

**VALLEY HOUSE**  
**(A COMPANY LIMITED BY GUARANTEE AND HAVING NO SHARE CAPITAL)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**LEGAL AND ADMINISTRATIVE INFORMATION**

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

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**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

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

**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.

**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)**  
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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.

**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)**  
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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 we 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 and 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 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.

**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)  
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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.



**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)  
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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 through 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.

**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)**  
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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
<b>TOTAL</b>	<b>192</b>	<b>14</b>	<b>276</b>

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

**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)**  
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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%.

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**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.

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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 brought 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.

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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

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**FOR THE YEAR ENDED 31 MARCH 2022**

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.

<b>i) Amount of reserves</b>	£1,627,231
<b>ii) Amount of any restricted funds</b>	£96,750
<b>iii) Amount of reserves fund that can only be realised by disposing of tangible fixed assets</b>	£463,429
<b>iv) Amount of reserves after making allowance for ii) and iii) above</b>	£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.

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

**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



**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.

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**  
**TO THE TRUSTEES OF VALLEY HOUSE**

**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.

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**  
**TO THE TRUSTEES OF VALLEY HOUSE**

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

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

26th January 2023  
Dated: .....

23-25 Waterloo Place  
Warwick Street  
Leamington Spa  
Warwickshire  
CV32 5LA

**STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)  
FOR THE YEAR ENDED 31 MARCH 2022**

		Unrestricted Funds		Restricted Funds	Endowment Funds	2022 TOTAL	2021 TOTAL
	Note	General £	Designated £	£	£	£	£
<b>Income from</b>							
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
<b>Total income</b>		1,599,363	-	54,330	-	1,653,693	1,559,342
<b>Expenditure on:</b>							
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
<b>Total resources expended</b>		1,478,711	5,138	84,861	10,290	1,579,000	1,492,122
<b>Net income(expenditure ) before gains/(losses) on investments</b>		120,652	(5,138)	(30,531)	(10,290)	74,693	67,220
Net gains/(losses) on investments		-	66,352	-	-	66,352	110,582
<b>Net income/(expenditure)</b>		120,652	61,214	(30,531)	(10,290)	141,045	177,802
Transfer between funds	20/21/22	(125,817)	99,638	26,179	-	-	-
<b>Net movement in funds</b>		(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.

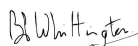
Expenditure on charitable activities was £1,403,670 (2021 - £1,400,742), of which £1,303,381 (2021 - £1,220,764) related to General Fund, £5,138 (2021 - £17,591) related to Designated Funds, £84,861 (£2021 - £152,099) related to Restricted Funds and £10,290 (2021: £10,288) related to Endowment Funds.

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

**BALANCE SHEET AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	3,096,364	2,036,642
<b>Current assets</b>			
Debtors	15	78,264	82,839
Investments	16	639,358	573,006
Cash at bank and in hand		545,474	650,918
		<u>1,263,096</u>	<u>1,306,763</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>(182,229)</u>	<u>(157,219)</u>
<b>Net current assets</b>		1,080,867	1,149,544
<b>Total assets less current liabilities</b>		<u>4,177,231</u>	<u>3,186,186</u>
<b>Creditors: amounts falling due after more than one year</b>	18	<u>(2,550,000)</u>	<u>(1,700,000)</u>
<b>Net assets</b>		<u><u>1,627,231</u></u>	<u><u>1,486,186</u></u>
<b>Funds</b>			
Unrestricted funds			
Designated funds	22	932,358	771,506
General funds	22	200,145	205,310
		<u>1,132,503</u>	<u>976,816</u>
Endowment funds	20	397,978	408,268
Restricted funds	21	96,750	101,102
		<u><u>1,627,231</u></u>	<u><u>1,486,186</u></u>

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

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

**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
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
<b>Cash (outflow)/inflow from operating activities</b>	<b>129,497</b>	<b>126,691</b>
 <b>Cash flows from investing activities</b>		
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
<b>Cash used in investing activities</b>	<b>(168,589)</b>	<b>302,114</b>
 <b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(39,092)</b>	<b>428,805</b>
 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
 <b>Cash and cash equivalents at 31/03/2022</b>	<b><u>1,184,832</u></b>	<b><u>1,223,924</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**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.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**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.



**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**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.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**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**

	<b>Unrestricted Funds £</b>	<b>Designated Funds £</b>	<b>2022 Total £</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2021 Total £</b>
Donations	-	-	-	7,054	10,000	17,054

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**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	-	-	-
	<u>1,595,612</u>	<u>54,330</u>	<u>1,649,942</u>	<u>1,426,008</u>	<u>115,270</u>	<u>1,541,278</u>

**5. Income from other trading activities**

	Unrestricted Funds £	Restricted Funds £	2022 Total £	Unrestricted Funds £	Restricted Funds £	2021 Total £
Student placements	2,200	-	2,200	-	-	-
	<u>2,200</u>	<u>-</u>	<u>2,200</u>	<u>-</u>	<u>-</u>	<u>-</u>

**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
	<u>1,551</u>	<u>-</u>	<u>1,551</u>	<u>1,010</u>	<u>-</u>	<u>1,010</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**7. Expenditure on raising funds**

	Direct Costs £	Support Costs £	2022 Total £	Direct Costs £	Support Costs £	2021 Total £
<b>Unrestricted Funds</b>						
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 £
<b>Unrestricted Funds</b>						
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
<b>Restricted Funds</b>						
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
<b>Designated Funds</b>						
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
<b>Endowment Funds</b>						
Property costs	10,290	-	10,290	10,288	-	10,288
	10,290	-	10,290	10,288	-	10,288
<b>Total cost of charitable activities</b>	<b>1,266,335</b>	<b>137,335</b>	<b>1,403,670</b>	<b>1,272,493</b>	<b>128,250</b>	<b>1,400,742</b>

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 £
<b>Unrestricted Funds</b>						
Student placements	800	66	866	-	-	-
	800	66	866	-	-	-

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**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:

<b>Cost type</b>	<b>Governance Related £</b>	<b>Other Support Costs £</b>	<b>Total £</b>
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
	<b>33,717</b>	<b>137,060</b>	<b>170,777</b>

	<b>Direct Costs £</b>	<b>Support Costs £</b>	<b>2022 Total £</b>	<b>Direct Costs £</b>	<b>Support Costs £</b>	<b>2021 Total £</b>
<b>Cost of governance</b>						
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
	<b>7,937</b>	<b>25,780</b>	<b>33,717</b>	<b>7,080</b>	<b>23,683</b>	<b>30,763</b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**11. Staff costs**

	<b>2022</b>	<b>2021</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Salaries	897,352	955,787
Social security costs	73,351	76,978
Pension costs	31,402	33,820
	<u>1,002,105</u>	<u>1,066,585</u>

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:

	<b>2022</b>	<b>2021</b>
	<b>Headcount</b>	<b>Headcount</b>
Service providers/admin	43	48
Maintenance	5	4
	<u>48</u>	<u>52</u>

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**

	<b>Direct</b>	<b>Support</b>	<b>2022</b>	<b>Direct</b>	<b>Support</b>	<b>2021</b>
	<b>Costs</b>	<b>Costs</b>	<b>Total</b>	<b>Costs</b>	<b>Costs</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted Funds</b>						
Financing costs	140,400	-	140,400	59,897	-	59,897
	<u>140,400</u>	<u>-</u>	<u>140,400</u>	<u>59,897</u>	<u>-</u>	<u>59,897</u>

**13. Net incoming resources for the year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
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	<u>17,697</u>	<u>15,337</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**14. Tangible Fixed Assets**

	<b>Furniture Fixtures &amp; Equipment £</b>	<b>General Buildings £</b>	<b>SASC Properties £</b>	<b>Community Garden £</b>	<b>Total £</b>
<b>Cost:</b>					
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	<u>21,504</u>	<u>1,235,342</u>	<u>2,576,916</u>	<u>44,151</u>	<u>3,877,913</u>
<b>Depreciation:</b>					
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	<u>12,596</u>	<u>720,729</u>	<u>4,073</u>	<u>44,151</u>	<u>781,549</u>
<b>Net book value:</b>					
As at 31 March 2022	<u>8,908</u>	<u>514,613</u>	<u>2,572,843</u>	<u>-</u>	<u>3,096,364</u>
As at 31st March 2021	<u>10,565</u>	<u>529,615</u>	<u>1,496,462</u>	<u>-</u>	<u>2,036,642</u>

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**

	<b>2022 £</b>	<b>2021 £</b>
Rent receivable	38,876	50,351
Other debtors	29,951	15,835
Prepayments	9,437	16,653
	<u>78,264</u>	<u>82,839</u>

**16. Investments**

	<b>Listed investments</b>	
	<b>2022 £</b>	<b>2021 £</b>
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	<u>639,358</u>	<u>573,006</u>
100% of the Investment is in the COIF Charities Ethical Investment Fund		

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**17. Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
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
	<u>182,229</u>	<u>157,219</u>

<b>Deferred income</b>	<b>Balance at</b>	<b>Funds</b>	<b>Funds</b>	<b>Balance at</b>
	<b>01/04/2021</b>	<b>Receivable</b>	<b>Expended</b>	<b>31/03/2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<u>46,264</u>	<u>25,770</u>	<u>(17,746)</u>	<u>54,288</u>

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**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Social and Sustainable Capital (SASC)	2,550,000	1,700,000
	<u>2,550,000</u>	<u>1,700,000</u>

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:

	<b>£</b>
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.



**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**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 £
<b>Capital grants</b>					
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
<b>Total restricted capital grants 2021/22</b>	<b>408,268</b>	<b>-</b>	<b>(10,290)</b>	<b>-</b>	<b>397,978</b>

	Balance at 01/04/2020 £	Funds Receivable £	Funds Expended/ Impairment £	Transfer Between Funds £	Balance at 31/03/2021 £
<b>Capital grants</b>					
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
<b>Total restricted capital grants 2020/21</b>	<b>418,556</b>	<b>-</b>	<b>(10,288)</b>	<b>-</b>	<b>408,268</b>

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.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**21. Restricted Funds**

	Balance at 01/04/2021 £	Funds Receivable £	Funds Expended/ Impairment £	Transfer Between Funds £	Balance at 31/03/2022 £
<b>Capital grants</b>					
Coventry Children's Centres	101,102	-	(4,352)	-	96,750
<b>Total restricted revenue grants 2021/22</b>	101,102	-	(4,352)	-	96,750

	Balance at 01/04/2020 £	Funds Receivable £	Funds Expended/ Impairment £	Transfer Between Funds £	Balance at 31/03/2021 £
<b>Capital grants</b>					
Coventry Children's Centres	105,455	-	(4,353)	-	101,102
<b>Total restricted revenue grants 2020/21</b>	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
<b>Revenue grants</b>					
<b>Young people's project</b>					
Birmingham County FA	-	-	-	-	-
<b>Counselling</b>					
Big lottery fund	-	-	-	-	-
Coventry CAB Rooted/Breakthrough	-	11,095	(8,108)	(2,987)	-
CDA Accelerate	-	43,235	(72,401)	29,166	-
<b>Total restricted revenue grants</b>	-	54,330	(80,509)	26,179	-
<b>Total restricted funds 2021/22</b>	101,102	54,330	(84,861)	26,179	96,750

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**21. Restricted Funds (continued)**

	Balance at 01/04/2020	Funds Receivable	Funds Expended	Transfer Between Funds	Balance at 31/03/2021
<b>Revenue grants</b>					
<b>Young people's project</b>					
Birmingham County FA	-	-	(1,982)	1,982	-
<b>Counselling</b>					
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	-
<b>Total restricted revenue grants</b>	-	115,270	(147,747)	32,477	-
<b>Total restricted funds 2020/21</b>	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.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**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
<b>Designated funds</b>					
<i>Development funds</i>					
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
<i>Contingency funds</i>	403,006	66,352	-	-	469,358
	771,506	66,352	(5,138)	99,638	932,358
<b>Total unrestricted funds 2021/22</b>	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
<b>Designated funds</b>					
<i>Development funds</i>					
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
<i>Contingency funds</i>	402,424	110,582	-	(110,000)	403,006
	600,104	120,582	(17,592)	68,412	771,506
<b>Total unrestricted funds 2020/21</b>	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.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**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)
<b>Total 2021/22</b>	<b>200,145</b>	<b>932,358</b>	<b>96,750</b>	<b>397,978</b>	<b>1,627,231</b>

	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)
<b>Total 2020/21</b>	<b>205,310</b>	<b>771,506</b>	<b>101,102</b>	<b>408,268</b>	<b>1,486,185</b>

**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	-

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**27. Capital Commitments**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>

Amounts contracted for but not provided in the financial statements:

Acquisition of property plant and equipment	-	207,613
	<hr/>	<hr/>
	-	207,613
	<hr/>	<hr/>

**28. Financial Instruments**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>

*Carrying amount of financial assets*

Investments (at fair value)	639,358	573,006
	<hr/>	<hr/>
	639,358	573,006
	<hr/>	<hr/>

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
	<hr/>	<hr/>

**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.