

REGISTERED COMPANY NUMBER: 03487635 (England and Wales)
REGISTERED CHARITY NUMBER: 1069993

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
SKILLS FOR PEOPLE**

Robson Laidler Accountants Limited
Statutory Auditor
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
NE2 1TJ

SKILLS FOR PEOPLE

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

	Page
Reference and Administrative Details	1
Trustees' Report	2 to 7
Report of the Independent Auditors	8 to 10
Statement of Financial Activities	11
Balance Sheet	12
Cash Flow Statement	13
Notes to the Cash Flow Statement	14
Notes to the Financial Statements	15 to 24
Detailed Statement of Financial Activities	25 to 26

SKILLS FOR PEOPLE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2021

Registered Company number
03487635 (England and Wales)

Registered Charity number
1069993

Principal office
4 Glendale Terrace
Newcastle-upon-Tyne
NE6 5NS

Trustees
G K Atwal-Churchley
D K J Barnes (retired 15/12/20)
A V Schofield
S A Woosey
J M Whaley
K Johnston (appointed 15/12/20)

Secretary
E Wright

Key management personnel
E Wright - Chief Executive
N Ball - Deputy Chief Executive
L Cottrell - Office Manager

Auditors
Robson Laidler Accountants Limited
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
NE2 1TJ

Bankers
Unity Trust Bank
4 Brindley Place
Birmingham
B1 2JB

SKILLS FOR PEOPLE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Our purpose is to enable disabled people and their families to lead rich and independent lives, to be healthy and safe, to exercise choice and control over the services which affect their lives, to be strong, confident and able to speak up for themselves and to overcome the daily challenges they face.

In pursuit of our purpose, we offer a range of services and activities that help learning disabled and physically disabled people to develop greater resilience, independence, confidence and well-being. These include:

- Information, advice, guidance and advocacy to ensure the rights of disabled people and their families are protected, and that they get the help they need to lead fulfilled, healthy lives.
- Social and Friendship Groups: We run a range of social and friendship groups for people with learning disabilities which aim to reduce social isolation and loneliness.
- Social Connecting: Information, advice and support to link people to social and other opportunities within their communities.
- Self Advocacy: We support people with learning disabilities to build their self-advocacy skills by involving them in 'Speaking Up Groups'.
- Wellbeing: We offer a comprehensive health and wellbeing education programme for people with learning disabilities, offering education and support to help people live a healthy life; including our innovative Mindfulness for Life programme.
- Support for family carers: our Families Advice and Support team provides advice and information, training for families of disabled children, and supports the Pass it on Parents online peer support group which has over 3000 members.
- Easy Information Service: The Accessible information Standard (AIS) says that people with a disability or sensory loss should be given information in a way they can understand. We translate documents and make films, to help people with a learning disability understand information and complex policy documents, benefiting thousands of people each year.
- Changing services: We support disabled people (employees and volunteers) to train workers/students, and to influence local and national policy and services.
- Quality Checkers: our team of people with learning disabilities created this project which checks that health and social care services offer good support. The idea has spread across the country and is now adopted by the NHS.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. Around 4000 beneficiaries have benefited in the year as a result of our work described above. These are disabled people, including people with a learning disability, autistic people; and family carers of disabled people, particularly families who have disabled children/young people, where both children and the wider family benefit from our support.

SKILLS FOR PEOPLE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Public benefit

The outcomes of our work includes:

- Improvements in health and wellbeing through programmes of health education, mindfulness, and self advocacy groups.
- A reduction in social isolation: beneficiaries are supported to gain friends, enjoy social activities and to play an active role in their communities through one to one advice, guidance and support and through social groups, peer support groups and networks; and gaining small grants to aid inclusion.
- Improvements in engagement of beneficiaries in shaping and improving local services, through a range of engagement forums, Quality Checkers, leadership training, and Involvement in strategic bodies.
- An increased understanding among people who support disabled people and their families, and the public, through awareness raising led by disabled people and their families.
- Quality of life is improved by supporting people to understand their rights, to access services, and to feel more confident in voicing their needs, and the provision of information, advice and advocacy.

STRATEGIC REPORT

Achievement and performance

Charitable activities

This year the charity supported its beneficiaries in response to the Covid-19 pandemic, initially joining other organisations across the North East and Cumbria in the creation of **Keeping People Connected** to stay in touch with people with a learning disability and provide information, guidance and practical help. Charitable funding and some repurposing of other funds enabled Skills for People to deliver **Stay Connected**, a seven day a week online support system, offering online support groups, information, healthy activities and awareness raising, aimed at helping people to stay safe and healthy during the pandemic, and to reduce isolation and improve wellbeing.

Members of our social groups and speaking up groups played an active role in its delivery, although not all beneficiaries were able to access online support. 79% of beneficiaries surveyed reported improved wellbeing, and 79% felt less isolated and 100% felt it had improved their ability to cope with life. We went on to co-ordinate an online health awareness raising programme across the region, targeting people with a learning disability: **Get well for winter**. These online programmes had a reach of over 100,000, with over 300 short films created most viewed several thousand times each. **Rights Round Table** was a new project teaching people about their rights and collating and sharing their experiences.

Digital inclusion: We were able to provide some people with equipment and skills to be able to access the internet to connect with others, with support from several charitable funders. Our commitment to digital inclusion will continue going forward.

Individual disabled people and families of disabled children continued to receive practical advice and support in Newcastle upon Tyne and Redcar and Cleveland. Our **Mindfulness** programme was adapted and delivered online. The **Families Advice and Support Team** continued to support parent / carers with advice information about support services, support at online meetings, grant applications and funding opportunities ranging from activities for the summer holidays, household items to short breaks away. Our online coffee mornings have been popular with family carers.

We were pleased to create new roles of **Learning Disability Community Link Workers**, working with GP practices and their patients who have a learning disability to improve their health and wellbeing.

Our **Easy Info service** continued to see increased demand from a range of public and other organisations for the creation of 'easy read' versions of documents and films for people with a learning disability.

Quality Checkers continued to develop its model, of people with lived experience checking the quality of health and social care services, trialling for the first time, quality checks carried out on line, due to the Covid-19 restrictions.

This year the charity moved to a new head office in Byker, Newcastle upon Tyne, which had been purchased and renovated. The new location offers improved access, parking and has created significant savings on outgoings. Our team worked predominantly from home, throughout the year.

SKILLS FOR PEOPLE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Financial review

Financial position

The Statement of Financial Activities shows a surplus for the year of £21,525.

Although this is a reduction from the 2020 position of £93,548: the reason is that much of the surplus in 2020 was in the restricted funds, whereas in this year, 2021, the unrestricted funds have seen a surplus of £60,523 compared to a deficit of £37,775 in 2020. The surplus was achieved with the support of Covid-19 support grants, and payment through the Coronavirus Job Retention Scheme.

The trustees have looked at restricted fund balances during the year and ensured that these balances have been spent in accordance with the donors' requirements. At 31 March 2021, these restricted reserves stood at £3,977 (2020: £12,837). These restricted funds are expected to be spent in the 2021-2022 year.

At 31 March 2021, the free reserves of the charity (unrestricted general reserves not tied up in capital assets) stood at £193,584 (2020: £198,151). This represents 4 months' general running costs.

The refurbishment of the organisation's new building in Byker, Newcastle upon Tyne was completed and the organisation moved in. The new building will improve access, parking and make significant savings on outgoings.

Principal funding sources

The organisation has been successful in securing the majority of its income from earned income, mainly as a result of agreements with local authorities and NHS Trusts. The organisation has some Trust funding.

Reserves policy

The calculation of reserves is based on the definition included in the charity statement of recommended practice (SORP) which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charitable company to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. This exercise considered

- Identification and planning for the maintenance of essential services for beneficiaries;
- The risks of unplanned closure, spending commitments, potential liabilities and financial forecasts; and
- The risks of unplanned closure on their beneficiaries (in particular, vulnerable beneficiaries), staff and volunteers.
- The challenges faced by the charity sector in the current financial climate, and the impact of the Covid pandemic.

The board have formally agreed to aspire to holding the equivalent of six months' operating costs in reserve, which allows for potential closure/redundancy costs, in order to provide short-term financial resilience. This is to cover unexpected events, reductions in funding or to seize on new opportunities that may present themselves.

The charity's monthly operating costs are approximately £66,000 which equates to a target reserve level of £396,000. At 31 March 2021 free reserve levels were £193,584 meaning a shortfall against target of £202,416. To address the difference the trustees and Chief Executive will continue to work with funders to budget for future surpluses in order to provide improved organisational sustainability.

Going concern

The trustees have prepared a budget and cashflow forecast and have concluded that the charity continues to be a going concern for the foreseeable future. On that basis they have continued to adopt the going concern basis when preparing the financial statements.

SKILLS FOR PEOPLE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Future plans

The Board has taken precautions to ensure that the organisation is sustainable. The Board and the staff team manage budgets closely. A strategic business plan is to be reviewed given the changes brought about by the Covid-19 pandemic. The Board plans to secure the future of the organisation through careful financial management, and raising income through a diverse range of contracts, grants and sales. We will continue to provide and build on the successful programmes described earlier in this report, which will enable access to new sources of funding.

Impact on the current and future activities and operation of the charity

During the Covid-19 crisis, the charity has continued to provide services to support our beneficiaries, whilst following government guidance to ensure the safety of our staff and beneficiaries. We have been able to provide one-to-one support to individuals and families; and to bring people together for mutual support and activities to promote health, wellbeing and resilience: these activities have been taking place virtually, using the Internet, or by phone. We have been able to fund these activities through the repurposing of income with permission, and some additional funding aimed at supporting people during the Covid-19 crisis. Some staff have been furloughed under the Job Retention Scheme, in order to reduce the outgoings of the organisation.

Implication for the charity's finances and fundraising

The vast majority of the organisation's income is from contracts with health organisations and councils. The charity maintains close contact with its commissioners and funders to ensure the organisation can maximise funding, make best use of it, and be well informed about risks.

While the organisation has experienced some immediate reduction or delay in income streams due to the postponement of some services and projects, which require face to face contact, it is expected that most of the income will be received as expected, after a delay. We were able to mitigate the immediate loss of income through furloughing some staff and securing additional funds for our Covid-19 response.

In relation to fundraising, the charity has contracted with a bid writing consultant to help making applications to charitable funders, and to advise about fundraising.

Effect on financial sustainability and going concern

The trustees have considered a range of scenarios regarding its financial situation over the coming years and is confident that the organisation will remain sustainable over the coming year and beyond. The trustees will continue to review the situation frequently in order to manage risks.

How future aims and activities may be affected

Our business plan includes an increase in the number of beneficiaries reached, and an improvement in the financial stability and long term sustainability of Skills for People. We continue to expect to achieve these ambitions, although it is recognised that the targets should be reviewed regularly in light of uncertainty caused by the Covid-19 pandemic.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Skills for People is a company limited by guarantee, not having share capital, and is therefore governed by a memorandum and articles of association. Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member or within one year of ceasing to be a member, such amount as may be required not exceeding £1. The company is a registered charity number 1069993.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's articles are known as directors. Under the requirements of the Memorandum and Articles of Association one third of directors retire by rotation every year and can offer themselves for re-election. The Board can also co-opt directors to join them until the next AGM. The charity ensures that a range of skills are represented on the Board (business, financial, educational and management). Efforts are made to recruit Board Members who possess the skills which the organisation requires and membership is kept under review by the Board.

SKILLS FOR PEOPLE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Skills for People has a Board which meets at least 4 times a year. The Board members are trustees of the charity, and directors of the company. They are legally responsible for the organisation. The Board is responsible for the strategic direction of the organisation. A scheme of delegation is in place and day to day. Responsibility for the running of the organisation rests with the Chief Executive (CEO). She is responsible for ensuring the charity delivers the services specified and for meeting key performance targets. She also has responsibility for making sure that staff and volunteers are well supported.

Members of the Board, the CEO and the Deputy CEO meet at other times during the year, in smaller strategy groups, in order to guide and oversee the business management of the organisation.

Induction and training of new trustees

New board members are made aware of:

- the obligations of the directors/trustees
- the main documents which set out the operational framework for the charity
- resourcing and the current financial position
- future plans and objectives

A handbook is provided to Board members and training provided as required.

Key management remuneration

The board members give their time freely. No trustees received remuneration in the year. The board has considered who the key management personnel of the charitable company. Together with the board, these staff are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis.

The pay of the key management personnel is reviewed annually. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with budget and forecast information, ensuring that the charitable company can afford any proposed increases.

Risk management

The Board has conducted a review of the major risks to which the organisation is exposed. This assessment of risk is reviewed and updated at least annually. Where appropriate, systems and procedures have been established to mitigate risks. Internal control risks are minimised by the implementation of robust policies and procedures which safeguard the resources and reputation of the organisation. A key element in the management of financial risk is the setting of a Reserves Policy and its regular review by directors/trustees. Aside from building a prudent level of reserves and maintaining the level of working capital, there are limited funds for long term investment.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

SKILLS FOR PEOPLE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

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

AUDITORS

The auditors, Robson Laidler Accountants Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 12 October 2021 and signed on the board's behalf by:



Ms S A Woosey - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SKILLS FOR PEOPLE

Opinion

We have audited the financial statements of Skills For People (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SKILLS FOR PEOPLE

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The risk of material misstatement due to error or fraud is deemed to be low within the entity as the charity operates strong internal controls to mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Other substantive testing is also performed on all material balances and therefore any instances of non-compliance should be identified or considered as insignificant. Manual journal entries are scrutinised by data analytics software used as part of the audit.

The audit was considered capable of identifying irregularities only to the extent of the substantive testing performed and from discussions with management.

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 Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SKILLS FOR PEOPLE

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Moran

M T Moran (Senior Statutory Auditor)
for and on behalf of Robson Laidler Accountants Limited
Statutory Auditor
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
NE2 1TJ

Date: *12/10/2021*

SKILLS FOR PEOPLE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	165,424	54,532	219,956	239,287
Charitable activities	5	425,650	2,625	428,275	515,298
Charitable activities					
Other trading activities	3	39,951	2,037	41,988	76,689
Investment Income	4	-	-	-	740
Total		631,025	59,194	690,219	832,014
EXPENDITURE ON					
Charitable activities	6	570,502	98,192	668,694	738,466
Charitable activities					
NET INCOME/(EXPENDITURE)		60,523	(38,998)	21,525	93,548
Transfers between funds	17	(30,138)	30,138	-	-
Net movement in funds		30,385	(8,860)	21,525	93,548
RECONCILIATION OF FUNDS					
Total funds brought forward		654,907	12,837	667,744	574,196
TOTAL FUNDS CARRIED FORWARD		685,292	3,977	689,269	667,744


The notes form part of these financial statements

SKILLS FOR PEOPLE (REGISTERED NUMBER: 03487635)

**BALANCE SHEET
31 MARCH 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	12	491,708	456,756
CURRENT ASSETS			
Stocks	13	131	131
Debtors	14	90,452	151,351
Cash at bank		413,347	351,345
		503,930	502,827
CREDITORS			
Amounts falling due within one year	15	(306,369)	(291,839)
NET CURRENT ASSETS		197,561	210,988
TOTAL ASSETS LESS CURRENT LIABILITIES		689,269	667,744
NET ASSETS		689,269	667,744
FUNDS	17		
Unrestricted funds		685,292	654,907
Restricted funds		3,977	12,837
TOTAL FUNDS		689,269	667,744

The financial statements were approved by the Board of Trustees and authorised for issue on 12 October 2021 and were signed on its behalf by:


S A Woosey - Trustee

SKILLS FOR PEOPLE

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	113,152	201,601
Interest paid		(255)	(354)
Net cash provided by operating activities		<u>112,897</u>	<u>201,247</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(50,895)	(271,147)
Interest received		-	740
Net cash used in investing activities		<u>(50,895)</u>	<u>(270,407)</u>
Change in cash and cash equivalents in the reporting period		<u>62,002</u>	<u>(69,160)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>351,345</u>	<u>420,505</u>
Cash and cash equivalents at the end of the reporting period		<u><u>413,347</u></u>	<u><u>351,345</u></u>

The notes form part of these financial statements

SKILLS FOR PEOPLE

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	21,525	93,548
Adjustments for:		
Depreciation charges	15,943	13,825
Interest received	-	(740)
Interest paid	255	354
Decrease/(increase) in debtors	60,899	(64,095)
Increase in creditors	14,530	158,709
Net cash provided by operations	113,152	201,601

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank	351,345	62,002	413,347
	351,345	62,002	413,347
Total	351,345	62,002	413,347

The notes form part of these financial statements

SKILLS FOR PEOPLE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Statement of compliance:

Skills for People is an incorporated charity (charity number: 1069993). The registered office is detailed on the main contents page.

The financial statements have been prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. The Trustees have considered a period of 12 months from the balance sheet date and consider no further disclosures relating to the charity's ability to continue as a going concern need to be made.

Skills for People meets the definition of a public benefit entity entry under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial accounts are prepared in Sterling (£).

The financial accounts are rounded to the nearest £1.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either the conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that the conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator / executor for the estate has communicated in writing both the amount and settlement date.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the grant is recognised as a liability and included in the balance sheet as deferred income.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

SKILLS FOR PEOPLE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

- Long leasehold - not provided
- Fixtures and fittings - 25% straight line basis

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and call deposits, other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to insignificant risk of change in value.

Trade debtors

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of trade discounts due.

Trade creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to third parties and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

SKILLS FOR PEOPLE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	14,507	92,723
Grants	205,449	146,564
	<u>219,956</u>	<u>239,287</u>

Included in the above are a donation from M&P Ball; and anonymous donations.

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Other grants	15,300	662
NHS England	-	2,500
Department of Education	-	7,402
Sir James Knott	6,000	6,000
Lloyds Foundation for England and Wales	9,865	15,000
The Clothworkers' Foundation	-	25,000
The Wolfson Foundation	-	50,000
The Garfield Weston Foundation	-	40,000
Newcastle City Council	55,350	-
Rothley trust	1,000	-
Community Foundation	8,650	-
Connected Voice	1,000	-
Evan Cornish Foundation	3,000	-
Hadrian Trust	1,000	-
NHS County Durham CCG	13,700	-
National Lottery Community Fund (Coronavirus Community Support Fund)	32,990	-
Joicey Trust	1,900	-
Covid-19 support grants	55,694	-
	<u>205,449</u>	<u>146,564</u>

Included in other grants are: £2,000 from William Webster Charitable Trust, £1,000 from Joseph Strong Frazer Trust, £2,000 from RMS Southern, £1,000 from RW Mann Trust, £4,000 from Screwfix Foundation, £4,200 from The Barbour Foundation, £500 from Percy Hedley 1990 Charitable Trust, £500 from Hedley Denton Trust and £100 from Greggs Foundation.

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Rent receivable	9,247	15,041
Better days recharge	30,190	47,169
Room hire	484	8,550
Cafe sales	-	383
Other trading income	2,067	5,546
	<u>41,988</u>	<u>76,689</u>

SKILLS FOR PEOPLE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

4. INVESTMENT INCOME

	2021 £	2020 £
Bank interest	-	740
	<u> </u>	<u> </u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Contract Income	Charitable activities	428,275	515,298
		<u> </u>	<u> </u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
Charitable activities	578,408	90,286	668,694
	<u> </u>	<u> </u>	<u> </u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	512,001	485,824
Equipment rental	1,074	3,940
Consultancy fees	10,400	15,385
Other staff costs	12,076	20,394
Publications and marketing	971	2,865
IT costs	6,602	11,956
Project costs	32,207	50,957
Health and safety	3,077	2,886
	<u> </u>	<u> </u>
	578,408	594,207
	<u> </u>	<u> </u>

8. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Charitable activities	72,296	17,990	90,286
	<u> </u>	<u> </u>	<u> </u>

SKILLS FOR PEOPLE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

8. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

Other

	2021 Charitable activities £	2020 Total activities £
Rent and rates	7,161	49,899
Insurance	4,127	8,612
Light and heat	5,395	11,088
Telephone	9,301	7,814
Postage and stationery	6,136	13,061
Sundries	1,200	1,764
Premises repairs	21,326	8,792
Cleaning and waste disposal	1,452	6,203
Depreciation of tangible fixed assets	15,943	13,825
Bank interest	255	354
	<u>72,296</u>	<u>121,412</u>

Governance costs

	2021 Charitable activities £	2020 Total activities £
Auditors' remuneration	2,400	2,400
Legal and professional fees	15,590	20,447
	<u>17,990</u>	<u>22,847</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors remuneration	2,400	2,400
Depreciation - owned assets	15,943	13,825
Hire of plant and machinery	1,074	3,940
	<u>19,417</u>	<u>20,165</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

SKILLS FOR PEOPLE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

11. STAFF COSTS

	2021 £	2020 £
Wages and salaries	467,590	442,118
Social security costs	29,115	28,605
Other pension costs	15,296	15,101
	<u>512,001</u>	<u>485,824</u>

The total employee benefits of the key management personnel of the charity were £66,924 (2020: £66,286).

The average monthly number of employees during the year was as follows:

	2021 32	2020 32
Employees	<u>32</u>	<u>32</u>

No employees received emoluments in excess of £60,000.

12. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Totals £
COST			
At 1 April 2020	424,752	113,244	537,996
Additions	39,687	11,208	50,895
Disposals	-	(47,788)	(47,788)
At 31 March 2021	<u>464,439</u>	<u>76,664</u>	<u>541,103</u>
DEPRECIATION			
At 1 April 2020	-	81,240	81,240
Charge for year	-	15,943	15,943
Eliminated on disposal	-	(47,788)	(47,788)
At 31 March 2021	<u>-</u>	<u>49,395</u>	<u>49,395</u>
NET BOOK VALUE			
At 31 March 2021	<u>464,439</u>	<u>27,269</u>	<u>491,708</u>
At 31 March 2020	<u>424,752</u>	<u>32,004</u>	<u>456,756</u>

No depreciation has been charged against the leasehold property in the current or previous year as the property is not yet in a condition to allow it to be used by the charity.

Included within the net book value of land and buildings is £nil (2020: £nil) in respect of freehold land and buildings and £464,639 (2020: £424,752) in respect of leaseholds.

SKILLS FOR PEOPLE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. STOCKS

	2021	2020
	£	£
Stock	131	131

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	62,943	128,875
Prepayments	1,130	4,506
Accrued income	26,379	17,970
	<u>90,452</u>	<u>151,351</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	2,415	105,310
Social security and other taxes	8,269	7,500
Other creditors	3,191	3,343
Deferred income	289,494	173,286
Accruals	3,000	2,400
	<u>306,369</u>	<u>291,839</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Fixed assets	491,708	-	491,708	456,756
Current assets	499,953	3,977	503,930	502,827
Current liabilities	(306,369)	-	(306,369)	(291,839)
	<u>685,292</u>	<u>3,977</u>	<u>689,269</u>	<u>667,744</u>

SKILLS FOR PEOPLE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

17. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	230,155	60,523	(69,825)	220,853
Property fund - Glendale Terrace	424,752	-	39,687	464,439
	<u>654,907</u>	<u>60,523</u>	<u>(30,138)</u>	<u>685,292</u>
Restricted funds				
Transforming Care	7,099	(7,099)	-	-
Newcastle Parents Forum	241	(1,124)	883	-
Geordie Mums	-	(2,395)	2,395	-
Speaking Up Groups	4,520	(1,520)	-	3,000
Pottery	977	-	-	977
Social Groups	-	(4,683)	4,683	-
Glendale Terrace capital fund	-	(22,177)	22,177	-
	<u>12,837</u>	<u>(38,998)</u>	<u>30,138</u>	<u>3,977</u>
TOTAL FUNDS	<u>667,744</u>	<u>21,525</u>	<u>-</u>	<u>689,269</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	631,025	(570,502)	60,523
Restricted funds			
Transforming Care	4,625	(11,724)	(7,099)
Newcastle Parents Forum	-	(1,124)	(1,124)
Geordie Mums	500	(2,895)	(2,395)
Speaking Up Groups	6,000	(7,520)	(1,520)
Social Groups	37	(4,720)	(4,683)
Glendale Terrace capital fund	15,042	(37,219)	(22,177)
Coronavirus Community Support Fund	32,990	(32,990)	-
	<u>59,194</u>	<u>(98,192)</u>	<u>(38,998)</u>
TOTAL FUNDS	<u>690,219</u>	<u>(668,694)</u>	<u>21,525</u>

SKILLS FOR PEOPLE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	211,746	(37,755)	56,164	230,155
Property fund - Glendale Terrace	285,000	-	139,752	424,752
	<u>496,746</u>	<u>(37,755)</u>	<u>195,916</u>	<u>654,907</u>
Restricted funds				
Transforming Care	8,000	(901)	-	7,099
Newcastle Parents Forum	1,973	(1,732)	-	241
Geordie Mums	2,521	(3,427)	906	-
Speaking Up Groups	-	4,520	-	4,520
Pottery	-	977	-	977
Social Groups	-	(818)	818	-
National Lottery Awards for All	3,010	-	(3,010)	-
Positive Behavioural Support	10,966	(10,966)	-	-
Health Quality Checkers	37,150	(37,150)	-	-
Mindfulness Hub	13,830	(13,830)	-	-
Glendale Terrace capital fund	-	194,630	(194,630)	-
	<u>77,450</u>	<u>131,303</u>	<u>(195,916)</u>	<u>12,837</u>
TOTAL FUNDS	<u>574,196</u>	<u>93,548</u>	<u>-</u>	<u>667,744</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	606,842	(644,597)	(37,755)
Restricted funds			
Transforming Care	-	(901)	(901)
Newcastle Parents Forum	7,402	(9,134)	(1,732)
Geordie Mums	510	(3,937)	(3,427)
Speaking Up Groups	6,000	(1,480)	4,520
Pottery	1,177	(200)	977
Social Groups	511	(1,329)	(818)
Positive Behavioural Support	-	(10,966)	(10,966)
Health Quality Checkers	-	(37,150)	(37,150)
Mindfulness Hub	-	(13,830)	(13,830)
Glendale Terrace capital fund	209,572	(14,942)	194,630
	<u>225,172</u>	<u>(93,869)</u>	<u>131,303</u>
TOTAL FUNDS	<u>832,014</u>	<u>(738,466)</u>	<u>93,548</u>

SKILLS FOR PEOPLE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

17. MOVEMENT IN FUNDS - continued

Purpose of restricted funds

Transforming Care - funding to engage in this programme of transformation.

Geordie Mums - fundraising to support the activities of the group of mothers who have a learning disability.

Newcastle Parents Forum - The Forum received a Participation Grant of up to £15,000 from the Department of Education each year. Skills for People held the grant on their behalf.

Pottery - Grants were received from the Community Foundation for Tyne and Wear and Northumberland and Morrisons for a pottery group for people with a learning disability, delayed due to Covid restrictions.

Speaking up groups - funding was received from the Sir James Knott Trust and an anonymous donation to support speaking up groups for people with a learning disability

National Lottery Community Fund (Coronavirus Community Support Fund) - to create a online Covid support system for people with a learning disability.

Transfers between funds

A transfer was made between the restricted capital fund and general reserves at the year end as the funding had been correctly spent on the new property such that the restriction had been satisfied.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

SKILLS FOR PEOPLE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	14,507	92,723
Grants	205,449	146,564
	219,956	239,287
Other trading activities		
Rent receivable	9,247	15,041
Better days recharge	30,190	47,169
Room hire	484	8,550
Cafe sales	-	383
Other trading income	2,067	5,546
	41,988	76,689
Investment income		
Bank interest	-	740
Charitable activities		
Contract income	428,275	515,298
Total Incoming resources	690,219	832,014
EXPENDITURE		
Charitable activities		
Wages	467,590	442,118
Social security	29,115	28,605
Pensions	15,296	15,101
Equipment rental	1,074	3,940
Consultancy fees	10,400	15,385
Other staff costs	12,076	20,394
Publications and marketing	971	2,865
IT costs	6,602	11,956
Project costs	32,207	50,957
Health and safety	3,077	2,886
	578,408	594,207
Support costs		
Other		
Rent and rates	7,161	49,899
Insurance	4,127	8,612
Light and heat	5,395	11,088
Telephone	9,301	7,814
Postage and stationery	6,136	13,061
Carried forward	32,120	90,474

This page does not form part of the statutory financial statements

SKILLS FOR PEOPLE**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
Other		
Brought forward	32,120	90,474
Sundries	1,200	1,764
Premises repairs	21,326	8,792
Cleaning and waste disposal	1,452	6,203
Fixtures and fittings	15,943	13,825
Bank interest	255	354
	<hr/> 72,296	<hr/> 121,412
Governance costs		
Auditors' remuneration	2,400	2,400
Legal and professional fees	15,590	20,447
	<hr/> 17,990	<hr/> 22,847
Total resources expended	<hr/> 668,694	<hr/> 738,466
Net Income	<hr/> <hr/> 21,525	<hr/> <hr/> 93,548