were £1,369 paid to Bronze Bull Creative in connection to website re-design costs.

16 Post balance sheet events

There are no other events that occurred after 31 March 2022 that are likely to significantly change what is presented in the financial statements or have an impact upon the status of the organisation as a going concern.

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

17 Pension Commitments

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost represents contributions payable by the Charity to the fund and amounted to £31,521 (2021 £32,320). At 31 March 2022 contributions amounting to £6,890 (2021: £5,364) were payable to the fund and are included in creditors.

18 Statement of financial activities 2021

	Notes	Restricted funds £	Designated funds £	Unrestricted funds £	Total funds 2021 £
Income from:					
Donations & legacies		-	-	5,189	5,189
Charitable activities	2	16,183	-	1,616,872	1,633,055
Other trading activities	2	-	-	10,500	10,500
Investments		-	-	4,423	4,423
		<u>16,183</u>	<u>0</u>	<u>1,636,984</u>	<u>1,653,167</u>
Expenditure on:					
Charitable activities	3	<u>7,937</u>	<u>-</u>	<u>1,351,948</u>	<u>1,359,885</u>
Net (expenditure) / income		<u>8,246</u>	<u>-</u>	<u>285,036</u>	<u>293,282</u>
Transfer between funds	11	-	27,000	(27,000)	-
Net movement in funds		8,246	27,000	258,036	293,282
Reconciliation of funds:					
Total funds brought forward		<u>23,230</u>	<u>685,000</u>	<u>1,461,224</u>	<u>2,169,454</u>
Total funds carried forward		<u>31,476</u>	<u>712,000</u>	<u>1,719,260</u>	<u>2,462,736</u>