# VALLEY HOUSE

England & Wales · Charity number 1074539

## Details

| | |
|---|---|
| **Other names** | VALLEY HOUSE ASSOCIATION |
| **Status** | Registered |
| **Legal form** | Charitable company |
| **Company number** | 03593394 |
| **Registered** | 1999-03-05 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | 55-57 Bell Green Road<br>Coventry<br>CV6 7GQ |
| **Phone** | 02476266280 |
| **Email** | info@valleyhouse.org.uk |
| **Website** | www.valleyhouse.org.uk |

## Activities

**Objects:** TO OFFER SUPPORT AND/OR ACCOMMODATION APPROPRIATE TO THE NEEDS OF INDIVIDUALS WITHIN THE CITY OF COVENTRY AND THE SURROUNDING AREA WHO ARE HOMELESS, WITH THE AIM OF ENABLING THEM TO MOVE INTO AND SUSTAIN THEIR OWN ACCOMMODATION.TO SUPPORT AND MOTIVATE PEOPLE TO RE-ENGAGE WITH EDUCATIONAL OPPORTUNITIES THAT WILL ALLOW THEM TO DEVELOP THEIR POTENTIAL AND HAVE MORE LIFE CHOICES AND THE ADVANCEMENT OF EDUCATION, TRAINING OR RETRAINING, PARTICULARLY AMONG UNEMPLOYED PEOPLE, AND PROVIDING UNEMPLOYED PEOPLE WITH WORK EXPERIENCE.TO PROVIDE QUALITY SERVICES FOR THE ADVANCEMENT OF THE LIVES OF CHILDREN IN PARTNERSHIP WITH THEIR PARENTS, TO ENABLE CHILDREN AND YOUNG PEOPLE TO DEVELOP THEIR PHYSICAL AND MENTAL CAPACITIES SO THAT THEY MAY ACHIEVE THEIR POTENTIAL AS INDIVIDUALS AND MEMBERS OF SOCIETY AND THEIR CONDITIONS OF LIFE MAY IMPROVE

**Activities:** offering support and/or accommodation appropriate to individuals' needs within the Coventry and the surrounding area who are homeless; motivating people to re-engage with educational opportunities; and providing quality services for children in partnership with parents.

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## Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Accommodation/housing
- **Who:** Children/young People, People With Disabilities, Other Defined Groups

## Geography

- **Area of benefit:** CITY OF COVENTRY
- Coventry City

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2025-03-31 | £1,955,897 | £1,934,032 | £1,725,682 | 43 |
| 2024-03-31 | £1,856,179 | £1,790,671 | £1,714,277 | 44 |
| 2023-03-31 | £1,646,337 | £1,613,083 | £1,648,769 | 48 |
| 2022-03-31 | £1,653,693 | £1,579,000 | £1,627,231 | 48 |
| 2021-03-31 | £1,559,342 | £1,492,122 | £1,486,186 | 52 |

## Trustees

| Name | Role | Appointed |
|---|---|---|
| BARRY PETER WHITTINGTON | | 2017-01-17 |
| Dale Ball | | 2024-03-20 |
| Elizabeth Ann Maffey | | 2023-08-23 |
| Jane Hill | | 2024-03-20 |
| Roy Smith | | 2019-03-06 |

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**VALLEY HOUSE**

England & Wales - Charity number 1074539

# Accounts

REGISTERED COMPANY NUMBER: 03593394 (England and Wales)
REGISTERED CHARITY NUMBER: 1074539

# REPORT OF THE TRUSTEES AND

# FINANCIAL STATEMENTS

# FOR THE YEAR ENDED 31 MARCH 2025

# FOR

# VALLEY HOUSE

Luckmans Duckett Parker Limited
1110 Elliott Court
Coventry Business Park
Herald Avenue
Coventry
West Midlands
CV5 6UB

VALLEY HOUSE

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for the year ended 31 March 2025


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## VALLEY HOUSE

## REPORT OF THE TRUSTEES
## for the year ended 31 March 2025

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 2025. 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).

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 second edition published October 2019

## REPORT OF THE TRUSTEES
**for the year ended 31 March 2025**

### OBJECTIVES AND ACTIVITIES
**Objectives and aims**

The principle purposes and aims of the organisation are:

- To offer support and/or accommodation appropriate to the needs of individuals within the city of Coventry and the surrounding area who are homeless, with the aim of enabling them to move into and sustain their own accommodation; to support and motivate people to re-engage with educational opportunities, that will allow them to develop their potential and have more life choices and the advancements of education, training or retraining, including among unemployed people, and providing unemployed people with work experience.

- To provide quality services for the advancements of the lives of children in partnership with parents, to enable children and young people to develop their physical and mental capacities so that they may achieve their potential as individuals and members of society and their conditions of life may improve.

- To promote, safeguard and protect the good health, both mental and physical, of adults, children and young people.

The issues we seek to tackle are wide ranging and we evolve to meet those needs as those individuals and families approaching us for support continue to grow in complexity of need. Whilst we continue to adhere to our purpose and aims the types of interventions and service delivery models we use continue to evolve

.

The broad-brush changes we seek to make through our work are encapsulated by our Mission Statement "To work alongside people to take control of their lives and create their own futures". This can range from a survivor of domestic abuse taking control of their finances for the first time through to someone feeling able to attend an appointment by themselves.

We seek to bring public benefit most usually but not exclusively to the more vulnerable, disadvantaged, and disengaged members of the community by enabling them through appropriate holistic professional support to develop their potential and take control of the quality and independence of their lives.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities Valley House should undertake.

We deliver a wide range of services specifically designed to support us in achieving our aims and objectives:

Valley House is the domestic abuse safe and supported accommodation provider for Coventry City Council. We provide 54 units of accommodation. Our accommodation is made up of single flats, single family homes, shared houses and accommodation units where staff are on site.

In additional we were commissioned to pilot a Complex Needs Domestic Abuse Service, providing 7 units of self-contained accommodation for survivors with mental health, drugs and/or alcohol issues.

The emotional and practical support we offer across both these services includes 24 hour staff availability, structured support and safety plans, 1 to 1 work and group work.

We have a dedicated maintenance team for our supported accommodation services.

Our community wellbeing offer in 2024-2025 comprised of:

- " REACH service." This is a partnership service delivered in conjunction with Rethink, Coventry and Warwickshire Partnership Trust Lived Experience Workforce Lead, Cultural Inclusion Network Services, Artyfolks and Coventry Citizens Advice. The service provides support for people aged 18 years and over who have common or severe mental illness. It provides 1 to 1 support to people signposted from the Partnership Trust who may benefit from support in the Community from the VCFSE (Voluntary Community Faith and Social Enterprises). This role of Peer Support Worker has been developed specifically for people who have lived experience of mental distress and are able to use their peer experience to offer empathy and understanding to others, inspiring hope and recovery with others.

- "Our Counselling Service". This has 2 strands. We provide counselling for any individual that is accessing any of our Valley House services. This is for up to 6 months, with the counselling being undertaken by our volunteer counsellors. Additionally, we provide counselling for Kairos service users, a local organisation that provides support to women who have experienced or are at risk of sexual exploitation.

- " Talking Therapies Community Engagement Service". This is a partnership service delivered in conjunction with Rethink Community REACH Service, Coventry and Warwickshire Partnership Trust Talking Therapies Service, Coventry Citizens Advice, Inini and Warwickshire Pride. This service provides support for people aged 18 years and over who are experiencing mild to moderate depression and anxiety including stress and adjustment to life events. It provides individual support to people who may benefit from support in the community to support referrals, access and engagement with the Talking Therapies Service.

- Our Nursery provides a quality service, focused on enabling children to develop their personal capabilities and achieve their potential, despite the barriers they may face. We have both Government funded and fee-paying children attending the nursery.

We have volunteers within our counselling service, domestic abuse service, and within our business support team. Additionally, all our Board of trustees are volunteers. During 2024-2025 they contributed a total of 1,334 volunteering hours

.

Our current success measurements are funder driven and include both quantitative and qualitative data capture. The tool used for individual qualitative data capture, specifically mapping a service user's journey and outcomes achieved is the nationally recognised Outcomes Star. For our groupwork programmes we have developed internal qualitative data capture tools that we use including pre and post service user questionnaires, mapped to defined service user outcomes.

Quantitative success is measured though achieving the outputs as specified and agreed with the funder prior to commencement of delivery.

**Public benefit**

Much of the above shows the public benefit within individual services. Looking across Valley House services more generally, one can see a range of public benefits achieved for vulnerable and disadvantaged citizens as well as the wider community including:

- Promoting Health & Wellbeing, including emotional and psychological wellbeing
- Enabling marginalised individuals and family's access to training, education and work readiness
- Directly tackling violence/abuse effects on victims and children, promoting their confidence and independence and holding perpetrators to account
- Promoting individual's/families' aspirations, self-confidence, and engagement
- Supporting parenting skills, child development and take up of children and family services
- Championing the confidence, aspirations and constructive engagement of young people.

## STRATEGIC REPORT

### Achievement and performance

### Charitable activities

Our 3 year Strategic Plan set out our 5 areas of strategic focus which set our direction of travel for 2022-2025. Our annual Operational Plan, Environmental Sustainability Action Plan and Fundraising Action Plan turn our Strategic Plan into tangible actions and during 2024-2025 we worked hard to meet these targets.

We understand the importance of being digitally connected and the negative impact of digital exclusion for our service users. Building on our successful partnership with Jangala (a UK based charity committed to tackling digital exclusion by providing easy to use internet access systems) and Coventry City Council during 2023-2024, we were able to provide free wifi in all our properties across the city through a donation of 50 Get Boxes from Jangala. In addition, Coventry City Council through their Covconnects scheme, donated 10 laptops and 9 phones during 2024-2025. This meant the children in our properties were able to compete homework and study from home, supporting them to achieve at school. They also had access to streaming services, trying to make the property more like a home, after having to leave their own home.

Listening to our service users we continued to increase our groupwork offer. During 2024-2025 we delivered a range of groupwork interventions, ranging from understanding domestic abuse, parenting programmes, empowerment and self esteem, arts and crafts, computer skills, employability, lifeskills, mindfulness and yoga. We also continued our quarterly service user involvement forum and 2 trips. These groupwork activities were delivered by Valley House staff and partner agencies. Our partners included the Recovery and Wellbeing Academy, Mind, Groundworks, Adult Education and Coventry Job Centre.

Whilst money is not the driving motivation for people to work in organisations like Valley House, as an employer we recognise the impact the cost of living crisis has on our staff. We worked hard this year to be able to give staff a one off payment to reflect this and to introduce subsidised nursery places to our staff that have children. This runs alongside our commitment to support their health and wellbeing which this year saw us subscribe to an enhanced Employee Assistance Programme which includes access to a 24 hour helpline offering practical advice and support, free counselling and an online portal with a range of resources.

Our Staff Health and Wellbeing Manager was successful in supporting Valley House to be awarded the Gold Level Thrive at Work accreditation. This is a workplace commitment with criteria and guidelines on creating a workplace that promotes employee health and wellbeing, focusing on key organisational enablers of health such as attendance management, policies and procedures in addition to health areas such as mental, musculoskeletal and physical health and promoting healthy lifestyles. Additionally, we have achieved Silver Award from the Carers Trust recognising us as a carer friendly employer and CLAS accreditation from Coventry City Council which recognises the good standard of accommodation we provide.

Our Ofsted registered nursery was inspected this year and we were pleased to receive a Good rating, acknowledging the hard work and dedication of our nursery staff.

This year we continued our commitment to staff and volunteer continued professional development, ring fencing £14,000. Staff accessed external training ranging from mental health first aid through to electrical maintenance and supporting children with special educational needs. Our annual staff survey results continue to confirm how much staff appreciate and benefit from this fund.

In order to support us in striving to be more environmentally sustainable we undertook an internal audit of our current practice in relation to recycling, printing, energy efficiency, our green spaces and the circular economy approach in 2023-2024. It allowed us to set ambitious targets for 2024-2025 in term in terms of energy efficiency within our office spaces and properties, waste management and further embedding the circular economy approach. We have worked hard to reach these targets, which have seen us reduce our paper usage by 16% and our paper towel usage by 30%.

In terms of service sustainability and organisational growth we have seen confirmation that our Domestic Abuse Complex Needs Service pilot in partnership with Coventry City Council has had its funding extended to June 2026. This allows us to continue to develop the service in line with recommendations from the external evaluation undertaken by EAP Research Consultancy - well known and respected in the field of domestic abuse evaluations. In addition, the REACH Service has also had its funding extended to March 2026, allowing us to continue building on learning from this peer support partnership model. To support us to generate additional income, we have recently opened our own Valley House charity shop and have been overwhelmed by generous donations. We are working hard to expand our opening times to further increase this

As our current Strategic Plan ends in 2025, this year we spend time developing our new Strategic Plan. This included input from staff, trustees, service users and partner agencies. It is an ambitious plan, building on all we have achieved so far, and continuing to push us to strive to be the best.

During 2024-2025 Valley House supported a total of 430 people across all our services, with some individuals accessing more than one service

| Service | Adults | Children |
|---|---|---|
| Domestic Abuse | 108 | 107 |
| Complex Needs | 13 | 3 |
| REACH | 11 | - |
| Talking Therapies | - | - |
| Nursery | - | 176 |
| Counselling (Kairos) | 3 | - |
| Counselling (Valley House) | 9 | - |

Supporting those more vulnerable members of our community to optimise their potential and take control of their lives is achieved through providing the following services and activities:

**Supported Accommodation**

Within our domestic abuse supported accommodation service we supported 108 adults and 107 children. During the year of those that moved into their own accommodation, 90% were effectively managing their own tenancy, 100% reported that they had been supported to access additional support where needed in relation to mental health, drugs and alcohol, 95% reported feeling safer and 100% of service users engaged in criminal or civil court proceedings felt supported.

107 children were supported through 1 to 1 and groupwork by our specialist Family Support Workers. Of all the children who were with us during the year 95% were regularly attending school. A number of children living with us struggled to secure school places or had to wait long periods of time to secure a school place which impacted on our attendance figures. 94% reported that the relationships with their non abusing parent had improved

**Domestic Abuse Complex Needs Service**

The service launched in November 2022. As a pilot, the service was externally evaluated by EAP Research Consultancy - well known and respected in the field of domestic abuse evaluations. Their final evaluation report highlighted areas of strength which included a holistic approach with personalised support. The staff created a supportive environment with immediate access to support for service users. Service user data showed positive outcomes in relation to empowerment and self esteem and managing their mental health.

**Community Wellbeing**

The REACH Service. Our Peer Support Worker supported 11 individuals, walking alongside them to achieve their personal gaols that ranged from engaging in local activities to improve their mental health and wellbeing through to support in applying for benefits.

The Talking Therapies Community Lead Service. The Valley House Community Lead attended 36 events across Coventry, promoting the NHS Talking Therapies service to individuals. This included the Veterans Day at Coventry Football Club, World Mental Health Day events across the city and It takes Balls to Talk events.

**Counselling**

Our Counselling Service supported 3 Kairos service users and 9 Valley House service users. This service provided up to 6 months of 1 to 1 counselling (face to face or virtual). It was a safe space for an individual to explore the issue that are impacting on them which can include depression, anxiety, anger, self-esteem, bereavement, relationships. Unfortunately, due to financial constraints this service closed in 2024.

**Nursery**

Valley House has a self-funded nursery offering full day care to both funded and fee-paying families. It offers a creative and fun experience to children and seeks to optimise their readiness for school. During 2024/25 176 children accessed our nursery and holiday club provision. We have a wide range of families from different cultural and ethnic backgrounds and good working relationships with statutory services. However, our families can have multiple disadvantages. During the last year we have supported 18 children who are classified as having additional needs, utilising our purpose-built sensory space to help support them in their learning and development.

**Training and Education**

Valley House offers student placements to Social Work and Counselling course students in partnership with local universities and childcare placement opportunities in partnership with local colleges. We offered 2 social work placements, 6 counselling placements and 10 nursery student placements.

**Fundraising activities**
The charity did not carry out any significant external fundraising in the year. The charity is registered with the fundraising regulator. There were no complaints in the year.

## STRATEGIC REPORT

### Achievement and performance

### Challenges

The main challenge faced during this year has been recruitment, specifically in terms of front line Domestic Abuse Practitioner roles. Whilst we have low turnover of staff we have struggled to recruit into vacant roles when they arise. We have seen this trend reflected across the sector with partner organisations being in a similar position. This includes organisations that are offering higher salaries. Anecdotally, we sense that there has been a shift since the pandemic with people choosing job roles that are less emotionally challenging and potentially offer a perceived better work life balance. We have enhanced our benefits package with a strong focus on health and wellbeing to try and stand out from other organisations that are trying to recruit from the same small pool of people.

The unexpected increase in employer National Insurance contributions impacted on our budget and meant us working hard to minimise expenditure to try and mitigate this. Wider funding constraints and funding cuts meant that our Talking Therapies Community Lead Service did not secure continuation funding from Coventry and Warwickshire Partnership Trust despite positive feedback.

The lack of affordable and appropriate move on accommodation continues to impact on our ability to support service users to transition into living independently when they are ready to.

### Opportunities

2024-2025 presented a range of opportunities for us, both internally and externally. The Complex Needs Service external evaluation created an opportunity for us to reflect on strengths and areas of improvement identified to further refine and improve the service. The continuation funding for this service will allow us to embed changes and further evaluate the impact.

Continuing our active engagement in the Coventry and Warwickshire Mental Health Alliance opened more doors to greater partnership working and raising our profile.

Reconfiguring our Maintenance Team has allowed us to create a new Maintenance apprenticeship, providing an opportunity for a local young person to gain valuable skills and increasing their employability.

### Financial review

### Financial position

We continue to seek to maximise spend on our charitable aims while remaining financially sustainable. We have set our reserves at a prudent level, relative to our turnover, to allow us sufficient time to respond if there were to be a significant drop in funding. Thus, in establishing contingency reserves of £457,642 against a turnover of approximately £1.96m, we are seeking to provide ourselves with the ability to cover our liabilities for approximately a quarter of a year. This will allow us to address any extreme financial situation that might arise and is in line with our Reserves Policy.

We have committed resources via our Development Fund to allow Valley House to respond to ideas from both staff and service users on how we could improve what we do. Whilst we would always seek to source external funding for such ideas, there isn't always a 'good fit' externally. Having our own internally designated fund allows for additional flexibility and innovation.

The financial statements for the year ended 31 March 2025 show net incoming resources of £11,405 (2024: £65,508) . While our major source of funding continues to be from the Local Authority, Valley House recognises that this provision is rapidly changing and still seeks both to diversify funding and identify sources of income-generating work.

### Principal funding sources

These are service contracts £822,066 (2024: £736,730) and tenant welfare services income £638,245 (2024: £624,031).

## STRATEGIC REPORT

### Financial review

### Investment policy and objectives

Under the Articles of Association, the charity has the power to invest in any way the trustees consider fit. The Board of Trustees has considered the most appropriate policy for investing funds and currently any cash surplus to day to day requirements is invested in medium to long term funds.

### Reserves policy

The Board of Trustees is responsible for establishing that the level of reserves (that is those funds that are freely available) is sufficient to be able to continue the current activities of the charity in the event of a significant drop in funding, albeit for a limited time, to enable us to replace the funding or reduce services in a way not detrimental to our service users. This figure is reviewed annually and at 31 March 2025 the ideal minimum level considered necessary was £400,000 to £500,000.

The free reserves, identified as the General Fund at 31 March 2025, were £202,753 (2024: £202,206). In order to enable our future strategic and development plans to move forward, the Trustees have designated Contingency and Capital Funds from free reserves. This allows us to make necessary infrastructure improvements as well as pilot developmental opportunities and invest in capital projects. The Capital Fund has been increased to £575,000 at 31 March 2025, utilising surpluses of £35,000 from the General Fund.

The Funds resources will be used to:
- Finance capital and infrastructure projects to ensure we have sufficient capacity going forward
- Establish additional aspects of service delivery to ensure the appropriate levels of support to our core areas of business activity
- Establish pilot projects to develop new ways of delivering our services and innovative ideas for earning money

The Contingency Fund has been set at £457,642 (2024: £457,642) at 31 March 2025 for the purpose of allowing us to address any extreme financial situation that might arise (see note 22). The Contingency Fund is held with CCLA Investment Management Limited in a COIF Charities Ethical Investment Fund. The value of the fund has increased significantly from the initial investment of £300,000 in 2014. Any increase in value is reinvested in more units with the aim of providing long-term protection from inflation with a good level of distributions and a wide range of ethical restrictions.

Previously, restricted funds where capital grants have been spent on the assets for which the donations were intended and there are no longer trust law restrictions in place have been reclassified as Endowment Funds.

1. Amount of reserves £1,725,682 (2024: £1,714,277)
2. Amount of any restricted funds £83,691 (2024: £88,044)
3. Amount of reserves fund that can only be realised by disposing of tangible fixed assets £367,109 (2024: £377,399)
4. Amount of reserves after making allowance for 2) and 3) above £1,274,882 (2024: £1,248,834).

## STRATEGIC REPORT

### Future plans

This next year will see us working hard to meet the commitments we have made as part of the first year of our new Strategic Plan. We will be looking to further develop our service delivery model for working with domestic abuse survivors with immigration needs as well as learning and implementing recommendations from the external evaluation of our Domestic Abuse Complex Needs Service. We have commissioned EAP Research Consultancy to support us on this journey.

We will be working hard to improve our support to the children and young people who have experienced domestic abuse that are in our Valley House services and have secured new funding to increase our groupwork offer to them.

We will continue to increase our groupwork offer to our adult survivors of domestic abuse, with an additional focus on supporting them to gain employability skills and qualifications.

We have recruited a Volunteer Manager which will allow us to create volunteering opportunities across the organisation. Current and ex-service users have asked us for the opportunity to volunteer at Valley House, to build up their confidence and self-esteem as well as give something back. They are also keen to build up knowledge and skills to support them to enter or re-enter employment. We are also approached by local people who would also like volunteering opportunities with us for similar reasons. This new role will allow us to do this.

We will be focusing on supporting staff to access external accredited training specific to their role, to further increase their knowledge.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation is a charitable company limited by guarantee, incorporated on 6th July 1998 and registered as a charity on 5th March 1999. 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 members are required to contribute an amount not exceeding £1.00.

### 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 members of the Trustee Board. Under the requirements of the Articles of Association the members of the Trustee Board are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Organisational structure

There are currently 6 Trustee Board Members (see page 12 for details)

The Board meets 6 times a year, with 2 of these being specifically focused on business and operational planning. The Audit and Risk Committee meets 4 times a year and consists of the Treasurer, Trustees, the Chief Executive, the Director of Finance and Resources and the Director of Operations. Sub-groups are established for individual projects as necessary. Additionally, the Treasurer, the Director of Finance and Resources and the Chief Executive meet in advance of the Audit and Risk Committee.

Day-to-day operations are overseen by the Chief Executive. The organisation management structure is as follows:
Senior Management Team consisting of the Chief Executive; the Director of Operations, the Director of Finance and Resources and the Business Support Manager.

During 2024/25 Valley House provided the following services;
- Domestic Abuse Safe and Supported Accommodation
- Complex Needs Domestic Abuse Safe and Supported Accommodation
- REACH Service
- Talking Therapies Community Lead Service
- Counselling
- Nursery

In recognition of the importance of safeguarding the Board has agreed to fund a Children's Safeguarding Lead who reports directly to the Chief Executive. In relation to the vulnerability of the children we work with the Children's Safeguarding Lead has cross organisation responsibility for providing expert advice and support to staff and volunteers in relation to all levels of safeguarding; internal safeguarding training for staff, volunteers and Board members and also acting as the link with Family Hubs.

Business Development and associated activities were the direct responsibility of the Chief Executive, supported by the Senior Management Team

Marketing & Communications were undertaken on a day-to-day basis by the Communications Officer.
Training is a shared responsibility of the Management Team and overseen by the Director of Operations.

The Board of Trustees delegates day to day management to the Chief Executive and the Senior Management Team.

The trustees take advice from the Chief Executive and the Senior Management Team, the organisation's appointed auditors and any other relevant professionals.

### Decision making

The Board of Trustees delegates day to day operational decision making to the Chief Executive and the Senior Management Team, who are listed on the legal and administrative information page. The Board retains decision making powers in relation to strategic matters and for setting the pay and remuneration of the charity's key management personnel. The Board delegates the benchmarking exercise needed to set these pay levels to the Chief Executive, or where it is in relation to the Chief Executive, an external independent person. Benchmarking information is collated from similar roles in similar charities in a similar geographical area.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Induction and training of new trustees

All trustee vacancies are widely advertised through existing local partnerships and the Reach Volunteering trustee recruitment site. All interested individuals meet with the Chair of the Board and one other Trustee and/or member of the Senior Management Team as relevant to their potential trustee role. Trustee induction includes meeting with the Chair of the Board who explains the role and responsibilities of being a trustee at Valley House. They also meet with the Chief Executive and any other member of the Senior Management Team that may be relevant to their trustee role. All trustees are encouraged to attend training specific to the trustee role.

Appointment to the Board consists of attendance at a Board meeting and a vote by trustees.

Additional training opportunities are available at the Board away day held each year. The Board identifies their training needs and an internal or external trainer will be sourced to meet this need.

### Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have a risk management strategy which comprises:

- A risk register which identifies the risks the charity may face.
- Regular reviews of the risk register.
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work ensures continuously improving contingency planning. Financial risk is mitigated by establishing a reserves policy, which is reviewed annually by trustees, together with the diversification of the funding base.

Rising inflation has increased costs across the organisation and spend on renewals, replacements and general office costs are being closely monitored with cheaper alternatives being purchased where possible.

## REFERENCE AND ADMINISTRATIVE DETAILS

**Registered Company number**
03593394 (England and Wales)

**Registered Charity number**
1074539

**Registered office**
55-57 Bell Green Road
Coventry
West Midlands
CV6 7GQ

**Trustees**
Ms E A Maffey
R Smith
B P Whittington
D K Ball
Mrs J L Hill
M S Pearce

**Company Secretary**
Ms L J Winterburn

## REPORT OF THE TRUSTEES
## for the year ended 31 March 2025

### REFERENCE AND ADMINISTRATIVE DETAILS
**Auditors**
Luckmans Duckett Parker Limited
1110 Elliott Court
Coventry Business Park
Herald Avenue
Coventry
West Midlands
CV5 6UB

### STATEMENT OF TRUSTEES' RESPONSIBILITIES
The trustees (who are also the directors of Valley House for the purposes of company law) are responsible for preparing the Report of the Trustees 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.

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, Luckmans Duckett Parker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 19TH November 2025 and signed on the board's behalf by:

B P Whittington - Trustee

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VALLEY HOUSE

### Opinion

We have audited the financial statements of Valley House (the 'charitable company') for the year ended 31 March 2025 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 2025 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VALLEY HOUSE

**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 Report of the Trustees.

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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Enquiring of management and employees, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:-

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance.
- Detecting and responding to the risks of fraud and whether they were aware of any actual, suspected, or alleged fraud and.
- The internal controls established to mitigate risk relating to fraud or non-compliance with laws and regulations.

We identified areas of law and regulation that could reasonably be expected to have a material effect on the financial statements from our general charitable sector experience, discussions with management (as required by auditing standards) and we discussed with management the policies and procedures regarding compliance with laws and regulations.

All identified laws and regulations were communicated throughout the audit team, and they remained alert to any indications of non-compliance throughout the audit.

The most significant considerations for the charitable company were as follows:-

- The Charity is subject to laws and regulations that affect the financial statements which include financial reporting legislation (namely The Companies Act 2006), taxation legislation and the Charities Act. We assessed the extent of compliance with these laws and regulations as part of our audit procedures concerning items recorded in the financial statements.

- The charity is also subject to other operational laws and regulations where the consequences of non-compliance could have material effect on the amounts or disclosures in the financial statements through imposing fines or withdrawal of funding contracts. Areas where this would have an effect include health and safety, Bribery Act 2010, employment law, data protections and child protection legislation (DBS checks for staff and volunteers).
Auditing standards limit the audit procedures to identifying non-compliance of these laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if there is any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, and audit will not detect the breach.

To identify risk of material misstatement due to fraud, we carried out discussions amongst the audit team to assess areas where and how fraud might occur in the financial statements and any potential indicators. The following areas were identified :-

- Management override of controls through the posting of inappropriate accounting entries or journals
- Fraud risk relating the revenue recognition, although the recognition of revenue is straightforward as it relates in the main to grant sourced income, with limited opportunity for manipulation.

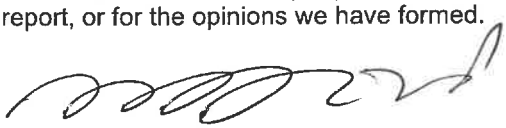
We did not identify any additional fraud risks.

We tested the appropriateness of accounting journals and other adjustments made in the accounts preparation based on a risk criteria.

Owing to the inherent limitation of the audit , there is an unavoidable risk that we may not have detected some material misstatements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulation is from the events and transaction reflected in the financial statement, the less likely in the inherently limited procedure required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations

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.

**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.



Mark Spafford FCCA ACA (Senior Statutory Auditor)
for and on behalf of Luckmans Duckett Parker Limited
1110 Elliott Court
Coventry Business Park
Herald Avenue
Coventry
West Midlands
CV5 6UB

Date: 28th November 2025

## STATEMENT OF FINANCIAL ACTIVITIES
**for the year ended 31 March 2025**

| | Notes | Unrestricted fund £ | Designated funds £ | Restricted funds £ | Endowment funds £ | 2025 Total funds £ | 2024 Total funds £ |
|---|---|---|---|---|---|---|---|
| **INCOME FROM:** | | | | | | | |
| Donations and legacies | 2 | 15,411 | - | - | - | 15,411 | 14,877 |
| **Charitable activities** | 4 | | | | | | |
| Supported Housing | | 638,245 | - | - | - | 638,245 | 624,031 |
| Nursery Fees | | 400,010 | - | - | - | 400,010 | 382,209 |
| Supported accommodation | | 822,066 | - | - | - | 822,066 | 736,730 |
| Students | | 2,800 | - | - | - | 2,800 | 7,000 |
| Counselling | | 64,578 | - | - | - | 64,578 | (4,869) |
| Investment income | 3 | 12,787 | - | - | - | 12,787 | 13,828 |
| **Total** | | 1,955,897 | - | - | - | 1,955,897 | 1,773,806 |
| **EXPENDITURE ON** | | | | | | | |
| Raising funds | 5 | 5,731 | 1,290 | - | - | 7,021 | 6,531 |
| **Charitable activities** | 6 | | | | | | |
| Supported Housing | | 736,942 | - | - | 10,290 | 747,232 | 656,448 |
| Nursery Fees | | 298,383 | - | - | - | 298,383 | 287,622 |
| Supported accommodation | | 747,491 | 13,840 | - | - | 761,331 | 723,574 |
| Students | | 1,700 | - | - | - | 1,700 | 3,428 |
| Counselling | | 69,326 | 3,501 | - | - | 72,827 | 68,698 |
| Training | | - | 10,824 | - | - | 10,824 | 7,536 |
| Children's Centre | | - | - | 4,353 | - | 4,353 | 4,353 |
| Other | | 30,361 | - | - | - | 30,361 | 32,481 |
| **Total** | | 1,889,934 | 29,455 | 4,353 | 10,290 | 1,934,032 | 1,790,671 |
| Net gains/(losses) on investments | | | (10,460) | - | - | (10,460) | 82,373 |
| **NET INCOME/EXPENDITURE** | | 65,963 | (39,915) | (4,353) | (10,290) | 11,405 | 65,508 |
| **Transfers between funds** | 19 | (65,415) | 65,415 | - | - | - | - |
| **Net movement in funds** | | 548 | 25,500 | (4,353) | (10,290) | 11,405 | 65,508 |
| **RECONCILIATION OF FUNDS** | | | | | | | |
| Total funds brought forward | | 202,206 | 1,046,628 | 88,044 | 377,399 | 1,714,277 | 1,648,769 |
| **TOTAL FUNDS CARRIED FORWARD** | | 202,754 | 1,072,128 | 83,691 | 367,109 | 1,725,682 | 1,714,277 |

**CONTINUING OPERATIONS**
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

## VALLEY HOUSE

## BALANCE SHEET
## 31 March 2025

| | Notes | Unrestricted fund £ | Designated funds £ | Restricted funds £ | Endowment funds £ | 2025 Total funds £ | 2024 Total funds £ |
|---|---|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | | | |
| Tangible assets | 12 | 2,640,918 | - | 83,691 | 367,109 | 3,091,718 | 3,094,859 |
| Investments | 13 | - | 699,555 | - | - | 699,555 | 710,015 |
| | | 2,640,918 | 699,555 | 83,691 | 377,109 | 3,791,273 | 3,804,874 |
| **CURRENT ASSETS** | | | | | | | |
| Debtors | 14 | 22,035 | - | - | - | 22,035 | 26,705 |
| Cash at bank | | 364,460 | 372,573 | - | - | 737,033 | 652,293 |
| | | 386,495 | 372,573 | - | - | 759,068 | 678,998 |
| **CREDITORS** | | | | | | | |
| Amounts falling due within one year | 16 | (278,030) | - | - | - | (278,030) | (222,966) |
| **NET CURRENT ASSETS** | | 108,465 | 372,573 | - | - | 481,038 | 456,032 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | 2,749,383 | 1,072,128 | 83,691 | 367,109 | 4,272,311 | 4,260,906 |
| **CREDITORS** | | | | | | | |
| Amounts falling due after more than one year | 17 | (2,546,629) | - | - | - | (2,546,629) | (2,546,629) |
| **NET ASSETS** | | 202,754 | 1,072,128 | 83,691 | 367,109 | 1,725,682 | 1,714,277 |
| **FUNDS** | 19 | | | | | | |
| Unrestricted funds | | | | | | 202,754 | 202,205 |
| Designated funds | | | | | | 1,072,128 | 1,046,629 |
| Restricted funds | | | | | | 83,691 | 88,044 |
| Endowment funds | | | | | | 367,109 | 377,399 |
| **TOTAL FUNDS** | | | | | | 1,725,682 | 1,714,277 |

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 19th November 2025 and were signed on its behalf by:

B P Whittington - Trustee

The notes form part of these financial statements

## VALLEY HOUSE

### CASH FLOW STATEMENT
### for the year ended 31 March 2025

| | Notes | 2025 £ | 2024 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash generated from operations | 1 | 285,576 | 310,545 |
| Interest paid | | (184,553) | (169,593) |
| Net cash provided by operating activities | | 101,023 | 140,952 |
| **Cash flows from investing activities** | | | |
| Purchase of tangible fixed assets | | (29,070) | (18,602) |
| Interest received | | 12,787 | 13,828 |
| Net cash used in investing activities | | (16,283) | (4,774) |
| **Change in cash and cash equivalents in the reporting period** | | 84,740 | 136,178 |
| **Cash and cash equivalents at the beginning of the reporting period** | | 652,293 | 516,115 |
| **Cash and cash equivalents at the end of the reporting period** | | 737,033 | 652,293 |

The notes form part of these financial statements

## NOTES TO THE CASH FLOW STATEMENT
**for the year ended 31 March 2025**

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

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| **Net income for the reporting period (as per the Statement of Financial Activities)** | 11,405 | 65,508 |
| **Adjustments for:** | | |
| Depreciation charges | 32,211 | 29,283 |
| Losses/(gain) on investments | 10,460 | (82,373) |
| Interest received | (12,787) | (13,828) |
| Interest paid | 184,553 | 169,593 |
| Decrease in debtors | 4,670 | 83,389 |
| Increase in creditors | 55,064 | 58,973 |
| **Net cash provided by operations** | 285,576 | 310,545 |

### 2. ANALYSIS OF CHANGES IN NET DEBT

| | At 1.4.24<br>£ | Cash flow<br>£ | At 31.3.25<br>£ |
|---|---|---|---|
| **Net cash** | | | |
| Cash at bank | 652,293 | 84,740 | 737,033 |
| | 652,293 | 84,740 | 737,033 |
| **Debt** | | | |
| Debts falling due after 1 year | (2,546,629) | - | (2,546,629) |
| | (2,546,629) | - | (2,546,629) |
| **Total** | (1,894,336) | 84,740 | (1,809,596) |

The notes form part of these financial statements

## 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, with the exception of investments which are included at market value.

**Critical accounting judgements and key sources of estimation uncertainty**
In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**
**Support cost allocation**
Support costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resources. Costs relating to a particular activity are allocated directly.

**Incoming resources**
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, any performance conditions attached to the item of income have been met or are fully within the control of the charity, it is probable that the income will be received and the amount can be measured reliably.

**Investment income**
Investment income is included in the Financial Statements when receivable.

**Activities for generating funds**
Student placements and other income is included in the Financial Statements when receivable.

**Tenant welfare services**
Tenant welfare services is account for on an accruals basis for all tenants in residence during the financial year.

**Grants**
Revenue grants are included on a receivable basis. Capital grants in respect of building costs are to be written off over the estimated useful life of the building from the date of occupancy.

**Nursery income**
Nursery fees are included on a receivable basis.

**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.


continued...

## 1. ACCOUNTING POLICIES - continued

### Expenditure

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs
Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charitable company's activities. Refer to note 10 for the analysis of support and governance costs. Support costs are generally allocated based on revenue.

The charitable company initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately.

**Costs of generating funds**
Comprise the costs associated with attracting voluntary income.

**Charitable expenditure**
Comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It included costs that can be allocated directly to such activities and those costs of an indirect nature to support them.

**Governance**
Includes those costs associated with meeting the constitutional and statutory requirements of the charitable company and include audit fees.

**Tangible fixed assets**
Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

All additions greater than £1,000 are capitalised and brought into account in accordance with normal accounting practice.

Depreciation is provided based on the value of the fixed assets less its residual value (its scrap or realisable value at the end of its economic life) at rates calculated to write-off the cost of fixed assets over the expected useful lives on the following basis:

| | |
|---|---|
| New furniture & equipment | 4 years (straight line) |
| Buildings | 50 years (straight line) from date of use or 10 years (UEL) |
| Community Garden | 3 years (straight line) from date of first use |
| SASC properties | 10 years (straight line) from date of first use |

Included in land and buildings and SASC properties is land at a cost of £748,000 that is not being depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**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.



continued...

## 1. ACCOUNTING POLICIES - continued

**Fund accounting**
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.

Endowment funds are restricted funds which either cannot be spent (permanent endowment) or where there is no actual requirement to spend or apply the capital unless, or until, the trustees decide to spend it (expendable endowment).

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

**Pension costs and other post-retirement benefits**
The charitable company operates a defined contributions personal pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The fund is managed by Scottish Widows Limited. Contributions payable for the year are charged to the Statement of Financial Activities as and when incurred.

**Cash and cash equivalents**
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts are shown in current liabilities.

**Financial instruments**
The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party 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.

**Basic financial assets**
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**
Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.


continued...

## 1. ACCOUNTING POLICIES - continued

**Cash and cash equivalents**
**Derecognition of financial liabilities**
Financial liabilities are derecognised when the charitable companies contractual obligations expire or are discharged or cancelled.

**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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

## 2. DONATIONS AND LEGACIES

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Donations | 15,411 | 14,877 |

## 3. INVESTMENT INCOME

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Deposit account interest | 12,787 | 13,828 |

## 4. INCOME FROM CHARITABLE ACTIVITIES

| | Activity | 2025 | 2024 |
|---|---|---|---|
| | | £ | £ |
| Tenant welfare services | Supported Housing | 638,245 | 624,031 |
| Nursery Fees | Nursery Fees | 400,010 | 382,209 |
| Service Contracts | Supported accommodation | 822,066 | 736,730 |
| Other income | Students | 2,800 | 7,000 |
| Grants | Counselling | - | (13,439) |
| Service Contracts | Counselling | 64,578 | 8,570 |
| | | 1,927,699 | 1,745,101 |

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

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Pre-therapy counselling | - | (13,439) |



continued...

## 5. RAISING FUNDS

**Other trading activities**

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Fundraising and publicity | 7,021 | 6,531 |

## 6. CHARITABLE ACTIVITIES COSTS

| | Direct Costs | Support costs (see note 7) | Totals |
|---|---|---|---|
| | £ | £ | £ |
| Supported Housing | 701,185 | 46,047 | 747,232 |
| Nursery Fees | 268,152 | 30,231 | 298,383 |
| Supported accommodation | 699,089 | 62,242 | 761,331 |
| Students | 1,700 | - | 1,700 |
| Counselling | 67,398 | 5,429 | 72,827 |
| Training | 10,824 | - | 10,824 |
| Children's centre | 4,353 | - | 4,353 |
| | 1,752,701 | 143,949 | 1,896,650 |

## 7. SUPPORT COSTS

| | Management | Governance costs | Totals |
|---|---|---|---|
| | £ | £ | £ |
| Other resources expended | - | 30,361 | 30,361 |
| Supported Housing | 46,047 | - | 46,047 |
| Nursery Fees | 30,231 | - | 30,231 |
| Supported accommodation | 62,242 | - | 62,242 |
| Counselling | 5,429 | - | 5,429 |
| | 143,949 | 30,361 | 174,310 |

Governance costs includes payments to the auditors of £6,600 (2024 - £6,972) for audit fees.

## 8. NET INCOME/(EXPENDITURE)

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

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Auditors' remuneration | 6,600 | 6,972 |
| Depreciation - owned assets | 32,211 | 29,283 |



continued...

## 9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

## 10. STAFF COSTS

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Wages and salaries | 1,055,112 | 982,867 |
| Social security costs | 80,411 | 81,533 |
| Other pension costs | 36,974 | 31,720 |
| | 1,172,497 | 1,096,120 |

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

| | 2025 | 2024 |
|---|---|---|
| Service providers/admin | 39 | 39 |
| Maintenance | 4 | 5 |
| | 43 | 44 |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2025 | 2024 |
|---|---|---|
| £70,001 - £80,000 | 1 | 1 |

Key management have been identified as the Chief Executive, Director of Operations and Director of Finance & Resources. Aggregate compensation was £181,858 (2024: £181,807).

## 11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted fund | Designated funds | Restricted funds | Endowment funds | Total funds |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **INCOME AND ENDOWMENTS FROM** | | | | | |
| Donations and legacies | 14,878 | - | - | (1) | 14,877 |
| **Charitable activities** | | | | | |
| Supported Housing | 624,031 | - | - | - | 624,031 |
| Nursery Fees | 382,209 | - | - | - | 382,209 |
| Supported accommodation | 736,730 | - | - | - | 736,730 |
| Students | 7,000 | - | - | - | 7,000 |
| Counselling | 8,570 | - | (13,439) | - | (4,869) |
| Investment income | 13,827 | - | - | 1 | 13,828 |
| **Total** | 1,787,245 | - | (13,439) | - | 1,773,806 |
| **EXPENDITURE ON** | | | | | |



continued...

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2025

## 11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

| | Unrestricted fund £ | Designated funds £ | Restricted funds £ | Endowment funds £ | Total funds £ |
|---|---|---|---|---|---|
| Raising funds | 6,531 | - | - | - | 6,531 |
| **Charitable activities** | | | | | |
| Supported Housing | 642,859 | 3,299 | - | 10,290 | 656,448 |
| Nursery Fees | 287,622 | - | - | - | 287,622 |
| Supported accommodation | 723,574 | - | - | - | 723,574 |
| Students | 3,428 | - | - | - | 3,428 |
| Counselling | 33,234 | 35,464 | - | - | 68,698 |
| Training | - | 7,536 | - | - | 7,536 |
| Children's centre | - | - | 4,353 | - | 4,353 |
| Other | 32,481 | - | - | - | 32,481 |
| **Total** | 1,729,729 | 46,299 | 4,353 | 10,290 | 1,790,671 |
| Net gains on investments | - | 82,373 | - | - | 82,373 |
| **NET INCOME/(EXPENDITURE)** | 57,516 | 36,074 | (17,792) | (10,290) | 65,508 |
| **Transfers between funds** | (57,352) | 43,913 | 13,439 | - | - |
| **Net movement in funds** | 164 | 79,987 | (4,353) | (10,290) | 65,508 |
| **RECONCILIATION OF FUNDS** | | | | | |
| Total funds brought forward | 202,041 | 966,643 | 92,397 | 387,688 | 1,648,769 |
| **TOTAL FUNDS CARRIED FORWARD** | 202,205 | 1,046,630 | 88,044 | 377,398 | 1,714,277 |

## 12. TANGIBLE FIXED ASSETS

| | Freehold buildings £ | SASC properties £ | Community garden £ |
|---|---|---|---|
| **COST** | | | |
| At 1 April 2024 | 1,245,182 | 2,618,883 | 44,151 |
| Additions | 9,900 | - | - |
| At 31 March 2025 | 1,255,082 | 2,618,883 | 44,151 |
| **DEPRECIATION** | | | |
| At 1 April 2024 | 756,570 | 16,364 | 44,151 |
| Charge for year | 20,311 | 7,240 | - |
| At 31 March 2025 | 776,881 | 23,604 | 44,151 |
| **NET BOOK VALUE** | | | |
| At 31 March 2025 | 478,201 | 2,595,279 | - |
| At 31 March 2024 | 488,612 | 2,602,519 | - |



continued...

## 12. TANGIBLE FIXED ASSETS - continued

| | Fixtures and fittings £ | Motor vehicles £ | Totals £ |
|---|---|---|---|
| **COST** | | | |
| At 1 April 2024 | 25,158 | - | 3,933,374 |
| Additions | 3,960 | 15,210 | 29,070 |
| At 31 March 2025 | 29,118 | 15,210 | 3,962,444 |
| **DEPRECIATION** | | | |
| At 1 April 2024 | 21,430 | - | 838,515 |
| Charge for year | 2,885 | 1,775 | 32,211 |
| At 31 March 2025 | 24,315 | 1,775 | 870,726 |
| **NET BOOK VALUE** | | | |
| At 31 March 2025 | 4,803 | 13,435 | 3,091,718 |
| At 31 March 2024 | 3,728 | - | 3,094,859 |

Included in cost or valuation of land and buildings is freehold land of £748,650 (2024 - £748,650) which is not depreciated.

At the end of the 10 year term the properties will revert to SASC as repayment of the outstanding loan facility.

This provides an effective residual value at the end of the 10 year period equivalent to cost and consequently the depreciation charge amounts to £nil.

Valley House also has the option to reacquire the properties at their fair value at any point after any loan facility has been discharged.

## 13. FIXED ASSET INVESTMENTS

| | Unlisted investments £ |
|---|---|
| **MARKET VALUE** | |
| At 1 April 2024 | 710,015 |
| Impairments | (10,460) |
| At 31 March 2025 | 699,555 |
| **NET BOOK VALUE** | |
| At 31 March 2025 | 699,555 |
| At 31 March 2024 | 710,015 |

There were no investment assets outside the UK.



continued...

## 14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Trade debtors | 7,750 | 1,252 |
| Other debtors | 2,922 | 15,587 |
| Prepayments | 11,363 | 9,866 |
| | 22,035 | 26,705 |

## 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Social security and other taxes | 38,115 | 38,562 |
| Other creditors | 32,879 | 31,777 |
| Accruals and deferred income | 207,036 | 152,627 |
| | 278,030 | 222,966 |

### Deferred income

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Deferred income at 1st April 2024 | 82,305 | 62,979 |
| Released from previous years | (82,305) | (49,077) |
| Income deferred in the year | 141,430 | 68,403 |
| Deferred income at 31st March 2025 | 141,430 | 82,305 |

## 16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Other loans (see note 17) | 2,546,629 | 2,546,629 |

SASC started providing funds in 2020 of up to £2.55m for the purchase of up to 22 properties. These funds will be available for 10 years and the properties have a restrictive covenant preventing sale other than to SASC. The properties will revert to SASC after 10 years if the funds remain unpaid at that time, with no further liabilities accruing. To date, the Charity has utilised £2,546,629 of these funds and purchased 22 properties. The balance of £3,371 has been repaid to SASC.

This loan is secured on a first legal charge over the land and buildings and a fixed charge over a new established Rent Account held by the Borrower.

A debt servicing charge for the loan facility has been agreed which is linked to the collection of rents from the underlying tenants of the properties, after taking into account management and service income retained by Valley House.

The debt servicing charge for the period amounted to £184,553 (2024 £169,593).



continued...

## 17. LOANS

An analysis of the maturity of loans is given below:

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Amounts falling due in more than five years: | | |
| Repayable otherwise than by instalments: | | |
| Other loans more 5yrs non-inst | 2,546,629 | 2,546,629 |

## 18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Within one year | 7,541 | 9,096 |
| Between one and five years | 30,163 | 25,014 |
| | 37,704 | 34,110 |



continued...

## 19. MOVEMENT IN FUNDS

| | At 1.4.24 £ | Net movement in funds £ | Transfers between funds £ | At 31.3.25 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 202,206 | 65,963 | (65,415) | 202,754 |
| **Designated Funds** | | | | |
| Capital projects | 540,000 | - | 35,000 | 575,000 |
| Contingency Funds | 457,642 | (10,460) | 10,460 | 457,642 |
| Training | 16,000 | (10,824) | 16,000 | 21,176 |
| Consultancy | 3,000 | (1,290) | 290 | 2,000 |
| Complex Needs Service Manager | 13,986 | (13,840) | (146) | - |
| Staff Health and Wellbeing Manager | 5,000 | (3,501) | (1,499) | - |
| Intranet | 5,000 | - | (5,000) | - |
| Shed Shop | 6,000 | - | (6,000) | - |
| Maintenance apprentice | - | - | 16,310 | 16,310 |
| | 1,248,834 | 26,048 | - | 1,274,882 |
| **Restricted funds** | | | | |
| Coventry Children's Centres | 88,044 | (4,353) | - | 83,691 |
| **Endowment funds** | | | | |
| LSC regeneration budget | 4,779 | (475) | - | 4,304 |
| Coventry children's centres - Canopy | 971 | (93) | - | 878 |
| Coventry Children's centres - Conservatory | 9,763 | (282) | - | 9,481 |
| Big lottery fund - Young peoples's fund | 3,273 | - | - | 3,273 |
| General charities - Servers | 2,114 | - | - | 2,114 |
| General charities - Capital Fund | 20,000 | - | - | 20,000 |
| Counselling suite | 17,324 | (839) | - | 16,485 |
| National Lotteries Charity Board | 92,366 | (2,160) | - | 90,206 |
| 25 Bell Green Road | 113,999 | (3,302) | - | 110,697 |
| Counselling Suite 25 Bell Green Road | 17,904 | - | - | 17,904 |
| Improvements to garden, car park | 28,063 | (1,487) | - | 26,576 |
| Navigation Centre extension | 66,843 | (1,652) | - | 65,191 |
| | 377,399 | (10,290) | - | 367,109 |
| **TOTAL FUNDS** | 1,714,277 | 11,405 | - | 1,725,682 |



continued...

## 19. MOVEMENT IN FUNDS - continued

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

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 1,955,897 | (1,889,934) | - | 65,963 |
| **Designated Funds** | | | | |
| Contingency Funds | - | - | (10,460) | (10,460) |
| Training | - | (10,824) | - | (10,824) |
| Consultancy | - | (1,290) | - | (1,290) |
| Complex Needs Service Manager | - | (13,840) | - | (13,840) |
| Staff Health and Wellbeing Manager | - | (3,501) | - | (3,501) |
| | 1,955,897 | (1,919,389) | (10,460) | 26,047 |
| **Restricted funds** | | | | |
| Coventry Children's Centres | - | (4,353) | - | (4,353) |
| **Endowment funds** | | | | |
| LSC regeneration budget | - | (475) | - | (475) |
| Coventry children's centres - Canopy | - | (93) | - | (93) |
| Coventry Children's centres - Conservatory | - | (282) | - | (282) |
| Counselling suite | - | (839) | - | (839) |
| National Lotteries Charity Board | - | (2,160) | - | (2,160) |
| 25 Bell Green Road | - | (3,302) | - | (3,302) |
| Improvements to garden, car park | - | (1,487) | - | (1,487) |
| Navigation Centre extension | - | (1,652) | - | (1,652) |
| | - | (10,290) | - | (10,290) |
| **TOTAL FUNDS** | 1,955,897 | (1,934,032) | (10,460) | 11,405 |



continued...

## 19. MOVEMENT IN FUNDS - continued

**Comparatives for movement in funds**

| | At 1.4.23 £ | Net movement in funds £ | Transfers between funds £ | At 31.3.24 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 202,041 | 57,516 | (57,352) | 202,205 |
| **Designated Funds** | | | | |
| Capital projects | 485,000 | - | 55,000 | 540,000 |
| Contingency Funds | 457,643 | 82,373 | (82,373) | 457,643 |
| Training | 14,000 | (7,536) | 9,536 | 16,000 |
| Redundancy Fund | - | - | 3,000 | 3,000 |
| Fundraising strategy and action plan | 10,000 | - | (10,000) | - |
| Complex Needs Service Manager | - | (18,851) | 32,837 | 13,986 |
| Staff Health and Wellbeing Manager | - | (16,613) | 21,613 | 5,000 |
| Intranet | - | (3,300) | 8,300 | 5,000 |
| Shed Shop | - | - | 6,000 | 6,000 |
| | 1,168,684 | 93,589 | (13,439) | 1,248,834 |
| **Restricted funds** | | | | |
| CDA Accelerate | - | (13,439) | 13,439 | - |
| Coventry Children's Centres | 92,397 | (4,353) | - | 88,044 |
| | 92,397 | (17,792) | 13,439 | 88,044 |
| **Endowment funds** | | | | |
| LSC regeneration budget | 5,254 | (475) | - | 4,779 |
| Coventry children's centres - Canopy | 1,064 | (93) | - | 971 |
| Coventry Children's centres - Conservatory | 10,045 | (282) | - | 9,763 |
| Big lottery fund - Young peoples's fund | 3,273 | - | - | 3,273 |
| General charities - Servers | 2,114 | - | - | 2,114 |
| General charities - Capital Fund | 20,000 | - | - | 20,000 |
| Counselling suite | 18,163 | (839) | - | 17,324 |
| National Lotteries Charity Board | 94,525 | (2,159) | - | 92,366 |
| 25 Bell Green Road | 117,301 | (3,302) | - | 113,999 |
| Counselling Suite 25 Bell Green Road | 17,904 | - | - | 17,904 |
| Improvements to garden, car park | 29,550 | (1,487) | - | 28,063 |
| Navigation Centre extension | 68,495 | (1,652) | - | 66,843 |
| | 387,688 | (10,289) | - | 377,399 |
| **TOTAL FUNDS** | 1,648,769 | 65,508 | - | 1,714,277 |



continued...

## 19. MOVEMENT IN FUNDS - continued

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

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 1,787,245 | (1,729,729) | - | 57,516 |
| **Designated Funds** | | | | |
| Contingency Funds | - | - | 82,373 | 82,373 |
| Training | - | (7,536) | - | (7,536) |
| Complex Needs Service Manager | - | (18,851) | - | (18,851) |
| Staff Health and Wellbeing Manager | - | (16,613) | - | (16,613) |
| Intranet | - | (3,300) | - | (3,300) |
| | 1,787,245 | (1,776,029) | 82,373 | 93,589 |
| **Restricted funds** | | | | |
| CDA Accelerate | (13,439) | - | - | (13,439) |
| Coventry Children's Centres | - | (4,353) | - | (4,353) |
| | (13,439) | (4,353) | - | (17,792) |
| **Endowment funds** | | | | |
| LSC regeneration budget | - | (475) | - | (475) |
| Coventry children's centres - Canopy | - | (93) | - | (93) |
| Coventry Children's centres - Conservatory | - | (282) | - | (282) |
| Counselling suite | - | (839) | - | (839) |
| National Lotteries Charity Board | - | (2,159) | - | (2,159) |
| 25 Bell Green Road | - | (3,302) | - | (3,302) |
| Improvements to garden, car park | - | (1,487) | - | (1,487) |
| Navigation Centre extension | - | (1,652) | - | (1,652) |
| | - | (10,289) | - | (10,289) |
| **TOTAL FUNDS** | 1,773,806 | (1,790,671) | 82,373 | 65,508 |

Endowment Funds are made up of reclassified restricted expenditure where capital grants have been spent on the assets for which the donations were intended or reclassified designated funds for capital projects.

Amortisation is shown at the same rate as the asset is depreciated.

The income funds of the charity include restricted unexpended balances of donations and grants held on trust for specific purposes.

Grants for capital purchases have been spent on the assets for which the donations are intended. Amortisation is shown at the same rate as the assets is depreciated. Where there are no longer trust law restrictions in place the funds are reclassified as endowment funds.

Coventry City Council provided funds in 2006 for an expansion of the Nursery and improvements to the Children's Centre with the restriction that the property is used as a Nursery for 25 years. A restriction is also placed on the registered title of the property that no disposition, sale or lease may take place unless accompanied by a certificate of the Council of the City of Coventry stating there is no payment due under the grant agreement.



continued...

## 19. MOVEMENT IN FUNDS - continued

Designated funds are monies set aside by the Trustees to be spent on the projects specified and have no trust law restrictions.

The Development fund is designated for revenue projects and the Capital projects funds is for capital projects. Capital expenditure incurred is re-designated to a named fund and amortisation is stated at the time at the same rate as the asset depreciated.

Contingency funds are monies related to investments which have been designated to cover large unforeseen expenditure.

These funds include the Capital Fund, Contingency Fund and individual items within the Development Fund.

## 20. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £36,974 (2024 - £31,720),

## 21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2025.

# VALLEY HOUSE

**VALLEY HOUSE**

England & Wales - Charity number 1074539

# Accounts

REGISTERED COMPANY NUMBER: 03593394 (England and Wales)
REGISTERED CHARITY NUMBER: 1074539

# REPORT OF THE TRUSTEES AND

# FINANCIAL STATEMENTS

# FOR THE YEAR ENDED 31 MARCH 2024

# FOR

# VALLEY HOUSE

Luckmans Duckett Parker Limited
1110 Elliott Court
Coventry Business Park
Herald Avenue
Coventry
West Midlands
CV5 6UB

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## for the year ended 31 March 2024


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# VALLEY HOUSE

## REPORT OF THE TRUSTEES
## for the year ended 31 March 2024

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 2024. 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).

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 second edition published October 2019

## REPORT OF THE TRUSTEES
## for the year ended 31 March 2024

### OBJECTIVES AND ACTIVITIES
**Objectives and aims**

The principle purposes and aims of the organisation are:

- To offer support and/or accommodation appropriate to the needs of individuals within the city of Coventry and the surrounding area who are homeless, with the aim of enabling them to move into and sustain their own accommodation; to support and motivate people to re-engage with educational opportunities, that will allow them to develop their potential and have more life choices and the advancements of education, training or retraining, including among unemployed people, and providing unemployed people with work experience.

- To provide quality services for the advancements of the lives of children in partnership with parents, to enable children and young people to develop their physical and mental capacities so that they may achieve their potential as individuals and members of society and their conditions of life may improve.

- To promote, safeguard and protect the good health, both mental and physical, of adults, children and young people.

The issues we seek to tackle are wide ranging and we evolve to meet those needs as those individuals and families approaching us for support continue to grow in complexity of need. Whilst we continue to adhere to our purpose and aims the types of interventions and service delivery models we use continue to evolve

.

The broad-brush changes we seek to make through our work are encapsulated by our Mission Statement "To work alongside people to take control of their lives and create their own futures". This can range from a survivor of domestic abuse taking control of their finances for the first time through to someone feeling able to attend an appointment by themselves.

We seek to bring public benefit most usually but not exclusively to the more vulnerable, disadvantaged, and disengaged members of the community by enabling them through appropriate holistic professional support to develop their potential and take control of the quality and independence of their lives.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities Valley House should undertake.

We deliver a wide range of services specifically designed to support us in achieving our aims and objectives:

Valley House is the domestic abuse safe and supported accommodation provider for Coventry City Council. We provide 54 units of accommodation. Our accommodation is made up of single flats, single family homes, shared houses and accommodation units where staff are on site.

In additional we were commissioned to pilot a Complex Needs Domestic Abuse Service, providing 7 units of self-contained accommodation for survivors with mental health, drugs and/or alcohol issues.

The emotional and practical support we offer across both these services includes 24 hour staff availability, structured support and safety plans, 1 to 1 work and group work.

We have a dedicated maintenance team for our supported accommodation services.

Our community wellbeing offer in 2023-2024 comprised of:

- " REACH service." This is a partnership service delivered in conjunction with Rethink, Coventry and Warwickshire Partnership Trust Lived Experience Workforce Lead, Cultural Inclusion Network Services, Artyfolks and Coventry Citizens Advice. The service provides support for people aged 18 years and over who have common or severe mental illness. It provides 1 to 1 support to people signposted from the Partnership Trust who may benefit from support in the Community from the VCFSE (Voluntary Community Faith and Social Enterprises). This role of Peer Support Worker has been developed specifically for people who have lived experience of mental distress and are able to use their peer experience to offer empathy and understanding to others, inspiring hope and recovery with others.

- "Our Counselling Service". This has 2 strands. We provide counselling for any individual that is accessing any of our Valley House services. This is for up to 6 months, with the counselling being undertaken by our volunteer counsellors. Additionally, we provide counselling for Kairos service users, a local organisation that provides support to women who have experienced or are at risk of sexual exploitation.

- " Talking Therapies Community Engagement Service". This is a partnership service delivered in conjunction with Rethink Community REACH Service, Coventry and Warwickshire Partnership Trust Talking Therapies Service, Coventry Citizens Advice, Inini and Warwickshire Pride. This service provides support for people aged 18 years and over who are experiencing mild to moderate depression and anxiety including stress and adjustment to life events. It provides individual support to people who may benefit from support in the community to support referrals, access and engagement with the Talking Therapies Service.

- Our Nursery provides a quality service, focused on enabling children to develop their personal capabilities and achieve their potential, despite the barriers they may face. We have both Government funded and fee-paying children attending the nursery.

We have volunteers within our counselling service, domestic abuse service, and within our business support team. Additionally, all our Board of trustees are volunteers. During 2023-2024 they contributed a total of 908 volunteering hours

.

Our current success measurements are funder driven and include both quantitative and qualitative data capture. The tool used for individual qualitative data capture, specifically mapping a service user's journey and outcomes achieved is the nationally recognised Outcomes Star. For our groupwork programmes we have developed internal qualitative data capture tools that we use including pre and post service user questionnaires, mapped to defined service user outcomes.

Quantitative success is measured though achieving the outputs as specified and agreed with the funder prior to commencement of delivery.

**Public benefit**

Much of the above shows the public benefit within individual services. Looking across Valley House services more generally, one can see a range of public benefits achieved for vulnerable and disadvantaged citizens as well as the wider community including:

- Promoting Health & Wellbeing, including emotional and psychological wellbeing
- Enabling marginalised individuals and family's access to training, education and work readiness
- Directly tackling violence/abuse effects on victims and children, promoting their confidence and independence and holding perpetrators to account
- Promoting individual's/families' aspirations, self-confidence, and engagement
- Supporting parenting skills, child development and take up of children and family services
- Championing the confidence, aspirations and constructive engagement of young people.

## STRATEGIC REPORT

### Achievement and performance

### Charitable activities

Our 3 year Strategic Plan set out our 5 areas of strategic focus which set our direction of travel for 2022-2025. Our annual Operational Plan, Environmental Sustainability Action Plan and Fundraising Action Plan turn our Strategic Plan into tangible actions and during 2023-2024 we worked hard to meet these targets.

We understand the importance of being digitally connected and the negative impact of digital exclusion for our service users. Though our partnership with Jangala (a UK based charity committed to tackling digital exclusion by providing easy to use internet access systems) and Coventry City Council we piloted a digital inclusion project during the year, providing free wifi in 32 of our supported accommodation properties. Coventry City Council donated 30 repurposed laptops to support this pilot. This meant the children in our properties were able to compete homework and study from home, supporting them to achieve at school. They also had access to streaming services, trying to make the property more like a home, after having to leave their own home. Learning from this pilot is being used to further develop this initiative.

Our annual service user survey in 2022 highlighted the need for more groupwork provision, to support skills development emotional, mental and physical health workshops and increased peer support opportunities. In order to meet this need we reconfigured our staffing and employed a Service User Wellbeing Coordinator who increased our groupwork offer. This was a combination of delivery by Valley House staff and partner agencies. Partner agencies include Fab Lab, Recovery and Wellbeing Academy, Mind, Groundworks, Adult Education, and AT7.

The survey also highlighted the need for a more comprehensive offer for our older children within the domestic abuse service, to include group work opportunities. This has been rolled out over the last year and we are evaluating what is working and what we could do differently based on their feedback.

Whilst money is not the driving motivation for people to work in organisations like Valley House, as an employer we recognise the impact the cost of living crisis has on our staff. We worked hard this year to be able to give staff a one off payment and a salary increase. This runs alongside our commitment to support their health and wellbeing which this year saw us introduce free counselling to staff and employing a Staff Health and Wellbeing Manager. This post has responsibility for embedding our Thrive at Work Silver accreditation. This is a workplace commitment with criteria and guidelines on creating a workplace that promotes employee health and wellbeing, focusing on key organisational enablers of health such as attendance management, policies and procedures in addition to health areas such as mental, musculoskeletal and physical health and promoting healthy lifestyles. This role has been positively received by staff and she is currently working on our Gold Level Thrive at Work application, creating additional resources and interventions to meet this standard.

This year we continued our commitment to staff and volunteer continued professional development, ring fencing £14,000. A total of 51 applications were successful with training ranging from family law to suicide awareness and prevention. Our annual staff survey results continue to confirm how much staff appreciate and benefit from this fund.

We launched our Valley House intranet this year to support better internal communication, information sharing and collaboration across the organisation. It is early days at the moment to assess whether we have achieved this. We will be asking staff for feedback as we look to further develop it.

Our continued commitment to offer hybrid working and flexible working to staff in appropriate roles led us to re-configuring our office space to match a hot desking model. This in turn created storage space allowing us to store additional clothes, toys and food for service users who arrive with nothing.

In order to support us in striving to be more environmentally sustainable this year we undertook an internal audit of our current practice in relation to recycling, printing, energy efficiency, our green spaces and the circular economy approach. This audit allowed to identify gaps in our approach to environmental sustainability with service users which we addressed through awareness group raising sessions and incorporating it in 1 to 1 casework as well as focusing us on reducing the need for hard copies of paperwork and training materials. It also allowed us to set ambitious targets for 2024-2025 in term in terms of energy efficiency within our office spaces and properties, waste management and further embedding the circular economy approach.

In terms of service sustainability and organisational growth we have seen the confirmation that our main Domestic Abuse Service contract with Coventry City Council has been extended from its potential end date of June 2024 to June 2026. This allows us to continue to develop the service in line with the changing demand we have seen over the last year, specifically in relation to increased demand from survivors with immigration needs.

Our partnership with Kairos, a local organisation working with women experiencing or at risk of sexual exploitation was due to end in January 2024. The feedback from the Kairos service users that were supported by this partnership was very positive and on this basis this partnership has been extended for another year.

We have secured 2 new funding streams through the Mental Health Alliance, both 12 month pilot projects and both partnerships with other organisations across Coventry and Warwickshire. The REACH Service is a partnership service delivered in conjunction with Rethink, Coventry and Warwickshire Partnership Trust Lived Experience Workforce Lead, Cultural Inclusion Network Services, Artyfolks and Coventry Citizens Advice. The service provides support for people aged 18 years and over who have common or severe mental illness. It provides 1 to 1 support to people signposted from the Partnership Trust who may benefit from support in the Community from the VCFSE (Voluntary Community Faith and Social Enterprises). This role of Peer Support Worker has been developed specifically for people who have lived experience of mental distress and are able to use their peer experience to offer empathy and understanding to others, inspiring hope and recovery.

The second funding stream is Talking Therapies Community Engagement Service. This is a partnership service delivered in conjunction with Rethink Community REACH Service, Coventry and Warwickshire Partnership Trust Talking Therapies Service, Coventry Citizens Advice, Inini and Warwickshire Pride. This service provides support for people aged 18 years and over who are experiencing mild to moderate depression and anxiety including stress and adjustment to life events. It provides individual support to people who may benefit from support in the community to support referrals, access and engagement with the Talking Therapies Service.

Our apprenticeship opportunities continue to work well with our second Domestic Abuse Support Worker apprentice successfully completing her apprenticeship and moving into a permanent Support Worker role. Our Business Support apprentice completed his apprenticeship with us and has moved into a full time role with another organisation. We continue to offer 2 Business Support apprenticeships a year and both posts are currently full.

In partnership with Coventry City Council we secured funding to pilot a domestic abuse complex needs service for survivors who are in need of safe and supported accommodation and have higher level mental health, drugs and/or alcohol issues. This was in response to us identifying and evidencing the need for an enhanced level of support for this group. The service launched in November 2022 for a 2 year period and is being externally evaluated to support learning and further refine the model. We received the interim report in January 2024 which highlighted areas of success aswell as areas of challenge. We have taken this learning and refined the service delivery model. We expect the final evaluation mid 2024 and will work with our commissioners to explore what this means for the service going forward.

One year one from embedding hybrid working across the organisation, a survey of staff who took up this offer was undertaken. We asked them about the impact on their wellbeing and work life balance, productivity and improved employer/employee trust. All answers were positive and were reflected in their line manager feedback. We will continue to promote this alongside our flexible working policy and undertake the same survey next year.

This year has seen us recruit new trustees to replace trustees stepping down after completing their time with us and increase knowledge at Board level where we had identified gaps. Our Board includes individuals with knowledge in HR, property management, data analysis, safeguarding, supported accommodation and finance.

During 2023-2024 Valley House supported a total of 441 people across all our services, with some individuals accessing more than one service.

| Service | Adults | Children |
|---|---|---|

| | | |
|---|---|---|
| Domestic Abuse | 125 | 131 |
| Family Support | 131 | - |
| Complex Needs | 16 | - |
| Service User Wellbeing | 33 | - |
| REACH | 12 | - |
| Talking Therapies | - | - |
| Nursery | - | 144 |
| Counselling (Kairos) | 13 | - |
| Counselling (Valley House) | 30 | - |

Supporting those more vulnerable members of our community to optimise their potential and take control of their lives is achieved through providing the following services and activities:

**Supported Accommodation**

Within our domestic abuse supported accommodation service we supported 125 adults and 131 children. During the year of those that moved into their own accommodation, 89% were effectively managing their own tenancy and 92% reported that the relationship between themselves and their children had improved.

131 children were supported through 1 to 1 and groupwork by our specialist Family Support Workers. Of all the children who were with us during the year 83% were regularly attending school. A number of children living with us struggled to secure school places or had to wait long periods of time to secure a school place which impacted on our attendance figures.

**Domestic Abuse Complex Needs Service**

The service launched in November 2022. As a pilot, the service is being externally evaluated by EAP Research Consultancy - well known and respected in the field of domestic abuse evaluations. Their interim evaluation report highlighted the following strengths - enhanced multi-agency collaboration, effective information sharing, safe and inclusive environment, engaging service user activities.

**Service User Wellbeing**

Responding to service user feedback, we re-configured staffing within the service to create a Service User Health and Wellbeing Coordinator who came into post in September 2022. During 2023-2024 she has worked with 33 service users 1 to 1 in relation to their health and wellbeing. Additionally, we delivered 294 group work sessions utilising Valley House staff and partner agencies.

**Community Wellbeing**

The REACH Service went live in October 2023. Since then, our Peer Support Worker has supported 12 service users.

The Talking Therapies Community Lead Service went live in February with our staff member starting in April 2024.

**Counselling**

Our Counselling Service supported 13 Kairos service users and 30 Valley House service users. We provide up to 6 months of 1 to 1 counselling (face to face or virtual). It is a safe space for an individual to explore the issue that are impacting on them which can include depression, anxiety, anger, self-esteem, bereavement, relationships.

Throughout the year we collect feedback from our service users on their experience of being supported by Valley House. 98% of respondents confirmed that they were happy with the support they had received.

## Nursery

Valley House has a self-funded nursery offering full day care to both funded and fee-paying families. It offers a creative and fun experience to children and seeks to optimise their readiness for school. During 2023/24 144 children accessed our nursery and holiday club provision. We have a wide range of families from different cultural and ethnic backgrounds and good working relationships with statutory services. However, our families can have multiple disadvantages. During the last year we have supported 15 children who are classified as having additional needs, utilising our purpose-built sensory space to help support them in their learning and development.

## Training and Education

Valley House offers student placements to Social Work and Counselling course students in partnership with local universities and childcare placement opportunities in partnership with local colleges. We offered 3 social work placements, 6 counselling placements and 14 nursery student placements.

## Fundraising activities

The charity did not carry out any significant external fundraising in the year. The charity is registered with the fundraising regulator. There were no complaints in the year.

## STRATEGIC REPORT

### Achievement and performance

### Challenges

The main challenge faced during this year has been recruitment, specifically in terms of front line Support Worker roles. Whilst we have low turnover of staff we have struggled to recruit into vacant roles when they arise. We have seen this trend reflected across the sector with partner organisations being in a similar position. This includes organisations that are offering higher salaries. Anecdotally, we sense that there has been a shift since the pandemic with people choosing job roles that are less emotionally challenging and potentially offer a perceived better work life balance. We have enhanced our benefits package with a strong focus on health and wellbeing to try and stand out from other organisations that are trying to recruit from the same small pool of people. We will be monitoring whether this has had any impact over the next year.

It is essential that we provide a high standard of accommodation and furnishings for our service users and good quality equipment and resources for our staff and volunteers to carry out their roles effectively. Continuing rising prices over the year which were not matched by any rise in income from our main contracts presented challenges. We worked hard to balance meeting these needs against funds available, by focusing on repair, recycle and renew where possible.

A number of local authorities across the country declared themselves bankrupt over the last year. Although Coventry is not currently in this situation, they are looking at areas to cut costs. One potential option is commissioning only services that they have a statutory duty to fund. Whilst this protects our main Domestic Abuse Service until 2026, it does mean the potential to continue growing this provision for specialist strands needing additional staffing will be hampered.

### Opportunities

2023-2024 presented a range of opportunities for us, both internally and externally. Joining the Coventry and Warwickshire Mental Health Alliance opened the doors to greater partnership working and access to funding. It has raised our profile within Coventry and Warwickshire Partnership Trust and allowed us to explore alternative service user support models, specifically paid peer support work.

We began our first corporate donor relationship with Keltek, a local business that wanted to support a charity that closely aligned with their values. Whilst financially supporting us, they are also keen to introduce us to other businesses that we could develop mutually beneficial relationships with.
Due to the large number of service users being referred to us with immigration needs, we have reconfigured the service to try and accommodate this. We are keen to try and meet this need and further develop this specialist strand.

In order to ensure we are in step with good practice around supporting individuals that have experienced trauma Valley House signed up to the Trauma Informed Practitioner training provided by Coventry and Warwickshire Trauma Vanguard Project. This was an 8 day programme aimed at supporting organisations to critically assess their approach to working with trauma. As a result of this, we have embarked on a thorough review of our approach, policies, procedures, paperwork and physical environments. Changes are being made and this will be embedded over the next year.

## STRATEGIC REPORT

### Financial review

### Financial position

We continue to seek to maximise spend on our charitable aims while remaining financially sustainable. We have set our reserves at a prudent level, relative to our turnover, to allow us sufficient time to respond if there were to be a significant drop in funding. Thus, in establishing contingency reserves of £457,642 against a turnover of approximately £1.77m, we are seeking to provide ourselves with the ability to cover our liabilities for approximately a quarter of a year. This will allow us to address any extreme financial situation that might arise and is in line with our Reserves Policy.

We have committed resources via our Development Fund to allow Valley House to respond to ideas from both staff and service users on how we could improve what we do. Whilst we would always seek to source external funding for such ideas, there isn't always a 'good fit' externally. Having our own internally designated fund allows for additional flexibility and innovation.

The financial statements for the year ended 31 March 2024 show net incoming resources of £65,508 (2023: £21,538) . While our major source of funding continues to be from the Local Authority, Valley House recognises that this provision is rapidly changing and still seeks both to diversify funding and identify sources of income-generating work.

### Principal funding sources

These are service contracts £736,730 (2023: £738,485) and tenant welfare services income £624,031 (2023: £511,019).

### Investment policy and objectives

Under the Articles of Association, the charity has the power to invest in any way the trustees consider fit. The Board of Trustees has considered the most appropriate policy for investing funds and currently any cash surplus to day to day requirements is invested in medium to long term funds.

## STRATEGIC REPORT

### Financial review

### Reserves policy

The Board of Trustees is responsible for establishing that the level of reserves (that is those funds that are freely available) is sufficient to be able to continue the current activities of the charity in the event of a significant drop in funding, albeit for a limited time, to enable us to replace the funding or reduce services in a way not detrimental to our service users. This figure is reviewed annually and at 31 March 2024 the ideal minimum level considered necessary was £400,000 to £500,000.

The free reserves, identified as the General Fund at 31 March 2024, were £202,207 (2023: £202,041). In order to enable our future strategic and development plans to move forward, the Trustees have designated Contingency and Capital Funds from free reserves. This allows us to make necessary infrastructure improvements as well as pilot developmental opportunities and invest in capital projects. The Capital Fund has been increased to £540,000 at 31 March 2024, utilising surpluses of £55,000 from the General Fund.

The Funds resources will be used to:
- Finance capital and infrastructure projects to ensure we have sufficient capacity going forward
- Establish additional aspects of service delivery to ensure the appropriate levels of support to our core areas of business activity
- Establish pilot projects to develop new ways of delivering our services and innovative ideas for earning money

The Contingency Fund has been set at £457,643 (2023: £457,643) at 31 March 2024 for the purpose of allowing us to address any extreme financial situation that might arise (see note 22). The Contingency Fund is held with CCLA Investment Management Limited in a COIF Charities Ethical Investment Fund. The value of the fund has increased significantly from the initial investment of £300,000 in 2014. Any increase in value is reinvested in more units with the aim of providing long-term protection from inflation with a good level of distributions and a wide range of ethical restrictions.

Previously, restricted funds where capital grants have been spent on the assets for which the donations were intended and there are no longer trust law restrictions in place have been reclassified as Endowment Funds.

1. Amount of reserves £1,714,277 (2023:£1,648,769)
2. Amount of any restricted funds £88,044 (2023:£92,397)
3. Amount of reserves fund that can only be realised by disposing of tangible fixed assets £377,398 (2023:£387,398)
4. Amount of reserves after making allowance for 2) and 3) above £1,248,835 (2023:£1,168,974).

### Future plans

This next year will see us working hard to meet the commitments we have made as part of the third year of our Strategic Plan. We will be looking to further develop our service delivery model for working with domestic abuse survivors with immigration needs as well as learning and implementing recommendations from the external evaluation of our Domestic Abuse Complex Needs Service.

We keen to grow the partnerships that have been created this year through the Mental Health Alliance, learning and sharing good practice as well as exploring further funding opportunities.

We will developing our new Strategic Plan and associated plans, consulting with staff and volunteers, service users, the Board and external stakeholders so it is ready to go live in April 2025.

We will continue building on our commitment to staff health and wellbeing by working towards Gold Level Thrive at Work accreditation.

We will continue to evolve our approach to working in a trauma informed way with all changes rolled out and embedded in the next year.

We will be working hard on meeting the ambitious targets we have set ourselves term in terms of energy efficiency within our office spaces and properties, waste management and further embedding the circular economy approach.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation is a charitable company limited by guarantee, incorporated on 6th July 1998 and registered as a charity on 5th March 1999. 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 members are required to contribute an amount not exceeding £1.00.

### 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 members of the Trustee Board. Under the requirements of the Articles of Association the members of the Trustee Board are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

### Organisational structure

There are currently 6 Trustee Board Members (see page 12 for details)

The Board meets 6 times a year, with 2 of these being specifically focused on business and operational planning. The Audit and Risk Committee meets 4 times a year and consists of the Treasurer, Trustees, the Chief Executive, the Director of Finance and Resources and the Director of Operations. Sub-groups are established for individual projects as necessary. Additionally, the Treasurer, the Director of Finance and Resources and the Chief Executive meet in advance of the Audit and Risk Committee.

Day-to-day operations are overseen by the Chief Executive. The organisation management structure is as follows:
Senior Management Team consisting of the Chief Executive; the Director of Operations, the Director of Finance and Resources and the Business Support Manager.

During 2023/24 Valley House provided the following services;
- Domestic Abuse Safe and Supported Accommodation
- Complex Needs Domestic Abuse Safe and Supported Accommodation
- REACH Service
- Talking Therapies Community Lead Service
- Counselling
- Nursery

In recognition of the importance of safeguarding the Board has agreed to fund a Children's Safeguarding Lead who reports directly to the Chief Executive. In relation to the vulnerability of the children we work with the Children's Safeguarding Lead has cross organisation responsibility for providing expert advice and support to staff and volunteers in relation to all levels of safeguarding; internal safeguarding training for staff, volunteers and Board members and also acting as the link with Family Hubs.

Business Development and associated activities were the direct responsibility of the Chief Executive, supported by the Senior Management Team

Marketing & Communications were undertaken on a day-to-day basis by the Communications Officer.
Training is a shared responsibility of the Management Team and overseen by the Director of Operations.

The Board of Trustees delegates day to day management to the Chief Executive and the Senior Management Team.

The trustees take advice from the Chief Executive and the Senior Management Team, the organisation's appointed auditors and any other relevant professionals.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Decision making

The Board of Trustees delegates day to day operational decision making to the Chief Executive and the Senior Management Team, who are listed on the legal and administrative information page. The Board retains decision making powers in relation to strategic matters and for setting the pay and remuneration of the charity's key management personnel. The Board delegates the benchmarking exercise needed to set these pay levels to the Chief Executive, or where it is in relation to the Chief Executive, an external independent person. Benchmarking information is collated from similar roles in similar charities in a similar geographical area.

### Induction and training of new trustees

All trustee vacancies are widely advertised through existing local partnerships and the Reach Volunteering trustee recruitment site. All interested individuals meet with the Chair of the Board and one other Trustee and/or member of the Senior Management Team as relevant to their potential trustee role. Trustee induction includes meeting with the Chair of the Board who explains the role and responsibilities of being a trustee at Valley House. They also meet with the Chief Executive and any other member of the Senior Management Team that may be relevant to their trustee role. All trustees are encouraged to attend training specific to the trustee role.

Appointment to the Board consists of attendance at a Board meeting and a vote by trustees.

Additional training opportunities are available at the Board away day held each year. The Board identifies their training needs and an internal or external trainer will be sourced to meet this need.

### Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have a risk management strategy which comprises:

- A risk register which identifies the risks the charity may face.
- Regular reviews of the risk register.
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work ensures continuously improving contingency planning. Financial risk is mitigated by establishing a reserves policy, which is reviewed annually by trustees, together with the diversification of the funding base.

Rising inflation has increased costs across the organisation and spend on renewals, replacements and general office costs are being closely monitored with cheaper alternatives being purchased where possible.

## REFERENCE AND ADMINISTRATIVE DETAILS

### Registered Company number

03593394 (England and Wales)

### Registered Charity number

1074539

### Registered office

55-57 Bell Green Road
Coventry
West Midlands
CV6 7GQ

## REPORT OF THE TRUSTEES
## for the year ended 31 March 2024

**Trustees**
Ms L Burman (resigned 15.11.23)
Ms E A Maffey (appointed 23.8.23)
J C W Martin (resigned 20.9.23)
R Smith
B P Whittington
Ms W Williams (appointed 25.9.23) (resigned 7.2.24)
D K Ball (appointed 20.3.24)
Mrs J L Hill (appointed 20.3.24)
M S Pearce (appointed 7.2.24)

**Company Secretary**
Ms L J Winterburn

**Auditors**
Luckmans Duckett Parker Limited
1110 Elliott Court
Coventry Business Park
Herald Avenue
Coventry
West Midlands
CV5 6UB

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**
The trustees (who are also the directors of Valley House for the purposes of company law) are responsible for preparing the Report of the Trustees 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.

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, Luckmans Duckett Parker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

## REPORT OF THE TRUSTEES
## for the year ended 31 March 2024

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ..... and signed on the board's behalf by:

.....
B P Whittington - Trustee

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VALLEY HOUSE

### Opinion

We have audited the financial statements of Valley House (the 'charitable company') for the year ended 31 March 2024 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 2024 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**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 Report of the Trustees.

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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Enquiring of management and employees, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:-

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance.
- Detecting and responding to the risks of fraud and whether they were aware of any actual, suspected, or alleged fraud and.
- The internal controls established to mitigate risk relating to fraud or non-compliance with laws and regulations.

We identified areas of law and regulation that could reasonably be expected to have a material effect on the financial statements from our general charitable sector experience, discussions with management (as required by auditing standards) and we discussed with management the policies and procedures regarding compliance with laws and regulations.

All identified laws and regulations were communicated throughout the audit team, and they remained alert to any indications of non-compliance throughout the audit.

The most significant considerations for the charitable company were as follows:-

- The Charity is subject to laws and regulations that affect the financial statements which include financial reporting legislation (namely The Companies Act 2006), taxation legislation and the Charities Act. We assessed the extent of compliance with these laws and regulations as part of our audit procedures concerning items recorded in the financial statements.

- The charity is also subject to other operational laws and regulations where the consequences of non-compliance could have material effect on the amounts or disclosures in the financial statements through imposing fines or withdrawal of funding contracts. Areas where this would have an effect include health and safety, Bribery Act 2010, employment law, data protections and child protection legislation (DBS checks for staff and volunteers).

Auditing standards limit the audit procedures to identifying non-compliance of these laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if there is any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, and audit will not detect the breach.

To identify risk of material misstatement due to fraud, we carried out discussions amongst the audit team to assess areas where and how fraud might occur in the financial statements and any potential indicators. The following areas were identified :-

- Management override of controls through the posting of inappropriate accounting entries or journals
- Fraud risk relating the revenue recognition, although the recognition of revenue is straightforward as it relates in the main to grant sourced income, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We tested the appropriateness of accounting journals and other adjustments made in the accounts preparation based on a risk criteria.

Owing to the inherent limitation of the audit , there is an unavoidable risk that we may not have detected some material misstatements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulation is from the events and transaction reflected in the financial statement, the less likely in the inherently limited procedure required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations

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.

**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.

Mark Spafford FCA FCCA (Senior Statutory Auditor)
for and on behalf of Luckmans Duckett Parker Limited
1110 Elliott Court
Coventry Business Park
Herald Avenue
Coventry
West Midlands
CV5 6UB

Date: .....

## VALLEY HOUSE

## STATEMENT OF FINANCIAL ACTIVITIES
**for the year ended 31 March 2024**

| | Notes | Unrestricted fund £ | Designated funds £ | Restricted funds £ | Endowment funds £ | 2024 Total funds £ | 2023 Total funds £ |
|---|---|---|---|---|---|---|---|
| **INCOME FROM:** | | | | | | | |
| Donations and legacies | 2 | 14,877 | - | - | - | 14,877 | 14,877 |
| **Charitable activities** | 4 | | | | | | |
| Supported Housing | | 624,031 | - | - | - | 624,031 | 511,019 |
| Nursery Fees | | 382,209 | - | - | - | 382,209 | 329,487 |
| Supported accommodation | | 736,730 | - | - | - | 736,730 | 738,485 |
| Students | | 7,000 | - | - | - | 7,000 | 2,800 |
| Counselling | | 8,570 | - | (13,439) | - | (4,869) | 52,466 |
| Investment income | 3 | 13,828 | - | - | - | 13,828 | 2,463 |
| **Total** | | 1,787,245 | - | (13,439) | - | 1,773,806 | 1,646,337 |
| **EXPENDITURE ON** | | | | | | | |
| Raising funds | 5 | 6,531 | - | - | - | 6,531 | 9,525 |
| **Charitable activities** | 6 | | | | | | |
| Supported Housing | | 642,859 | 3,299 | - | 10,290 | 656,448 | 508,588 |
| Nursery Fees | | 287,622 | - | - | - | 287,622 | 232,080 |
| Supported accommodation | | 723,574 | - | - | - | 723,574 | 690,951 |
| Students | | 3,428 | - | - | - | 3,428 | 3,323 |
| Floating Support | | - | - | - | - | - | 18,076 |
| Counselling | | 33,234 | 35,464 | - | - | 68,698 | 113,680 |
| Training | | - | 7,536 | - | - | 7,536 | - |
| Children's centre | | - | - | 4,353 | - | 4,353 | 4,353 |
| Other | | 32,481 | - | - | - | 32,481 | 32,507 |
| **Total** | | 1,729,729 | 46,299 | 4,353 | 10,290 | 1,790,671 | 1,613,083 |
| Net gains/(losses) on investments | | - | 82,373 | - | - | 82,373 | (11,716) |
| **NET INCOME/EXPENDITURE** | | 57,516 | 36,074 | (17,792) | (10,290) | 65,508 | 21,538 |
| **Transfers between funds** | 20 | (57,352) | 43,913 | 13,439 | - | - | - |
| **Net movement in funds** | | 164 | 79,987 | (4,353) | (10,290) | 65,508 | 21,358 |
| **RECONCILIATION OF FUNDS** | | | | | | | |
| Total funds brought forward | | 202,041 | 966,643 | 92,397 | 387,688 | 1,648,769 | 1,627,231 |
| **TOTAL FUNDS CARRIED FORWARD** | | 202,205 | 1,046,630 | 88,044 | 377,398 | 1,714,277 | 1,648,769 |

**CONTINUING OPERATIONS**
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

## VALLEY HOUSE

## BALANCE SHEET
## 31 March 2024

| | Notes | Unrestricted fund £ | Designated funds £ | Restricted funds £ | Endowment funds £ | 2024 Total funds £ | 2023 Total funds £ |
|---|---|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | | | |
| Tangible assets | 12 | 2,629,416 | - | 88,044 | 377,399 | 3,094,859 | 3,105,540 |
| Investments | 13 | 252,372 | 457,643 | - | - | 710,015 | - |
| | | 2,881,788 | 457,643 | 88,044 | 377,399 | 3,804,874 | 3,105,540 |
| **CURRENT ASSETS** | | | | | | | |
| Debtors | 14 | 26,705 | - | - | - | 26,705 | 110,094 |
| Investments | 15 | - | - | - | - | - | 627,642 |
| Cash at bank | | 63,307 | 588,986 | - | - | 652,293 | 516,115 |
| | | 90,012 | 588,986 | - | - | 678,998 | 1,253,851 |
| **CREDITORS** | | | | | | | |
| Amounts falling due within one year | 16 | (222,966) | - | - | - | (222,966) | (163,993) |
| **NET CURRENT ASSETS** | | (132,954) | 588,986 | - | - | 456,032 | 1,089,858 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | 2,748,834 | 1,046,629 | 88,044 | 377,399 | 4,260,906 | 4,195,398 |
| **CREDITORS** | | | | | | | |
| Amounts falling due after more than one year | 17 | (2,546,629) | - | - | - | (2,546,629) | (2,546,629) |
| **NET ASSETS** | | 202,205 | 1,046,629 | 88,044 | 377,399 | 1,714,277 | 1,648,769 |
| **FUNDS** | 20 | | | | | | |
| Unrestricted funds | | | | | | 202,205 | 202,040 |
| Designated funds | | | | | | 1,046,629 | 966,644 |
| Restricted funds | | | | | | 88,044 | 92,397 |
| Endowment funds | | | | | | 377,399 | 387,688 |
| **TOTAL FUNDS** | | | | | | 1,714,277 | 1,648,769 |

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

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

.....
B P Whittington - Trustee

The notes form part of these financial statements

## VALLEY HOUSE

## CASH FLOW STATEMENT
## for the year ended 31 March 2024

| | Notes | 2024 £ | 2023 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash generated from operations | 1 | 310,545 | 8,408 |
| Interest paid | | (169,593) | - |
| Net cash provided by operating activities | | 140,952 | 8,408 |
| **Cash flows from investing activities** | | | |
| Purchase of tangible fixed assets | | (18,602) | (36,859) |
| Interest received | | 13,828 | 2,463 |
| Net cash used in investing activities | | (4,774) | (34,396) |
| **Cash flows from financing activities** | | | |
| Loan repayments in year | | - | (3,371) |
| Net cash provided by/(used in) financing activities | | - | (3,371) |
| **Change in cash and cash equivalents in the reporting period** | | 136,178 | (29,359) |
| **Cash and cash equivalents at the beginning of the reporting period** | | 516,115 | 545,474 |
| **Cash and cash equivalents at the end of the reporting period** | | 652,293 | 516,115 |

The notes form part of these financial statements

## NOTES TO THE CASH FLOW STATEMENT
**for the year ended 31 March 2024**

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

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| **Net income for the reporting period (as per the Statement of Financial Activities)** | 65,508 | 21,538 |
| **Adjustments for:** | | |
| Depreciation charges | 29,283 | 27,683 |
| (Gain)/losses on investments | (82,373) | 11,716 |
| Interest received | (13,828) | (2,463) |
| Interest paid | 169,593 | - |
| Decrease/(increase) in debtors | 83,389 | (31,830) |
| Increase/(decrease) in creditors | 58,973 | (18,236) |
| **Net cash provided by operations** | 310,545 | 8,408 |

### 2. ANALYSIS OF CHANGES IN NET DEBT

| | At 1.4.23<br>£ | Cash flow<br>£ | Other non-cash changes<br>£ | At 31.3.24<br>£ |
|---|---|---|---|---|
| **Net cash** | | | | |
| Cash at bank | 516,115 | 136,178 | | 652,293 |
| | 516,115 | 136,178 | | 652,293 |
| **Liquid resources** | | | | |
| in cash | - | - | | - |
| Current asset investments | 627,642 | - | (627,642) | - |
| | 627,642 | - | (627,642) | - |
| **Debt** | | | | |
| Debts falling due after 1 year | (2,546,629) | - | - | (2,546,629) |
| | (2,546,629) | - | - | (2,546,629) |
| **Total** | (1,402,872) | 136,178 | (627,642) | (1,894,336) |

The notes form part of these financial statements

## 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, with the exception of investments which are included at market value.

**Critical accounting judgements and key sources of estimation uncertainty**
In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**
**Support cost allocation**
Support costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resources. Costs relating to a particular activity are allocated directly.

**Incoming resources**
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, any performance conditions attached to the item of income have been met or are fully within the control of the charity, it is probable that the income will be received and the amount can be measured reliably.

**Investment income**
Investment income is included in the Financial Statements when receivable.

**Activities for generating funds**
Student placements and other income is included in the Financial Statements when receivable.

**Tenant welfare services**
Tenant welfare services is account for on an accruals basis for all tenants in residence during the financial year.

**Grants**
Revenue grants are included on a receivable basis. Capital grants in respect of building costs are to be written off over the estimated useful life of the building from the date of occupancy.

**Nursery income**
Nursery fees are included on a receivable basis.

**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.


continued...

## 1. ACCOUNTING POLICIES - continued

### Expenditure

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs
Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charitable company's activities. Refer to note 10 for the analysis of support and governance costs. Support costs are generally allocated based on revenue.

The charitable company initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately.

### Costs of generating funds
Comprise the costs associated with attracting voluntary income.

### Charitable expenditure
Comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It included costs that can be allocated directly to such activities and those costs of an indirect nature to support them.

### Governance
Includes those costs associated with meeting the constitutional and statutory requirements of the charitable company and include audit fees.

### Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

All additions greater than £1,000 are capitalised and brought into account in accordance with normal accounting practice.

Depreciation is provided based on the value of the fixed assets less its residual value (its scrap or realisable value at the end of its economic life) at rates calculated to write-off the cost of fixed assets over the expected useful lives on the following basis:

| | |
|---|---|
| New furniture & equipment | 4 years (straight line) |
| Buildings | 50 years (straight line) from date of use or 10 years (UEL) |
| Community Garden | 3 years (straight line) from date of first use |
| SASC properties | 10 years (straight line) from date of first use |

Included in land and buildings and SASC properties is land at a cost of £748,000 that is not being depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

### 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.



continued...

## 1. ACCOUNTING POLICIES - continued

**Fund accounting**
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.

Endowment funds are restricted funds which either cannot be spent (permanent endowment) or where there is no actual requirement to spend or apply the capital unless, or until, the trustees decide to spend it (expendable endowment).

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

**Pension costs and other post-retirement benefits**
The charitable company operates a defined contributions personal pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The fund is managed by Scottish Widows Limited. Contributions payable for the year are charged to the Statement of Financial Activities as and when incurred.

**Cash and cash equivalents**
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts are shown in current liabilities.

**Financial instruments**
The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party 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.

**Basic financial assets**
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**
Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.


continued...

## 1. ACCOUNTING POLICIES - continued

**Cash and cash equivalents**
**Derecognition of financial liabilities**
Financial liabilities are derecognised when the charitable companies contractual obligations expire or are discharged or cancelled.

**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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

## 2. DONATIONS AND LEGACIES

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Donations | 14,877 | 9,617 |

## 3. INVESTMENT INCOME

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Deposit account interest | 13,828 | 2,463 |

## 4. INCOME FROM CHARITABLE ACTIVITIES

| | Activity | 2024 £ | 2023 £ |
|---|---|---|---|
| Tenant welfare services | Supported Housing | 624,031 | 511,019 |
| Nursery Fees | Nursery Fees | 382,209 | 329,487 |
| Service Contracts | Supported accommodation | 736,730 | 738,485 |
| Other income | Students | 7,000 | 2,800 |
| Grants | Counselling | (13,439) | 52,466 |
| Service Contracts | Counselling | 8,570 | - |
| | | 1,745,101 | 1,634,257 |

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

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Pre-therapy counselling | (13,439) | 52,466 |



continued...

## 5. RAISING FUNDS

**Other trading activities**

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Fundrasing and publicity | 6,531 | 9,525 |

## 6. CHARITABLE ACTIVITIES COSTS

| | Direct Costs | Support costs (see note 7) | Totals |
|---|---|---|---|
| | £ | £ | £ |
| Supported Housing | 605,083 | 51,365 | 656,448 |
| Nursery Fees | 256,079 | 31,543 | 287,622 |
| Supported accommodation | 665,582 | 57,992 | 723,574 |
| Students | 3,000 | 428 | 3,428 |
| Counselling | 66,969 | 1,729 | 68,698 |
| Training | 7,536 | - | 7,536 |
| Children's centre | 4,353 | - | 4,353 |
| | 1,608,602 | 143,057 | 1,751,659 |

## 7. SUPPORT COSTS

| | Management | Governance costs | Totals |
|---|---|---|---|
| | £ | £ | £ |
| Other resources expended | - | 32,481 | 32,481 |
| Supported Housing | 51,365 | - | 51,365 |
| Nursery Fees | 31,543 | - | 31,543 |
| Supported accommodation | 57,992 | - | 57,992 |
| Students | 428 | - | 428 |
| Counselling | 1,729 | - | 1,729 |
| | 143,057 | 32,481 | 175,538 |

Governance costs includes payments to the auditors of £6,972 (2023 - £6,525) for audit fees.

## 8. NET INCOME/(EXPENDITURE)

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

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Auditors' remuneration | 6,972 | 6,525 |
| Auditors' remuneration for non audit work | - | 1,491 |
| Depreciation - owned assets | 29,283 | 27,683 |



continued...

## 9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

## 10. STAFF COSTS

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Wages and salaries | 982,867 | 960,207 |
| Social security costs | 81,533 | 83,556 |
| Other pension costs | 31,720 | 31,302 |
| | 1,096,120 | 1,075,065 |

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

| | 2024 | 2023 |
|---|---|---|
| Service providers/admin | 39 | 43 |
| Maintenance | 5 | 5 |
| | 44 | 48 |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2024 | 2023 |
|---|---|---|
| £70,001 - £80,000 | 1 | 1 |

The aggregate redundancy costs during the year amounted to £nil (2023: £9,055)

Key management have been identified as the Chief Executive, Director of Operations and Director of Finance & Resources. Aggregate compensation was £181,807 (2023: £183,499).

## 11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted fund | Designated funds | Restricted funds | Endowment funds | Total funds |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **INCOME AND ENDOWMENTS FROM** | | | | | |
| Donations and legacies | 9,617 | - | - | - | 9,617 |
| **Charitable activities** | | | | | |
| Supported Housing | 511,019 | - | - | - | 511,019 |
| Nursery Fees | 329,487 | - | - | - | 329,487 |
| Supported accommodation | 738,485 | - | - | - | 738,485 |
| Students | 2,800 | - | - | - | 2,800 |
| Counselling | - | - | 52,466 | - | 52,466 |
| Investment income | 2,463 | - | - | - | 2,463 |
| **Total** | 1,593,871 | - | 52,466 | - | 1,646,337 |



continued...

## 11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

| | Unrestricted fund £ | Designated funds £ | Restricted funds £ | Endowment funds £ | Total funds £ |
|---|---|---|---|---|---|
| **EXPENDITURE ON** | | | | | |
| Raising funds | 8,371 | 1,154 | - | - | 9,525 |
| **Charitable activities** | | | | | |
| Supported Housing | 497,144 | 1,154 | - | 10,290 | 508,588 |
| Nursery Fees | 232,080 | - | - | - | 232,080 |
| Supported accommodation | 690,951 | - | - | - | 690,951 |
| Students | 3,323 | - | - | - | 3,323 |
| Floating Support | 18,076 | - | - | - | 18,076 |
| Counselling | 29,743 | 26,134 | 57,803 | - | 113,680 |
| Children's centre | - | - | 4,353 | - | 4,353 |
| Other | 32,507 | - | - | - | 32,507 |
| **Total** | 1,512,195 | 28,442 | 62,156 | 10,290 | 1,613,083 |
| Net gains/(losses) on investments | - | (11,716) | - | - | (11,716) |
| **NET INCOME/(EXPENDITURE)** | 81,676 | (40,158) | (9,690) | (10,290) | 21,538 |
| **Transfers between funds** | (79,779) | 74,442 | 5,337 | - | - |
| **Net movement in funds** | 1,897 | 34,284 | (4,353) | (10,290) | 21,538 |
| **RECONCILIATION OF FUNDS** | | | | | |
| Total funds brought forward | 200,145 | 932,358 | 96,750 | 397,978 | 1,627,231 |
| **TOTAL FUNDS CARRIED FORWARD** | 202,042 | 966,642 | 92,397 | 387,688 | 1,648,769 |



continued...

## 12. TANGIBLE FIXED ASSETS

| | Freehold buildings £ | SASC properties £ | Community garden £ | Fixtures and fittings £ | Totals £ |
|---|---|---|---|---|---|
| **COST** | | | | | |
| At 1 April 2023 | 1,239,569 | 2,605,894 | 44,151 | 25,158 | 3,914,772 |
| Additions | 5,613 | 12,989 | - | - | 18,602 |
| At 31 March 2024 | 1,245,182 | 2,618,883 | 44,151 | 25,158 | 3,933,374 |
| **DEPRECIATION** | | | | | |
| At 1 April 2023 | 738,262 | 9,123 | 44,151 | 17,696 | 809,232 |
| Charge for year | 18,308 | 7,241 | - | 3,734 | 29,283 |
| At 31 March 2024 | 756,570 | 16,364 | 44,151 | 21,430 | 838,515 |
| **NET BOOK VALUE** | | | | | |
| At 31 March 2024 | 488,612 | 2,602,519 | - | 3,728 | 3,094,859 |
| At 31 March 2023 | 501,307 | 2,596,771 | - | 7,462 | 3,105,540 |

Included in cost or valuation of land and buildings is freehold land of £748,650 which is not depreciated.

At the end of the 10 year term the properties will revert to SASC as repayment of the outstanding loan facility

This provides an effective residual value at the end of the 10 year period equivalent to cost and consequently the depreciation charge amounts to £nil.

Valley House also has the option to reacquire the properties at their fair value at any point after the loan facility been discharged.

## 13. FIXED ASSET INVESTMENTS

| | Unlisted investments £ |
|---|---|
| **MARKET VALUE** | |
| Reclassification/transfer | 710,015 |
| **NET BOOK VALUE** | |
| At 31 March 2024 | 710,015 |
| At 31 March 2023 | - |

There were no investment assets outside the UK.



continued...

## 14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Trade debtors | 1,252 | 23,993 |
| Other debtors | 15,587 | 78,100 |
| Prepayments | 9,866 | 8,001 |
| | 26,705 | 110,094 |

## 15. CURRENT ASSET INVESTMENTS

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Unlisted investments | - | 627,642 |

## 16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Social security and other taxes | 38,562 | 36,524 |
| Other creditors | 31,777 | 5,225 |
| Accruals and deferred income | 152,627 | 122,244 |
| | 222,966 | 163,993 |

**Deferred income**

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Deferred income at 1st April 2023 | 62,979 | 54,288 |
| Released from previous years | (49,077) | (248,357) |
| Income deferred in the year | 68,403 | 257,048 |
| Deferred income at 31st March 2024 | 82,305 | 62,979 |

## 17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Other loans (see note 18) | 2,546,629 | 2,546,629 |

SASC started providing funds in 2020 of up to £2.55m for the purchase of up to 22 properties. These funds will be available for 10 years and the properties have a restrictive covenant preventing sale other than to SASC. The properties will revert to SASC after 10 years if the funds remain unpaid at that time, with no further liabilities accruing. To date, the Charity has utilised £2,546,629 of these funds and purchased 22 properties. The balance of £3,371 has been repaid to SASC.

This loan is secured on a first legal charge over the land and buildings and a fixed charge over a new established Rent Account held by the Borrower.

A debt servicing charge for the loan facility has been agreed which is linked to the collection of rents from the underlying tenants of the properties, after taking into account management and service income retained by Valley House.

The debt servicing charge for the period amounted to £169,593.21 (2023 £108,558). The figure for 2022/23 includes prior year reductions of charges of £33,695.56 agreed with SASC.



continued...

## 18. LOANS

An analysis of the maturity of loans is given below:

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| Amounts falling due in more than five years: | | |
| Repayable otherwise than by instalments: | | |
| Other loans more 5yrs non-inst | 2,546,629 | 2,546,629 |

## 19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| Within one year | 9,096 | 19,656 |
| Between one and five years | 25,014 | 36,750 |
| | 34,110 | 56,406 |



continued...

## 20. MOVEMENT IN FUNDS

| | At 1.4.23 £ | Net movement in funds £ | Transfers between funds £ | At 31.3.24 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 202,041 | 57,516 | (57,352) | 202,205 |
| **Designated funds** | | | | |
| Training Fund | 14,000 | (7,536) | 9,536 | 16,000 |
| Capital projects | 485,000 | - | 55,000 | 540,000 |
| Contingency Funds | 457,643 | 82,373 | (82,373) | 457,643 |
| Redundancy Fund | - | - | 3,000 | 3,000 |
| Fundraising strategy and action plan | 10,000 | - | (10,000) | - |
| Complex Needs Service Manager | - | (18,851) | 32,837 | 13,986 |
| Staff Health and Wellbeing Manager | - | (16,613) | 21,613 | 5,000 |
| Intranet | - | (3,300) | 8,300 | 5,000 |
| Shed Shop | - | - | 6,000 | 6,000 |
| | 966,643 | 36,073 | 43,913 | 1,046,629 |
| **Restricted funds** | | | | |
| CDA Accelerate | - | (13,439) | 13,439 | - |
| Coventry Children's Centres | 92,397 | (4,353) | - | 88,044 |
| | 92,397 | (17,792) | 13,439 | 88,044 |
| **Endowment funds** | | | | |
| LSC regeneration budget | 5,254 | (475) | - | 4,779 |
| Coventry children's centres - Canopy | 1,064 | (93) | - | 971 |
| Coventry Children's centres - Conservatory | 10,045 | (282) | - | 9,763 |
| Big lottery fund - Young Peoples's fund | 3,273 | - | - | 3,273 |
| General charities - Servers | 2,114 | - | - | 2,114 |
| General charities - Capital Fund | 20,000 | - | - | 20,000 |
| Counselling suite | 18,163 | (839) | - | 17,324 |
| National Lotteries Charity Board | 94,525 | (2,159) | - | 92,366 |
| 25 Bell Green Road | 117,301 | (3,302) | - | 113,999 |
| Counselling Suite 25 Bell Green Road | 17,904 | - | - | 17,904 |
| Improvements to garden, car park | 29,550 | (1,487) | - | 28,063 |
| Navigation Centre extension | 68,495 | (1,652) | - | 66,843 |
| | 387,688 | (10,289) | - | 377,399 |
| **TOTAL FUNDS** | 1,648,769 | 65,508 | - | 1,714,277 |



continued...

## 20. MOVEMENT IN FUNDS - continued

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

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 1,787,245 | (1,729,729) | - | 57,516 |
| **Designated funds** | | | | |
| Training Fund | - | (7,536) | - | (7,536) |
| Contingency Funds | - | - | 82,373 | 82,373 |
| Complex Needs Service Manager | - | (18,851) | - | (18,851) |
| Staff Health and Wellbeing Manager | - | (16,613) | - | (16,613) |
| Intranet | - | (3,300) | - | (3,300) |
| | - | (46,300) | 82,373 | 36,073 |
| **Restricted funds** | | | | |
| CDA Accelerate | (13,439) | - | - | (13,439) |
| Coventry Children's Centres | - | (4,353) | - | (4,353) |
| | (13,439) | (4,353) | - | (17,792) |
| **Endowment funds** | | | | |
| LSC regeneration budget | - | (475) | - | (475) |
| Coventry children's centres - Canopy | - | (93) | - | (93) |
| Coventry Children's centres - Conservatory | - | (282) | - | (282) |
| Counselling suite | - | (839) | - | (839) |
| National Lotteries Charity Board | - | (2,159) | - | (2,159) |
| 25 Bell Green Road | - | (3,302) | - | (3,302) |
| Improvements to garden, car park | - | (1,487) | - | (1,487) |
| Navigation Centre extension | - | (1,652) | - | (1,652) |
| | - | (10,289) | - | (10,289) |
| **TOTAL FUNDS** | 1,773,806 | (1,790,671) | 82,373 | 65,508 |



continued...

## 20. MOVEMENT IN FUNDS - continued

### Comparatives for movement in funds

| | At 1.4.22 £ | Net movement in funds £ | Transfers between funds £ | At 31.3.23 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 200,145 | 81,676 | (79,779) | 202,042 |
| **Designated funds** | | | | |
| Training Fund | 7,000 | (11,174) | 18,174 | 14,000 |
| Pilot projects | 6,000 | (5,905) | 5,905 | 6,000 |
| Capital projects | 450,000 | - | 35,000 | 485,000 |
| Contingency Funds | 469,358 | (11,716) | - | 457,642 |
| Redundancy Fund | - | (9,055) | 9,055 | - |
| Consultancy | - | (2,308) | (3,692) | (6,000) |
| Fundraising strategy and action plan | - | - | 10,000 | 10,000 |
| | 932,358 | (40,158) | 74,442 | 966,642 |
| **Restricted funds** | | | | |
| CDA Accelerate | - | (5,337) | 5,337 | - |
| Coventry Children's Centres | 96,750 | (4,353) | - | 92,397 |
| | 96,750 | (9,690) | 5,337 | 92,397 |
| **Endowment funds** | | | | |
| LSC regeneration budget | 5,729 | (475) | - | 5,254 |
| Coventry children's centres - Canopy | 1,157 | (94) | - | 1,063 |
| Coventry Children's centres - Conservatory | 10,328 | (282) | - | 10,046 |
| Big lottery fund - Young Peoples's fund | 3,273 | - | - | 3,273 |
| General charities - Servers | 2,114 | - | - | 2,114 |
| General charities - Capital Fund | 20,000 | - | - | 20,000 |
| Counselling suite | 19,003 | (839) | - | 18,164 |
| National Lotteries Charity Board | 96,684 | (2,159) | - | 94,525 |
| 25 Bell Green Road | 120,603 | (3,302) | - | 117,301 |
| Counselling Suite 25 Bell Green Road | 17,904 | - | - | 17,904 |
| Improvements to garden, car park | 31,036 | (1,486) | - | 29,550 |
| Navigation Centre extension | 70,147 | (1,653) | - | 68,494 |
| | 397,978 | (10,290) | - | 387,688 |
| **TOTAL FUNDS** | 1,627,231 | 21,538 | - | 1,648,769 |



continued...

## 20. MOVEMENT IN FUNDS - continued

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

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General fund | 1,593,871 | (1,512,195) | - | 81,676 |
| **Designated funds** | | | | |
| Training Fund | - | (11,174) | - | (11,174) |
| Pilot projects | - | (5,905) | - | (5,905) |
| Contingency Funds | - | - | (11,716) | (11,716) |
| Redundancy Fund | - | (9,055) | - | (9,055) |
| Consultancy | - | (2,308) | - | (2,308) |
| | - | (28,442) | (11,716) | (40,158) |
| **Restricted funds** | | | | |
| CDA Accelerate | 52,466 | (57,803) | - | (5,337) |
| Coventry Children's Centres | - | (4,353) | - | (4,353) |
| | 52,466 | (62,156) | - | (9,690) |
| **Endowment funds** | | | | |
| LSC regeneration budget | - | (475) | - | (475) |
| Coventry children's centres - Canopy | - | (94) | - | (94) |
| Coventry Children's centres - Conservatory | - | (282) | - | (282) |
| Counselling suite | - | (839) | - | (839) |
| National Lotteries Charity Board | - | (2,159) | - | (2,159) |
| 25 Bell Green Road | - | (3,302) | - | (3,302) |
| Improvements to garden, car park | - | (1,486) | - | (1,486) |
| Navigation Centre extension | - | (1,653) | - | (1,653) |
| | - | (10,290) | - | (10,290) |
| **TOTAL FUNDS** | 1,646,337 | (1,613,083) | (11,716) | 21,538 |

Endowment Funds are made up of reclassified restricted expenditure where capital grants have been spent on the assets for which the donations were intended or reclassified designated funds for capital projects.

Amortisations is shown at the same rate as the asset is depreciated.

The income funds of the charity include restricted unexpended balances of donations and grants held on trust for specific purposes.

Grants for capital purchases have been spent on the assets for which the donations are intended. Amortisation is shown at the same rate as the assets is depreciated. Where there are no longer trust law restrictions in place the funds are reclassified as endowment funds.

Coventry City Council provided funds in 2006 for an expansion of the Nursery and improvements to the Children's Centre with the restriction that the property is used as a Nursery for 25 years. A restriction is also placed on the registered title of the property that no disposition, sale or lease may take place unless accompanied by a certificate of the Council of the City of Coventry stating there is no payment due under the grant agreement.

Designated funds are monies set aside by the Trustees to be spent on the projects specified and have no trust law restrictions.



continued...

## 20. MOVEMENT IN FUNDS - continued

The Development fund is designated for revenue projects and the Capital projects funds is for capital projects. Capital expenditure incurred is re-designated to a named fund and amortisation is stated at the time at the same rate as the asset depreciated.

Contingency funds are monies related to investments which have been designated to cover large unforeseen expenditure.

## 21. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £31,720 (2023 - £31,302),

## 22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES
## for the year ended 31 March 2024

| | 2024 £ | 2023 £ |
|---|---|---|
| **INCOME AND ENDOWMENTS** | | |
| **Donations and legacies** | | |
| Donations | 14,877 | 9,617 |
| **Investment income** | | |
| Deposit account interest | 13,828 | 2,463 |
| **Charitable activities** | | |
| Grants | (13,439) | 52,466 |
| Tenant welfare services | 624,031 | 511,019 |
| Nursery Fees | 382,209 | 329,487 |
| Service Contracts | 745,300 | 738,485 |
| Other income | 7,000 | 2,800 |
| | 1,745,101 | 1,634,257 |
| **Total incoming resources** | 1,773,806 | 1,646,337 |
| **EXPENDITURE** | | |
| **Other trading activities** | | |
| Fundrasing and publicity | 6,531 | 9,525 |
| **Charitable activities** | | |
| Wages | 833,679 | 817,595 |
| Social security | 81,533 | 83,556 |
| Pensions | 31,720 | 31,302 |
| Sundries | 467,744 | 365,715 |
| Freehold property | 13,358 | 17,533 |
| Short leasehold | 7,241 | 3,621 |
| Fixtures and fittings | 3,734 | 2,908 |
| Loan | 169,593 | - |
| | 1,608,602 | 1,322,230 |
| **Support costs** | | |
| **Management** | | |
| Wages | 123,326 | 118,121 |
| Sundries | 14,782 | - |
| Freehold property | 4,949 | - |
| Short leasehold | - | 1,429 |
| Fixtures and fittings | - | 2,192 |
| | 143,057 | 121,742 |
| **Other** | | |
| Finance costs | - | 108,558 |
| **Governance costs** | | |
| Wages | 25,862 | 24,491 |
| Carried forward | 25,862 | 24,491 |

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES
**for the year ended 31 March 2024**

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| **Governance costs** | | |
| Brought forward | 25,862 | 24,491 |
| Auditors' remuneration | 6,972 | 6,525 |
| Auditors' remuneration for non audit work | - | 1,491 |
| Sundries | (353) | 18,521 |
| | 32,481 | 51,028 |
| Total resources expended | 1,790,671 | 1,613,083 |
| **Net (expenditure)/income** | (16,865) | 33,254 |

**VALLEY HOUSE**

England & Wales - Charity number 1074539

# Accounts

VALLEY HOUSE
Promoting positive change since 1977

**Charity registration number 1074539**

**Company registration number 03593394 (England and Wales)**

# VALLEY HOUSE

# ANNUAL REPORT AND FINANCIAL STATEMENTS

# FOR THE YEAR ENDED 31 MARCH 2023

# VALLEY HOUSE

## LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|---|---|---|
| **Trustees** | B Whittington | |
| | R Smith | |
| | L Burman | (Appointed 3 August 2022) |
| | E Maffey | (Appointed 23 August 2023) |
| | W Williams | (Appointed 20 September 2023) |
| **Secretary** | LJ Winterburn | |
| **Charity number** | 1074539 | |
| **Company number** | 03593394 | |
| **Registered office** | 55-57 Bell Green Road<br>Coventry<br>West Midlands<br>CV6 7GQ | |
| **Auditor** | Burgis & Bullock<br>23-25 Waterloo Place<br>Leamington Spa<br>Warwickshire<br>CV32 5LA | |
| **Bankers** | Barclays Bank plc<br>25 High Street<br>Coventry<br>CV1 5QZ | |
| **Solicitors** | Anthony Collins Solicitors<br>134 Edmund Street<br>Birmingham<br>B3 2ES | |

# VALLEY HOUSE

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# VALLEY HOUSE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### *FOR THE YEAR ENDED 31 MARCH 2023*

**Introduction**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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).

**Name, registered office and constitution of the charity**

The full name of the charity is Valley House.

The legal registration details are:

| | |
|---|---|
| Date of incorporation | 6 July 1998 |
| Company registration number | 03593394 |
| Registered office | |
| | Coventry |
| | CV6 7GQ |
| Charity registration number | 1074539 |

**Structure, governance and management**

The charity is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

| | |
|---|---|
| B Whittington | |
| R Smith | |
| J Martin | (Resigned 20 September 2023) |
| L Burman | (Appointed 3 August 2022) |
| G Parker | (Resigned 16 November 2022) |
| S Kasli | (Resigned 16 November 2022) |
| D Janda | (Resigned 26 October 2022) |
| E Maffey | (Appointed 23 August 2023) |
| W Williams | (Appointed 20 September 2023) |

1. Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 6th July 1998 and registered as a charity on 5th March 1999. 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 members are required to contribute an amount not exceeding £1.00.

2. Recruitment and Appointment of 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 members of the Trustee Board. Under the requirements of the Articles of Association the members of the Trustee Board are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

3. Trustee Induction and Training

All trustee vacancies are widely advertised through existing local partnerships and the Reach Volunteering trustee recruitment site. All interested individuals meet with the Chair of the Board and one other Trustee and/or member of the Senior Management Team as relevant to their potential trustee role. Trustee induction includes meeting with the Chair of the Board who explains the role and responsibilities of being a trustee at Valley House. They also meet with the Chief Executive and any other member of the Senior Management Team that may be relevant to their trustee role. All trustees are encouraged to attend training specific to the trustee role.

Appointment to the Board consists of attendance at a Board meeting and a vote by trustees.

Additional training opportunities are available at the Board away day held each year. The Board identifies their training needs and an internal or external trainer will be sourced to meet this need.

4. Decision Making

The Board of Trustees delegates day to day operational decision making to the Chief Executive and the Senior Management Team, who are listed on the legal and administrative information page. The Board retains decision making powers in relation to strategic matters and for setting the pay and remuneration of the charity's key management personnel. The Board delegates the benchmarking exercise needed to set these pay levels to the Chief Executive, or where it is in relation to the Chief Executive, an external independent person. Benchmarking information is collated from similar roles in similar charities in a similar geographical area.

5. Organisational Structure

There are currently 4 Trustee Board Members (see page 1 for details).

The Board meets 6 times a year, with 2 of these being specifically focused on business and operational planning. The Audit and Risk Committee meets 4 times a year and consists of the Treasurer, 2 Trustees, the Chief Executive, the Director of Finance and Resources and the Director of Operations. Additionally, the Treasurer, the Director of Finance and Resources and the Chief Executive meet in advance of the Audit and Risk Committee. Sub-groups are established for individual projects as necessary.

Day-to-day operations are overseen by the Chief Executive. The organisation management structure is as follows:

Senior Management Team consisting of the Chief Executive; the Director of Operations, the Director of Finance and Resources and the Business Support Manager.

During 2022/23 Valley House provided the following services;

- Domestic Abuse Safe and Supported Accommodation
- Complex Needs Domestic Abuse Safe and Supported Accommodation
- Young Parent's Supported Accommodation and Community Support
- Community Wellbeing
- Counselling
- Nursery

In recognition of the importance of safeguarding, in relation to the vulnerability of the children we work with the Children's Safeguarding Lead post continued to be funded, with cross organisational responsibility for providing expert advice and support to staff and volunteers in relation to all levels of safeguarding; internal safeguarding training for staff, volunteers and board members and acting as the operational link with Family Hubs. The Children's Safeguarding Lead reports directly to the Chief Executive.

Business Development and associated activities were the direct responsibility of the Chief Executive, supported by the Senior Management Team.

Marketing & Communications were undertaken on a day-to-day basis by the Communications Officer.

Training is a shared responsibility of the Management Team and overseen by the Director of Operations.

The Board of Trustees delegates day to day management to the Chief Executive and the Senior Management Team.

The trustees take advice from the Chief Executive and the Senior Management Team, the organisation's appointed auditors and any other relevant professionals.

**Risk Management**

The Trustees have a risk management strategy which comprises:

- A risk register which identifies the risks the charity may face.
- Regular reviews of the risk register.
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work ensures continuously improving contingency planning. Financial risk is mitigated by establishing a reserves policy, which is reviewed annually by trustees, together with the diversification of the funding base.

In response to the spiralling energy costs, a small working group was convened to explore the options available to mitigate the financial risk this posed. Work by members of this group has led to a different model being implemented from 1 April 2023.

Rising inflation has increased costs across the organisation and spend on renewals, replacements and general office costs are being closely monitored with cheaper alternatives being purchased where possible.

**Objectives and activities**

The principle purposes and aims of the organisation are:

To offer support and/or accommodation appropriate to the needs of individuals within the city of Coventry and the surrounding area who are homeless, with the aim of enabling them to move into and sustain their own accommodation; to support and motivate people to re-engage with educational opportunities, that will allow them to develop their potential and have more life choices and the advancements of education, training or retraining, including among unemployed people, and providing unemployed people with work experience.

To provide quality services for the advancements of the lives of children in partnership with parents, to enable children and young people to develop their physical and mental capacities so that they may achieve their potential as individuals and members of society and their conditions of life may improve.

To promote, safeguard and protect the good health, both mental and physical, of adults, children and young people.

The issues we seek to tackle are wide ranging and we evolve to meet those needs as those individuals and families approaching us for support continue to grow in complexity of need. Whilst we continue to adhere to our purpose and aims the types of interventions and service delivery models we use continue to evolve.

The broad-brush changes we seek to make through our work are encapsulated by our Mission Statement "To work alongside people to take control of their lives and create their own futures". This can range from a survivor of domestic abuse taking control of their finances for the first time through to someone feeling able to attend an appointment by themselves.

We seek to bring public benefit most usually but not exclusively to the more vulnerable, disadvantaged, and disengaged members of the community by enabling them through appropriate holistic professional support to develop their potential and take control of the quality and independence of their lives.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

We deliver a wide range of services specifically designed to support us in achieving our aims and objectives:

Valley House is a specialist high support needs provider. Coventry City Council commissioned us to offer supported accommodation and support in the community to young parents. We provided 6 units of supported accommodation, where each family has their own flat and 4 units of floating support (community based support for our young parents when they move on from our accommodation). This contract ended in November 2022.

Valley House is the domestic abuse safe and supported accommodation provider for Coventry City Council. We provided 67 units of accommodation between April 2022 and October 2022 which was a combination 54 units from our main contract with Coventry City Council and 13 units were funded through the additional funding Coventry City Council received to implement the expectations placed on Local Authorities as a result of the new Domestic Abuse Act 2021. As part of the Coventry City Council domestic abuse review the additional 13 units were de-commissioned and replaced with 7 units of accommodation for domestic abuse survivors that have complex needs. Our accommodation is made up of single flats, single family homes, shared houses and accommodation units where staff are on site. We also secured additional funding during this period to increase our family support work offer.

The emotional and practical support we offer across both these services includes 24 hour staff availability, structured support and safety plans, 1 to 1 work and group work. In order to increase our health and wellbeing offer to service users, we created a Service User Health and Wellbeing Coordinator who leads on this area of work.

We have a dedicated maintenance team for our supported accommodation services.

Our Community Wellbeing Service is part of a consortium of organisations across Coventry and Warwickshire that provide a free employment support service. the aim of the consortium is to build confidence, help with training opportunities, improving skills and providing valuable work experience – all geared towards helping individuals find a job that suits them.

Our Counselling Service has 2 strands. We provide counselling for any individual that is accessing any of our Valley House services. This is for up to 6 months, with the counselling being undertaken by our volunteer counsellors. Additionally, we provide counselling for Kairos service users, a local organisation that provides support to women who have experienced or are at risk of sexual exploitation.

Our Nursery provides a quality service, focused on enabling children to develop their personal capabilities and achieve their potential, despite the barriers they may face. We have both Government funded and fee paying children attending the nursery.

2022-2023 saw an increase in the number of volunteering hours across our services reaching 1136.65 hours as compared to 2021-2022 (384.25 hours). We had volunteers within our counselling service, domestic abuse service, young parents service and within our business support team.

Our current success measurements are funder driven and include both quantitative and qualitative data capture. The tool used for individual qualitative data capture, specifically mapping a service user's journey and outcomes achieved is the nationally recognised Outcomes Star. Additionally, we have developed a number of internal qualitative data capture tools that use including pre and post service user questionnaires, mapped to defined service user outcomes for our group work programmes.

Quantitative success is measured though achieving the outputs as specified and agreed with the funder prior to commencement of delivery.

**Achievements and performance**

Reflecting on the opportunities and challenges we identified in our 2021-2022 Annual Trustees Report highlights the range and scope of achievements for 2022-2023.

We rolled out our Hybrid Working policy and encouraged staff to consider this alongside our Flexible Working policy. We will be monitoring the benefits of this throughout the next year and expect to see a positive impact in terms of staff wellbeing and work life balance, productivity and improved employer/employee trust.

Our 2 Domestic Abuse Support Worker apprenticeships have been a great success with one apprenticeship being completed and the apprentice moving into a permanent Support Worker role. We expect our second apprentice to complete into 2023-2024. We are currently looking to recruit 2 more apprenticeships during 2023-2024, creating learning and employment opportunities in our local community.

Our partnership with Kairos, a local organisation working with women experiencing or at risk of sexual exploitation was due to end in January 2023. The feedback from the Kairos service users that were supported by this partnership was very positive and on this basis this partnership has been extended for another year.

The Domestic Abuse Bill and the funding attached to its implementation allowed us to work with Coventry City Council to identify how best to utilise this within our Domestic Abuse Service. We were able to increase our family support work offer due to an increase in staffing numbers and an activity budget to cover travel, childcare and groupwork costs. Since September 2022 when we received the funding, we have increased the number of children who now can access 1 to 1 work on dealing with the trauma they have experienced, as well and running a number of parenting groups. Feedback from these interventions is very positive and we will continue to build on learning from this going forward into 2023-2024.

We launched our Strategic Plan 2022-2025 and have worked hard to meet the targets we set ourselves for year one. Good progress has been made across all areas of the plan, including the development of our Environmental Sustainability Strategy, Fundraising Strategy and our Communications Plan.

In partnership with Coventry City Council we secured funding to pilot a domestic abuse complex needs service for survivors who are in need of safe and supported accommodation and have higher level mental health, drugs and/or alcohol issues. This was in response to us identifying and evidencing the need for an enhanced level of support for this group. The service launched in November 2022 and is being externally evaluated to support learning and further refine the model.

As part of our commitment to our staff we committed funds to recruit a Staff Health and Wellbeing Manager. We are currently working on recruiting into this post.

We achieved the Silver Level Thrive at Work Award in recognition of our commitment to staff health and wellbeing. When our Staff Health and Wellbeing Manager is in post, we will be looking at working towards Gold Level.

As a result of our service users asking for additional group work opportunities we re-configured our staffing and created a Service User Health and Wellbeing Coordinator. This post went live in September 2022 and had led to a near 4 times increase in the number of groups that were run in the second half of the year and a corresponding increase in service user satisfaction which now sits at 96%.

During 2022-2023 Valley House supported a total of 594 people across all our services.

| Service | Adults | Young Parents | Children |
|---|---|---|---|
| Domestic Abuse | 131 | | 113 |
| Family Support | | | 99 |
| Complex Needs | 8 | | 1 |
| Service User Wellbeing | 51 | | |
| Young Parent | | 9 | 6 |
| Community Wellbeing | 11 | | |
| Nursery | | | 135 |
| Counselling (Kairos) | 14 | | |
| Counselling (Valley House) | 16 | | |

Supporting those more vulnerable members of our community to optimise their potential and take control of their lives is achieved through providing the following services and activities:

**Supported Accommodation and Young Parent Community Support**
Within our domestic abuse supported accommodation service we supported 131 adults and 113 children. During the year of those that moved into their own accommodation, 91% were effectively managing their own tenancy and 93.75% reported that the relationship between themselves and their children had improved.

99 children were supported through 1 to 1 and groupwork by our specialist Family Support Workers. This was possible due to the increase in funding during the year. Of all the children who were with us during the year 96.7% were regularly attending school.

Within the young parents service, we supported 9 young parents and 6 children. Of those young parents that completed their full stay with us 100% reported at the beginning of their stay they knew they were responsible for building a positive routine and boundaries with their children but found it hard. By the end of their stay they all confirmed that they now had a positive routine that supported their family and their children behaved well enough.

**Domestic Abuse Complex Needs Service**
The service launched in November 2022 and as yet we have limited outcome data. As a pilot, the service is being externally evaluated by EAP Research Consultancy – well known and respected in the field of domestic abuse evaluations.

**Service User Wellbeing**
Responding to service user feedback, we re-configured staffing within the service to create a Service User Health and Wellbeing Coordinator who came into post in September 2022. Since then, she has worked with 51 service users 1 to 1 in relation to their health and wellbeing. Additionally, she has delivered/coordinated 56 group work sessions utilising partner agencies. In terms of the lifestyle – eating well, exercising and sleeping well 1 to 1 work, 71% reported that they were not thinking about this or were open to finding out how they could make improvements. Over a 6 month period 100% reported that they had made changes and felt better due to this.

**Community Wellbeing**
Our community wellbeing service supported 11 adults. Our role within the Accelerate consortium is to provide therapeutic type interventions and practical support to enable isolated and vulnerable individuals to better manage their health and wellbeing and in turn feel more able to move closer to education, training and employment.

Funding for the consortium ended on 31 March 2023 with a final evaluation report being produced. The report evidenced that every £1 spent generated £2.42 of net economic and social value.

**Nursery**
Valley House runs a self-funded nursery offering full day care to both funded and fee-paying families. It offers a creative and fun experience to children and seeks to optimise their readiness for school. During 2022/23 135 children accessed our nursery and holiday club provision). We have a wide range of families from different cultural and ethnic backgrounds and good working relationships with statutory services. However, our families can have multiple disadvantages. During the last year we have supported 18 children who are classified as having additional needs, utilising our purpose-built sensory space to help support them in their learning and development.

**Counselling**
Our Counselling Service supported 14 Kairos service users and 16 Valley House service users. We provide up to 6 months of 1 to 1 counselling (face to face or virtual). It is a safe space for an individual to explore the issue that are impacting on them which can include depression, anxiety, anger, self-esteem, bereavement, relationships. At the start of the counselling 60% reported that they felt like hurting themselves. Of those that completed their counselling this had reduced to 0%.

**Training and Education**
Valley House offers student placements to Social Work and Counselling course students in partnership with local universities and childcare placement opportunities in partnership with local colleges. We offered 1 social work placement, 7 counselling placements and 13 nursery student placements.

Much of the above shows the public benefit within individual services. Looking across Valley House services more generally, one can see a range of public benefits achieved for vulnerable and disadvantaged citizens as well as the wider community including:

- Promoting Health & Wellbeing, including emotional and psychological wellbeing
- Enabling marginalised individuals and family's access to training, education and work readiness
- Directly tackling violence/abuse effects on victims and children, promoting their confidence and independence and holding perpetrators to account
- Promoting individual's/families' aspirations, self-confidence, and engagement
- Supporting parenting skills, child development and take up of children and family services
- Championing the confidence, aspirations and constructive engagement of young people.

**Fundraising**

The charity did not carry out any significant external fundraising in the year. The charity is registered with the fundraising regulator. There were no complaints in the year

**Challenges**

The rising energy costs impacted on our organisational finances leading to an unforeseen spend in this area. Having explored a number of options throughout the year and listening to how other providers were managing this, we have now moved to a different model which should help mitigate the financial impact of this area of expenditure.

The rapid rise in inflation over the year increased spend across all other elements of our budget. We have worked hard during the year to limit spend and try and find areas where we can reduce costs.

A number of trustees stepped down this year. Recruiting new trustees has been problematic leading us to reflect on how best to attract new trustees. As a result of this, we are moving to a more flexible model to include the option to attend meetings virtual rather than in person, having seen how this has worked during COVID. We have updated our IT to support implementing this change.

**Opportunities**

2022-2023 presented a range of opportunities for us.

Following us submitting our Domestic Abuse Service Development Plan in 2021-2022, Coventry City Council commissioned Valley House to set up and deliver a Domestic Abuse Complex Needs Service. This is a pilot aimed at establishing whether offering an enhanced level of support for survivors of domestic abuse who have higher mental health, drugs and/or alcohol issues will lead to increased engagement and positive outcomes. The service went live in November 2022, with funding in place until June 2024. An external evaluator has been commissioned and initial interviews with staff, service users and partner agencies have taken place.

We received additional funding in September 2022 to enhance our family support work offer – increasing the number of children that can access 1 to 1 support and creating the opportunity to deliver groups to help support the children and families living with us. This has been very well received by the children and young people in our domestic abuse service. Feedback from the older children who live with us has highlighted a need for additional and different types of support. A package of interventions has been co-produced with them and this will be launched in 2023-2024.

During the year we spent time with our Nursery parents/carers to co-produce a package of support they would find helpful in meeting their needs as individuals and as families. The type of support and interventions they wanted fit well with our community wellbeing offer. We are actively sourcing funding for us to take this forward.

**Looking to the future**

This next year will see us working hard to meet the commitments we have made as part of the second year of our Strategic Plan and year 1 of our Environmental Sustainability Strategy, Fundraising Strategy and our Communications Plan.

We are keen to make good on our commitment to staff health and wellbeing by employing a Staff Health and Wellbeing Manager and embedding the progress we have already made in this area.

We will be working with the Family Nurse Partnership and young parents living in Coventry to co-produce a wellbeing offer that can support them as parents as well as young people to be the best they can be. Once we have designed this model, we will look to source funding.

We will be rolling out our offer to the older children who live in our domestic abuse accommodation to support them on their road to recovery, evaluating what is working and what we could do differently.

We will be learning in real time through continued engagement with EAP Research Consultancy who are undertaking the external evaluation of our Domestic Abuse Complex Needs Service, reflecting on and modifying the service offer to best meet the needs of our service users.

We continue to seek to maximise spend on our charitable aims while remaining financially sustainable. We have set our reserves at a prudent level, relative to our turnover, to allow us sufficient time to respond if there were to be a significant drop in funding. Thus, in establishing contingency reserves of £400k-£500k against a turnover of approximately £1.8m, we are seeking to provide ourselves with the ability to cover our liabilities for approximately a quarter of a year. This will allow us to address any extreme financial situation that might arise and is in line with our Reserves Policy.

We have committed resources via our Development Fund to allow Valley House to respond to ideas from both staff and service users on how we could improve what we do. Whilst we would always seek to source external funding for such ideas, there isn't always a 'good fit' externally. Having our own internally designated fund allows for additional flexibility and innovation.

**Financial review**

The financial statements for the year ended 31 March 2023 show net incoming resources of £21,538 (2022 - £141,045). While our major source of funding continues to be from the Local Authority, Valley House recognises that this provision is rapidly changing and still seeks both to diversify funding and identify sources of income-generating work.

a) Investment policy

Under the Articles of Association, the charity has the power to invest in any way the trustees consider fit. The Board of Trustees has considered the most appropriate policy for investing funds and currently any cash surplus to day to day requirements is invested in medium to long term funds.

b) Reserves policy

The Board of Trustees is responsible for establishing that the level of reserves (that is those funds that are freely available) is sufficient to be able to continue the current activities of the charity in the event of a significant drop in funding, albeit for a limited time, to enable us to replace the funding or reduce services in a way not detrimental to our service users. This figure is reviewed annually and at 31 March 2023 the ideal minimum level considered necessary was £400,000 to £500,000.

The free reserves, identified as the General Fund at 31 March 2023, were £202,040 (2022 - £200,145). In order to enable our future strategic and development plans to move forward, the Trustees have designated Contingency, Development and Capital Funds from free reserves. This allows us to make necessary infrastructure improvements as well as pilot developmental opportunities and invest in capital projects. The Development Fund has been set at £24,000 at 31 March 2023 with the appropriate spend reviewed on an annual basis. The Capital Fund has been increased to £485,000 at 31 March 2023, utilising surpluses of £35,000 from the General Fund.

The Funds resources will be used to:

- Finance capital and infrastructure projects to ensure we have sufficient capacity going forward
- Establish additional aspects of service delivery to ensure the appropriate levels of support to our core areas of business activity
- Establish pilot projects to develop new ways of delivering our services and innovative ideas for earning money

The Contingency Fund has been set at £457,643 (2022 - £469,358) at 31 March 2023 for the purpose of allowing us to address any extreme financial situation that might arise (see note 22). The Contingency Fund is held with CCLA Investment Management Limited in a COIF Charities Ethical Investment Fund. The value of the fund has increased significantly from the initial investment of £300,000 in 2014. Any increase in value is reinvested in more units with the aim of providing long-term protection from inflation with a good level of distributions and a wide range of ethical restrictions.

Previously Restricted funds where capital grants have been spent on the assets for which the donations were intended and there are no longer trust law restrictions in place have been reclassified as Endowment Funds.

| | |
|---|---|
| i)Amount of reserves | £1,648,769 |
| ii)Amount of any restricted funds | £92,398 |
| iii)Amount of reserves fund that can only be realised by disposing of tangible fixed assets | £508,769 |
| iv)Amount of reserves after making allowance for ii) and iii) above | £1,047,602 |

c) Principal funding sources

These are service contracts £738,485 (2022 - £755,817) (please refer to analysis in note 4) and tenant welfare services income £511,019 (2022 - £563,128).

**Statement of trustees' responsibilities**

The trustees, who are also the directors of Valley House for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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

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

**Auditor**

In accordance with the company's articles, a resolution proposing that Burgis & Bullock be reappointed as auditor of the company will be put at a General Meeting.

**Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

B Whittington

**Trustee**

Date: 2/12/23

# VALLEY HOUSE

## INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF VALLEY HOUSE

### Opinion

We have audited the financial statements of Valley House (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of 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' report included within the trustees' report.

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

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

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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.

We gained an understanding of the legal and regulatory framework applicable to the Charity and the industry in which it operates and assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Based on our understanding of the Charity and industry we identified that the principal risk of non-compliance with laws and regulations related to breaches of Health & Social Acts, Human Rights Act, Safeguarding, Mental Capacity Act, Health & Safety and Environmental Regulations, GDPR, Charities Act 2011, Companies Act 2006 and UK Employment Law. We also evaluated management incentive and opportunities for fraudulent manipulations of the financial statements.

Audit procedures performed included:

- Identifying and assessing the design effectiveness of controls in management have in place to prevent and detect fraud.
- Challenging assumptions and judgments made by management in their significant accounting estimates and assessing if these indicate evidence of management bias.
- Reviewing the accounting records for large and unusual bank payments and testing any identified and in particular the rationale for any transactions outside the charity's normal course of business.
- Reviewing the accounting records for large and unusual journal entries and testing any identified and in particular the rationale for any transactions outside the charity's normal course of business.
- Testing a sample of debit entries in the profit and loss account to check they are bona-fide costs.
- Testing a sample of bank payments to source documentation.
- Reviewing correspondence and communication with regulators.
- Discussions with management, including consideration of known or suspected incidences of non-compliance with laws and regulation and fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**Use of our report**

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

W A Hubbard

**Wende Hubbard FCCA (Senior Statutory Auditor)**
**for and on behalf of Burgis & Bullock**

2nd December 2023

**Chartered Accountants**
**Statutory Auditor**

23-25 Waterloo Place
Leamington Spa
Warwickshire
CV32 5LA

# VALLEY HOUSE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

### *FOR THE YEAR ENDED 31 MARCH 2023*

| | Notes | Unrestricted funds general 2023 £ | Unrestricted funds designated 2023 £ | Restricted funds 2023 £ | Endowment funds 2023 £ | Total 2023 £ | Total 2022 £ |
|---|---|---|---|---|---|---|---|
| **Income from:** | | | | | | | |
| Donations and legacies | 3 | 9,617 | - | - | - | 9,617 | - |
| Charitable activities | | | | | | | |
| Tenant welfare services | 4 | 511,019 | - | - | - | 511,019 | 563,128 |
| Service contracts | 4 | 738,485 | - | - | - | 738,485 | 755,817 |
| Grants | 4 | - | - | 52,466 | - | 52,466 | 54,330 |
| Nursery fees | 4 | 329,487 | - | - | - | 329,487 | 276,667 |
| Other trading activities | 5 | 2,800 | - | - | - | 2,800 | 2,200 |
| Investments | 6 | 2,463 | - | - | - | 2,463 | 1,551 |
| **Total income** | | 1,593,871 | - | 52,466 | - | 1,646,337 | 1,653,693 |
| **Expenditure on:** | | | | | | | |
| Raising funds | 7 | 11,694 | 1,154 | - | - | 12,848 | 1,213 |
| Charitable activities | 8 | 1,359,437 | 27,287 | 62,156 | 10,290 | 1,459,170 | 1,403,670 |
| Other | 13 | 141,065 | - | - | - | 141,065 | 174,117 |
| **Total expenditure** | | 1,512,196 | 28,441 | 62,156 | 10,290 | 1,613,083 | 1,579,000 |
| Net gains/(losses) on investments | 14 | - | (11,716) | - | - | (11,716) | 66,352 |
| **Net incoming/(outgoing) resources before transfers** | | 81,675 | (40,157) | (9,690) | (10,290) | 21,538 | 141,045 |

# VALLEY HOUSE

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

### *FOR THE YEAR ENDED 31 MARCH 2023*

| | Notes | Unrestricted funds general 2023 £ | Unrestricted funds designated 2023 £ | Restricted funds 2023 £ | Endowment funds 2023 £ | Total 2023 £ | Total 2022 £ |
|---|---|---|---|---|---|---|---|
| **Net incoming/(outgoing) resources before transfers** | | 81,675 | (40,157) | (9,690) | (10,290) | 21,538 | 141,045 |
| Gross transfers between funds | | (79,780) | 74,442 | 5,338 | - | - | - |
| **Net movement in funds** | | 1,895 | 34,285 | (4,352) | (10,290) | 21,538 | 141,045 |
| Fund balances at 1 April 2022 | | 200,145 | 932,358 | 96,750 | 397,978 | 1,627,231 | 1,486,186 |
| **Fund balances at 31 March 2023** | | 202,040 | 966,643 | 92,398 | 387,688 | 1,648,769 | 1,627,231 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Income fom donations and legacies was £9,617 (2022 - £nil), of which £9,617 (2022 - £nil) related to General Funds, £nil (2022 - £nil) related to Designated Funds and £nil (2022 - £nil) related to Restricted Funds.

Expenditure on charitable activities was £1,459,170 (2022 - £1,403,670), of which £1,359,437 (2022 - £1,303,381) related to General Fund, £27,287 (2022 - £5,138) related to Designated Funds, £62,156 (2022 - £84,861) related to Restricted Funds and £10,290 (2022 - £10,290) related to Endowment Funds.

# VALLEY HOUSE

## BALANCE SHEET

### *AS AT 31 MARCH 2023*

| | Notes | 2023 £ | 2023 £ | 2022 £ | 2022 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **16** | | 3,105,540 | | 3,096,364 |
| **Current assets** | | | | | |
| Debtors | **18** | 110,094 | | 78,264 | |
| Investments | **19** | 627,642 | | 639,358 | |
| Cash at bank and in hand | | 516,115 | | 545,474 | |
| | | 1,253,851 | | 1,263,096 | |
| **Creditors: amounts falling due within one year** | **21** | (163,993) | | (182,229) | |
| Net current assets | | | 1,089,858 | | 1,080,867 |
| **Total assets less current liabilities** | | | 4,195,398 | | 4,177,231 |
| **Creditors: amounts falling due after more than one year** | **22** | | (2,546,629) | | (2,550,000) |
| **Net assets** | | | 1,648,769 | | 1,627,231 |
| **Capital funds** | | | | | |
| Endowment funds | | | | | |
| Expendable endowment | | 387,688 | | 397,978 | |
| | **25** | | 387,688 | | 397,978 |
| **Income funds** | | | | | |
| Restricted funds | **26** | | 92,398 | | 96,750 |
| Unrestricted funds | | | | | |
| Designated funds | **27** | 966,643 | | 932,358 | |
| General unrestricted funds | | 202,040 | | 200,145 | |
| | | | 1,168,683 | | 1,132,503 |
| | | | 1,648,769 | | 1,627,231 |

The financial statements were approved by the Trustees on 2/12/23

B Whittington

B Whittington
**Trustee**

**Company registration number 03593394**

# VALLEY HOUSE

## STATEMENT OF CASH FLOWS

## *FOR THE YEAR ENDED 31 MARCH 2023*

| | Notes | 2023 £ | 2023 £ | 2022 £ | 2022 £ |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Cash (absorbed by)/generated from operations | 33 | | (3,308) | | 194,298 |
| **Investing activities** | | | | | |
| Purchase of tangible fixed assets | | (36,859) | | (1,084,941) | |
| Investment income received | | 2,463 | | 1,551 | |
| **Net cash used in investing activities** | | | (34,396) | | (1,083,390) |
| **Financing activities** | | | | | |
| Repayment of bank loans | | (3,371) | | 850,000 | |
| **Net cash (used in)/generated from financing activities** | | | (3,371) | | 850,000 |
| **Net decrease in cash and cash equivalents** | | | (41,075) | | (39,092) |
| Cash and cash equivalents at beginning of year | | | 1,184,832 | | 1,223,924 |
| **Cash and cash equivalents at end of year** | | | 1,143,757 | | 1,184,832 |
| **Relating to:** | | | | | |
| Cash at bank and in hand | | | 516,115 | | 545,474 |
| Short term deposits included in current asset investments | | | 627,642 | | 639,358 |

## 1 Accounting policies

### Charity information

Valley House is a private company limited by guarantee incorporated in England and Wales. The registered office is 55-57 Bell Green Road, Coventry, West Midlands, CV6 7GQ. In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member. It is principally engaged to support those more vulnerable members of our community to optimise their potential and take control of their lives.

### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### 1.2 Going concern

Given the uncertain nature of funding available to the entity, the charitable company prepares projected year-end budget forecasts every month which are reviewed bi-monthly by the Board and monitored against actual performance. The budgets are supported by long term strategic aims and objectives. The trustees are taking steps to adapt the charity's current activities, such as diversifying the range of funding streams, to secure the future of the charitable company. At time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

### 1.3 Charitable funds

Unrestricted funds are available to spend on activities that further any of the purposes of the charitable company. Designated funds are unrestricted funds of the charitable company which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are restricted funds which either cannot be spent (permanent endowment) or where there is no actual requirement to spend or apply the capital unless, or until, the trustees decide to spend it (expendable endowment).

**1 Accounting policies** **(Continued)**

**1.4 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

*Investment income*
Investment income is included in the Financial Statements when receivable.

*Activities for generating funds*
Student placements and other income is included in the Financial Statements when receivable.

*Tenant welfare services*
Tenant welfare services is accounted for on an accruals basis for all tenants in residence during the financial year.

*Grants*
Revenue grants are included on a receivable basis. Capital grants in respect of building costs are to be written off over the estimated useful life of the buildings from the date of occupancy.

*Nursery income*
Nursery fees are included on a receivable basis.

**1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

*Allocation of support costs*
Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charitable company's activities. Refer to note 10 for the analysis of support and governance costs. Support costs are generally allocated based on revenue.

The charitable company initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately.

**1 Accounting policies** **(Continued)**

*Costs of generating funds*
Comprise the costs associated with attracting voluntary income.

*Charitable expenditure*
Comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It included costs that can be allocated directly to such activities and those costs of an indirect nature to support them.

*Governance*
Includes those costs associated with meeting the constitutional and statutory requirements of the charitable company and include audit fees.

**1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All additions greater than £1000 are capitalised and brought into account in accordance with normal accounting practice.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Freehold buildings | 50 years (straight line) from date of first use |
| Fixtures and fittings | 4 years (straight line |
| Community garden | 3 years (straight line) from date of first use |
| SASC properties | 10 years (straight line) from date of first use |

Included in land, buildings and SASC properties is land at a cost of £748,650 that is not being depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

**1.7 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1 Accounting policies** **(Continued)**

**1.9 Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**1.10 Taxation**

The charitable company has charitable status for taxation purposes and its activities are not subject to corporation tax.

**1 Accounting policies** **(Continued)**

**1.11 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 is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.13 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

**Support cost allocation**

Support costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resources. Costs relating to a particular activity are allocated directly.

## 3 Donations and legacies

| | Unrestricted funds general 2023 | Total 2022 |
|---|---|---|
| | £ | £ |
| Donations and gifts | 9,617 | - |

## 4 Charitable activities

| | Tenant welfare services | Service contracts | Grants | Nursery fees | Total 2023 | Total 2022 |
|---|---|---|---|---|---|---|
| | 2023 | 2023 | 2023 | 2023 | | |
| | £ | £ | £ | £ | £ | £ |
| Sales within charitable activities | 511,019 | 738,485 | 52,466 | 329,487 | 1,631,457 | 1,649,942 |
| **Analysis by fund** | | | | | | |
| Unrestricted funds - general | 511,019 | 738,485 | - | 329,487 | 1,578,991 | 1,595,612 |
| Restricted funds | - | - | 52,466 | - | 52,466 | 54,330 |
| | 511,019 | 738,485 | 52,466 | 329,487 | 1,631,457 | 1,649,942 |

**For the year ended 31 March 2022**

| | Tenant welfare services | Service contracts | Grants | Nursery fees | Total 2022 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| Sales within charitable activities | 563,128 | 755,817 | 54,330 | 276,667 | 1,649,942 |
| **Analysis by fund** | | | | | |
| Unrestricted funds - general | 563,128 | 755,817 | - | 276,667 | 1,595,612 |
| Restricted funds | - | - | 54,330 | - | 54,330 |
| | 563,128 | 755,817 | 54,330 | 276,667 | 1,649,942 |

## 5 Other trading activities

| | Unrestricted funds general 2023 £ | Unrestricted funds general 2022 £ |
|---|---|---|
| Student placements | 2,800 | 2,200 |

## 6 Investments

| | Unrestricted funds general 2023 £ | Unrestricted funds general 2022 £ |
|---|---|---|
| Interest receivable | 2,463 | 1,551 |

## 7 Raising funds

| | Unrestricted funds general 2023 £ | Unrestricted funds designated 2023 £ | Total Unrestricted funds 2023 £ | Unrestricted funds general 2022 £ |
|---|---|---|---|---|
| Fundraising and publicity | | | | |
| Other fundraising costs | 8,371 | 1,154 | 9,525 | 347 |
| Trading costs | | | | |
| Other trading activities | 3,000 | - | 3,000 | 866 |
| Support costs | 323 | - | 323 | - |
| Trading costs | 3,323 | - | 3,323 | 866 |
| | 11,694 | 1,154 | 12,848 | 1,213 |

## 8 Charitable activities

| | Property costs | Nursery | Supported accomodation | Floating support | Counselling | Training | Childrens' centre | Total | Total |
|---|---|---|---|---|---|---|---|---|---|
| | 2023 | 2023 | 2023 | 2023 | 2023 | 2023 | 2023 | 2023 | 2022 |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Staff costs | 140,351 | 157,906 | 539,235 | 13,091 | 81,870 | - | - | 932,453 | 858,988 |
| Depreciation and impairment | 19,234 | 475 | - | - | - | - | 4,353 | 24,062 | 22,659 |
| Other direct costs | 188,758 | 46,298 | 95,532 | 4,781 | 15,850 | 11,173 | - | 362,392 | 384,688 |
| | 348,343 | 204,679 | 634,767 | 17,872 | 97,720 | 11,173 | 4,353 | 1,318,907 | 1,266,335 |
| Share of support costs (see note 9) | 51,687 | 27,402 | 56,184 | 204 | 4,786 | - | - | 140,263 | 137,335 |
| | 400,030 | 232,081 | 690,951 | 18,076 | 102,506 | 11,173 | 4,353 | 1,459,170 | 1,403,670 |
| **Analysis by fund** | | | | | | | | | |
| Unrestricted funds - general | 388,586 | 232,081 | 690,951 | 18,076 | 29,743 | - | - | 1,359,437 | 1,303,381 |
| Unrestricted funds - designated | 1,154 | - | - | - | 14,960 | 11,173 | - | 27,287 | 5,138 |
| Restricted funds | - | - | - | - | 57,803 | - | 4,353 | 62,156 | 84,861 |
| Endowment funds | 10,290 | - | - | - | - | - | - | 10,290 | 10,290 |
| | 400,030 | 232,081 | 690,951 | 18,076 | 102,506 | 11,173 | 4,353 | 1,459,170 | 1,403,670 |

8 **Charitable activities** **(Continued)**

**For the year ended 31 March 2022**

| | Property costs | Nursery | Supported accomodation | Floating support | Counselling | Training | Total 2022 |
|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ |
| Staff costs | 128,126 | 156,454 | 470,191 | 29,332 | 74,885 | - | 858,988 |
| Depreciation and impairment | 18,258 | 49 | - | - | 4,352 | - | 22,659 |
| Other direct costs | 211,244 | 46,155 | 95,454 | 7,735 | 18,962 | 5,138 | 384,688 |
| | 357,628 | 202,658 | 565,645 | 37,067 | 98,199 | 5,138 | 1,266,335 |
| Share of support costs (see note 9) | 54,526 | 20,429 | 55,955 | 588 | 5,837 | - | 137,335 |
| | 412,154 | 223,087 | 621,600 | 37,655 | 104,036 | 5,138 | 1,403,670 |
| **Analysis by fund** | | | | | | | |
| Unrestricted funds - general | 401,864 | 223,087 | 621,600 | 37,655 | 19,175 | - | 1,303,381 |
| Unrestricted funds - designated | - | - | - | - | - | 5,138 | 5,138 |
| Restricted funds | - | - | - | - | 84,861 | - | 84,861 |
| Endowment funds | 10,290 | - | - | - | - | - | 10,290 |
| | 412,154 | 223,087 | 621,600 | 37,655 | 104,036 | 5,138 | 1,403,670 |

## 9 Support costs

| | Support costs | Governance costs | 2023 | Support costs | Governance costs | 2022 |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Staff costs | 118,121 | 24,491 | 142,612 | 125,108 | 25,730 | 150,838 |
| Depreciation | 3,621 | - | 3,621 | 2,560 | - | 2,560 |
| Other costs | 18,844 | 1,491 | 20,335 | 9,667 | 1,325 | 10,992 |
| Audit fees | - | 6,525 | 6,525 | - | 6,662 | 6,662 |
| | 140,586 | 32,507 | 173,093 | 137,335 | 33,717 | 171,052 |
| Analysed between | | | | | | |
| Trading | 323 | - | 323 | - | - | - |
| Charitable activities | 140,263 | - | 140,263 | 137,335 | - | 137,335 |
| Other | - | 32,507 | 32,507 | - | 33,717 | 33,717 |
| | 140,586 | 32,507 | 173,093 | 137,335 | - | 171,052 |

Governance costs includes payments to the auditors of £6,525 (2022 - £6,662) for audit fees.

## 10 Net movement in funds

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Net movement in funds is stated after charging/(crediting) | | |
| Fees payable to the company's auditor for the audit of the company's financial statements | 6,525 | 6,662 |
| Depreciation of owned tangible fixed assets | 27,683 | 25,219 |

## 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. Trustees were reimbursed for expenses totalling £nil (2022- £22) within the year.

## 12 Employees

The average monthly number of employees during the year was:

| | 2023 Number | 2022 Number |
|---|---|---|
| Service providers / admin | 43 | 43 |
| Maintenance | 5 | 5 |
| Total | 48 | 48 |

| Employment costs | 2023 £ | 2022 £ |
|---|---|---|
| Wages and salaries | 960,207 | 905,073 |
| Social security costs | 83,556 | 73,351 |
| Other pension costs | 31,302 | 31,402 |
| | 1,075,065 | 1,009,826 |

The number of employees whose annual remuneration was more than £60,000 is as follows:

| | 2023 Number | 2022 Number |
|---|---|---|
| £70.001 to £80,000 | 1 | 1 |

The aggregate redundancy costs during the year amounted to £9,055 (2022 - £1,369).

## 13 Other

| | Unrestricted funds general 2023 £ | Unrestricted funds general 2022 £ |
|---|---|---|
| Governance | 32,507 | 33,717 |
| Financing costs | 108,558 | 140,400 |
| | 141,065 | 174,117 |

## 14 Net gains/(losses) on investments

| | Unrestricted funds designated 2023 £ | Unrestricted funds designated 2022 £ |
|---|---|---|
| Revaluation of investments | (11,716) | 66,352 |

## 15 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxationof Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

## 16 Tangible fixed assets

| | Freehold buildings | Fixtures and fittings | Community garden | SASC properties | Total |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Cost** | | | | | |
| At 1 April 2022 | 1,235,342 | 21,504 | 44,151 | 2,576,916 | 3,877,913 |
| Additions | 4,227 | 3,654 | - | 28,978 | 36,859 |
| At 31 March 2023 | 1,239,569 | 25,158 | 44,151 | 2,605,894 | 3,914,772 |
| **Depreciation and impairment** | | | | | |
| At 1 April 2022 | 720,729 | 12,596 | 44,151 | 4,073 | 781,549 |
| Depreciation charged in the year | 17,533 | 5,100 | - | 5,050 | 27,683 |
| At 31 March 2023 | 738,262 | 17,696 | 44,151 | 9,123 | 809,232 |
| **Carrying amount** | | | | | |
| At 31 March 2023 | 501,307 | 7,462 | - | 2,596,771 | 3,105,540 |
| At 31 March 2022 | 514,613 | 8,908 | - | 2,572,843 | 3,096,364 |

At the end of the 10 year term the properties will revert to SASC as repayment of the outstanding loan facility.

This provides an effective residual value at the end of the 10 year period equivalent to cost and consequently the depreciation charge amounts to £nil.

Valley House also has the option to re-acquire the properties at their fair value at any point any loan facility has been discharged.

## 17 Financial instruments

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Carrying amount of financial assets** | | |
| Instruments measured at fair value through profit or loss | 627,642 | 639,358 |

## 18 Debtors

| Amounts falling due within one year: | 2023 £ | 2022 £ |
|---|---|---|
| Trade debtors | 23,993 | 38,876 |
| Other debtors | 78,100 | 29,951 |
| Prepayments and accrued income | 8,001 | 9,437 |
| | 110,094 | 78,264 |

Other debtors include reduced debt servicing charge to SASC of £13,000 for 2020/21 and £20,600 for 2021/22 following a re-evaluation of the debt servicing charge mechanism agreed at the end of 2022/23. These debtors will be offset against future indebtedness to SASC. Other debtors also include a repayment of rental charges incorrectly claimed in 2021/22 by Stonewater, totalling £15,000. This overpayment was agreed late in 2022/23 and has been received in 2023/24.

## 19 Current asset investments

| | 2023 £ | 2022 £ |
|---|---|---|
| Unlisted investments | 627,642 | 639,358 |

## 20 Loans and overdrafts

| | 2023 £ | 2022 £ |
|---|---|---|
| Bank loans | 2,546,629 | 2,550,000 |
| Payable after one year | 2,546,629 | 2,550,000 |

## 21 Creditors: amounts falling due within one year

| | Notes | 2023 £ | 2022 £ |
|---|---|---|---|
| Other taxation and social security | | 36,524 | 28,189 |
| Deferred income | 23 | 62,979 | 54,288 |
| Other creditors | | 5,225 | 24,772 |
| Accruals and deferred income | | 59,265 | 74,980 |
| | | 163,993 | 182,229 |

## 22 Creditors: amounts falling due after more than one year

| | Notes | 2023 £ | 2022 £ |
|---|---|---|---|
| Bank loans | 20 | 2,546,629 | 2,550,000 |

SASC started providing funds in 2020 of up to £2.55m for the purchase of up to 22 properties. These funds will be available for 10 years and the properties have a restrictive covenant preventing sale other than to SASC. The properties will revert to SASC after 10 years if the funds remain unpaid at that time, with no further liabilities accruing. To date, the Charity has utilised £2,546,629 of these funds and purchased 22 properties. The balance of £3,371 has been repaid to SASC.

This loan is secured on a first legal charge over the land and buildings and a fixed charge over a new established Rent Account held by the Borrower.

A debt servicing charge for the loan facility has been agreed which is linked to the collection of rents from the underlying tenants of the properties, after taking into account management and service income retained by Valley House.

The debt servicing charge for the period amounted to £108,558 (2022 - £140,400). The figure for 2022/23 includes prior year reductions of charges of £33,695 agreed with SASC.

## 23 Deferred income

| | 2023 £ | 2022 £ |
|---|---|---|
| Other deferred income | 62,979 | 54,288 |

Deferred income is included in the financial statements as follows:

## 23 Deferred income (Continued)

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Deferred income is included within: | | |
| Current liabilities | 62,979 | 54,288 |
| Movements in the year: | | |
| Deferred income at 1 April 2022 | 54,288 | 46,264 |
| Released from previous periods | (248,357) | (17,746) |
| Resources deferred in the year | 257,048 | 25,770 |
| Deferred income at 31 March 2023 | 62,979 | 54,288 |

## 24 Retirement benefit schemes

**Defined contribution schemes**

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £31,302 (2022 - £31,402).

## 25 Endowment funds

| | Balance at 1 April 2021 | Resources expended | Balance at 1 April 2022 | Resources expended | Balance at 31 March 2023 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| LSC Regeneration Budget | 6,204 | (475) | 5,729 | (475) | 5,254 |
| Coventry Children's Centres - Canopy | 1,251 | (94) | 1,157 | (94) | 1,063 |
| Coventry Children's Centres - Conservatory | 10,610 | (282) | 10,328 | (282) | 10,046 |
| Big Lottery Fund - Young People's Fund | 3,273 | - | 3,273 | - | 3,273 |
| General Charities - Servers | 2,114 | - | 2,114 | - | 2,114 |
| General Charities - Capital Fund | 20,000 | - | 20,000 | - | 20,000 |
| Counselling Suite | 19,842 | (839) | 19,003 | (839) | 18,164 |
| National Lotteries Charity Board | 98,843 | (2,159) | 96,684 | (2,159) | 94,525 |
| 25 Bell Green Road | 123,905 | (3,302) | 120,603 | (3,302) | 117,301 |
| Counselling Suite 25 Bell Green Road | 17,904 | - | 17,904 | - | 17,904 |
| Improvements to garden, car park | 32,522 | (1,486) | 31,036 | (1,486) | 29,550 |
| Navigation Centre extension | 71,800 | (1,653) | 70,147 | (1,653) | 68,494 |
| | 408,268 | (10,290) | 397,978 | (10,290) | 387,688 |

Endowment Funds are made up of reclassified restricted expenditure where capital grants have been spent on the assets for which donations were intended or reclassified designated funds for capital projects.

Amortisation is shown at the same rate as the asset is depreciated.

## 26 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | | | Movement in funds | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Balance at 1 April 2021 | Incoming resources | Resources expended | Transfers | Balance at 1 April 2022 | Incoming resources | Resources expended | Transfers | Balance at 31 March 2023 |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Coventry Children's Centres | 101,102 | - | (4,352) | - | 96,750 | - | (4,352) | - | 92,398 |
| Coventry CAB Rooted/Breakthrough | - | 11,095 | (8,108) | (2,987) | - | - | - | - | - |
| CDA Accelerate | - | 43,235 | (72,401) | 29,166 | - | 52,466 | (57,803) | 5,337 | - |
| | 101,102 | 54,330 | (84,861) | 26,179 | 96,750 | 52,466 | (62,155) | 5,337 | 92,398 |

Grants for capital purchases have been spent on the assets for which the donations were intended. Amortisation is shown at the same rate as the asset is depreciated. Where there are no longer trust law restrictions in place the funds are reclassified as endowment funds.

Coventry City Council provided funds in 2006 for an expansion of the Nursery and improvements to the Children's Centre with the restriction that the property is used as a Nursery for 25 years. A restriction is also placed on the registered title of the property that no disposition, sale or lease may take place unless accompanied by a certificate of the Council of the City of Coventry stating there is no payment due under the grant agreement.

## 27 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | | Movement in funds | | | | Movement in funds | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Balance at 1 April 2021 | Incoming resources | Resources expended | Transfers | Revaluations, gains and losses | Balance at 1 April 2022 | Incoming resources | Resources expended | Transfers | Revaluations, gains and losses | Balance at 31 March 2023 |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| **Development funds** | | | | | | | | | | | |
| Training fund | 3,500 | - | (5,138) | 8,638 | - | 7,000 | - | (11,174) | 18,174 | - | 14,000 |
| Pilot projects | - | - | - | 6,000 | - | 6,000 | - | (5,905) | 5,905 | - | 6,000 |
| Consultancy | - | - | - | - | - | - | - | (2,308) | (3,692) | - | (6,000) |
| Redundancy costs | - | - | - | - | - | - | - | (9,055) | 9,055 | - | - |
| Fundraising strategy and action plan | - | - | - | - | - | - | - | - | 10,000 | - | 10,000 |
| **Capital projects** | 365,000 | - | - | 85,000 | - | 450,000 | - | - | 35,000 | - | 485,000 |
| **Contingency funds** | 403,006 | 66,352 | - | - | - | 469,358 | (11,715) | - | - | - | 457,643 |
| | 771,506 | 66,352 | (5,138) | 99,638 | - | 932,358 | (11,715) | (28,442) | 74,442 | - | 966,643 |

Designated funds are monies set aside by the Trustees to be spent on projects specified and have no trust law restrictions.

## 27 Designated funds

(Continued)

The Development Fund is designated for revenue projects and the Capital Project Fund is for capital projects. Capital expenditure incurred is re-designated to a named fund and amortisation is stated at the same rate as the asset is depreciated.

Contingency funds are monies relating to investments which have been designated to cover any large unforeseen expenditure.

## 28 Analysis of net assets between funds

| | Unrestricted funds 2023 | Designated funds 2023 | Restricted funds 2023 | Endowment funds 2023 | Total 2023 | Unrestricted funds 2022 | Designated funds 2022 | Restricted funds 2022 | Endowment funds 2022 | Total 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Fund balances at 31 March 2023 are represented by: | | | | | | | | | | |
| Tangible assets | 121,081 | - | 2,596,771 | 387,688 | 3,105,540 | 66,246 | - | 2,632,140 | 397,978 | 3,096,364 |
| Current assets/(liabilities) | 80,960 | 966,643 | 42,255 | - | 1,089,858 | 133,900 | 932,358 | 14,609 | - | 1,080,867 |
| Long term liabilities | - | - | (2,546,629) | - | (2,546,629) | - | - | (2,550,000) | - | (2,550,000) |
| | 202,041 | 966,643 | 92,397 | 387,688 | 1,648,769 | 200,146 | 932,358 | 96,749 | 397,978 | 1,627,231 |

## 29 Financial commitments, guarantees and contingent liabilities

Due to the general nature of grant funding the Charity could be exposed to potential liabilities in respect of clawbacks of funding already received in certain circumstances. Each funder sets their own criteria for when and how any such liabilities may arise.

## 30 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Within one year | 19,656 | 14,906 |
| Between two and five years | 36,750 | 14,260 |
| | 56,406 | 29,166 |

## 31 Related party transactions

**Remuneration of key management personnel**

Key management have been identified as the Chief Executive, Director of Operations and Director of Finance & Resources.

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Aggregate compensation | 183,499 | 179,687 |

## 32 Controlling parties

The charitable company is under the control of its trustees, directors and management committee.

| 33 | **Cash generated from operations** | **2023** | **2022** |
|---|---|---|---|
| | | **£** | **£** |
| | Surplus for the year | 21,538 | 141,045 |
| | Adjustments for: | | |
| | Investment income recognised in statement of financial activities | (2,463) | (1,551) |
| | Depreciation and impairment of tangible fixed assets | 27,683 | 25,219 |
| | Movements in working capital: | | |
| | (Increase)/decrease in debtors | (31,830) | 4,575 |
| | (Decrease)/increase in creditors | (26,927) | 16,986 |
| | Increase in deferred income | 8,691 | 8,024 |
| | **Cash (absorbed by)/generated from operations** | (3,308) | 194,298 |

**34 Analysis of changes in net (debt)/funds**

| | At 1 April 2022 | Cash flows | At 31 March 2023 |
|---|---|---|---|
| | **£** | **£** | **£** |
| Cash at bank and in hand | 545,474 | (29,359) | 516,115 |
| Cash equivalents | 639,358 | (11,716) | 627,642 |
| | 1,184,832 | (41,075) | 1,143,757 |
| Loans falling due after more than one year | (2,550,000) | 3,371 | (2,546,629) |
| | (1,365,168) | (37,704) | (1,402,872) |

**VALLEY HOUSE**

England & Wales - Charity number 1074539

# Accounts

Registered Charity Number
1074539

Registered Company Number
03593394

# VALLEY HOUSE

## (A COMPANY LIMITED BY GUARANTEE AND HAVING NO SHARE CAPITAL)

## ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2022

Burgis & Bullock
Chartered Accountants
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# VALLEY HOUSE

**(company limited by guarantee having no share capital)**

## LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|---|---|---|
| Registered company number | 03593394 | |
| Registered charity number | 1074539 | |
| Directors and Trustees | B Whittington | Treasurer |
| | R Smith | |
| | J Martin | appointed 10 November 2021 |
| | L Burman | appointed 3 August 2022 |
| Company secretary | LJ Winterburn | |
| Senior management team | LJ Winterburn | Chief Executive |
| | C Pike | Director of Operations |
| | P Wilson | Director of Finance and Resources |
| Business address & Registered office | 55-57 Bell Green Road<br>Coventry<br>West Midlands<br>CV6 7GQ | |
| Auditors | Burgis & Bullock<br>23-25 Waterloo Place<br>Warwick Street<br>Leamington Spa<br>CV32 5LA | |
| Bankers | Barclays Bank plc<br>Coventry<br>25 High Street<br>Coventry<br>CV1 5QZ | |
| Solicitors | Anthony Collins Solicitors<br>134 Edmund Street<br>Birmingham<br>B3 2ES | |

**VALLEY HOUSE**

**(company limited by guarantee having no share capital)**

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# VALLEY HOUSE

**(company limited by guarantee having no share capital)**

**ANNUAL TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT)**
**FOR THE YEAR ENDED 31 MARCH 2022**

## INTRODUCTION

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 second edition published October 2019.

## NAME, REGISTERED OFFICE AND CONSTITUTION OF THE CHARITY

The full name of the charity is Valley House.

The legal registration details are:

| | |
|---|---|
| Date of incorporation | 6 July 1998 |
| Company registration number | 03593394 |
| Registered office | 55-57 Bell Green Road, Coventry, West Midlands, CV6 7GQ |
| Charity registration number | 1074539 |

## DIRECTORS AND TRUSTEES

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

| | |
|---|---|
| Dexter du Boulay | Resigned 10 November 2021 |
| Surinder Kasli | Resigned 16 November 2022 |
| Geraldine Parker | Resigned 16 November 2022 |
| Barry Whittington | |
| Julie Bradley | Resigned 31 March 2022 |
| Davinda Janda | Resigned 26 October 2022 |
| Roy Smith | |
| John Martin | Appointed 10 November 2021 |
| Lisa Burman | Appointed 3 August 2022 |



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**STRUCTURE, GOVERNANCE & MANAGEMENT**

1. Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 6th July 1998 and registered as a charity on 5th March 1999. 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 members are required to contribute an amount not exceeding £1.00.

2. Recruitment and Appointment of 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 members of the Trustee Board. Under the requirements of the Articles of Association the members of the Trustee Board are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

3. Trustee Induction and Training

All trustee vacancies are widely advertised through existing local partnerships and the National Council of Voluntary Organisations (NCVO) trustee recruitment site. All interested individuals meet with the Chair of the Board and one other Trustee or member of the Senior Management Team as relevant to their potential trustee role. Trustee induction includes meeting with the Chair of the Board who explains the role and responsibilities of being a trustee at Valley House. They also meet with the Chief Executive and any other member of the Senior Management Team that may be relevant to their trustee role. All trustees are encouraged to attend training specific to the trustee role.

Appointment to the Board consists of attendance at a Board meeting and a vote by trustees.

Additional training opportunities are available at the Board away day held each year. The Board identifies their training needs and an internal or external trainer will be sourced to meet this need.

4. Decision Making

The Board of Trustees delegates day to day operational decision making to the Chief Executive and the Senior Management Team, who are listed on the legal and administrative information page. The Board retains decision making powers in relation to strategic matters and for setting the pay and remuneration of the charity's key management personnel. The Board delegates the benchmarking exercise needed to set these pay levels to the Chief Executive, or where it is in relation to the Chief Executive, an external independent person. Benchmarking information is collated from similar roles in similar charities in a similar geographical area.

5. Organisational Structure

There are currently 7 Trustee Board Members (see page 1 for details)

The Board meets 6 times a year, with 2 of these being specifically focused on business and operational planning. The Audit and Risk Committee meets 4 times a year and consists of the Treasurer, 2 Trustees, the Chief Executive, the Director of Finance and Resources and the Director of Operations. Additionally, the Treasurer, the Director of Finance and Resources and the Chief Executive meet in advance of the Audit and Risk Committee. Sub-groups are established for individual projects as necessary.

Day-to-day operations are overseen by the Chief Executive. The organisation management structure is as follows:

Senior Management Team consisting of the Chief Executive; the Director of Operations and the Director of Finance and Resources.



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During 2021/22 each service was managed by a Service Manager(s)/Coordinator, namely:
- Domestic Abuse Supported Accommodation Service
- Young Parent Service
- Community Wellbeing Service
- Counselling service
- Nursery Service

During 2021/22 the following back office team was in place:
- HR and Central Services Manager (supported by a reception/admin team)
- Facilities Officer
- Maintenance Officer (supported by a maintenance team)
- Finance Officer (supported by a Finance Assistant)
- Management Information Administrator
- Communications Officer

In recognition of the importance of safeguarding, in relation to the vulnerability of the children we work with the Children's Safeguarding Lead post continued to be funded, with cross organisational responsibility for providing expert advice and support to staff in relation to all levels of safeguarding; internal safeguarding training for staff and volunteers and acting as the operational link with the emerging Family Hubs. The Children's Safeguarding Lead reports directly to the Chief Executive.

Business Development and associated activities were the direct responsibility of the Chief Executive, supported by the Senior Management Team.

Marketing & Communications were undertaken on a day-to-day basis by the Communications Officer.

Training is a shared responsibility of the Management Team and overseen by the Director of Operations.

The Board of Trustees delegates day to day management to the Chief Executive and the Senior Management Team.

The trustees take advice from the Chief Executive and the Senior Management Team, the organisation's appointed auditors and solicitors.



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**Risk Management**

The Trustees have a risk management strategy which comprises:
- A risk register which identifies the risks the charity may face.
- Regular reviews of the risk register.
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work ensures continuously improving contingency planning. Financial risk is mitigated by establishing a reserves policy, which is reviewed annually by trustees, together with the diversification of the funding base.

We set a fundraising target of £12k in the belief that COVID19 would not impact in the same way it had during 2020-2021. Unfortunately, this was not the case, and the majority of our planned fundraising events were again cancelled. The expected funds were to be used for our Counselling Service. These costs were covered by Valley House. With the Government guidance changing from March 2022 and all restrictions being lifted were are looking forward to re-starting our fundraising events through 2022-2023.

The Young Parent's Service contract variation agreed in October 2020 meant we were able to mitigate most of the financial risk that the lack of occupancy created in 2020-2021. However, the funding model for this service is one that opens us up to ongoing financial instability, impacting on the organisation as a whole. Therefore, the decision was made that we would exit from the contract at the end of the 3 year point (November 2022). There is the potential for the contract to be extended by a further 2 years from November 2022, however we will not be taking up this option. Our commissioners were informed of our decision in March 2022 are we are currently waiting for them to confirm the expected tendering process and timelines for their young parents supported accommodation and community support offer. The expectation will be that our current Valley House Young Parent Service staff will be TUPE'd to the new provider.

Becoming a property owner through our SASC loan has meant we are now responsible for all cyclical and reactive maintenance costs associated with our own properties. Whilst there is an allowance within our loan arrangement for these costs, we are closely monitoring costs exceeding this allowance and planning mitigating action. Also, the viability of the overall SASC loan arrangement is being regularly reviewed and forms part of our risk management strategy.

**Our Aims, Objectives & Activities**

The principle purposes and aims of the organisation are:

To offer support and/or accomodation appropriate to the needs of individuals within the city of Coventry and the surrounding area who are homeless, with the aim of enabling them to move into and sustain their own accomodation; to support and motivate people to re-engage with educational opportunities, that will allow them to develop their potential and have more life choices and the advancements of education, training or retraining, including among unemployed people, and providing unemployed people with work experience.

To provide quality services for the advancements of the lives of children in partnership with parents, to enable children and young people to develop their physical and mental capacities so that they may achieve their potential as individuals and members of society and their conditions of life may improve.

To promote, safeguard and protect the good health, both mental and physical, of adults, children and young people.

The issues we seek to tackle are wide ranging and ever evolving as those individuals and families approaching us for support continue to grow in complexity of need. Whilst we continue to adhere to our purpose and aims the types of interventions and service delivery models we use continue to evolve.

The broad-brush changes we seek to make through our work are encapsulated by our Mission Statement "To work alongside people to take control of their lives and create their own futures". This can range from a young parent feeling able to look after themselves and their child through to someone feeling able to attend an appointment by themselves.

We seek to bring public benefit most usually but not exclusively to the more vulnerable, disadvantaged and disengaged members of the community by enabling them through appropriate holistic professional support to develop their potential and take control of the quality and independence of their lives.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities Valley House should undertake.

We deliver a wide range of services specifically designed to support us in achieving our aims and objectives:
Valley House is a specialist high support needs provider. Coventry City Council has commissioned us to offer supported accommodation and support in the community to young parents. We provide 6 units of supported accommodation, where each family has their own flat and 4 units of floating support (community based support for our young parents when they move on from our accommodation).

Valley House is the domestic abuse safe and supported accommodation provider for Coventry City Council. The number of units provided within this service reduced from 74 units to 67 units during 2021-2022. This was due to the 7 additional units specifically funded to help manage the increase in referrals due to COVID ending on 31 July 2021. The remaining 67 units are a combination of 2 funding streams – 54 units from our main contract with Coventry City Council and 13 units that are currently being funded through the additional funding Coventry City Council have received to implement the expectations placed on Local Authorities as a result of the new Domestic Abuse Act 2021. Our accommodation is made up of single flats, single family homes, shared houses and accommodation units where staff are on site. We also secured additional funding from Coventry City Council to increase our family support work from 0.5FTE to 2FTE, which was agreed in September 2021 initially for a 12-month period.

The emotional and practical support we offer across both these services includes 24 hour staff availability, structured support and safety plans, 1 to 1 work and group work. Like 2020-2021, COVID19 has impacted on our groupwork offer this year, however we ended the year with groups re-starting across both services.

Staffing within the Young Parents Service was 0.68FTE Service Manager and up to 0.53FTE Support Workers dependant on occupancy levels.

Staffing within the Domestic Abuse Service was 2FTE Service Managers, 10FTE frontline support staff; 2 apprentices and 2FTE Family Support Workers.

In addition, we have a dedicated maintenance team for our supported accommodation. Direct staffing within this team is 1FTE Facilities Officer, 1FTE Maintenance Officer, 3.5FTE Maintenance Workers and 1FTE Housekeeper/Cleaner.

Our Community Wellbeing Service is part of a consortium of organisations across Coventry and Warwickshire that provide a free employment support service. the aim of the consortium is to build confidence, help with training opportunities, improving skills and providing valuable work experience – all geared towards helping individuals find a job that suits them.

Direct staffing within our Community Wellbeing Service was 0.32FTE Service Manager and 1.6FTE frontline Support Workers.

Our Counselling Service has 2 strands. We provide counselling for any individual that is accessing any of our Valley House services. This is for up to 6 months, with the counselling being undertaken by our volunteer counsellors. Additionally, we provide counselling for Kairos service users, a local organisation that provides support to women who have experienced or are at risk of sexual exploitation.

Direct staffing within our Counselling Service was 0.6FTE Counselling Coordinator and up to 8 volunteer counsellors at any one time.

Our Nursery provides a quality service, focused on enabling children to develop their personal capabilities and achieve their potential, despite the barriers they may face. We can accommodate up to 54 children and have both Government funded and fee paying children attending the nursery.

Direct staffing was 1FTE Nursery Manager, 1FTE Nursery Deputy Manager, 5 nursery staff with support hours dependant on the number of children accessing the nursery at any one time. Additionally, we provided 10 childcare placement opportunities for individuals from our local community.

Our ability to offer volunteering opportunities across the organisation was again hindered by the ongoing impact of COVID19. Our Counselling Service continued throughout the year, utilising our volunteer counsellors. There were 384.25 hours of volunteer counselling delivered in comparison to 359.75 hours in 2020-2021.

Our current success measurements are funder driven and include both quantitative and qualitative data capture. The tool used for individual qualitative data capture, specifically mapping a service user's journey and outcomes achieved is the nationally recognised Outcomes Star. Additionally, we have developed a number of internal qualitative data capture tools that use including pre and post service user questionnaires, mapped to defined service user outcomes for our group work programmes.

Quantitative success is measured though achieving the outputs as specified and agreed with the funder prior to commencement of delivery.

**REVIEW OF 2021/22**

ACHIEVEMENTS

Reflecting on the opportunities and challenges we identified in our 2020-2021 Annual Trustees Report highlights the range and scope of achievements for 2021-2022. Despite the ongoing and disruptive impact of COVID Valley House has much to celebrate.

We undertook a review and consultation with staff in relation to the practicalities and benefits of moving to a hybrid way of working. As a result of this we have developed a Hybrid Working policy and will be rolling this out during 2022-2023. We will be monitoring the benefits of this throughout the next year and expect to see a positive impact in terms of staff wellbeing and work life balance, productivity and improved employer/employee trust.

During 2021-2022 we had 1 young person join our Maintenance Team through the Kickstart scheme. We were able to provide her with work experience and access to a range of training opportunities to increase her employment opportunities. At the end of her placement with us she reported that she had enjoyed her time with us and was grateful for the opportunities we had given her.

We also were able to advertise and recruit into our 2 Domestic Abuse Support Worker apprenticeships – creating learning and employment opportunities for 2 young women within our local community. Whilst Valley House had had apprenticeships in the past within our Central Services, this is the first time we have pursued this within our Domestic Abuse Service. To date this is going well and could potentially be a model we roll out across other parts of the organisation.

Alongside these apprenticeship opportunities, we created a Business Support Administrator apprenticeship which we successfully filled. Wanting to continue our commitment to create employment and learning opportunities for our local community, we have also created a Business Administrator apprenticeship opportunity and are actively targeting young people who are leaving school during 2022.

We were able to re-start our Social Work placement offer – offering 2 placements during the year for trainee social workers. This gives the trainees an opportunity to gain valuable experience in working in a non-statutory setting, understanding the role organisations like Valley House play in supporting vulnerable individuals and families.

Within our Nursery we provided 10 childcare placement opportunities for individuals from our local community to gain work experience and continue they journey towards gaining employment within the childcare sector.

Despite the increase in house prices during 2021-2022, we were successful in purchasing the remaining 7 properties that were part of our Social and Sustainable Capital (SASC) loan secured in 2019/2020. We now own 22 properties, reducing our reliance on local Registered Providers and private landlords and giving us more control over the quality and location of the properties we use in our supported accommodation services.

Our 1 year partnership with Kairos, a local organisation working with women experiencing or at risk of sexual exploitation was due to end in January 2022. The feedback from the Kairos service users that were supported by this partnership was very positive and on this basis this partnership has been extended for another year.

The Domestic Abuse Bill and the funding attached to its implementation allowed us to work with Coventry City Council to identify how best to utilise this within our Domestic Abuse Service. We were able to increase our family support work offer due to an increase in staffing numbers and an activity budget to cover travel, childcare and groupwork costs. Since September 2021 when we received the funding we have increased the number of children who now can access 1 to 1 work on dealing with the trauma they have experienced, aswell and running a number of parenting groups. Feedback from these interventions is very positive and we will continue to build on learning from this going forward into 2022-2023.

In October 2021 we were able to have our first staff Away Day in a number of years. This was an opportunity for us all to be together, re-connect and have some fun. Everyone enjoyed themselves and we were looking forward to coming together again in December 2021 to work on our new Strategic Plan. However, the uptick in COVID infections locally and nationally meant we cancelled this day. We were able to re-arrange this at it took place in March 2022.

Just before the uptick in COVID infections in December 2021, we did have our Board Away Day, focused on developing our new Strategic Plan. It was a lively and productive day, a positive start to the process.

We continue to encourage staff uptake of the COVID19 vaccine, with 90% of staff taking up this offer.

During 2021/22 Valley House supported a total of 482 people. This breaks down into 192 adults, 14 young parents and 276 children.

| Service | Adults | Young Parents | Children |
|---|---|---|---|
| Domestic Abuse | 158 | 0 | 123 |
| Young Parent | 0 | 14 | 13 |
| Community Wellbeing | 22 | 0 | 4 |
| Nursery | 0 | 0 | 136 |
| Counselling (Kairos) | 12 | 0 | 0 |
| TOTAL | 192 | 14 | 276 |

Additionally, 24 Valley House service users accessed our Counselling Service.

This is a decrease in the numbers supported last year (2020-2021 561 people in total, breaking down into 268 adults, 11 young parents and 282 children) and is a reflection of a number of factors. We struggled to recruit staff into our Community Wellbeing Service throughout the year, meaning our ability to offer a full service was severely hampered. The additional 7 units of accommodation commissioned by Coventry City Council to help manage the increase in referrals due to COVID ended in July 2021. We have also struggled to support service users to move on due to the lack of appropriate move on accommodation, leading to individuals and families staying with us for much longer.

Supporting those more vulnerable members of our community to optimise their potential and take control of their lives, is achieved through providing the following services and activities:

**Supported Accommodation and Young Parent Community Support**

Within our domestic abuse supported accommodation service we supported 158 adults and 123 children. During the year of those that moved into their own accommodation, 95% were effectively managing their own tenancy and 91% reported that the relationship between themselves and their children had improved. 100% of service users that attended our parenting programme reported an increase in their understanding of how the domestic abuse had affected their children and themselves as parents.

Within the young parents service we supported 14 young parents and 13 children. Of those young parents that completed their full stay with us, 100% reported that they were now better to keep themselves and their child safe and had better boundaries and routines in place.

**Community Wellbeing**

Our community wellbeing service supported 22 adults and 4 children. Our role within the Accelerate consortium is to provide therapeutic type interventions and practical support to enable isolated and vulnerable individuals to better manage their health and wellbeing and in turn feel more able to move closer to education, training and employment. Delivery of the service has been problematic due to the impact of COVID, however 100% of the service users reported feeling well supported during the year despite this.

**Nursery**

Valley House runs a self-funded nursery offering full day care to both funded and fee-paying families. It offers a creative and fun experience to children and seeks to optimise their readiness for school. During 2021/22 136 children accessed our nursery and holiday club provision (2020/21 93 children). We have a wide range of families from different cultural and ethnic backgrounds and good working relationships with statutory services. However, our families can have multiple disadvantages. During the last year we have supported 11 children who are classified as having additional needs, creating a sensory space to help support them in their learning and development.

**Counselling**

Our Counselling Service supported 12 Kairos service users and 24 Valley House service users. We provide up to 6 months of 1 to 1 counselling (face to face or virtual). It is a safe space for an individual to explore the issue that are impacting on them which can include depression, anxiety, anger, self-esteem, bereavement, relationships. At the start of the counselling 100% reported feeling overwhelmed by their problems. Of those that completed their counselling this had reduced to 33%.

**Training and Education**

2021-2022 was a busy year for us in relation to training and education opportunities, despite the ongoing impact of COVID. Valley House offers student placements to Social Work and Counselling course students in partnership with local universities. We offered 2 social work placements and 8 counselling placements.

We created 2 Domestic Abuse Support Worker apprenticeships, 1 Business Support Administrator apprenticeship and 1 Business Administrator apprenticeship, 10 childcare placement opportunities within our nursery and had a young person from the Kickstart scheme within our Maintenance Team. All of these initiatives are designed to create opportunities for learning and growth, removing potential barriers to future employment for our local community.

Much of the above shows the public benefit within individual services. Looking across Valley House services more generally, one can see a range of public benefits achieved for vulnerable and disadvantaged citizens as well as the wider community including:

- Promoting Health & Wellbeing, including emotional and psychological wellbeing
- Enabling marginalised individuals and families access to training, education and work readiness
- Directly tackling violence/abuse effects on victims and children, promoting their confidence and independence and holding perpetrators to account
- Promoting individual's/families' aspirations, self-confidence, and engagement
- Supporting parenting skills, child development and take up of children and family services
- Championing the confidence, aspirations and constructive engagement of young people.

**Fundraising**

The charity did not carry out any significant external fundraising in the year. The charity is registered with the fundraising regulator. There were no complaints in the year.

**Challenges**

The stamp duty changes and Government backed 95% mortgages led to an increase in property prices. This meant that we were being priced out of the property types and locations we had originally agreed we would use our SASC loan for. We did not want to try and source properties in areas that we did not feel were right for us, so instead discussed increasing our loan with SASC. this was agreed and we were then able to source and complete on all outstanding properties.

We were then faced with trying to engage with reputable and experienced contractors to undertake specific specialised refurbishment works. This was extremely difficult due to an increase in demand for their services from homeowners/homebuyers. Additionally, the cost of materials had also increased and in some cases materials were in scarce supply. This has led to us not meeting the original timescales we had put in place to have properties ready for service users to move in to.

COVID continued to impact on us being able to come together face to face as a staff team. We worked hard to stay connected with each other and utilised other methods of supporting each other and information sharing. Whilst this wasn't ideal, it was sufficient to ensure we continued working well under the circumstances.

Our groupwork programmes stopped and started throughout the year meaning our service users did not have opportunities to come together as they had previous to COVID. They lost opportunities to learn new skills, create peer support networks and help them feel connected to others.

Staff needing to self-isolate meant additional pressure on others to ensure we continued to offer a high-quality service to our service users. Additionally, we had a number of staff on maternity leave and struggled to recruit into these fixed term posts. We utilised bank staff to fill these gaps however this is not ideal as it cannot always guarantee consistency of support worker for service users.

The rising energy costs impacted on our organisational finances leading to an overspend in this area. We are currently pursuing a number of options in trying to manage this going forward.

The ebb and flow of COVID infection rates disrupted our agreed timelines for the development of our new Strategic Plan. However, we aim to have this in place during the first quarter of 2022/2023.

The funding model used for our Young Parent Service continued to have some financial impact, although we worked hard to mitigate this and have taken the decision to exit from the contract at the end of the 3 year point (November 2022). There is the potential for the contract to be extended by a further 2 years from November 2022, however we will not be taking up this option.

**Opportunities**

2021-2022 presented a range of opportunities for us. Coventry City Council undertook a city wide domestic abuse needs assessment in order to help them identify how best to meet the expectations of the new Domestic Abuse Act 2021. Staff and service users were invited to input into this, allowing us an opportunity to share and be part of shaping the new offer.

We received additional funding in September 2021 to enhance our family support work offer – increasing the number of children that can access 1 to 1 support and creating the opportunity to deliver groups to help support the children and families living with us.

Reflecting on the gaps identified through the Domestic Abuse Needs Assessment and our own internal discussions, we have been working with our Domestic Abuse commissioner and the Domestic Abuse Programme Delivery Manager to create a development plan for the service for the next 2 years. We are currently awaiting a decision on our suggestions for plugging the gaps that have been identified.

Delivery of our Young Parent Service (supported accommodation and support in the community to young parents) has been problematic and as such we will not be delivering this contract post November 2022. Making this decision has allowed us to reflect on what type of service we would like to provide to this service user group. We are looking to take this forward in 2022-2023.

Having a Kickstart placement for 6 months allowed us to take the learning from that experience into developing and implementing our Domestic Abuse Support Worker apprenticeship offer.

COVID has bought into sharp focus the importance of ensuring a consistent, coordinated, high quality health and wellbeing offer for our staff. We currently do not have the level of capacity needed within the organisation to do this to the standard we feel our staff deserve. Going forward we intend to dedicate internal funds to create a Staff Health and Wellbeing Manager role, as an additional proactive resource to support the health and wellbeing of our staff.

**LOOKING TO THE FUTURE**

2022-2023 will see us finalising our new Strategic Plan, giving us our road map for the next 3 years. Additionally, we will be rolling out our Hybrid Working policy and monitoring the impact this has against a range of indicators. In combination with the piloting of our Staff Health and Wellbeing Manager post, we expect to see positive benefits for our staff in terms of their health and wellbeing. We expect to complete the assessment process for the Silver Level thrive at Work Award.

We will be closely monitoring the impact of the additional funding we have received as part of the implementation of the Domestic Abuse Act 2021. This will allow us to further evidence the need for a focus on supporting the children and young people who are living within our domestic abuse supported accommodation service. Alongside this we will be working with our commissioners to agree and then implement our Domestic Abuse Service Development Plan which will shape the direction of travel for the service for the next 2 years.

We remain committed to sourcing funding to roll out our community wellbeing offer, building on our learning from delivering a range of interventions within our Community Wellbeing Service. Alongside this we will be redefining our young parents offer – stepping back from supporting those that the local authority have a statutory duty to support.

We continue to seek to maximise spend on our charitable aims while remaining financially sustainable. We have set our reserves at a prudent level, relative to our turnover, to allow us sufficient time to respond if there were to be a significant drop in funding. Thus, in establishing contingency reserves of £400k-£500k against a turnover of approximately £1.8m, we are seeking to provide ourselves with the ability to cover our liabilities for approximately a quarter of a year. This will allow us to address any extreme financial situation that might arise and is in line with our Reserves Policy.

We have committed resources via our Development Fund to allow Valley House to respond to ideas from both staff and service users on how we could improve what we do. Whilst we would always seek to source external funding for such ideas, there isn't always a 'good fit' externally. Having our own internally designated fund allows for additional flexibility and innovation.

## FINANCIAL REVIEW

The financial statements for the year ended 31 March 2022 show net incoming resources of £141,045 (2021: £177,802). While our major source of funding continues to be from the Local Authority, Valley House recognises that this provision is rapidly changing and still seeks both to diversify funding and identify sources of income-generating work.

### a) Investment policy

Under the Articles of Association, the charity has the power to invest in any way the trustees consider fit. The Board of Trustees has considered the most appropriate policy for investing funds and currently any cash surplus to day to day requirements is invested in medium to long term funds.

### b) Reserves policy

The Board of Trustees is responsible for establishing that the level of reserves (that is those funds that are freely available) is sufficient to be able to continue the current activities of the charity in the event of a significant drop in funding, albeit for a limited time, to enable us to replace the funding or reduce services in a way not detrimental to our service users. This figure is reviewed annually and at 31 March 2022 the ideal minimum level considered necessary was £400,000 to £500,000.

The free reserves, identified as the General Fund at 31 March 2022, were £200,145 (2021: £205,310). In order to enable our future strategic and development plans to move forward, the Trustees have designated Contingency, Development and Capital Funds from free reserves. This allows us to make necessary infrastructure improvements as well as pilot developmental opportunities and invest in capital projects. The Development Fund has been set at £13,000 at 31 March 2022 with the appropriate spend reviewed on an annual basis. The Capital Fund has been increased to £450,000 at 31 March 2022, utilising surpluses of £85,000 from the General Fund.

The Funds resources will be used to:

- Finance capital and infrastructure projects to ensure we have sufficient capacity going forward
- Establish additional aspects of service delivery to ensure the appropriate levels of support to our core areas of business activity
- Establish pilot projects to develop new ways of delivering our services and innovative ideas for earning money

The Contingency Fund has been set at £469,358 (2021: £403,006) at 31 March 2022 for the purpose of allowing us to address any extreme financial situation that might arise (see note 22). The Contingency Fund is held with CCLA Investment Management Limited in a COIF Charities Ethical Investment Fund. The value of the fund has increased significantly from the initial investment of £300,000 in 2014. Any increase in value is reinvested in more units with the aim of providing long-term protection from inflation with a good level of distributions and a wide range of ethical restrictions.

Previously Restricted funds where capital grants have been spent on the assets for which the donations were intended and there are no longer trust law restrictions in place have been reclassified as Endowment Funds.

| | |
|---|---|
| **i) Amount of reserves** | £1,627,231 |
| **ii) Amount of any restricted funds** | £96,750 |
| **iii) Amount of reserves fund that can only be realised by disposing of tangible fixed assets** | £463,429 |
| **iv) Amount of reserves after making allowance for ii) and iii) above** | £1,067,052 |

**c) Principal funding sources**

These are service contracts £755,817 (2021: £684,774) (please refer to analysis in note 4) and tenant welfare services income £563,128 (2021: £524,942).

**d) Trustees responsibility for the accounts**

The Trustees (who are also directors of Valley House for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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


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**e) Disclosure of information to auditors**

We, the directors of the charitable company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- There is no relevant audit information of which the company's auditors are unaware; and
- We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**f) Auditors**

Burgis and Bullock were re-appointed as the company's auditors during the year and expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice-Accounting and Reporting by Charities and in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Signed on behalf of the Board



Barry Whittington (Jan 26, 2023, 8:14pm)

---------- Trustee

Barry Whittington

26 Jan 2023

---------- Date



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## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF VALLEY HOUSE

### Opinion

We have audited the financial statements of Valley House (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the 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 Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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 other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**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 directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' 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 **12**, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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.

We gained an understanding of the legal and regulatory framework applicable to the Charity and the industry in which it operates and assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Based on our understanding of the Charity and industry we identified that the principal risk of non-compliance with laws and regulations related to breaches of Health & Social Care Acts, Human Rights Act, Safeguarding, Mental Capacity Act, Health & Safety and Environmental Regulations, GDPR, Charities Act 2011, Companies Act 2006 and UK Employment Law.

We evaluated management incentive and opportunities for fraudulent manipulations of the financial statements and determined the principal risks are related to expenditure that does not fall within the charitable objectives or which would personally benefit the Trustees.

Audit procedures performed include :

- Identifying and assessing the design effectiveness of controls in management have in place to prevent and detect fraud.
- Challenging assumptions and judgments made by management in their significant accounting estimates and assessing if these indicate evidence of management bias.
- Reviewing the accounting records for large and unusual bank payments and testing any identified and in particular the rationale for any transactions outside the charity's normal course of business.
- Reviewing the accounting records for large and unusual journal entries and testing any identified and in particular the rationale for any transactions outside the charity's normal course of business.
- Testing a sample of debit entries in the profit and loss account to check they are bona-fide costs.
- Testing a sample of bank payments to source documentation.
- Reviewing correspondence and communication with regulators.
- Discussions with management, including consideration of known or suspected incidences of non-compliance with laws and regulation and fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

**Use of our report**

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

W A Hubbard
Wende Hubbard (Jan 26, 2023 16:11pm)

**Wende Hubbard FCCA (Senior Statutory Auditor)**
**for and on behalf of Burgis & Bullock**

**Chartered Accountants**
**Statutory Auditor**

23-25 Waterloo Place
Warwick Street
Leamington Spa
Warwickshire
CV32 5LA

Dated: 26th January 2023



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## STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)
## FOR THE YEAR ENDED 31 MARCH 2022

| | | Unrestricted Funds | | Restricted | Endowment | 2022 | 2021 |
|---|---|---|---|---|---|---|---|
| | | General | Designated | Funds | Funds | TOTAL | TOTAL |
| **Income from** | **Note** | **£** | **£** | **£** | **£** | **£** | **£** |
| Donations and legacies | **3** | - | - | - | - | - | 17,054 |
| Charitable Activities | | | | | | | |
| Tenant welfare services | **4** | 563,128 | - | - | - | 563,128 | 524,942 |
| Nursery Fees | **4** | 276,667 | - | - | - | 276,667 | 216,292 |
| Service Contracts | **4** | 755,817 | - | - | - | 755,817 | 684,774 |
| Grants | **4** | - | - | 54,330 | - | 54,330 | 115,270 |
| Other trading activities | **5** | 2,200 | - | - | - | 2,200 | - |
| Investment income | **6** | 1,551 | - | - | - | 1,551 | 1,010 |
| **Total income** | | 1,599,363 | - | 54,330 | - | 1,653,693 | 1,559,342 |
| **Expenditure on:** | | | | | | | |
| Raising funds | **7** | 347 | | - | - | 347 | 720 |
| Charitable activities | **8** | 1,303,381 | 5,138 | 84,861 | 10,290 | 1,403,670 | 1,400,742 |
| Other trading activities | **9** | 866 | - | - | - | 866 | - |
| Governance | **10** | 33,717 | - | - | - | 33,717 | 30,763 |
| Other expenditure | **12** | 140,400 | - | - | - | 140,400 | 59,897 |
| **Total resources expended** | | 1,478,711 | 5,138 | 84,861 | 10,290 | 1,579,000 | 1,492,122 |
| **Net income(expenditure ) before gains/(losses) on investments** | | 120,652 | (5,138) | (30,531) | (10,290) | 74,693 | 67,220 |
| Net gains/(losses) on investments | | - | 66,352 | - | - | 66,352 | 110,582 |
| **Net income/(expenditure)** | | 120,652 | 61,214 | (30,531) | (10,290) | 141,045 | 177,802 |
| Transfer between funds | **20/21/22** | (125,817) | 99,638 | 26,179 | - | - | - |
| **Net movement in funds** | | (5,165) | 160,852 | (4,352) | (10,290) | 141,045 | 177,802 |
| Fund balances at 1 April 2021 | | 205,310 | 771,506 | 101,102 | 408,268 | 1,486,186 | 1,308,384 |
| Fund balances at 31 March 2022 | **20/21/22** | 200,145 | 932,358 | 96,750 | 397,978 | 1,627,231 | 1,486,186 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Income from donations and legacies was £nil (2021 - £17,054), of which £nil (2021 - £7,054) related to General Funds, £nil (2021 - £10,000) related to Designated Funds and £nil (2021 - £1,205) related to Restricted Funds.

Expenditure on charitable activities was £1,403,670 (2021 - £1,400,742), of which £1,303,381 (2021 - £1,220,764) related to General Fund, £5,138 (2021 - £17,591) related to Designated Funds, £84,861 (£2021 - £152,099) related to Restricted Funds and £10,290 (2021: £10,288) related to Endowment Funds.



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## BALANCE SHEET AS AT 31 MARCH 2022

| | Note | 2022 £ | 2022 £ | 2021 £ | 2021 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **14** | | 3,096,364 | | 2,036,642 |
| **Current assets** | | | | | |
| Debtors | **15** | 78,264 | | 82,839 | |
| Investments | **16** | 639,358 | | 573,006 | |
| Cash at bank and in hand | | 545,474 | | 650,918 | |
| | | 1,263,096 | | 1,306,763 | |
| **Creditors: amounts falling due within one year** | **17** | (182,229) | | (157,219) | |
| **Net current assets** | | | 1,080,867 | | 1,149,544 |
| **Total assets less current liabilities** | | | 4,177,231 | | 3,186,186 |
| **Creditors: amounts falling due after more than one year** | **18** | | (2,550,000) | | (1,700,000) |
| **Net assets** | | | 1,627,231 | | 1,486,186 |
| **Funds** | | | | | |
| Unrestricted funds | | | | | |
| Designated funds | **22** | 932,358 | | 771,506 | |
| General funds | **22** | 200,145 | | 205,310 | |
| | | | 1,132,503 | | 976,816 |
| Endowment funds | **20** | | 397,978 | | 408,268 |
| Restricted funds | **21** | | 96,750 | | 101,102 |
| | | | 1,627,231 | | 1,486,186 |

Approved by the Board of Directors/Trustees

Barry Whittington (Jan 26, 2023, 8:14pm)

B Whittington
Director/Trustee

Date 26 Jan 2023

**Company Registration No. 03593394**



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## STATEMENT OF CASHFLOWS
## FOR THE YEAR ENDED 31 MARCH 2022

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Cash flows from operating activities** | | |
| Net incoming resources | 141,045 | 177,802 |
| Add back depreciation charge and impairment | 25,219 | 18,144 |
| Deduct unrealised profits on investments | (66,352) | (110,582) |
| Decrease in debtors | 4,575 | 23,511 |
| Increase in creditors | 25,010 | 17,816 |
| **Cash (outflow)/inflow from operating activities** | 129,497 | 126,691 |
| Cash flows from investing activities | | |
| Purchase of fixed assets | (1,084,941) | (1,508,468) |
| Unrealised profits on investments | 66,352 | 110,582 |
| Increase in loan | 850,000 | 1,700,000 |
| Cash used in investing activities | (168,589) | 302,114 |
| **Net increase/ (decrease) in cash and cash equivalents** | (39,092) | 428,805 |
| Cash and cash equivalents at 01/04/2021 | 1,223,924 | 795,119 |
| Cash at bank | 545,474 | 650,918 |
| Short term investments | 639,358 | 573,006 |
| **Cash and cash equivalents at 31/03/2022** | **1,184,832** | **1,223,924** |



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## 1. Accounting policies

### Charity Information

### Basis of accounts

Valley House is a registered charity and is governed under its Articles of Association. Valley House was incorporated in England and is a company limited by guarantee and has no share capital. In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. It is principally engaged to support those more vulnerable members of our community to optimise their potential and take control of their lives. Its registered office is 55-57 Bell Green Road, Coventry, West Midlands, CV6 7GQ.

### Accounting Convention

The accounts have been prepared in accordance with the Companies Act 2006 and "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 (FRS102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include investments at fair value. The principal accounting policies are set out below.

### Going concern

Given the uncertain nature of funding available to the entity, the charitable company prepares projected year-end budget forecasts every month which are reviewed bi-monthly by the Board and monitored against actual performance. The budgets are supported by long term strategic aims and objectives. The trustees are taking steps to adapt the charity's current activities, such as diversifying the range of funding streams, to secure the future of the charitable company. At time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

### Incoming resources

*Income recognition policies*

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charitable company has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

*Investment income*

Investment income is included in the Financial Statements when receivable.

*Activities for generating funds*

Student placements and other income is included in the Financial Statements when receivable.

*Tenant welfare services*

Tenant welfare services is accounted for on an accruals basis for all tenants in residence during the financial year.

*Grants*

Revenue grants are included on a receivable basis. Capital grants in respect of building costs are to be written off over the estimated useful life of the building from the date of occupancy.

*Nursery income*

Nursery fees are included on a receivable basis.



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**1. Accounting policies (continued)**

**Resources expended**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is included on an accruals basis.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

*Allocation of support costs*

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charitable company's activities. Refer to note 10 for the analysis of support and governance costs. Support costs are generally allocated based on revenue.

The charitable company initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately.

*Costs of generating funds*

Comprise the costs associated with attracting voluntary income.

*Charitable expenditure*

Comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It included costs that can be allocated directly to such activities and those costs of an indirect nature to support them.

*Governance*

Includes those costs associated with meeting the constitutional and statutory requirements of the charitable company and include audit fees.

**Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charitable company. Designated funds are unrestricted funds of the charitable company which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific artistic projects being undertaken by the charity.
Endowment funds are restricted funds which either cannot be spent (permanent endowment) or where there is no actual requirement to spend or apply the capital unless, or until, the trustees decide to spend it (expendable endowment).

**Leases**

Assets acquired under finance lease are capitalised in the balance sheet and are depreciated in accordance with the charitable company's normal policy. The outstanding liabilities under such agreements are included in creditors.

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor, are charged to the Statement of Financial Activities in the year in which they fall due.

**Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

All additions greater than £1,000 are capitalised and brought into account in accordance with normal accounting practice.

Depreciation is provided at rates calculated to write off the cost of fixed assets over their expected useful lives on the following basis:

| | |
|---|---|
| New furniture & equipment | - 4 years (straight line) |
| Buildings | - 50 years (straight line) from date of first use. |
| Community garden | - 3 years (straight line) from date of first use. |
| SASC properties | - 10 years (straight line) from date of first use |

Included in land, buildings and SASC properties is land at a cost of £748,400 that is not being depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1. **Accounting policies (continued)**

**Cash and cash equivalents**
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts are shown in current liabilities.

**Financial instruments**
The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party 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.

***Basic financial assets***
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***
Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***
Financial liabilities are derecognised when the charitable companies contractual obligations expire or are discharged or cancelled.

**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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**Retirement Benefits**
The charitable company operates a defined contributions personal pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The fund is managed by Scottish Widows Limited. Contributions payable for the year are charged to the Statement of Financial Activities as and when incurred.



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**1. Accounting policies (continued)**

**Investments**
Quoted investments are shown in the balance sheet at their bid market value at the balance sheet date. The charitable company does not have any programme related or mixed motive investments.

**Taxation**
The charitable company has charitable status for taxation purposes and its activities are not subject to corporation tax.

**2. Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

**Support cost allocation**
Support costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resources. Costs relating to a particular activity are allocated directly.

**3. Income from donations and legacies**

| | Unrestricted Funds £ | Designated Funds £ | 2022 Total £ | Unrestricted Funds £ | Restricted Funds £ | 2021 Total £ |
|---|---|---|---|---|---|---|
| Donations | - | - | - | 7,054 | 10,000 | 17,054 |



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## 4. Income from charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | 2022 Total £ | Unrestricted Funds £ | Restricted Funds £ | 2021 Total £ |
|---|---|---|---|---|---|---|
| Tenant welfare services | 539,293 | - | 539,293 | 524,942 | - | 524,942 |
| Nursery Fees | 276,667 | - | 276,667 | 216,292 | - | 216,292 |
| Service Contracts | | | | | | |
| Supported accommodation | 741,809 | - | 741,809 | 677,688 | - | 677,688 |
| Floating Support | 7,588 | - | 7,588 | 7,086 | - | 7,086 |
| Counselling | 5,000 | - | 5,000 | - | - | - |
| Grants | | | | | | |
| Pre-therapy counselling | - | 54,330 | 54,330 | - | 115,270 | 115,270 |
| Other Income | | | | | | |
| Tenant welfare services | 23,835 | - | 23,835 | - | - | - |
| Supported accommodation | 1,420 | - | 1,420 | - | - | - |
| | 1,595,612 | 54,330 | 1,649,942 | 1,426,008 | 115,270 | 1,541,278 |

## 5. Income from other trading activities

| | Unrestricted Funds £ | Restricted Funds £ | 2022 Total £ | Unrestricted Funds £ | Restricted Funds £ | 2021 Total £ |
|---|---|---|---|---|---|---|
| Student placements | 2,200 | - | 2,200 | - | - | - |
| | 2,200 | - | 2,200 | - | - | - |

## 6. Income from investment income

| | Unrestricted Funds £ | Restricted Funds £ | 2022 Total £ | Unrestricted Funds £ | Restricted Funds £ | 2021 Total £ |
|---|---|---|---|---|---|---|
| Bank interest | 1,551 | - | 1,551 | 1,010 | - | 1,010 |



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## 7. Expenditure on raising funds

| | Direct Costs £ | Support Costs £ | 2022 Total £ | Direct Costs £ | Support Costs £ | 2021 Total £ |
|---|---|---|---|---|---|---|
| **Unrestricted Funds** | | | | | | |
| Fundraising and publicity | 347 | - | 347 | 720 | - | 720 |

Unrestricted funds' support costs are allocated in proportion to revenue received.

## 8. Expenditure on charitable activities

| | Direct Costs £ | Support Costs £ | 2022 Total £ | Direct Costs £ | Support Costs £ | 2021 Total £ |
|---|---|---|---|---|---|---|
| **Unrestricted Funds** | | | | | | |
| Property costs | 347,339 | 54,526 | 401,865 | 287,836 | 56,634 | 344,470 |
| Nursery | 202,657 | 20,429 | 223,086 | 168,032 | 15,560 | 183,592 |
| Supported accommodation | 565,644 | 55,955 | 621,599 | 604,843 | 47,601 | 652,444 |
| Floating Support | 37,068 | 588 | 37,656 | 39,910 | 348 | 40,258 |
| Counselling | 18,810 | 365 | 19,175 | - | - | - |
| | 1,171,518 | 131,863 | 1,303,381 | 1,100,621 | 120,143 | 1,220,764 |
| **Restricted Funds** | | | | | | |
| Childrens' centre | 4,353 | - | 4,353 | 4,353 | - | 4,353 |
| Pre-therapy counselling | 75,036 | 5,472 | 80,508 | 137,657 | 8,107 | 145,764 |
| Youth service | - | - | - | 1,982 | - | 1,982 |
| | 79,389 | 5,472 | 84,861 | 143,992 | 8,107 | 152,099 |
| **Designated Funds** | | | | | | |
| Pre-therapy counselling | - | - | - | 13,964 | - | 13,964 |
| Training | 5,138 | - | 5,138 | 855 | - | 855 |
| Property costs | - | - | - | 2,772 | - | 2,772 |
| | 5,138 | - | 5,138 | 17,591 | - | 17,591 |
| **Endowment Funds** | | | | | | |
| Property costs | 10,290 | - | 10,290 | 10,288 | - | 10,288 |
| | 10,290 | - | 10,290 | 10,288 | - | 10,288 |
| Total cost of charitable activities | 1,266,335 | 137,335 | 1,403,670 | 1,272,493 | 128,250 | 1,400,742 |

Support costs are allocated in proportion to revenue.

## 9. Expenditure on other trading activities

| | Direct Costs £ | Support Costs £ | 2022 Total £ | Direct Costs £ | Support Costs £ | 2021 Total £ |
|---|---|---|---|---|---|---|
| **Unrestricted Funds** | | | | | | |
| Student placements | 800 | 66 | 866 | - | - | - |
| | 800 | 66 | 866 | - | - | - |



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## 10. Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

| | Governance Related | Other Support Costs | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost type** | | | |
| Staff costs | 25,730 | 125,108 | 150,838 |
| Other costs | 50 | 9,392 | 9,442 |
| Auditors remuneration ( including non audit fees of £1275 in other costs) | 7,937 | - | 7,937 |
| Depreciation | - | 2,560 | 2,560 |
| | 33,717 | 137,060 | 170,777 |

| | Direct Costs | Support Costs | 2022 Total | Direct Costs | Support Costs | 2021 Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Cost of governance** | | | | | | |
| Auditors remuneration | 6,662 | - | 6,662 | 5,805 | - | 5,805 |
| Staff costs | - | 25,730 | 25,730 | - | 23,683 | 23,683 |
| Other costs | 1,275 | 50 | 1,325 | 1,275 | - | 1,275 |
| | 7,937 | 25,780 | 33,717 | 7,080 | 23,683 | 30,763 |



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## 11. Staff costs

| | 2022 Total £ | 2021 Total £ |
|---|---|---|
| Salaries | 897,352 | 955,787 |
| Social security costs | 73,351 | 76,978 |
| Pension costs | 31,402 | 33,820 |
| | 1,002,105 | 1,066,585 |

Salaries include £nil (2021 - £nil) paid to agency staff during the year.

The aggregate redundancy costs during the year amounted to £1,369 (2021 - £nil)

The average number of employees during the year was:

| | 2022 Headcount | 2021 Headcount |
|---|---|---|
| Service providers/admin | 43 | 48 |
| Maintenance | 5 | 4 |
| | 48 | 52 |

One employee's total employee benefits fell between £70,000 and £80,000 (2021 - 1 employee).

Key management personnel have been identified as the Chief Executive, Director of Operations and Director of Finance & Resources.

Remuneration benefits for the year were as follows: £179,687 (2021 - £166,754)

No Director/Trustee received any remuneration for services during the year or is a member of the retirement benefit scheme.

Trustees were reimbursed for travelling expenses totalling £22 (2021 - £20) within the year.

## 12. Other expenditure

| | Direct Costs £ | Support Costs £ | 2022 Total £ | Direct Costs £ | Support Costs £ | 2021 Total £ |
|---|---|---|---|---|---|---|
| **Unrestricted Funds** | | | | | | |
| Financing costs | 140,400 | - | 140,400 | 59,897 | - | 59,897 |
| | 140,400 | - | 140,400 | 59,897 | - | 59,897 |

## 13. Net incoming resources for the year

| | 2022 £ | 2021 £ |
|---|---|---|
| This is stated after charging | | |
| Depreciation | 25,219 | 18,144 |
| Auditors remuneration - audit | 6,662 | 5,805 |
| Auditors remuneration - other | 1,275 | 1,275 |
| Operating Leases | 17,697 | 15,337 |



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## 14. Tangible Fixed Assets

| | Furniture Fixtures& Equipment £ | General Buildings £ | SASC Properties £ | Community Garden £ | Total £ |
|---|---|---|---|---|---|
| **Cost:** | | | | | |
| As at 1st April 2021 | 19,267 | 1,233,092 | 1,496,462 | 44,151 | 2,792,972 |
| Additions during year | 2,237 | 2,250 | 1,080,454 | - | 1,084,941 |
| Disposals during the year | - | - | - | - | - |
| As at 31 March 2022 | 21,504 | 1,235,342 | 2,576,916 | 44,151 | 3,877,913 |
| **Depreciation:** | | | | | |
| As at 1st April 2021 | 8,702 | 703,477 | - | 44,151 | 756,330 |
| Charge for the Year | 3,894 | 17,252 | 4,073 | - | 25,219 |
| Disposals during the year | - | - | - | - | - |
| Impairment losses | - | - | - | - | - |
| As at 31 March 2022 | 12,596 | 720,729 | 4,073 | 44,151 | 781,549 |
| **Net book value:** | | | | | |
| As at 31 March 2022 | 8,908 | 514,613 | 2,572,843 | - | 3,096,364 |
| As at 31st March 2021 | 10,565 | 529,615 | 1,496,462 | - | 2,036,642 |

The additions during the year within SASC Properties includes £1,073,178 for the 7 properties and permitted legal costs purchased through the loan facility provided by SASC (see Note 18).

The remaining £7,276 is for excess legal and professional fees associated with these properties.

At the end of the 10 year loan term the properties will revert to SASC as repayment of the outstanding loan facility.

This provides an effective residual value of the end of the 10 year period equivalent to cost and consequently the depreciation charge amounts to £nil.

Valley House also has the option to re-acquire the properties at their fair value at the point any loan facility has been discharged.

## 15. Debtors

| | 2022 £ | 2021 £ |
|---|---|---|
| Rent receivable | 38,876 | 50,351 |
| Other debtors | 29,951 | 15,835 |
| Prepayments | 9,437 | 16,653 |
| | 78,264 | 82,839 |

## 16. Investments

| | Listed investments 2022 £ | 2021 £ |
|---|---|---|
| Market value as at 01 April 2021 | 573,006 | 462,424 |
| Unrealised gain in year | 66,352 | 110,582 |
| Market value as at 31 March 2022 | 639,358 | 573,006 |

100% of the Investment is in the COIF Charities Ethical Investment Fund



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## 17. Creditors: amounts falling due within one year

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Deferred income (see below) | 54,288 | 46,264 |
| Custodial funds | 1,894 | 318 |
| Accruals | 74,981 | 50,350 |
| Taxation and social security | 28,189 | 26,035 |
| Other creditors | 22,877 | 34,252 |
| | 182,229 | 157,219 |

| Deferred income | Balance at 01/04/2021 | Funds Receivable | Funds Expended | Balance at 31/03/2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| | 46,264 | 25,770 | (17,746) | 54,288 |

Deferred income relates to grants and other income received in advance for activities in the coming year.

## 18. Creditors: amounts falling due after more than one year

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Social and Sustainable Capital (SASC) | 2,550,000 | 1,700,000 |
| | 2,550,000 | 1,700,000 |

SASC started providing funds in 2020 of up to £2.55m for the purchase of up to 22 properties. These funds will be available for 10 years and the properties have a restrictive covenant preventing sale other than to SASC. The properties will revert to SASC after 10 years if the funds remain unpaid at that time, with no further liabilities accruing. To date, the Charity has utilised £2.55m of these funds and purchased 22 properties leaving £14,610 remaining in the bank for further cost.

This loan is secured on a first legal charge over the land and buildings and a fixed charge over the Rent Account held by the Borrower. Since the year end the charitable company has technically breached a covenant within its formal loan agreement with SASC regarding occupancy levels. A formal waiver has been received from the funder in respect of these breaches confirming there is no financial implication for the charity in relation to this

A debt servicing charge for the loan facility has been agreed which is linked to the collection of rents from the underlying tenants of the properties, after taking into account management and service income retained by Valley House.

The debt servicing charge for the period amounted to £140,400 (2021 - £59,897).

## 19. Custodial funds

The movement within the year in relation to custodial funds is as follows:

| | £ |
|---|---|
| Monies received | 2,232 |
| Monies paid out | 337 |

The above monies received and paid out is not included in the SOFA as the charitable company acts as custodian in relation to these monies.

At 31 March 2022 £1,894 (2021 - £318) has been included within creditors in relation to custodial funds received not yet distributed.

**20. Endowment Funds**

The funds of the charitable company include endowment funds comprising:

| | Balance at 01/04/2021 £ | Funds Receivable £ | Funds Expended/ Impairment £ | Transfer Between Funds £ | Balance at 31/03/2022 £ |
|---|---|---|---|---|---|
| **Capital grants** | | | | | |
| LSC regeneration budget | 6,204 | - | (475) | - | 5,729 |
| Coventry children's centres - Canopy | 1,251 | - | (94) | - | 1,157 |
| Coventry children's centres - Conservatory | 10,610 | - | (282) | - | 10,328 |
| Big lottery fund - Young people's fund | 3,273 | - | - | - | 3,273 |
| General charities - Servers | 2,114 | - | - | - | 2,114 |
| General charities - Capital Fund | 20,000 | - | - | - | 20,000 |
| Counselling suite | 19,842 | - | (839) | - | 19,003 |
| National Lotteries Charity Board | 98,843 | - | (2,159) | - | 96,684 |
| 25 Bell Green Road | 123,905 | - | (3,302) | - | 120,603 |
| Counselling Suite 25 Bell Green Road | 17,904 | - | - | - | 17,904 |
| Improvements to garden, car park | 32,522 | - | (1,486) | - | 31,036 |
| Navigation Centre extension | 71,800 | - | (1,653) | - | 70,147 |
| **Total restricted capital grants 2021/22** | 408,268 | - | (10,290) | - | 397,978 |

| | Balance at 01/04/2020 £ | Funds Receivable £ | Funds Expended/ Impairment £ | Transfer Between Funds £ | Balance at 31/03/2021 £ |
|---|---|---|---|---|---|
| **Capital grants** | | | | | |
| LSC regeneration budget | 6,678 | - | (474) | - | 6,204 |
| Coventry children's centres - Canopy | 1,345 | - | (94) | - | 1,251 |
| Coventry children's centres - Conservatory | 10,892 | - | (282) | - | 10,610 |
| Big lottery fund - Young people's fund | 3,273 | - | - | - | 3,273 |
| General charities - Servers | 2,113 | - | 1 | - | 2,114 |
| General charities - Capital Fund | 20,000 | - | - | - | 20,000 |
| Counselling suite | 20,682 | - | (840) | - | 19,842 |
| National Lotteries Charity Board | 101,003 | - | (2,160) | - | 98,843 |
| 25 Bell Green Road | 127,206 | - | (3,301) | - | 123,905 |
| Counselling Suite 25 Bell Green Road | 17,904 | - | - | - | 17,904 |
| Improvements to garden, car park | 34,008 | - | (1,486) | - | 32,522 |
| Navigation Centre extension | 73,452 | - | (1,652) | - | 71,800 |
| **Total restricted capital grants 2020/21** | 418,556 | - | (10,288) | - | 408,268 |

Endowment Funds are made up of reclassified restricted expenditure where capital grants have been spent on the assets for which donations were intended or reclassified designated funds for capital projects.

Amortisation is shown at the same rate as the asset is depreciated.



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**21. Restricted Funds**

| Capital grants | Balance at 01/04/2021 £ | Funds Receivable £ | Funds Expended/ Impairment £ | Transfer Between Funds £ | Balance at 31/03/2022 £ |
|---|---|---|---|---|---|
| Coventry Children's Centres | 101,102 | - | (4,352) | - | 96,750 |
| **Total restricted revenue grants 2021/22** | 101,102 | - | (4,352) | - | 96,750 |

| Capital grants | Balance at 01/04/2020 £ | Funds Receivable £ | Funds Expended/ Impairment £ | Transfer Between Funds £ | Balance at 31/03/2021 £ |
|---|---|---|---|---|---|
| Coventry Children's Centres | 105,455 | - | (4,353) | - | 101,102 |
| **Total restricted revenue grants 2020/21** | 105,455 | - | (4,353) | - | 101,102 |

Grants for capital purchases have been spent on the assets for which the donations were intended. Amortisation is shown at the same rate as the asset is depreciated. Where there are no longer trust law restrictions in place the funds are reclassified as endowment funds.

Coventry City Council provided funds in 2006 for an expansion of the Nursery and improvements to the Children's Centre with the restriction that the property is used as a Nursery for 25 years. A restriction is also placed on the registered title of the property that no disposition, sale or lease may take place unless accompanied by a certificate of the Council of the City of Coventry stating there is no payment due under the grant agreement.

| | Balance at 01/04/2021 | Funds Receivable | Funds Expended | Transfer Between Funds | Balance at 31/03/2022 |
|---|---|---|---|---|---|
| **Revenue grants** | | | | | |
| **Young people's project** | | | | | |
| Birmingham County FA | - | - | - | - | - |
| **Counselling** | | - | | | |
| Big lottery fund | - | - | - | - | - |
| Coventry CAB Rooted/Breakthrough | - | 11,095 | (8,108) | (2,987) | - |
| CDA Accelerate | - | 43,235 | (72,401) | 29,166 | - |
| **Total restricted revenue grants** | - | 54,330 | (80,509) | 26,179 | - |
| **Total restricted funds 2021/22** | 101,102 | 54,330 | (84,861) | 26,179 | 96,750 |



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**21. Restricted Funds (continued)**

| | Balance at 01/04/2020 | Funds Receivable | Funds Expended | Transfer Between Funds | Balance at 31/03/2021 |
|---|---|---|---|---|---|
| **Revenue grants** | | | | | |
| **Young people's project** | | | | | |
| Birmingham County FA | - | - | (1,982) | 1,982 | - |
| **Counselling** | | | | | |
| Big lottery fund | - | - | (3,261) | 3,261 | - |
| Coventry CAB Rooted/Breakthrough | - | 44,380 | (50,282) | 5,902 | - |
| CDA Accelerate | - | 70,890 | (92,222) | 21,332 | - |
| **Total restricted revenue grants** | - | 115,270 | (147,747) | 32,477 | - |
| **Total restricted funds 2020/21** | 105,455 | 115,270 | (152,100) | 32,477 | 101,102 |

Grants received for specific projects are included in revenue grants from each of the donors as indicated and have no trust law restrictions.



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**22. Unrestricted funds**

| | Balance at 01/04/2021 £ | Incoming resources £ | Resources expended £ | Transfer between Funds £ | Balance at 31/03/2022 £ |
|---|---|---|---|---|---|
| General fund | 205,310 | 1,599,363 | (1,478,711) | (125,817) | 200,145 |
| **Designated funds** | | | | | |
| *Development funds* | | | | | |
| Training fund | 3,500 | - | (5,138) | 8,638 | 7,000 |
| Pilot projects | - | - | - | 6,000 | 6,000 |
| Redundancy payments | - | - | - | - | - |
| Computers | - | - | - | - | |
| Capital projects | 365,000 | - | - | 85,000 | 450,000 |
| *Contingency funds* | 403,006 | 66,352 | - | - | 469,358 |
| | 771,506 | 66,352 | (5,138) | 99,638 | 932,358 |
| **Total unrestricted funds 2021/22** | 976,816 | 1,665,715 | (1,483,850) | (26,178) | 1,132,503 |

| | Balance at 01/04/2020 £ | Incoming resources £ | Resources expended £ | Transfer between Funds £ | Balance at 31/03/2021 £ |
|---|---|---|---|---|---|
| General fund | 184,269 | 1,374,175 | (1,252,247) | (100,887) | 205,310 |
| **Designated funds** | | | | | |
| *Development funds* | | | | | |
| Training fund | 7,000 | - | (855) | (2,645) | 3,500 |
| Property / infrastructure | - | - | - | - | - |
| Pilot projects | 10,680 | 10,000 | (13,965) | (6,715) | - |
| Redundancy payments | - | - | - | - | - |
| Computers | - | - | (2,772) | 2,772 | |
| Capital projects | 180,000 | - | - | 185,000 | 365,000 |
| *Contingency funds* | 402,424 | 110,582 | - | (110,000) | 403,006 |
| | 600,104 | 120,582 | (17,592) | 68,412 | 771,506 |
| **Total unrestricted funds 2020/21** | 784,373 | 1,494,757 | (1,269,839) | (32,475) | 976,816 |

Designated funds are monies set aside by the Trustees to be spent on projects specified and have no trust law restrictions.

The Development Fund is designated for capital and revenue projects. Capital expenditure incurred is re-designated to a named fund and amortisation is stated at the same rate as the asset is depreciated.

Contingency funds are monies relating to investments which have been designated to cover any large unforeseen expenditure.



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## 23. Analysis of Net Assets between Funds

| | Unrestricted funds £ | Designated funds £ | Restricted funds £ | Endowment funds £ | Total £ |
|---|---|---|---|---|---|
| Fixed assets | 66,246 | - | 2,632,140 | 397,978 | 3,096,364 |
| Cash and current Investments | 237,864 | 932,358 | 14,610 | - | 1,184,832 |
| Other current assets/liabilities | 78,264 | - | - | - | 78,264 |
| Creditors more than one year | - | - | (2,550,000) | - | (2,550,000) |
| Creditors due within one year | (182,229) | - | - | - | (182,229) |
| **Total 2021/22** | 200,145 | 932,358 | 96,750 | 397,978 | 1,627,231 |

| | Unrestricted funds £ | Designated funds £ | Restricted funds £ | Endowment funds £ | Total £ |
|---|---|---|---|---|---|
| Fixed assets | 30,810 | - | 1,597,564 | 408,268 | 2,036,642 |
| Cash and current Investments | 248,880 | 771,506 | 203,538 | - | 1,223,924 |
| Other current assets/liabilities | 82,839 | - | - | - | 82,839 |
| Creditors more than one year | - | - | (1,700,000) | - | (1,700,000) |
| Creditors due within one year | (157,219) | - | - | - | (157,219) |
| **Total 2020/21** | 205,310 | 771,506 | 101,102 | 408,268 | 1,486,185 |

## 24. Analysis of changes in net debt

| | Balance at 01/04/2021 £ | Cash flows £ | Balance at 31/03/2022 £ |
|---|---|---|---|
| Cash at bank and in hand | 650,918 | (105,444) | 545,474 |
| Current investments | 573,006 | 66,352 | 639,358 |
| Borrowings excluding overdrafts | (1,700,000) | (850,000) | (2,550,000) |
| | (476,076) | (889,092) | (1,365,168) |

## 25. Pension contributions

The charge for the year was £31,402 (2021 - £33,820). At 31 March 2022 £4,894 contributions were outstanding to the scheme (2021 - £4,794).

## 26. Lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2022 | | 2021 | |
|---|---|---|---|---|
| | Equipment £ | Premises £ | Equipment £ | Premises £ |
| Within one year | 14,906 | - | 16,354 | - |
| Between two and five years | 14,260 | - | 28,494 | - |
| In over five years | - | - | - | - |
| | 29,166 | - | 44,848 | - |



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**27. Capital Commitments**

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Amounts contracted for but not provided in the finanical statements: | | |
| Acquisition of property plant and equipment | - | 207,613 |
| | - | 207,613 |

**28. Financial Instruments**

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| *Carrying amount of financial assets* | | |
| Investments (at fair value) | 639,358 | 573,006 |
| | 639,358 | 573,006 |

The income, expenses, net gains and net losses attributable to the charitable company's financial instruments are as follows.

**Income and expense**

| | | |
|---|---|---|
| Financial instruments measured at fair value through net income/expenditure | 66,352 | 110,582 |

**29. Financial commitments, guarantees and contingent liabilities**

Due to the general nature of grant funding the Charity could be exposed to potential liabilities in respect of clawbacks of funding already received in certain circumstances. Each funder sets their own criteria for when and how any such liabilities may arise.

**30. Controlling parties**

The charitable company is under the control of its trustees, directors and management committee.

**31. Related party transactions**

There were no related party transactions during the financial year ended 31 March 2022 or in the prior year.

**32. Corporation taxation**

The charitable company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.



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**VALLEY HOUSE**

England & Wales - Charity number 1074539

# Accounts

VALLEY HOUSE
Promoting positive change since 1977

**VALLEY HOUSE**
**(company limited by guarantee having no share capital)**

Registered Charity Number
1074539

Registered Company Number
03593394

# VALLEY HOUSE

## (A COMPANY LIMITED BY GUARANTEE AND HAVING NO SHARE CAPITAL)

## ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2021

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# VALLEY HOUSE

**(company limited by guarantee having no share capital)**

## LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|---|---|---|
| Registered company number | 03593394 | |
| Registered charity number | 1074539 | |
| Directors and Trustees | D du Boulay | |
| | S Kasli | |
| | G Parker | Chair |
| | B Whittington | Treasurer |
| | J Bradley | Deputy Chair (appointed November 2020) |
| | D Janda | |
| | R Smith | |
| Company secretary | LJ Winterburn | |
| Senior management team | LJ Winterburn | Chief Executive |
| | C Pike | Director of Operations |
| | P Wilson | Director of Finance and Resources (appointed 24 August 2020) |
| Business address & Registered office | 55-57 Bell Green Road<br>Coventry<br>West Midlands<br>CV6 7GQ | |
| Auditors | Burgis & Bullock<br>23-25 Waterloo Place<br>Warwick Street<br>Leamington Spa<br>CV32 5LA | |
| Bankers | Barclays Bank plc<br>Coventry<br>25 High Street<br>Coventry<br>CV1 5QZ | |
| Solicitors | Anthony Collins Solicitors<br>134 Edmund Street<br>Birmingham<br>B3 2ES | |

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VALLEY HOUSE
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# VALLEY HOUSE

**(company limited by guarantee having no share capital)**

## ANNUAL TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2021

### INTRODUCTION

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 second edition published October 2019.

### NAME, REGISTERED OFFICE AND CONSTITUTION OF THE CHARITY

The full name of the charity is Valley House.

The legal registration details are:

| | |
|---|---|
| Date of incorporation | 6 July 1998 |
| Company registration number | 03593394 |
| Registered office | 55-57 Bell Green Road, Coventry, West Midlands, CV6 7GQ |
| Charity registration number | 1074539 |

### DIRECTORS AND TRUSTEES

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

Dexter du Boulay
Surinder Kasli
Geraldine Parker
Barry Whittington
Julie Bradley
Davinda Janda
Roy Smith



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## STRUCTURE, GOVERNANCE & MANAGEMENT

1. Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 6th July 1998 and registered as a charity on 5th March 1999. 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 members are required to contribute an amount not exceeding £1.00.

2. Recruitment and Appointment of 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 members of the Trustee Board. Under the requirements of the Articles of Association the members of the Trustee Board are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

3. Trustee Induction and Training

All trustee vacancies are widely advertised through existing local partnerships and the National Council of Voluntary Organisations (NCVO) trustee recruitment site. All interested individuals meet with the Chair of the Board and one other Trustee or member of the Senior Management Team as relevant to their potential trustee role. Trustee induction includes meeting with the Chair of the Board who explains the role and responsibilities of being a trustee at Valley House. They also meet with the Chief Executive and any other member of the Senior Management Team that may be relevant to their trustee role. All trustees are encouraged to attend training specific to the trustee role. This is currently provided by an external trainer specialising in this area.

Appointment to the Board consists of attendance at a Board meeting and a vote by trustees.

Additional training opportunities are available at the Board away day held each year. The Board identifies their training needs and an internal or external trainer will be sourced to meet this need.

4. Decision Making

The Board of Trustees delegates day to day operational decision making to the Chief Executive and the Senior Management Team, who are listed on the legal and administrative information page. The Board retains decision making powers in relation to strategic matters and for setting the pay and remuneration of the charity's key management personnel. The Board delegates the benchmarking exercise needed to set these pay levels to the Chief Executive, or where it is in relation to the Chief Executive, an external independent person. Benchmarking information is collated from similar roles in similar charities in a similar geographical area.

5. Organisational Structure

There are currently 7 Trustee Board Members (see page 1 for details)

The Board meets 6 times a year, with 2 of these being specifically focused on business and operational planning. The Audit and Risk Committee meets 4 times a year and consists of the Treasurer, 2 Trustees, the Chief Executive, the Director of Finance and Resources and the Director of Operations. Additionally, the Treasurer, the Director of Finance and Resources and the Chief Executive meet in advance of the Audit and Risk Committee. Sub-groups are established for individual projects as necessary.

Day-to-day operations are overseen by the Chief Executive. The organisation management structure is as follows:

Senior Management Team consisting of the Chief Executive; the Director of Operations and the Director of Finance and Resources.



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During 2020/21 each service was managed by a Service Manager(s), namely:
- Domestic Abuse Supported Accommodation Service
- Young Parent Service
- Community Wellbeing Service
- Nursery Service

During 2020/21 the following finance team was in place:
- HR and Central Services Manager (supported by a reception/admin team)
- Facilities Officer
- Maintenance Officer (supported by a maintenance team)
- Finance Officer (supported by a Finance Assistant)
- Management Information Administrator
- Communications Officer

with the line management structure and reporting lines changing as a result (please see diagram on page 4)

In recognition of the importance of safeguarding, in relation to the vulnerability of the children we work with the Children's Safeguarding Lead post continued to be funded , with cross organisational responsibility for providing expert advice and support to staff in relation to all levels of safeguarding; internal safeguarding training for staff and volunteers and acting as the operational link with the emerging Family Hubs. The Children's Safeguarding Lead reports directly to the Chief Executive.

Business Development and associated activities were the direct responsibility of the Chief Executive, supported by the Senior Management Team

Marketing & Communications were undertaken on a day-to-day basis by the Communications Officer.

Please see the organisational structure chart on pages 4 and 5.

Training is a shared responsibility of the Management Team and overseen by the Director of Operations.

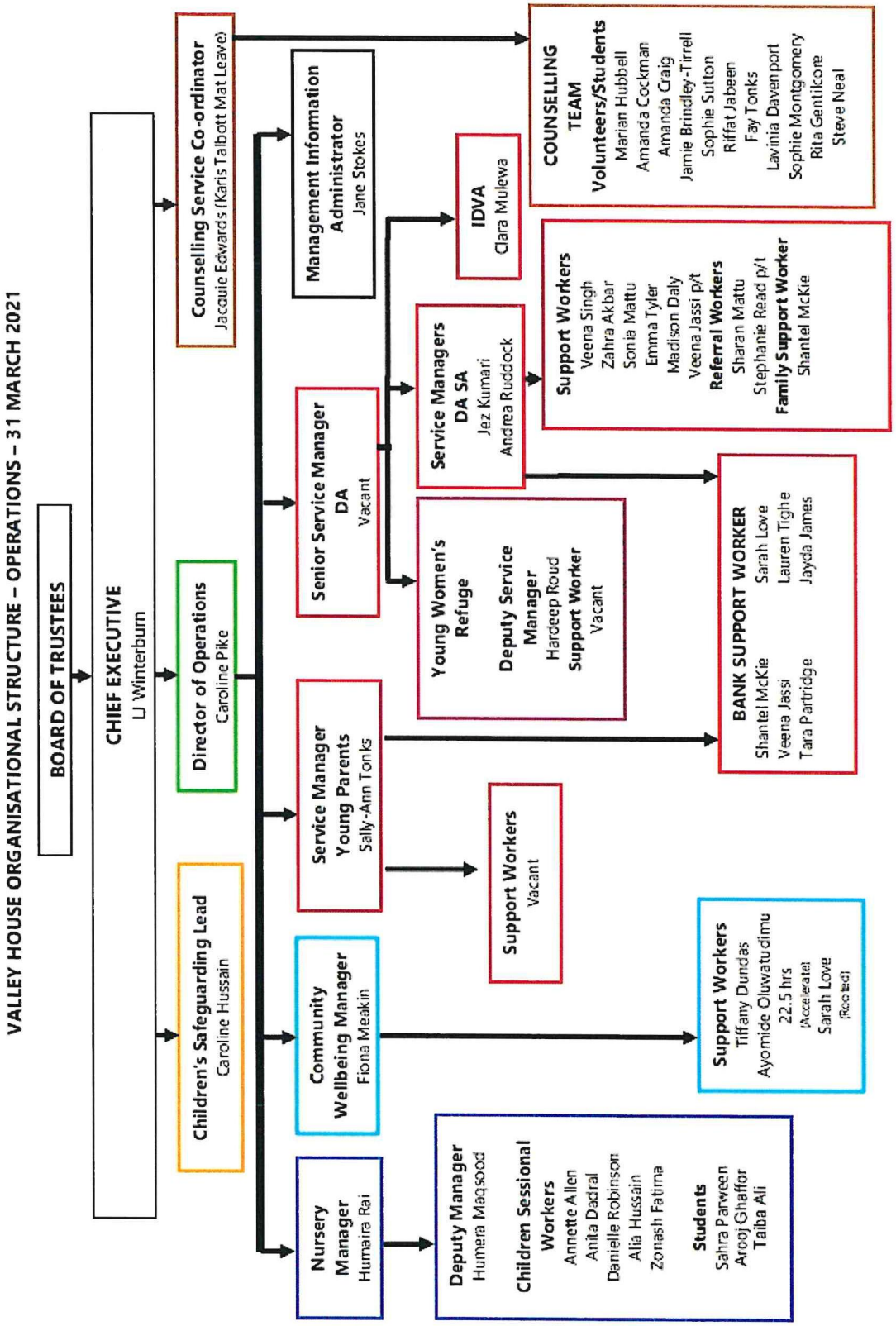
The Board of Trustees delegates day to day management to the Chief Executive and the Senior Management Team.

The trustees take advice from the Chief Executive and the Senior Management Team, the organisation's appointed auditors and solicitors.



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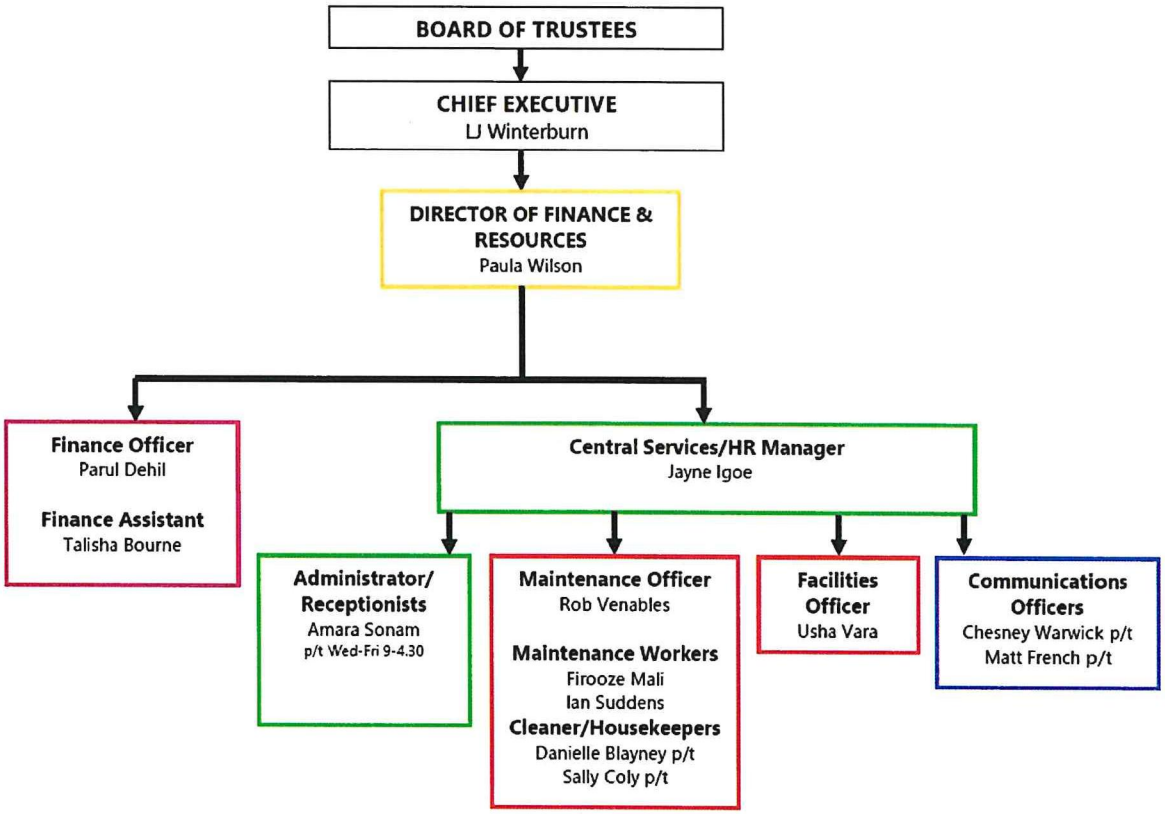
## VALLEY HOUSE ORGANISATIONAL STRUCTURE – OPERATIONS – 31 MARCH 2021






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## VALLEY HOUSE ORGANISATIONAL STRUCTURE – FINANCE & RESOURCES – 31 MARCH 2021



**Structure, Governance and Management (continued)**
**Risk Management**

The Trustees have a risk management strategy which comprises:
- A risk register which identifies the risks the charity may face.
- Regular reviews of the risk register.
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work ensures continuously improving contingency planning. Financial risk is mitigated by establishing a reserves policy, which is reviewed annually by trustees, together with the diversification of the funding base.

There were and continue to be a number of financial risks that COVID19 and the ongoing national lockdowns have caused us over the last year. In terms of the impact on our fundraising opportunities – we had set a fundraising target of £12k for 2020-2021 which was specifically to fund our Counselling Service. We expected to raise this money through multiple fundraising events however all these events were cancelled. We were able to secure some financial support for the service from a local charity and expect to renew fundraising activities in the coming financial year.

In terms of sourcing continuation funding for our Community Wellbeing service which was due to have a funding In terms of sourcing continuation funding for our Community Wellbeing service which was due to have a funding stream end in June 2021, all avenues that we would have explored during 2020-2021 for this were closed as grant giving bodies re-visited their priorities. They directed their short-term priorities to tackling the issues created by COVID19, which did not fit with our plans for the service. Since April 2021 some funding avenues have now re-opened and we are reviewing these.

The lack of occupancy within our Young Parent Service has created a financial loss during the year. This is because we only receive payment for the actual young parents within the service at any one time, regardless of the fact that we have to have staff and housing available for the contracted number of young parents. In order to mitigate this risk, we requested a contract variation which was granted in October 2020 and reduced the staffing capacity and accommodation accordingly. We are continuing to liaise with Coventry City Council to try and recoup some of the accrued losses as the lack of referrals sits solely with Coventry City Council, although we are being expected to shoulder the financial implications of them not referring into the service.

We have mitigated the risks related to ensuring we are offering a high-quality service by increasing the number of bank staff we have available to pick up work when staff need to self-isolate.

**Our Aims, Objectives & Activities**

The principle purposes and aims of the organisation are:

To offer support and/or accomodation appropriate to the needs of individuals within the city of Coventry and the surrounding area who are homeless, with the aim of enabling them to move into and sustain their own accomodation; to support and motivate people to re-engage with educational opportunities, that will allow them to develop their potential and have more life choices and the advancements of education, training or retraining, including among unemployed people, and providing unemployed people with work experience.

To provide quality services for the advancements of the lives of children in partnership with parents, to enable children and young people to develop their physical and mental capacities so that they may achieve their potential as individuals and members of society and their conditions of life may improve.

To promote, safeguard and protect the good health, both mental and physical, of adults, children and young people.

The issues we seek to tackle are wide ranging and ever evolving as those individuals and families approaching us for support continue to grow in complexity of need. Whilst we continue to adhere to our purpose and aims the types of interventions and service delivery models we use continue to evolve.

The broad brush changes we seek to make through our work are encapsulated by our Mission Statement "To work alongside people to take control of their lives and create their own futures". This can range from a service user feeling able to attend an appointment by themselves after years of not leaving their home, through to a young person deciding on their career path after years of drifting; finding a suitable training course and becoming qualified in their chosen vocation.

We seek to bring public benefit most usually but not exclusively to the more vulnerable, disadvantaged and disengaged members of the community by enabling them through appropriate holistic professional support to develop their potential and take control of the quality and independence of their lives.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities Valley House should undertake.

We deliver a wide range of services specifically designed to support us in achieving our aims and objectives:
Valley House is a specialist high support needs provider commissioned by the Local Authority to offer Supported Accommodation to young parents. From April 2020 until September 2020, we were contracted to deliver 8 units of supported accommodation and 12 units of floating support. Occupancy on both elements was below this and therefore we applied and were given a contract variation that began in October 2020. This reduced expected contract delivery to 6 units of supported accommodation and 4 units of floating support.

Our Domestic Abuse Supported Accommodation Service grew during the year from providing 54 units of accommodation (as per our original contract with Coventry City Council) to 74 units of accommodation. This was due to securing (non-COVID19 related) funding from MHCLG to provide 13 units of refuge type accommodation to young women from 1st April 2020 to 31 March 2021 and securing additional funding from Coventry City Council for an additional 7 units due to the rapid rise in referrals due to COVID19. This funding began on 1st August 2020 and is due to end on 31 July 2021. Due to COVID19 it was agreed with MHCLG that the 13 units they were funding did not have to be ringfenced for young women, in order to try and help us manage the sharp increase in referrals across all age groups. Our accommodation is made up of single flats, single family houses, shared houses and refuge type accommodation, ie, where staff are on site.

The emotional and practical support we offer across both services includes 24-hour staff availability, structured support and safety plans, 1 to 1 and group work, however our group work offer has been severely impacted by COVID19. We work alongside service users on their journey to emotional and practical independence. This includes securing appropriate move on accommodation and giving them the tools to sustain their tenancies.

From 1 April 2020 to 30 September staffing within the Young Parents Service was 1 FTE Service Manager and 2.5FTE Support Workers. From October 2020 and in line with the contract variation the staffing was reduced to 1FTE staff member.

Staffing with the Domestic Abuse Supported Accommodation Service started the year as 1FTE Senior Service Manager, 2FTE Service Managers and 10FTE frontline support workers. The 2 extra funding streams increased the staffing by 1FTE Deputy Service Manager and 2FTE Support Workers.

In additional we have a dedicated maintenance team for our Supported Accommodation. Direct staffing within this team was 1 FTE Facilities Officer,1FTE Maintenance Officer, 2FTE Maintenance Workers and 1FTE Housekeeper/Cleaner

We also have 1 FTE Finance Assistant who is solely allocated to our Supported Accommodation services.

Direct staffing within the Community Wellbeing Service was 0.64FTE Service Manager and 2.6FTE front line Support Worker.

Our Nursery is focused on providing quality services to enable children to further develop their personal capabilities and achieve their potential, despite the barriers they may face. Direct staffing was 1FTE Nursery Manager; 1FTE Deputy Manager and 5 nursery staff with support hours dependant on the number of children accessing the nursery at any one time.

Volunteering has always been central to Valley House, however COVID19 has impacted on the number of volunteer hours delivered over the last year. The majority of our volunteers move onto paid work following their volunteering at Valley House. Several of our current staff are ex-Valley House volunteers. Some were in turn service users of Valley House before they became volunteers. Our current nursery staff team has 3 qualified workers who were former volunteers and trainees at Valley House. During 2020/21 359.75 volunteer hours were delivered which is a reduction from 2019/20 where we had 687.75 hours delivered across our services. This is due to us stopping all volunteering opportunities except in our Counselling Service and a number of counsellors who were unable to continue volunteering during the first 2 lockdowns.

Our current success measurements are funder driven and include both quantitative and qualitative data capture. The tool used for individual qualitative data capture, specifically mapping a service user's journey and outcomes achieved is the nationally recognised Outcomes Star. Additionally, we have developed a number of internal qualitative data capture tools that use including pre and post service user questionnaires, mapped to defined service user outcomes for our group work programmes.

Quantitative success is measured though achieving the outputs as specified and agreed with the funder prior to commencement of delivery.

**REVIEW OF 2020/21**

ACHIEVEMENTS

From the beginning of the pandemic Valley House was classified as an essential service and as such continued to take referrals into all of its services, having staff onsite and visiting service users at their homes in a COVID19 secure manner. The service user Covid surveys we undertook during the last year clearly demonstrate how well we have supported them both emotionally and practically during this very difficult time. 87% of service users confirmed that Valley House had stepped up in terms of providing additional practical support during lockdowns and 84% reported that they spoke regularly to their Support Worker around their feelings about the pandemic and its impact on their mental health.

In terms of supporting our staff during the pandemic we were able to adapt quicky to more working from home and online contact between staff. We ensured we circulated health and wellbeing resources regularly and increased contact between line managers and their staff to try to manage feelings of isolation and separateness from the organisation. Staff adapted quickly to using Teams to attend meetings and training and 100% of staff reported that they were receiving support from their manager.

We were also able to secure priority access to the vaccine roll out, which was embraced by the majority of staff. We did experience some vaccine hesitancy and responded to this by listening to concerns and using fact-based information to dispel myths. To date, 87% of staff eligible for the vaccine have taken up the offer.

Prior to COVID19, Valley House had committed to a review of pay and benefits for staff. Despite the financial challenges COVID presented this review was undertaken. A number of cost savings were identified which allowed us to level up a number of salary posts and an across the board pay increase of 2% for all staff, backdated to 1 April 2020. Additionally, we reviewed our annual leave entitlement and bought in an incremental increase in leave entitlement based on years of service. This went live on 1 April 2021.



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An example of our responsive and agile approach to service delivery in 2020/21 saw the launch of our new Young Women's refuge, however in consultation with Ministry of Housing, Communities and Local Government this was opened up to all age groups due to the sharp rise in referrals as a result of COVID19. This funding was due to end on 31 March 2021, however Coventry City Council have committed to keep these units until 31 March 2022. We were also commissioned to provide a further 7 units of domestic abuse accommodation from Coventry City Council to try and manage the increase in referrals. This funding is due to end on 31 July 2021. We do not currently expect this to be extended. Staff across Valley House responded quickly and effectively to ensure these new service strands were up and running as quickly as possible, against the backdrop of COVID.

During 2019/2020 We were successful in securing a 10-year loan of £2.5m from Social and Sustainable Capital (SASC) to purchase 22 properties. Interest payments are based on housing benefit received – there is no capital repayment involved as the loan is secured against the properties purchased. During 2020/2021 and against the backdrop of COVID19 we have purchased 15 properties. We are working hard to source and buy the remaining properties in a timely manner, however the recent upsurge in house prices is causing issues.

We were approached by a local charity that works with women at risk of or who have experienced sexual exploitation, to explore the viability of Valley House providing counselling to their service users. They wished to utilise a small pot of funding they had secured. We worked together to create a service that would work for them and this went live in January 2021. This will run for 1 year with the hope that further funding can be sourced and the partnership can continue. All three examples demonstrate our innovative and mutually beneficially approach to partnership working.

We have continued to build on enhancing our health and wellbeing offer to staff by starting work on the West Midlands Thrive at Work Wellbeing Award Silver accreditation, having successful been awarded the Bronze accreditation in 2019/20.

During 2020/21 Valley House supported a total of 561 people. This breaks down into 268 adults, 11 young parents and 282 children.

| Service | Adults | Young Parents | Children |
|---|---|---|---|
| Domestic Abuse | 179 | 0 | 153 |
| Young Parent | 0 | 11 | 10 |
| Counselling | 28 | 0 | 0 |
| Community Wellbeing | 61 | 0 | 26 |
| Nursery | 0 | 0 | 93 |
| | | | |
| TOTAL | 268 | 11 | 282 |

This is an increase in the numbers worked with last year (2019/20: 542 people in total, breaking down into 217 adults, 38 young parents, 26 young people and 216 children) and is a reflection of a number of factors. Some funding streams ended (youth and community wellbeing); the Young Parents contract numbers were halved however our domestic abuse contract numbers increased. We could have expected the figures to be higher however we have seen an increase in the amount of time individuals and families are living with us, partly due to the lack of appropriate move-on accommodation and to the increasing complexity of issues they present with.

Supporting those more vulnerable members of our community to optimise their potential and take control of their lives, is achieved through providing the following services and activities:

**Supported Accommodation and Young Parent Community Support**

Within our DA Supported Accommodation and refuge service we worked with 179 adults and 153 children. 94% of school age children in the service achieved between 95%-100% attendance at the school they attended. This is a major achievement for Valley House in terms of helping the parent secure a school place and supporting them to attend the school, whilst having had to leave their home and deal with the impact of the trauma they have suffered. The importance of education in supporting children to aspire and achieve and well as bringing stability and routine to a family cannot be underestimated.
Within the Young Parents Service, we worked with 11 young parents and 10 children. Last year 60% of our young parents reported difficulties in keeping themselves and their child safe. At the end of their stay 80% reported they knew and had put strategies in place to keep themselves and their child safe. Achieving this outcome cannot be underestimated as one of the major reasons a young parent is referred to us is concerns from Children's Services that the young parent is unable to keep themselves and their child safe.

**Children & Families**

Valley House runs a self-funded nursery offering full day care to both funded and fee-paying families. It offers a creative and fun experience to children and seeks to optimise their readiness for school. The Nursery stayed open from the beginning of the pandemic ensuring high quality provision for the children of keyworkers and vulnerable children. However, like other nursery provision as a result of the pandemic we have seen an overall reduction in the number of children attending nursery over the last year. During 2020/21 93 children accessed our nursery and holiday club provision (2019/20 139 children). We have a wide range of families from different cultural and ethnic backgrounds and good working relationships with statutory services. However, our families can have multiple disadvantages. Despite this and the pandemic, our assessment data shows that 70% of children were at the expected age-related level in terms of their reading, 83% were at the expected age related level in terms of their self-confidence and self-awareness and 70% were at the age related level in terms of managing their feelings and behaviour.

**Community Wellbeing**

Our Community Wellbeing service worked with a total of 61 adults and 26 children. This service combines therapeutic type interventions with practical support to enable isolated and vulnerable individuals to live healthier and more independent lives. The pandemic led us to closing our face-to-face groupwork provision and impacted on the number of referrals we received into the service. However we did move quickly to virtual contact with our Community Wellbeing service users and where requested and it was safe to do so, service users were visited in their homes. We saw an increase in the number of children we worked with over this time period, specifically as a result of COVID and the lockdowns, meaning many of the children of our Community Wellbeing service users were unable to attend school.

Outcomes Star data collated over the last year for the Community Wellbeing Service shows the positive impact Valley House staff have had on the service users they engaged with.

| Feeling Positive scoring explanation | % at beginning of working with Valley | % at end of working with Valley House |
|---|---|---|
| 1 - I'm not thinking about this | 25% | 12.50% |
| 2 - I'm exploring this | 25% | 12.50% |
| 3 - I'm making changes | 31.25% | 6.25% |
| 4 - I'm getting there | 12.50% | 43.75% |
| 5 - I'm as good as I can be | 6.25% | 25% |

Taking into account the additional impact COVID had over the year in terms of increasing levels of anxiety and mental health within our service users, these results are evidence of the effective work undertaken by the team.

During 2020/21 the Counselling Service worked with a total of 28 individuals. COVID again impacted on this service; we moved to offering virtual counselling immediately however a number of service users and counsellors struggled to make this work and decided early on to halt their involvement, impacting on the numbers utilising the service. However as we entered the second and third lockdown, counsellors and service users started to return to the service. At the start of counselling only 20% said that they did not feel alone and isolated. At the end of the counselling this had increased to 100%.



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**Training and Education**

Valley House offers student placements to Social Work and Counselling courses in partnership with local universities. Unfortunately, we were unable to offer any social work placements during 2020/21 due to the pandemic. We did however continue to offer placements to counsellors. Over the course of the year, we had 8 counselling students working with us.
We are committed to providing training opportunities for our staff and opening up employment opportunities to people that may have no formal qualifications. As part of the maintenance team restructure, we created 2 apprenticeship posts and had expected to recruit into these posts in June 2020. Due to COVID-19 we have not taken this forward, however once we are able to safely recruit into these posts we look forward to providing these opportunities.

Much of the above shows the public benefit within individual services. Looking across Valley House services more generally, one can see a range of public benefits achieved for vulnerable and disadvantaged citizens as well as the wider community including:

- Promoting Health & Wellbeing, including emotional and psychological wellbeing
- Enabling marginalised individuals and families access to training, education and work readiness
- Directly tackling violence/abuse effects on victims and children, promoting their confidence and independence and holding perpetrators to account
- Promoting individual's/families' aspirations, self-confidence, and engagement
- Supporting parenting skills, child development and take up of children and family services
- Championing the confidence, aspirations and constructive engagement of young people.

**Fundraising**

The charity did not carry out any significant external fundraising in the year. The charity is registered with the fundraising regulator. There were no complaints in the year.

**Challenges**

A year of COVID, multiple lockdowns and changing Government guidance bought a unique set of challenges for us in relation to how do we continue to deliver a high-quality responsive service to our vulnerable service users whilst keeping our staff and volunteers safe? We ensured that we implemented all Government guidance in relation to supported accommodation provision and undertook regular risk assessments on our office spaces so that we could be confident in being a COVID19 secure workplace. We ensured all staff had the right IT in place to support virtual communication between staff and service users. We had PPE available for staff so they would be safe when seeing a service user face to face. Our Nursery was available for staff's children if needed. We ensured our staff were given priority status in relation to the vaccine roll out. We utilised a range of online resources, webinars and training in relation to health and wellbeing to support our staff to look after themselves. Positive relationships with local businesses from the start meant we received regular food donations that we distributed to our service users. In order to ensure high level sign off of our operational decisions we increased the regularity of our Board meeting at the beginning of the pandemic and the CEO and Chair of the Board met on a weekly rather than a monthly basis.

We saw a sharp increase in referrals to our Domestic Abuse Service. We were able to meet some of this need through an increase in the number of bedspaces we had available through increased funding from Coventry City Council. However, demand outstripped supply for us and all domestic abuse services locally and nationally.

The Pandemic meant we had to cancel all of our planned fundraising events. Funds raised from these events had been earmarked to pay towards our counselling service. We were successful in an application to the Alan Higgs Charity who stepped forward and have funded the majority of these costs for the year.

The development of our new Strategic Plan was put on hold and in its place we agreed a 1 year interim plan, extending the current strategic plan. This has meant some of the longer term planning we had hoped to undertake has not been possible. Additionally some of the partnership projects we had hoped to work on have also been put on hold.

The extension of the stamp duty changes and the Government backed 95% mortgages has seen a jump in house prices which has hampered our ability to purchase the outstanding properties we were expecting to purchase with our SASC loan.

We had hoped to re-start our Social Work Student Placements in January 2021 however this has not been possible and we are now looking to start these again in September 2021.

Our plan to work towards the Silver level Thrive at Work Wellbeing Award was severely hampered and minimal work on this took place during the year.

Our plans to introduce apprenticeship opportunities within our maintenance team and Domestic Abuse Service were put on hold, further delaying our plans to create learning and development opportunities for our local community.

**Opportunities**

A year of increased home working has given us time to reflect on the potential to look at the practicalities of hybrid working within certain roles across the organisation. This could potentially free up office space to use in a different way. We are currently undertaking a review and consultation in relation to this.

The Government funded Kickstart programme allowed us to offer 2 placement opportunities for young people to work within our maintenance team for 6 months.

The new Domestic Abuse Bill and new legislation on local authorities in relation to increased support for domestic abuse survivors presents us with an opportunity to increase support where it is most needed with the children who live with us.

**LOOKING TO THE FUTURE**

We are looking forward with hope that the challenges of the last year can be turned back into opportunities. We have re-started our discussions with local colleges in relation to apprenticeship opportunities and are looking to a September 2021 start for our domestic abuse apprenticeships. In relation to our maintenance trainee posts – we will be revisiting this later in 2021.

We will be aiming to develop our new Strategic Plan with input from our internal and external stakeholders – putting in place our direction of travel for 2022 onwards.

We are looking to see how best we can use the learning and good practice from our Community Wellbeing Service to increase group work support to our other services. We hope to source external funding to support this roll out.

We will be reviewing capacity within our back-office functions to better fit with our growth over the last year and our move into owing our own properties. Alongside this we will be seeing if and how hybrid working for our staff can work.

In terms of partnership working, we are keen to re-start discussions with other organisations in relation to gaps we have identified within service provision across the city.

We are ever mindful of the impact on the mental health of both our service users and staff that COVID19 has had and will be reviewing how best we can support everyone.

We continue to seek to maximise spend on our charitable aims while remaining financially sustainable. We have set our reserves at a prudent level, relative to our turnover, to allow us sufficient time to respond if there were to be a significant drop in funding. Thus, in establishing contingency reserves of £350-£400k against a turnover of approximately £1.5m, we are seeking to provide ourselves with the ability to cover our liabilities for approximately a quarter of a year. This will allow us to address any extreme financial situation that might arise and is in line with our Reserves Policy.

We have committed resources via our Development Fund to allow Valley House to respond to ideas from both staff and service users on how we could improve what we do. Whilst we would always seek to source external funding for such ideas, there isn't always a 'good fit' externally. Having our own internally designated fund allows for additional flexibility and innovation.

## FINANCIAL REVIEW

The financial statements for the year ended 31 March 2021 show net incoming resources of £177,805 (2020: -£46,410). While our major source of funding continues to be from the Local Authority, Valley House recognises that this provision is rapidly changing and still seeks both to diversify funding and identify sources of income-generating work.

### a) Investment policy

Under the Articles of Association, the charity has the power to invest in any way the trustees consider fit. The Board of Trustees has considered the most appropriate policy for investing funds and currently any cash surplus to day to day requirements is invested in medium to long term funds.

### b) Reserves policy

The Board of Trustees is responsible for establishing that the level of reserves (that is those funds that are freely available) is sufficient to be able to continue the current activities of the charity in the event of a significant drop in funding, albeit for a limited time, to enable us to replace the funding or reduce services in a way not detrimental to our service users. This figure is reviewed annually and at 31 March 2021 the ideal minimum level considered necessary was £350,000 to £400,000.

The free reserves, identified as the General Fund at 31 March 2021, were £205,310 (2020: £184,269). In order to enable our future strategic and development plans to move forward, the Trustees have designated Contingency, Development and Capital Funds from free reserves. This allows us to make necessary infrastructure improvements as well as pilot developmental opportunities and invest in capital projects. The Development Fund has been set at £3,500 at 31 March 2021 with the appropriate spend reviewed on an annual basis. The Capital Fund has been increased to £365k at 31 March 2021, utilising surpluses of £75k from the General Fund and £110k from our investment.

The Funds resources will be used to:

- Finance capital and infrastructure projects to ensure we have sufficient capacity going forward
- Establish additional aspects of service delivery to ensure the appropriate levels of support to our core areas of business activity
- Establish pilot projects to develop new ways of delivering our services and innovative ideas for earning income



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The Contingency Fund has been set at £403,006 (2020: £402,424) at 31 March 2021 for the purpose of allowing us to address any extreme financial situation that might arise (see note 20). The Contingency Fund is held with CCLA Investment Management Limited in a COIF Charities Ethical Investment Fund. The value of the fund has increased significantly from the initial investment of £300,000 in 2014. Any increase in value is reinvested in more units with the aim of providing long-term protection from inflation with a good level of distributions and a wide range of ethical restrictions.

Previously Restricted funds where capital grants have been spent on the assets for which the donations were intended and there are no longer trust law restrictions in place have been reclassified as Endowment Funds.

No amounts are otherwise committed as at 31 March 2021. The following is relevant information with regard to the Charity's reserves as at 31 March 2021:

| | |
|---|---|
| **i) Amount of reserves** | £1,486,186 |
| **ii) Amount of any restricted funds** | £101,102 |
| **iii) Amount of reserves fund that can only be realised by disposing of tangible fixed assets** | £408,268 |
| **iv) Amount of reserves after making allowance for ii) and iii) above** | £976,816 |

**c) Principal funding sources**

These are service contracts £684,774 (2020: £650,971) (please refer to analysis in note 4) and tenant welfare services income £524,942 (2020: £408,660).

**d) Trustees responsibility for the accounts**

The Trustees (who are also directors of Valley House for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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



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**e) Disclosure of information to auditors**

We, the directors of the charitable company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- There is no relevant audit information of which the company's auditors are unaware; and
- We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**f) Auditors**

Burgis and Bullock were re-appointed as the company's auditors during the year and expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice-Accounting and Reporting by Charities and in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Signed on behalf of the Board

Geraldine Parker.

---------- Chair

Geraldine Parker

15/11/2021

---------- Date



Burgis & Bullock
Chartered Accountants

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF VALLEY HOUSE

### Opinion

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

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

### Basis for opinion

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

### Conclusions relating to going concern

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

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

### Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**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 directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' 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 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the industry in which it operates and assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Based on our understanding of the Charity and industry we identified that the principal risk of non-compliance with laws and regulations related to breaches of Health & Social Care Acts, Human Rights Act, Safeguarding, Mental Capacity Act, Health & Safety and Environmental Regulations, GDPR, Charities Act 2011, Companies Act 2006 and UK Employment Law.

We evaluated management incentive and opportunities for fraudulent manipulations of the financial statements and determined the principal risks are related to expenditure that does not fall within the charitable objectives or which would personally benefit the Trustees.

Audit procedures performed include :

- Identifying and assessing the design effectiveness of controls in management have in place to prevent and detect fraud.
- Challenging assumptions and judgments made by management in their significant accounting estimates and assessing if these indicate evidence of management bias.
- Reviewing the accounting records for large and unusual bank payments and testing any identified and in particular the rationale for any transactions outside the charity's normal course of business.
- Reviewing the accounting records for large and unusual journal entries and testing any identified and in particular the rationale for any transactions outside the charity's normal course of business.
- Testing a sample of debit entries in the profit and loss account to check they are bona-fide costs.
- Testing a sample of bank payments to source documentation.
- Reviewing correspondence and communication with regulators.
- Discussions with management, including consideration of known or suspected incidences of non-compliance with laws and regulation and fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

**Use of our report**

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

W A Hubbard

**Wende Hubbard FCCA (Senior Statutory Auditor)**
**for and on behalf of Burgis & Bullock**

**Chartered Accountants**
**Statutory Auditor**

23-25 Waterloo Place
Warwick Street
Leamington Spa
Warwickshire
CV32 5LA

Dated: 15 November 2021



Burgis & Bullock

VALLEY HOUSE

**VALLEY HOUSE**
**(company limited by guarantee having no share capital)**

**STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)**
**FOR THE YEAR ENDED 31 MARCH 2021**

| | | Unrestricted Funds | | Restricted | Endowment | 2021 | 2020 |
|---|---|---|---|---|---|---|---|
| | | General | Designated | Funds | Funds | TOTAL | TOTAL |
| Income from | Note | £ | £ | £ | £ | £ | £ |
| Donations and legacies | 3 | 7,054 | 10,000 | | - | 17,054 | 8,939 |
| Charitable Activities | | | | | | | |
| Tenant welfare services | 4 | 524,942 | - | - | - | 524,942 | 408,660 |
| Nursery Fees | 4 | 216,292 | - | - | - | 216,292 | 206,137 |
| Service Contracts | 4 | 684,774 | - | - | - | 684,774 | 650,971 |
| Grants | 4 | - | - | 115,270 | - | 115,270 | 146,818 |
| Other trading activities | 5 | - | - | - | - | - | 7,300 |
| Investment income | 6 | 1,010 | - | - | - | 1,010 | 3,629 |
| **Total income** | | 1,434,072 | 10,000 | 115,270 | - | 1,559,342 | 1,432,454 |
| **Expenditure on:** | | | | | | | |
| Raising funds | 7 | 720 | | - | - | 720 | - |
| Charitable activities | 8 | 1,220,764 | 17,591 | 152,099 | 10,288 | 1,400,742 | 1,442,212 |
| Other trading activities | 9 | - | - | - | - | - | 4,686 |
| Governance | 10 | 30,763 | - | - | - | 30,763 | 33,073 |
| Other expenditure | 12 | 59,897 | - | - | - | 59,897 | - |
| **Total resources expended** | | 1,312,144 | 17,591 | 152,099 | 10,288 | 1,492,122 | 1,479,971 |
| **Net income(expenditure ) before gains/(losses) on investments** | | 121,928 | (7,591) | (36,829) | (10,288) | 67,220 | (47,517) |
| Net gains/(losses) on investments | | - | 110,582 | - | - | 110,582 | 1,107 |
| **Net income/(expenditure)** | | 121,928 | 102,991 | (36,829) | (10,288) | 177,802 | (46,410) |
| Transfer between funds | 20/21/22 | (100,887) | 68,411 | 32,476 | | - | - |
| **Net movement in funds** | | 21,041 | 171,402 | (4,353) | (10,288) | 177,802 | (46,410) |
| Fund balances at 1 April 2020 | | 184,269 | 600,104 | 105,455 | 418,556 | 1,308,384 | 1,354,794 |
| Fund balances at 31 March 2021 | 20/21/22 | 205,310 | 771,506 | 101,102 | 408,268 | 1,486,186 | 1,308,384 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Income from donations and legacies was £17,054 (2020 - £8,939), of which £7,054 (2020 - £7,734) related to General Funds, £10,000 (2020: £nil) related to Designated Funds and £nil (2020 - £1,205) related to Restricted Funds.

Expenditure on charitable activities was £1,400,742 (2020 - £1,442,212), of which £1,220,764 (2020 - £1,174,665) related to General Fund, £17,591 (2020 - £53,176) related to Designated Funds, £152,099 (£2020 - £204,081) related to Restricted Funds and £10,288 (2020: £10,290) related to Endowment Funds.

VALLEY HOUSE

# VALLEY HOUSE
(company limited by guarantee having no share capital)

## BALANCE SHEET AS AT 31 MARCH 2021

| | Note | 2021 £ | 2021 £ | 2020 £ | 2020 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 14 | | 2,036,642 | | 546,318 |
| **Current assets** | | | | | |
| Debtors | 15 | 82,839 | | 106,349 | |
| Investments | 16 | 573,006 | | 462,424 | |
| Cash at bank and in hand | | 650,918 | | 332,695 | |
| | | 1,306,763 | | 901,468 | |
| **Creditors: amounts falling due within one year** | 17 | (157,219) | | (139,402) | |
| **Net current assets** | | | 1,149,544 | | 762,066 |
| **Total assets less current liabilities** | | | 3,186,186 | | 1,308,384 |
| **Creditors: amounts falling due after more than one year** | 18 | | (1,700,000) | | - |
| **Net assets** | | | 1,486,186 | | 1,308,384 |
| **Funds** | | | | | |
| Unrestricted funds | | | | | |
| Designated funds | 22 | 771,506 | | 600,104 | |
| General funds | 22 | 205,310 | | 184,269 | |
| | | | 976,816 | | 784,373 |
| Endowment funds | 20 | | 408,268 | | 418,556 |
| Restricted funds | 21 | | 101,102 | | 105,455 |
| | | | 1,486,186 | | 1,308,384 |

Approved by the Board of Directors/Trustees

Geraldine Parker.

G Parker
Director/Trustee

Date 15.11.21

B A Whittington

B Whittington
Director/Trustee

Date 15.11.21

**Company Registration No. 03593394**

VALLEY HOUSE

**VALLEY HOUSE**
**(company limited by guarantee having no share capital)**

**STATEMENT OF CASHFLOWS**
**FOR THE YEAR ENDED 31 MARCH 2021**

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| **Cash flows from operating activities** | | |
| Net incoming resources | 177,802 | (46,410) |
| Add back depreciation charge and impairment | 18,144 | 17,980 |
| Deduct unrealised profits on investments | (110,582) | (1,107) |
| (Increases)/decrease in debtors | 23,511 | (57,277) |
| Increase in creditors | 17,816 | 26,694 |
| **Cash (outflow)/inflow from operating activities** | 126,691 | (60,120) |
| Cash flows from investing activities | | |
| Purchase of fixed assets | (1,508,468) | (13,367) |
| Unrealised profits on investments | 110,582 | 1,107 |
| Increase in loan | 1,700,000 | - |
| Cash used in investing activities | 302,114 | (12,260) |
| **Net increase/ (decrease) in cash and cash equivalents** | 428,805 | (72,380) |
| Cash and cash equivalents at 01/04/2020 | 795,119 | 867,499 |
| Cash at bank | 650,918 | 332,695 |
| Short term investments | 573,006 | 462,424 |
| **Cash and cash equivalents at 31/03/2021** | **1,223,924** | **795,119** |

## 1. Accounting policies

### Charity Information

### Basis of accounts

Valley House is a registered charity and is governed under its Articles of Association. Valley House was incorporated in England and is a company limited by guarantee and has no share capital. In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. It is principally engaged to support those more vulnerable members of our community to optimise their potential and take control of their lives. Its registered office is 55-57 Bell Green Road, Coventry, West Midlands, CV6 7GQ.

### Accounting Convention

The accounts have been prepared in accordance with the Companies Act 2006 and "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 (FRS102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include investments at fair value. The principal accounting policies are set out below.

### Going concern

Given the uncertain nature of funding available to the entity, the charitable company prepares biannual budgets which are regularly monitored against actual performance. The budgets are supported by long term strategic aims and objectives. As for all organisations, the long term Impact of the current COVID-19 pandemic remains uncertain. However, the trustees are taking steps to adapt the charity's current activities, such as diversifying the range of funding streams, to secure the future of the charitable company. At time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

### Incoming resources

*Income recognition policies*

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charitable company has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

*Investment income*

Investment income is included in the Financial Statements when receivable.

*Activities for generating funds*

Student placements and other income is included in the Financial Statements when receivable.

*Tenant welfare services*

Tenant welfare services is accounted for on an accruals basis for all tenants in residence during the financial year.

*Grants*

Revenue grants are included on a receivable basis. Capital grants in respect of building costs are to be written off over the estimated useful life of the building from the date of occupancy.

*Nursery income*

Nursery fees are included on a receivable basis.

1. **Accounting policies (continued)**

**Resources expended**
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is included on an accruals basis.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

*Allocation of support costs*
Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charitable company's activities. Refer to note 10 for the analysis of support and governance costs. Support costs are generally allocated based on revenue.

The charitable company initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately.

*Costs of generating funds*
Comprise the costs associated with attracting voluntary income.

*Charitable expenditure*
Comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It included costs that can be allocated directly to such activities and those costs of an indirect nature to support them.

*Governance*
Includes those costs associated with meeting the constitutional and statutory requirements of the charitable company and include audit fees.

**Fund accounting**
Unrestricted funds are available to spend on activities that further any of the purposes of the charitable company. Designated funds are unrestricted funds of the charitable company which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific artistic projects being undertaken by the charity.
Endowment funds are restricted funds which either cannot be spent (permanent endowment) or where there is no actual requirement to spend or apply the capital unless, or until, the trustees decide to spend it (expendable endowment).

**Leases**
Assets acquired under finance lease are capitalised in the balance sheet and are depreciated in accordance with the charitable company's normal policy. The outstanding liabilities under such agreements are included in creditors.

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor, are charged to the Statement of Financial Activities in the year in which they fall due.

**Tangible fixed assets**
Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

All additions greater than £1,000 are capitalised and brought into account in accordance with normal accounting practice.

Depreciation is provided at rates calculated to write off the cost of fixed assets over their expected useful lives on the following basis:

| | |
|---|---|
| New furniture & equipment | - 4 years (straight line) |
| Buildings | - 50 years (straight line) from date of first use. |
| Community garden | - 3 years (straight line) from date of first use. |



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1. **Accounting policies (continued)**

Included in land and buildings is land at a cost of £142,000 that is not being depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**Cash and cash equivalents**
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts are shown in current liabilities.

**Financial instruments**
The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party 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.

***Basic financial assets***
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***
Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***
Financial liabilities are derecognised when the charitable companies contractual obligations expire or are discharged or cancelled.

**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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.



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1. **Accounting policies (continued)**

**Retirement Benefits**
The charitable company operates a defined contributions personal pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The fund is managed by Scottish Widows Limited. Contributions payable for the year are charged to the Statement of Financial Activities as and when incurred.

**Investments**
Quoted investments are shown in the balance sheet at their bid market value at the balance sheet date. The charitable company does not have any programme related or mixed motive investments.

**Taxation**
The charitable company has charitable status for taxation purposes and its activities are not subject to corporation tax.

2. **Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

**Support cost allocation**
Support costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resources. Costs relating to a particular activity are allocated directly.

3. **Income from donations and legacies**

| | Unrestricted Funds £ | Designated Funds £ | 2021 Total £ | Unrestricted Funds £ | Restricted Funds £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| Donations | 7,054 | 10,000 | 17,054 | 7,734 | 1,205 | 8,939 |



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## 4. Income from charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | 2021 Total £ | Unrestricted Funds £ | Restricted Funds £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| Tenant welfare services | 524,942 | - | 524,942 | 408,660 | - | 408,660 |
| Nursery Fees | 216,292 | - | 216,292 | 206,137 | - | 206,137 |
| Service Contracts | | | | | | |
| Supported accommodation | 677,688 | - | 677,688 | 587,458 | - | 587,458 |
| Floating Support | 7,086 | - | 7,086 | 48,672 | - | 48,672 |
| Youth Service | - | - | - | 14,841 | - | 14,841 |
| Grants | | | | | | |
| Pre-therapy counselling | - | 115,270 | 115,270 | - | 145,317 | 145,317 |
| Youth service | - | - | - | - | 1,501 | 1,501 |
| | 1,426,008 | 115,270 | 1,541,278 | 1,265,768 | 146,818 | 1,412,586 |

## 5. Income from other trading activities

| | Unrestricted Funds £ | Restricted Funds £ | 2021 Total £ | Unrestricted Funds £ | Restricted Funds £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| Student placements | - | - | - | 7,275 | - | 7,275 |
| Other income | - | - | - | 25 | - | 25 |
| | - | - | - | 7,300 | - | 7,300 |

## 6. Income from investment income

| | Unrestricted Funds £ | Restricted Funds £ | 2021 Total £ | Unrestricted Funds £ | Restricted Funds £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| Bank interest | 1,010 | - | 1,010 | 3,629 | - | 3,629 |

## 7. Expenditure on raising funds

| | Direct Costs £ | Support Costs £ | 2021 Total £ | Direct Costs £ | Support Costs £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| **Unrestricted Funds** | | | | | | |
| Fundraising and publicity | 720 | - | 720 | - | - | - |

Unrestricted funds' support costs are allocated in proportion to revenue received.

## 8. Expenditure on charitable activities

| | Direct Costs £ | Support Costs £ | 2021 Total £ | Direct Costs £ | Support Costs £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| **Unrestricted Funds** | | | | | | |
| Property costs | 287,836 | 56,634 | 344,470 | 262,326 | 55,249 | 317,575 |
| Nursery | 168,032 | 15,560 | 183,592 | 182,830 | 19,725 | 202,555 |
| Supported accommodation | 604,843 | 47,601 | 652,444 | 522,638 | 55,678 | 578,316 |
| Floating Support | 39,910 | 348 | 40,258 | 58,528 | 4,594 | 63,122 |
| Youth service | - | - | - | 11,691 | 1,406 | 13,097 |
| | 1,100,621 | 120,143 | 1,220,764 | 1,038,013 | 136,652 | 1,174,665 |
| **Restricted Funds** | | | | | | |
| Childrens' centre | 4,353 | - | 4,353 | 4,353 | - | 4,353 |
| Pre-therapy counselling | 137,657 | 8,107 | 145,764 | 184,039 | 14,188 | 198,227 |
| Youth service | 1,982 | - | 1,982 | 1,359 | 142 | 1,501 |
| | 143,992 | 8,107 | 152,099 | 189,751 | 14,330 | 204,081 |
| **Designated Funds** | | | | | | |
| Youth service | - | - | - | 5,658 | - | 5,658 |
| Nursery | - | - | - | 6,345 | - | 6,345 |
| Pre-therapy counselling | 13,964 | - | 13,964 | 2,648 | - | 2,648 |
| Training | 855 | - | 855 | 7,537 | - | 7,537 |
| Property costs | 2,772 | - | 2,772 | 30,988 | - | 30,988 |
| | 17,591 | - | 17,591 | 53,176 | - | 53,176 |
| **Endowment Funds** | | | | | | |
| Property costs | 10,288 | - | 10,288 | 10,290 | - | 10,290 |
| | 10,288 | - | 10,288 | 10,290 | - | 10,290 |
| Total cost of charitable activities | 1,272,492 | 128,250 | 1,400,742 | 1,291,230 | 150,982 | 1,442,212 |

Support costs are allocated in proportion to revenue.



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## 9. Expenditure on other trading activities

| | Direct Costs £ | Support Costs £ | 2021 Total £ | Direct Costs £ | Support Costs £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| **Unrestricted Funds** | | | | | | |
| Student placements | - | - | - | 4,000 | 686 | 4,686 |
| | - | - | - | 4,000 | 686 | 4,686 |

## 10. Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

| | Governance Related £ | Other Support Costs £ | Total £ |
|---|---|---|---|
| **Cost type** | | | |
| Staff costs | 23,683 | 115,004 | 138,687 |
| Other costs | - | 13,135 | 13,135 |
| Auditors remuneration ( including non audit fees of £1275 in other costs) | 7,080 | - | 7,080 |
| Depreciation | - | 111 | 111 |
| | 30,763 | 128,250 | 159,013 |

| | Direct Costs £ | Support Costs £ | 2021 Total £ | Direct Costs £ | Support Costs £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| **Cost of governance** | | | | | | |
| Auditors remuneration | 5,805 | - | 5,805 | 6,868 | - | 6,868 |
| Staff costs | - | 23,683 | 23,683 | - | 24,753 | 24,753 |
| Other costs | 1,275 | - | 1,275 | 1,275 | 177 | 1,452 |
| | 7,080 | 23,683 | 30,763 | 8,143 | 24,930 | 33,073 |



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## 11. Staff costs

| | 2021 Total £ | 2020 Total £ |
|---|---|---|
| Salaries | 955,787 | 945,663 |
| Social security costs | 76,978 | 72,765 |
| Pension costs | 33,820 | 35,439 |
| | 1,066,585 | 1,053,867 |

Salaries include £nil (2020 - £nil) paid to agency staff during the year.

The aggregate redundancy costs during the year amounted to £nil (2020 - £16,436)

The average number of employees during the year was:

| | 2021 Headcount | 2020 Headcount |
|---|---|---|
| Service providers/admin | 48 | 48 |
| Maintenance | 4 | 5 |
| | 52 | 53 |

One employee's total employee benefits fell between £70,000 and £80,000 (2020: 1 employee).

Key management personnel have been identified as the Chief Executive, Director of Operations and Director of Finance & Resources.

Remuneration benefits for the year were as follows: £166,754 (2020 - £165,154)

No Director/Trustee received any remuneration for services during the year or is a member of the retirement benefit scheme.

Trustees were reimbursed for travelling expenses totalling £nil (2020 - £22) within the year.

## 12. Other expenditure

| | Direct Costs £ | Support Costs £ | 2021 Total £ | Direct Costs £ | Support Costs £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| **Unrestricted Funds** | | | | | | |
| Financing costs | 59,897 | - | 59,897 | - | - | - |
| | 59,897 | - | 59,897 | - | - | - |

## 13. Net incoming resources for the year

| | 2021 £ | 2020 £ |
|---|---|---|
| This is stated after charging | | |
| Depreciation | 18,144 | 17,980 |
| Auditors remuneration - audit | 5,805 | 6,868 |
| Auditors remuneration - other | 1,275 | 1,275 |
| Operating Leases | 15,337 | 19,183 |

## 14. Tangible Fixed Assets

| | Furniture Fixtures& Equipment £ | General Buildings £ | SASC Properties £ | Community Garden £ | Total £ |
|---|---|---|---|---|---|
| **Cost:** | | | | | |
| As at 1st April 2020 | 87,048 | 1,223,297 | - | 44,151 | 1,354,496 |
| Additions during year | 2,211 | 9,795 | 1,496,462 | | 1,508,468 |
| Disposals during the year | (69,992) | | | | (69,992) |
| As at 31 March 2021 | 19,267 | 1,233,092 | 1,496,462 | 44,151 | 2,792,972 |
| **Depreciation:** | | | | | |
| As at 1st April 2020 | 75,352 | 688,675 | - | 44,151 | 808,179 |
| Charge for the Year | 3,342 | 14,802 | - | - | 18,144 |
| Disposals during the year | (69,992) | | | | (69,992) |
| Impairment losses | | | | | |
| As at 31 March 2021 | 8,702 | 703,477 | - | 44,151 | 756,330 |
| **Net book value:** | | | | | |
| As at 31 March 2021 | 10,565 | 529,615 | 1,496,462 | - | 2,036,642 |
| As at 31st March 2020 | 11,696 | 534,622 | - | - | 546,318 |

The additions during the year within SASC Properties includes £1,463,007 for the 15 properties and permitted legal costs purchased through the loan facility provided by SASC (see Note 18).
The remaining £33,455 is for excess legal and professional fees associated with these properties.

At the end of the 10 year loan term the properties will revert to SASC as repayment of the outstanding loan facility.
This provides an effective residual value of the end of the 10 year period equivalent to cost and consequently the depreciation charge amounts to £nil.
Valley House also has the option to re-acquire the properties at their fair value at the point any loan facility has been discharged.

## 15. Debtors

| | 2021 £ | 2020 £ |
|---|---|---|
| Rent receivable | 50,351 | 26,584 |
| Other debtors | 15,835 | 29,295 |
| Prepayments | 16,653 | 50,470 |
| | 82,839 | 106,349 |

Prepayments in 2020 included £40,791 for consultancy/professional fees associated with the purchase in June 2020 of 9 properties through loan facilities being provided by SASC.

## 16. Investments

| | Listed investments 2021 £ | 2020 £ |
|---|---|---|
| Market value as at 01 April 2020 | 462,424 | 461,317 |
| Unrealised gain in year | 110,582 | 1,107 |
| Market value as at 31 March 2021 | 573,006 | 462,424 |

100% of the Investment is in the COIF Charities Ethical Investment Fund



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## 17. Creditors: amounts falling due within one year

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Deferred income (see below) | 46,264 | 50,943 |
| Custodial funds | 318 | - |
| Accruals | 50,350 | 34,451 |
| Other creditors | 60,287 | 54,008 |
| | 157,219 | 139,402 |

| Deferred income | Balance at 01/04/2020 | Funds Receivable | Funds Expended | Balance at 31/03/2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| | 50,943 | 64,327 | (69,006) | 46,264 |

Deferred income relates to grants and other income received in advance for activities in the coming year.

## 18. Creditors: amounts falling due after more than one year

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Social and Sustainable Capital (SASC) | 1,700,000 | - |
| | 1,700,000 | - |

SASC started providing funds in 2020 of up to £2.5m for the purchase of up to 23 properties. These funds will be available for 10 years and the properties have a restrictive covenant preventing sale other than to SASC. The properties will revert to SASC after 10 years if the funds remain unpaid at that time, with no further liabilities accruing. To date, the Charity has utilised £1.7m of these funds and purchased 15 properties with £236,993 remaining in the bank for further purchases. An offer of £205,000 has been accepted on a further property, plus legal costs, with the sale being finalised in May 2021.

This loan is secured on a first legal charge over the land and buildings and a fixed charge over a newly established Rent Account held by the Borrower.

A debt servicing charge for the loan facility has been agreed which is linked to the collection of rents from the underlying tenants of the properties, after taking into account management and service income retained by Valley House.
The debt servicing charge for the period amounted to £59,897.

## 19. Custodial funds

The movement within the year in relation to custodial funds is as follows:

| | £ |
|---|---|
| Monies received | 1,458 |
| Monies paid out | 1,140 |

The above monies received and paid out is not included in the SOFA as the charitable company acts as custodian in relation to these monies.

At 31 March 2021 £318 (2020: £nil) has been included within creditors in relation to custodial funds received not yet distributed.

## 20. Endowment Funds

The funds of the charitable company include endowment funds comprising:

| | Balance at 01/04/2020 £ | Funds Receivable £ | Funds Expended/ Impairment £ | Transfer Between Funds £ | Balance at 31/03/2021 £ |
|---|---|---|---|---|---|
| **Capital grants** | | | | | |
| LSC regeneration budget | 6,678 | - | (474) | - | 6,204 |
| Coventry children's centres - Canopy | 1,345 | - | (94) | - | 1,251 |
| Coventry children's centres - Conservatory | 10,892 | - | (282) | - | 10,610 |
| Big lottery fund - Young people's fund | 3,273 | - | - | - | 3,273 |
| General charities - Servers | 2,113 | - | 1 | - | 2,114 |
| General charities - Capital Fund | 20,000 | - | - | - | 20,000 |
| Counselling suite | 20,682 | - | (840) | - | 19,842 |
| National Lotteries Charity Board | 101,003 | - | (2,160) | - | 98,843 |
| 25 Bell Green Road | 127,206 | - | (3,301) | - | 123,905 |
| Counselling Suite 25 Bell Green Road | 17,904 | - | - | - | 17,904 |
| Improvements to garden, car park | 34,008 | - | (1,486) | - | 32,522 |
| Navigation Centre extension | 73,452 | - | (1,652) | - | 71,800 |
| **Total restricted capital grants 2020/21** | 418,556 | - | (10,288) | - | 408,268 |

| | Balance at 01/04/2019 £ | Funds Receivable £ | Funds Expended/ Impairment £ | Transfer Between Funds £ | Balance at 31/03/2020 £ |
|---|---|---|---|---|---|
| **Capital grants** | | | | | |
| LSC regeneration budget | 7,153 | - | (475) | - | 6,678 |
| Coventry children's centres - Canopy | 1,438 | - | (93) | - | 1,345 |
| Coventry children's centres - Conservatory | 11,175 | - | (283) | - | 10,892 |
| Big lottery fund - Young people's fund | 3,273 | - | - | - | 3,273 |
| General charities - Servers | 2,113 | - | - | - | 2,113 |
| General charities - Capital Fund | 20,000 | - | - | - | 20,000 |
| Counselling suite | 21,521 | - | (839) | - | 20,682 |
| National Lotteries Charity Board | 103,162 | - | (2,159) | - | 101,003 |
| 25 Bell Green Road | 130,508 | - | (3,302) | - | 127,206 |
| Counselling Suite 25 Bell Green Road | 17,904 | - | - | - | 17,904 |
| Improvements to garden, car park | 35,495 | - | (1,487) | - | 34,008 |
| Navigation Centre extension | 75,104 | - | (1,652) | - | 73,452 |
| **Total restricted capital grants 2019/20** | 428,846 | - | (10,290) | - | 418,556 |

Endowment Funds are made up of reclassified restricted expenditure where capital grants have been spent on the assets for which donations were intended or reclassified designated funds for capital projects.

Amortisation is shown at the same rate as the asset is depreciated.



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21. **Restricted Funds**

| Capital grants | Balance at 01/04/2020 £ | Funds Receivable £ | Funds Expended/ Impairment £ | Transfer Between Funds £ | Balance at 31/03/2021 £ |
|---|---|---|---|---|---|
| Coventry Children's Centres | 105,455 | - | (4,353) | - | 101,102 |
| **Total restricted revenue grants 2020/21** | 105,455 | - | (4,353) | - | 101,102 |

| Capital grants | Balance at 01/04/2019 £ | Funds Receivable £ | Funds Expended/ Impairment £ | Transfer Between Funds £ | Balance at 31/03/2020 £ |
|---|---|---|---|---|---|
| Coventry Children's Centres | 109,808 | - | (4,353) | - | 105,455 |
| **Total restricted revenue grants 2019/20** | 109,808 | - | (4,353) | - | 105,455 |

Grants for capital purchases have been spent on the assets for which the donations were intended. Amortisation is shown at the same rate as the asset is depreciated. Where there are no longer trust law restrictions in place the funds are reclassified as endowment funds.

Coventry City Council provided funds in 2006 for an expansion of the Nursery and improvements to the Children's Centre with the restriction that the property is used as a Nursery for 25 years. A restriction is also placed on the registered title of the property that no disposition, sale or lease may take place unless accompanied by a certificate of the Council of the City of Coventry stating there is no payment due under the grant agreement.

| | Balance at 01/04/2020 | Funds Receivable | Funds Expended | Transfer Between Funds | Balance at 31/03/2021 |
|---|---|---|---|---|---|
| **Revenue grants** | | | | | |
| **Young people's project** | | | | | |
| Birmingham County FA | - | | (1,982) | 1,982 | - |
| **Counselling** | | - | | | |
| Big lottery fund | - | - | (3,261) | 3,261 | - |
| Coventry CAB Rooted/Breakthrough | - | 44,380 | (50,282) | 5,902 | - |
| CDA Accelerate | - | 70,890 | (92,222) | 21,332 | - |
| **Total restricted revenue grants** | - | 115,270 | (147,747) | 32,477 | - |
| **Total restricted funds 2020/21** | 105,455 | 115,270 | (152,100) | 32,477 | 101,102 |



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**21. Restricted Funds (continued)**

| | Balance at 01/04/2019 | Funds Receivable | Funds Expended | Transfer Between Funds | Balance at 31/03/2020 |
|---|---|---|---|---|---|
| **Revenue grants** | | | | | |
| **Young people's project** | | | | | |
| Birmingham County FA | - | 1,501 | (1,501) | - | - |
| **Counselling** | | | | | |
| Big lottery fund | - | 41,693 | (46,750) | 5,057 | - |
| Coventry CAB Rooted/Breakthrough | - | 44,857 | (48,074) | 3,217 | - |
| CDA Accelerate | 3,796 | 58,767 | (102,198) | 39,635 | - |
| **Total restricted revenue grants** | 3,796 | 146,818 | (198,523) | 47,909 | - |
| **Total restricted funds 2019/20** | 113,604 | 146,818 | (202,876) | 47,909 | 105,455 |

Grants received for specific projects are included in revenue grants from each of the donors as indicated and have no trust law restrictions.



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## 22. Unrestricted funds

| | Balance at 01/04/2020 £ | Incoming resources £ | Resources expended £ | Transfer between Funds £ | Balance at 31/03/2021 £ |
|---|---|---|---|---|---|
| General fund | 184,269 | 1,374,175 | (1,252,247) | (100,887) | 205,310 |
| **Designated funds** | | | | | |
| *Development funds* | | | | | |
| Training fund | 7,000 | - | (855) | (2,645) | 3,500 |
| Property / infrastructure | - | - | - | - | - |
| Pilot projects | 10,680 | 10,000 | (13,965) | (6,715) | - |
| Redundancy payments | - | - | - | - | - |
| Computers | - | - | (2,772) | 2,772 | |
| Capital projects | 180,000 | - | - | 185,000 | 365,000 |
| *Contingency funds* | 402,424 | 110,582 | - | (110,000) | 403,006 |
| | 600,104 | 120,582 | (17,592) | 68,412 | 771,506 |
| **Total unrestricted funds 2020/21** | 784,373 | 1,494,757 | (1,269,839) | (32,475) | 976,816 |

| | Balance at 01/04/2019 £ | Incoming resources £ | Resources expended £ | Transfer between Funds £ | Balance at 31/03/2020 £ |
|---|---|---|---|---|---|
| General fund | 202,108 | 1,284,431 | (1,212,424) | (89,846) | 184,269 |
| **Designated funds** | | | | | |
| *Development funds* | | | | | |
| Training fund | - | - | (7,537) | 14,537 | 7,000 |
| Property / infrastructure | 11,593 | - | (19,056) | 7,463 | - |
| Pilot projects | 17,326 | - | (10,148) | 3,502 | 10,680 |
| Redundancy payments | - | - | (16,435) | 16,435 | |
| Capital projects | 180,000 | - | - | - | 180,000 |
| *Contingency funds* | 401,317 | 1,107 | - | - | 402,424 |
| | 610,236 | 1,107 | (53,176) | 41,937 | 600,104 |
| **Total unrestricted funds 2019/20** | 812,344 | 1,285,538 | (1,265,600) | (47,909) | 784,373 |

Designated funds are monies set aside by the Trustees to be spent on projects specified and have no trust law restrictions.

The Development Fund is designated for capital and revenue projects. Capital expenditure incurred is re-designated to a named fund and amortisation is stated at the same rate as the asset is depreciated.

Contingency funds are monies relating to investments which have been designated to cover any large unforeseen expenditure.



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## 23. Analysis of Net Assets between Funds

| | Unrestricted funds £ | Designated funds £ | Restricted funds £ | Endowment funds £ | Total £ |
|---|---|---|---|---|---|
| Fixed assets | 30,810 | | 1,597,564 | 408,268 | 2,036,642 |
| Cash and current Investments | 248,880 | 771,506 | 203,538 | | 1,223,924 |
| Other current assets/liabilities | 82,839 | | | | 82,839 |
| Creditors more than one year | - | | (1,700,000) | | (1,700,000) |
| Provisions/pensions | (157,219) | | | | (157,219) |
| **Total 2020/21** | 205,310 | 771,506 | 101,102 | 408,268 | 1,486,185 |

| | Unrestricted funds £ | Designated funds £ | Restricted funds £ | Endowment funds £ | Total £ |
|---|---|---|---|---|---|
| Fixed assets | 22,307 | - | 105,455 | 418,556 | 546,318 |
| Cash and current Investments | 195,015 | 600,104 | - | - | 795,119 |
| Other current assets/liabilities | 106,349 | - | - | - | 106,349 |
| Creditors more than one year | - | - | - | - | - |
| Provisions/pensions | (139,402) | - | - | - | (139,402) |
| **Total 2019/20** | 184,269 | 600,104 | 105,455 | 418,556 | 1,308,384 |

## 24. Pension contributions

The charge for the year was £33,820 (2020 - £35,439). At 31 March 2021 £4,794 contributions were outstanding to the scheme (2020 - £5,412).

## 25. Lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2021 | | 2020 | |
|---|---|---|---|---|
| | Equipment £ | Premises £ | Equipment £ | Premises £ |
| Within one year | 16,354 | - | 15,859 | - |
| Between two and five years | 28,494 | - | 40,059 | - |
| In over five years | - | - | - | - |
| | 44,848 | - | 55,918 | - |



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**26. Capital Commitments**

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Amounts contracted for but not provided in the finanical statements: | | |
| Acquisition of property plant and equipment | 207,613 | - |
| | 207,613 | - |

**27. Financial Instruments**

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| *Carrying amount of financial assets* | | |
| Investments (at fair value) | 573,006 | 462,424 |
| | 573,006 | 462,424 |

The income, expenses, net gains and net losses attributable to the charitable company's financial instruments are as follows.

**Income and expense**

| | | |
|---|---|---|
| Financial instruments measured at fair value through net income/expenditure | 110,582 | 1,107 |

**28 Financial commitments, guarantees and contingent liabilities**

Due to the general nature of grant funding the Charity could be exposed to potential liabilities in respect of clawbacks of funding already received in certain circumstances. Each funder sets their own criteria for when and how any such liabilities may arise.

**29. Related parties**

During the year Valley House provided services to SSP to the value of £nil net (2020 - £86,388). At 31 March 2021, debtors include £nil (2020 - £nil) due from SSP.

**30. Controlling parties**

The charitable company is under the control of its trustees, directors and management committee.

**31. Corporation taxation**

The charitable company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**32. Post balance sheet event**

Since the year end to date the charity have purchased 5 housing properties. for £737,000 financed with a further drawdown on the long term social and sustainable capital loan which will be secured on the properties purchased.