

**DEVELOPING HEALTH AND
INDEPENDENCE**

(Company limited by guarantee no. 03830311
registered charity no. 01078154)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

Report and Accounts

DEVELOPING HEALTH AND INDEPENDENCE

(Company limited by guarantee no. 03830311, registered charity no. 01078154)

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2024

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DEVELOPING HEALTH AND INDEPENDENCE

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

For the year ended 31 March 2024

Trustees	Ms Myriam Kniveton (Chair) Mr Christopher Oliver (Vice Chair) Mr Tim Marvell (Treasurer) Ms Linda Candy (resigned 28 July 2023) Mr David Ollendorff Mrs Alison Millar Mr Bob Goodman Mrs Joanna Hill Mr Oliver Hiller	
Secretary	Mrs Susan Hughes (appointed 3 May 2024) Mr Ben Harman (resigned 3 May 2024)	
Key Management Personnel	Ms Rosemary Phillips – CEO Mr Ben Harman – Corporate Services & Finance Director (resigned 3 May 2024) Mr Clive Lewis – Director of Quality Governance Mrs Beth Hendry – Operations Director (appointed 22 May 2023) Ms Rachel Pearson – Director of Communications & Fundraising (appointed 11 March 2024) Ms Ellen Moore – Associate Director of Workforce Development (resigned 3 March 2024) Mrs Beth Jutton – Associate Director Communications & Fundraising (resigned 27 June 2023) Mr Peter Griffin – Director of Transformation (appointed 3 April 2023, resigned 31 July 2024)	
Company reg. no.	03830311	
Charity reg. no.	01078154	
Registered Office	14 St James's Parade, Bath, BA1 1UL	
Accountants	Sumer Auditco Limited Chartered Accountants Fortescue House Court Street Trowbridge BA14 8FA	
Bankers	Barclays Bank Leicester LE87 2BB	Unity Trust Bank plc Nine Brindley Place Birmingham, B1 2HB
Solicitors	Thrings 2 Queen Square Bath, BA1 2HQ	
Investment Manager	abrdn plc 1 George Street Edinburgh, EH2 2LL	

DEVELOPING HEALTH AND INDEPENDENCE

TRUSTEES' REPORT

For the year ended 31 March 2024

The Trustees, who are also Directors of the Company for the purposes of the Companies Act, and Trustees for charity law purposes, submit their annual report and the financial statements of Developing Health and Independence (DHI) for the year ended 31 March 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from 1st January 2019.

Chair's Report

In these challenging times with increased need for housing and support, DHI helped a record number of vulnerable people to rebuild their lives and delivered many more homes for them. The organisation's new structure, started at the end of 2022, is now embedded and we can deliver more efficient and cost-effective services with our dedicated staff teams.

The financial environment continues to be very challenging and most of our funding contracts are being recommissioned within the next few months. We know that most of these will require a high-quality service delivery within a static budget for up to five years, but we are ready to face these challenges and to find solutions that will enable us to deliver quality support to as many clients as possible within a restricted budget.

Our government funded criminal justice drug treatment services, continue to provide continuity of care from prison to the community and DHI supports more vulnerable people than ever in achieving housing stability through our social housing program 'REACH' and our social lettings agency 'Home Turf Lettings' (HTL) as many more properties have been acquired in partnership with Resonance which allows us to support a bigger number of underprivileged people.

The future and restricted funding will continue to test us, but we are optimistic and hopeful that our expertise and successes will help us retain our contracts and acquire new ones.

DHI will celebrate its 25th anniversary in 2024 and will proudly showcase how it has delivered and remained true to its original vision to help the most vulnerable and disenfranchised people in our society to turn their lives around.

None of our successes would have been possible without our dedicated and passionate staff and supporters; I would like to express my gratitude to all those involved in supporting or running the organization; staff, volunteers, partners, and peers as well all the Board members. I know that they will continue to work tirelessly to ensure that DHI's vision stays alive.

Our Purpose

- To relieve poverty, sickness and distress, in particular but without limitation amongst persons suffering as a result of drug and alcohol abuse and housing need, through the provision of practical assistance and advice of all kinds including, without limitation, rehabilitation and resettlement and provision of social housing to the homeless and those at risk of homelessness, and education, legal and medical advice, counselling and assistance.
- To educate the public in the effects of drug and alcohol abuse and housing need.
- To pursue any other charitable purpose, which the Board of the Charity thinks fit to pursue in conjunction with any of the charitable purposes, mentioned above.

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TRUSTEES' REPORT

For the year ended 31 March 2024

The Charity's vision

DHI helps disadvantaged people to turn their lives around, stand on their own two feet and reduce dependency. DHI is flexible, creative and person-centred in its approach, valuing each individual and their circumstances as unique.

The Charity's values

- Self-Direction: to encourage independent thought, action and self-respect.
- Stimulation: to offer a stimulating environment allowing innovation and creativity to flourish in individuals.
- Zest for Life: in so far as, it is not damaging to self, others or the environment, to enable individuals to pursue goals that further their happiness and joy of life.
- Flexibility: underpinning all our efforts is the need to be open, flexible and responsive to change.

The Charity's activities

Few, if any, of our clients come with a single issue so we work with the person to find and resolve the root cause of their issues. We help people through highly practical, solution focused and innovative projects and services. These include: supported housing as well as general needs housing for those on no or a low income, resettlement and floating support services, drug and alcohol treatment, employment reintegration, , information, advice and signposting.

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning the Charity's future activities.

In particular, the Trustees have considered how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

During the 2023/24 financial year there was strong growth, with a net increase in the Charity's incoming resources of 8.13% (2022/23: increase of 19.81%). The Charity's net movement in funds during the year deducted £188,299 from (2022/23: £157,868 contribution to) reserves.

Financial Review

Income

DHI's total income increased by £833,328 (8.13%) this year from £10,250,548 in 2022/23 to £11,083,876. Driving this increase is additional income received to deliver new services such as criminal justice work within treatment services.

A detailed analysis of income is shown in the Statement of Financial Activities (SOFA) and Notes 2 – 3 of the Financial Statements.

Expenditure

Total spending on charitable activities for the year of £11,287,456 represents a 11.84% increase in expenditure from 2022/23 (£10,092,121). The increase in expenditure reflects the increased income for new services.

Further analysis of charitable activity expenditure, showing the operational activities undertaken by DHI are given in the SOFA and in Note 5 of the Financial Statements.

TRUSTEES' REPORT

For the year ended 31 March 2024

Fund Analysis

The Board can confirm that the Charity's assets are available and adequate to fulfil the obligations of the Charity on a fund-by-fund basis. Incoming resources for the year of £11,083,876 (2023: £10,250,548) included £30,000 of restricted funds (2023: £15,000).

Of the £4,873,354 funds retained at year end (2023: £5,061,653), £3,076,187 were designated (2023: £3,395,362) and £73,113 were restricted (2023: £60,232).

Further analysis of designated and restricted funds is shown in the SOFA and Notes 15 of the Financial Statements.

Reserves Policy

The Board has examined the Charity's requirements for reserves in the light of the main financial risks to the organisation.

Within DHI's Reserves & Investments Policy, to ensure the financial viability of the Charity and its ability to meet its on-going commitments, the Board have determined that Reserves should be maintained at three to six months organisational Operational Costs. For 2024/25, budgeted monthly operating costs are £907,379. The organisation holds £1,724,054 (2023: £1,606,059) in General Funds, equating to 1.90 months. The Trustees expect the level of General Reserves to increase to be closer to the policy in 2024/25.

In addition, the Trustees require that Free Reserves remain in surplus. This was the case on 31st March 2024.

Furthermore, the Trustees require that working capital should be maintained between three and six months' average expenditure to meet ongoing commitments throughout the year.

At 31 March 2024, the organisation held £1,683,938 (2023 £1,812,817) net current assets (current assets after deduction of creditors due within a year) equating to 1.8 months' cash or cash equivalents to meet average expenditure. However, after factoring in the Fixed Asset investment portfolio of £716,674 that can be liquidated into cash in five days, there are 2.6 months cash or cash equivalents to meet average expenditure.

The Board do feel confident DHI is able to continue the core activities of the Charity in the event of a significant drop in funding, whilst considering how any such loss in funding could be replaced or activities changed.

Investment Policy

DHI is committed to maintaining funds in instant access accounts to meet all the day to day needs for working capital. Any funds beyond this, and not required for development of the Charity's activities in the short term, will be invested in low to medium risk investment or deposit accounts, reviewed and recommended by the Audit Committee and approved by the Board.

DHI's Charities Aid Foundation (CAF) investment fund has increased by 2.23% to the end of 2023/24 and the Trustees continue to review performance.

Principal Risks and Uncertainties

DHI has a Risk Register, which is a standing item for review by the Board. The procedure takes into account all major risks that the Charity may be exposed to in terms of likelihood and impact on the business if they happen. This review includes the operational, reputational, and financial impact combined with a 'likelihood' score.

The four highest risks identified by DHI through its Risk Management Plan are:

DEVELOPING HEALTH AND INDEPENDENCE

TRUSTEES' REPORT

For the year ended 31 March 2024

- People: Recruitment difficulties and the effects of a shortage of labour at the same time as inflationary pressures. Creating difficulties in recruiting staff together with a higher staff turnover. Increased workload on staff leading to inability to deliver quality of service and to fulfil contractual obligations.
Mitigation: HR and Operations strategy in place to identify pipeline of staff and reduce agency use. Redesign of job descriptions and role templates and a consultant is in place to support HR.
- Infrastructure: Breach of Health, Safety and Environment regulations. Leading to possibility of injury to staff, clients or the public, service liability and inability to operate.
Mitigation: Training in place for staff and volunteers. Approved H&S policy and procedures in place. Clear procedures for monitoring and reporting. Oversight by H&S Committee and specialised training for housing staff from Association of Residential Lettings Agents. Review of H&S training for Board and the Executive. Review H&S reporting in line with RSH requirements and process to ensure continuity (end to end) confirmation of statutory compliance.
- Operational: Inability to get exempt rents meaning that supported housing is unviable..
Mitigation: We have a plan in place to work with Elim Housing as Registered Provider for a small management charge. RSAP in Bristol is being reviewed with commissioners.
- External – Commissioning: Changing and unstable commissioning landscape due to financial climate
Lack of relationships with new commissioners. Bigger/new commissioning areas and contracts. Dominance of health bureaucratic structure, ICBs taking over more areas we operate in, with drug and alcohol commissioning and many of DHIs services sitting outside.
Mitigation: Reviewed Executive level reporting and committees. More engagement with managers. Consideration of essential areas and funding strategies should they not be recommissioned and building them into the fundraising strategy. Keeping a register of contracts which is reviewed at each Executive and Board meeting creating active risk and scenario planning against loss of major contracts.

Going Concern

On reviewing DHI's budgets and business plan, taking account of the current economic climate and its reserves position, the Board has a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future and for this reason it continues to adopt the going concern basis in the financial statements.

DEVELOPING HEALTH AND INDEPENDENCE

TRUSTEES' REPORT

For the year ended 31 March 2024

Structure, Governance and Management

The organisation is a Charitable Company limited by guarantee, incorporated on 23 August 1999 and registered as a charity on 10 November 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.

The Board is elected from its membership by its members at either its AGM, or, where a vacancy exists, at any time between AGMs.

DHI's Board consists of up to 10 members who meet at least four times a year and who are responsible for the strategic direction and governance of the Charity, agreeing the business plan, monitoring progress toward achievement of organisational goals, reviewing operational performance and overseeing the management of organisational risk. Meetings must be quorate with the attendance of a minimum of three Trustees, and each meeting is formally minuted. A register of attendance at Board Meetings is maintained and the attendance rate for the year by Board Members was 94%.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

An Audit Committee consisting of three Trustees, the Corporate Services and Finance Director and CEO meet four times a year to review financial and other audits.

A Housing Committee formed by the Board oversees investment and development of the organisation's property for the furtherance of DHI's charitable objectives. The Committee consists of three Trustees and the Operations Director and CEO and meets as required through the year.

An annual User Voices Group has been set up in order to ensure DHI engages residents and clients in service development, delivery and review, and towards the promotion of equality and diversity. The CEO attends this along with a number of peers and clients.

The CEO is responsible for strategic and operational management and is authorised to deploy resources, through the Executive, toward the achievement of DHI's charitable objectives.

The Executive of the organisation comprises:

- CEO, through whom the Board exercises its Governance
- Corporate Services and Finance Director
- Director of Operations
- Director of Quality Governance
- Director of Communications and Fundraising
- Associate Director Workforce Development – currently vacant

Regular meetings are held where performance is monitored, strategically, operationally and financially, and potential improvements discussed and actions agreed. A table of delegated responsibilities outlines the delegated authorities of senior staff, including financial and health and safety responsibilities. Operations Managers and Team Leaders in turn discharge their responsibilities through the activities of teams of skilled and committed workers.

In alignment with our values, staff, volunteers and clients are heavily involved in shaping and continuously improving services, through a wide variety of mechanisms.

DEVELOPING HEALTH AND INDEPENDENCE

TRUSTEES' REPORT

For the year ended 31 March 2024

Trustees are appointed following application and interview with the Chair, Chief Executive Officer and one other Trustee. Following a satisfactory interview, candidate Trustees are invited to join at least one meeting as an observer. At the end of these meetings, the Board will review the candidate Trustees' contribution and then invite them, if appropriate, to be full members.

Trustee roles, in line with all posts within DHI, are advertised widely to encourage broad participation and diversity. The Board and Executive work to ensure that diversity within the organisation is promoted.

The Charity does not conduct any fundraising through professional fundraisers or commercial operators. DHI is a member of the Fundraising Regulator and is committed to best fundraising practices of honesty, transparency, clarity and accountability.

Related parties and relationships with other organisations

DHI holds an impressive track record of achievement against targets and strives continuously to improve its performance and service quality while achieving value for money. However, in order to deliver excellent client centred services that have maximum impact for both individuals and communities, we rely on building and maintaining excellent partnerships with a wide range of statutory and non-statutory organisations. In addition to many informal partnerships, DHI has a number of formal contractual relationships including with Avon & Wiltshire Mental Health Partnership, Clean Slate, Broadway Lodge, Curo, Southern Brooks, Youth Connect, Julian House and Hawkspring.

Guarantee of Members

Members of the Charitable Company guarantee to contribute an amount not exceeding £1 to the assets of the Charitable Company in the event of winding up. The total number of such guarantees at 31 March 2024 was eight (2023: eight).

The Trustees (who are also the Directors of DHI for the purposes of Company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable Company and of the incoming resources and application of resources, including income and expenditure, of the charitable Company for that period. 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 2015 (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 maintaining proper accounting records that disclose with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

TRUSTEES' REPORT

For the year ended 31 March 2024

Statement of disclosure of information to the auditor

So far as the Trustees are aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

The auditors, Sumer Auditco Limited, have indicated their willingness to accept re-appointment under Section 485 of the Companies Act 2006.

This report was approved and authorised for issue by the Trustees on 19 September 2024.
and signed on their behalf by:

A handwritten signature in blue ink, appearing to read 'M Kniveton', with a long horizontal line extending from the end of the signature.

Ms Myriam Kniveton

Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVELOPING HEALTH AND INDEPENDENCE

Opinion

We have audited the financial statements of Developing Health and Independence (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities (including Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland": 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 related 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVELOPING HEALTH AND INDEPENDENCE

Other information

The other information comprises the information included in the trustee's annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVELOPING HEALTH AND INDEPENDENCE

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

Our responsibilities for the audit of the financial statements

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

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

- Enquiry of management and those charged with governance about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meeting of those charged with governance any correspondence with the Charity Commission
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Performing analytical procedures to identify any unusual or unexpected relationship that might indicate a risk of material misstatement due to fraud.
- Performing audit work over the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating a range business rationale of significant transactions outside the course of business and reviewing accounting estimates.

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 false representation.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVELOPING HEALTH AND INDEPENDENCE

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.



James Gare (Senior Statutory Auditor)

For and on behalf of Sumer Auditco Limited
Statutory Auditors
Chartered Accountants
Fortescue House
Court Street
Trowbridge
BA14 8FA

Date: 28 January 2025

DEVELOPING HEALTH AND INDEPENDENCE (company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (including income & expenditure account)

For the year ended 31 March 2024


		<i>UNRESTRICTED FUNDS</i>	<i>DESIGNATED FUNDS</i>	<i>RESTRICTED FUNDS</i>	TOTAL FUNDS	<i>TOTAL FUNDS</i>
	Note	2023-24	2023-24	2023-24	2023-24	2022-23
INCOMING RESOURCES		£	£	£	£	£
Donations	2	47,647	-	-	47,647	42,781
Charitable Activities:	3					
Treatment Services		8,071,653	-	15,000	8,086,653	6,980,251
Community Services		231,393	-	-	231,393	294,945
Housing Projects		594,358	-	15,000	609,358	593,959
Home Turf Lettings		1,784,665	-	-	1,784,665	1,946,954
Social Housing		294,242	-	-	294,242	311,807
Central Services		17,236	-	-	17,236	75,603
Investment Income		12,682	-	-	12,682	4,248
TOTAL Incoming Resources		11,053,876	-	30,000	11,083,876	10,250,548
RESOURCES EXPENDED						
Charitable Activities:	5					
Treatment Services		7,871,791	-	6,700	7,878,491	6,737,953
Community Services		236,836	-	-	236,836	297,443
Housing Projects		598,403	-	7,377	605,780	572,600
Home Turf Lettings		1,811,655	-	-	1,811,655	1,922,115
Social Housing		313,402	-	-	313,402	314,436
Central Services		438,250	-	3,042	441,292	247,574
TOTAL Resources Expended		11,270,337	-	17,119	11,287,456	10,092,121
Net gains/(losses) on investments		15,281	-	-	15,281	(28,571)
Net gain /loss on sale of assets		-	-	-	-	28,012
NET INCOME / (EXPENDITURE)		(201,180)	-	12,881	(188,299)	157,868
Transfers between funds		319,175	(319,175)	-	-	-
NET MOVEMENT IN FUNDS		117,995	(319,175)	12,881	(188,299)	157,868
RECONCILIATION OF FUNDS:						
Total Funds b/f		1,606,059	3,395,362	60,232	5,061,653	4,903,785
Total Funds c/f		1,724,054	3,076,187	73,113	4,873,354	5,061,653

The annexed notes form part of these financial statements

BALANCE SHEET
As at 31 March 2024

	Note	2024 £	2024 £	2023 £	2023 £
FIXED ASSETS					
Tangible Assets	9		3,311,849		3,378,791
Investments	10		716,674		701,073
			<u>4,028,523</u>		<u>4,079,864</u>
CURRENT ASSETS					
Debtors	11	862,033		1,442,022	
Cash at bank and in hand		<u>1,507,749</u>		<u>1,494,893</u>	
		2,369,782		2,936,915	
CREDITORS:					
amounts falling due within one year	12	<u>(685,844)</u>		<u>(1,124,098)</u>	
NET CURRENT ASSETS			1,683,938		1,812,817
TOTAL ASSETS less CURRENT LIABILITIES			<u>5,712,461</u>		<u>5,892,681</u>
CREDITORS:					
amounts falling after one year	13		(597,707)		(621,628)
PROVISIONS for LIABILITIES and CHARGES	14		(241,400)		(209,400)
NET ASSETS			<u>4,873,354</u>		<u>5,061,653</u>
FUNDED BY:					
Restricted Funds	15		73,113		60,232
Unrestricted Funds:					
- Designated Funds	15	3,076,187		3,395,362	
- General Funds	15	<u>1,724,054</u>		<u>1,606,059</u>	
			<u>4,800,241</u>		<u>5,001,421</u>
			<u>4,873,354</u>		<u>5,061,653</u>

The financial statements were approved and authorised for issue by the Trustees on 19 September 2024.



MYRIAM KNIVETON, Chair



TIM MARVELL, Treasurer

The annexed notes form part of these financial statements

DEVELOPING HEALTH AND INDEPENDENCE

STATEMENT OF CASH FLOWS For the year ended 31 March 2024

	Note	2023-24 £	2022-23 £
Cash flow from Operating activities		134,739	(209,920)
Cash flow from Investing activities			
Purchase of fixed asset additions		(79,533)	(90,800)
Receipts from sale of fixed asset		-	174,955
Investment income received		12,682	4,334
Net cash used in investing activities		(66,851)	88,489
Cash flow from Financing activities			
Repayments of borrowing		(26,006)	(27,362)
Interest paid		(29,025)	(23,628)
Net cash provided by (used in) financing activities		(55,031)	(50,990)
Change in cash and cash equivalents in the year		(12,856)	(172,421)
Cash & cash equivalents brought forward		1,494,893	1,667,314
Cash & cash equivalents carried forward		1,507,749	1,494,893

RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH

	2023-24 £	2022-23 £
Surplus / (deficit) for the year	(91,299)	157,868
Depreciation charges	147,116	132,296
Net book value of disposed assets	-	146,943
Proceeds from sale of fixed assets	-	(174,955)
Net movement on investments	(15,601)	28,571
Interest payable	29,025	23,628
Interest receivable	(12,682)	(4,334)
Change in provision	-	-
Decrease / (increase) in debtors	514,348	(807,644)
Increase / (decrease) in creditors (excluding loans)	(436,169)	287,707
	134,738	(209,920)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year unless otherwise stated.

(a) General information and basis of preparation of financial statements

DHI is a charity limited by guarantee registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the reference and administrative information on page 1 of these financial statements. The nature of the charity's operations and principal activities are detailed within the Report of the Trustees.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

(b) Fund accounting

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

Unrestricted designated funds have been set aside by the trustees out of unrestricted funds towards a specific purpose. Additional details can be found in note 15 to the Financial Statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 15 to the financial statements.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Income from grants, contracts and service level agreements is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Interest on funds held on deposit is included when receivable and the amount can be reliably measured by the charity; this is normally upon notification of the interest paid or payable by the Bank.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure includes any VAT, which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature.

Governance costs include those costs associated with meeting constitutional and statutory requirements of the charity and include the audit fees and costs linked with the strategic management of the charity.

Expenditure directly attributable to a specific activity category (e.g. charitable activities, governance costs) has been included in the relevant category. Where costs are attributable to more than one activity, they are apportioned across activities based on the time spent by staff on those activities and their use of shared resources.

DEVELOPING HEALTH AND INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

(f) Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life, which is as follows:

Medical Equipment	-	7 years
Social Housing Properties	-	20 to 50 years
Furniture	-	4 years
IT, Comms & Technology	-	4 years

Assets costing over £1,000 are capitalised.

(g) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

(h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(i) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs.

(j) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(k) Financial Instruments

The charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of investments which are measured at fair

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

(l) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(m) Pension schemes

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity also participated in a multi-employer defined benefit pension scheme with the Pensions Trust, operated and administered by the Pensions Trust. It is not possible to separately identify the assets and liabilities relating to DHI on a consistent and reasonable basis therefore this is accounted for as a defined contribution scheme. The scheme was available to all permanent staff however contributions to the plan ceased as at 30 September 2013.

Deficit funding contributions are payable by the charity in respect of this multi-employer defined benefit scheme. No liability has been included within the Financial Statements in respect of the deficit reduction contributions payable, in line with the requirements of the SORP (FRS 102) on the basis that this liability is not deemed to be material to the Financial Statements. See note 18 to the Financial Statements for more details.

The charity makes contributions to the National Health Service Pension Scheme for participating employees. The NHS Scheme is a defined benefit scheme. As the scheme is a multi-employer scheme and the charity is unable to identify its share of the underlying assets and liabilities, this scheme is accounted for by the Charity as a defined contribution scheme. Any resulting liabilities on this scheme would be met by the State. Therefore, contributions payable for the year in relation to the scheme are charged in the Statement of Financial Activities.

(n) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(o) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

DEVELOPING HEALTH AND INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

2. INCOME FROM DONATIONS

	<i>UNRESTRICTED FUNDS</i>	<i>DESIGNATED FUNDS</i>	<i>RESTRICTED FUNDS</i>	TOTAL FUNDS	TOTAL FUNDS
	2023-2024	2023-2024	2023-2024	2023-2024	2022-23
	£	£	£	£	£
General donations	47,647	-	-	47,647	42,781

3. INCOME FROM CHARITABLE ACTIVITIES

a) Treatment Services - Income	<i>UNRESTRICTED FUNDS</i>	<i>DESIGNATED FUNDS</i>	<i>RESTRICTED FUNDS</i>	TOTAL FUNDS	TOTAL FUNDS
	2023-2024	2023-2024	2023-2024	2023-2024	2022-23
	£	£	£	£	£
Capital Grants	-	-	-	-	1,667
Contracts / SLAs	7,917,667	-	-	7,917,667	6,859,200
Grants / Donations	105,479	-	15,000	120,479	110,457
Fees and Charges	38,182	-	-	38,182	-
Other	10,326	-	-	10,326	8,927
	8,071,653	-	15,000	8,086,653	6,980,251

Restricted funds relate to income from the performance of grant obligations during the year in relation to the Access Fund.

b) Community Services - Income	<i>UNRESTRICTED FUNDS</i>	<i>DESIGNATED FUNDS</i>	<i>RESTRICTED FUNDS</i>	TOTAL FUNDS	TOTAL FUNDS
	2023-2024	2023-2024	2023-2024	2023-2024	2022-23
	£	£	£	£	£
Contracts / SLAs	228,756	-	-	228,756	293,880
Grants / Donations	2,637	-	-	2,637	1,065
	231,393	-	-	231,393	294,945

DEVELOPING HEALTH AND INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

c) Housing Projects - Income	<i>UNRESTRICTED FUNDS</i>	<i>DESIGNATED FUNDS</i>	<i>RESTRICTED FUNDS</i>	TOTAL FUNDS 2023-2024	TOTAL FUNDS
	2023-2024	2023-2024	2023-2024	2023-2024	2022-23
	£	£	£	£	£
Contracts / SLAs	588,223	-	-	588,223	582,895
Grants / Donations	1,934	-	15,000	16,934	6,934
Fees and Charges	4,200	-	-	4,200	3,730
Other	-	-	-	-	400
	594,358	-	15,000	609,358	593,959
d) Home Turf Lettings - Income	<i>UNRESTRICTED FUNDS</i>	<i>DESIGNATED FUNDS</i>	<i>RESTRICTED FUNDS</i>	TOTAL FUNDS 2023-2024	TOTAL FUNDS
	2023-2024	2023-2024	2023-2024	2023-2024	2022-23
	£	£	£	£	£
Capital grants	-	-	-	-	5,328
Contracts / SLAs	94,165	-	-	94,165	51,155
Rental income	1,727,000	-	-	1,727,000	1,680,034
Rental voids	(87,680)	-	-	(87,680)	(17,264)
Grants / Donations	-	-	-	-	62,877
Fees and Charges	23,412	-	-	23,412	164,824
Other	28,500	-	-	28,500	-
	1,784,665	-	-	1,784,665	1,946,954

DEVELOPING HEALTH AND INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

e) Social Housing - Income	UNRESTRICTED FUNDS	DESIGNATED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS 2023- 2024	TOTAL FUNDS 2022-23
	2023-2024 £	2023-2024 £	2023-2024 £	£	£
Contracts / SLAs	92,202	-	-	92,202	89,702
Rental income	238,592	-	-	238,592	227,720
Rental voids	(36,552)	-	-	(36,552)	(10,810)
Grants / Donations	-	-	-	-	5,195
	294,242	-	-	294,242	311,807

Social housing income contains direct rental receipts as well as ancillary support services for tenants

f) Central Services - Income	UNRESTRICTED FUNDS	DESIGNATED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS 2023- 2024	TOTAL FUNDS 2022-23
	2023-2024 £	2023-2024 £	2023-2024 £	£	£
Capital grants	-	-	-	-	1,666
Contracts / SLAs	17,236	-	-	17,236	-
Grants / Donations	-	-	-	-	70,944
Other	-	-	-	-	2,993
	17,236	-	-	17,236	75,603

4. NET INCOME / EXPENDITURE FOR THE YEAR

	2023-24 £	2022-23 £
Net income / expenditure for the period includes:		
Depreciation	147,116	131,949
Fees payable to Auditor	27,900	25,200

DEVELOPING HEALTH AND INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Treatment Services 2023-2024	Communities Services 2023-2024	Housing Services 2023-2024	Home Turf Lettings 2023-2024	Social Housing 2023-2024	Central Services 2023-2024	TOTAL FUNDS 2023-2024	<i>TOTAL FUNDS 2022-23</i>
	£	£	£	£		£	£	£
Provision of services	6,007,516	220,980	464,021	440,291	215,245	207,080	7,555,132	6,856,555
Advertising & publicity	1,469	-	14	-	-	9,675	11,159	11,587
Building refurbishment	1,212	-	1,212	36,919	13,836	33,212	86,391	51,295
Depreciation	23,282	-	-	25,664	18,513	79,657	147,116	131,949
Legal & financial	125	-	-	8,203	775	1,025	10,128	5,274
Bad debt write off	-	-	-	87,074	6,872	-	93,946	21,617
Support costs	426,468	15,856	29,503	41,776	12,757	81,642	608,003	477,602
Governance costs	-	-	-	-	-	29,001	29,001	25,921
Rent to landlords	-	-	-	1,171,727	45,404	-	1,217,130	1,196,844
Transfers to partners	1,418,419	-	111,029	-	-	-	1,529,448	1,313,477
TOTAL	7,878,491	236,836	605,780	1,811,655	313,402	441,292	11,287,455	10,092,121
TOTAL at 31 March 2023	6,737,953	297,443	572,600	1,922,115	314,436	247,574	10,092,121	

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

6. GOVERNANCE COSTS

	2023-24	2022-23
	£	£
Audit and accountancy	27,900	25,200
Other - Annual Event	1,101	721
	29,001	25,921

7. STAFF NUMBERS AND COSTS

	2022-23	2022-23
	£	£
Wages and salaries	5,482,078	4,682,697
Social Security costs	504,885	433,001
Pension costs	363,607	292,354
Redundancy costs	-	2,570
	6,350,570	5,410,622

Head Count as average weekly number

Chief Executive Officer	1	1
Directors	5	3
Associate Directors	2	3
Service Managers	12	11
Administration, HR, Finance and IT	13	13
Team Leaders	22	14
Support Workers	156	137
	211	182

Employees earning over £60,000

£60,001 - £70,000	3	2
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
	4	3

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

8. TRUSTEES AND KEY MANAGEMENT PERSONNEL

During the year, one Trustee was reimbursed for £907 (2023: £520), for expenses incurred whilst serving the charity. No trustees received any remuneration other than this.

The key management personnel of the charity comprise the Trustees, Chief Executive Officer, Corporate Services & Finance Director, Operations Director, Director of Quality Governance, Communications & Fundraising Director, Transformations Directors, and two Associate Directors. The total employee benefits of the key management personnel of the Charity were £475,295 (2023 : £428,402).

9. TANGIBLE FIXED ASSETS

	Social Housing Properties	Charitable Properties	Furniture	IT, Comms & Technology	Medical Equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2023	904,331	2,549,290	63,946	407,669	125,800	4,051,036
Additions	-	-	-	79,533	-	79,533
Disposals	-	-	-	-	-	-
At 31 March 2024	904,331	2,549,290	63,946	487,202	125,800	4,130,569
Depreciation						
At 1 April 2023	92,870	180,989	52,547	338,897	6,942	672,245
Charge for the year	38,158	23,613	5,536	61,556	17,612	146,475
On disposals	-	-	-	-	-	-
At 31 March 2024	131,028	204,602	58,083	400,453	24,554	818,720
Net book value						
At 31 March 2024	773,303	2,344,688	5,863	86,749	101,246	3,311,849
At 31 March 2023	811,461	2,368,301	11,399	68,772	118,858	3,378,791

Included within buildings is one property with net book value of £88,810 (2023: £91,030) which is held under a 999-year lease. This building is being depreciated over 50 years on the basis that this is considered a more realistic estimate of the useful life of the asset.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

10. FIXED ASSET INVESTMENTS

	2023-24	2022-23
	£	£
Market Value		
At 1 April 2023	701,073	729,644
Disposals	-	(198)
Management fee	(927)	(1,055)
Interest and dividend	1,247	1,253
Gains / (losses) on investments	15,281	(28,571)
At 31st March 2023	716,674	701,073

11. DEBTORS: DUE WITHIN ONE YEAR

	2023-24	2022-23
	£	£
Trade debtors	508,638	923,299
Rental debtors	193,486	157,099
Sundry debtors	3,260	29,545
Prepayments & accrued income	156,649	332,079
	862,033	1,442,022

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023-24	2022-23
	£	£
Trade creditors	203,474	252,908
Credit cards	5,131	11,258
Bank loans within one year	26,788	28,873
Social security and other taxes	166,315	168,224
Other creditors	21,613	20,089
Accruals	111,002	234,359
Deferred income	151,521	408,387
	685,844	1,124,098

DEVELOPING HEALTH AND INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

DEFERRED INCOME

	2023-24	2022-23
	£	£
Balance at 1st April 2023	408,387	414,268
Amount released to incoming resources	(408,387)	(414,268)
Amount deferred in year	151,521	408,387
Balance at 31st March 2024	151,521	408,387

Deferred income includes the following grants with performance obligations in future periods.

	2023-24	2022-23
	£	£
- St John's Hospital - RSVP	-	19,381
- BBC Children in Need	3,169	5,395
- CHK Foundation – The Wrap	13,990	-
	17,159	24,776

BBC Children in Need provide a grant to cover a worker; to reduce risk from child exploitation and substance use in BANES and Wiltshire.

13. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2023-24	2022-23
	£	£
Bank Loans	597,707	621,628

The charity has two bank loans. The first is repayable over 25 years and interest is charged at base rate plus 2.5% (with a minimum rate of 3%). The loan is secured on the freehold property at Poyntz Road in Bristol, Abbotswood in Yate and Sedgemoor Road in Bath. The second loan taken is repayable over 20 years and interest is fixed at 3% for 10 years. The loan is secured on the freehold property at St James's Parade in Bath.

	2023-24	2022-23
	£	£
The loan is repayable as follows		
Within one year or on demand	26,788	28,873
Between one and two years	27,925	29,806
Between two and five years	91,193	95,323
After five years	478,589	496,499
	624,495	650,501

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2023-24	2022-23
	£	£
Property dilapidations		
At 1st April 2023	209,400	209,400
(Released) / Added during the year	32,000	-
At 31st March 2024	<u>241,400</u>	<u>209,400</u>

15. STATEMENT OF FUNDS

DESIGNATED FUNDS

	Bought Forward £	Gain in sale of property £	Transfers/ investment gain £	Carried Forward £
Charitable				
HTL Sinking Fund	18,833	-	-	18,833
2 Bridges Trust Fund	10,538	-	-	10,538
Infrastructure Sustainability	260,473	-	(160,473)	100,000
Cloud Fund	30,000	-	-	30,000
St James's Parade refurb	100,000	-	(100,000)	-
Property Fund – supported housing	174,344	-	5,055	179,399
Designated Funds - properties				
- Oak House	399,610	-	(7,881)	391,729
- 19 Abbotswood	29,071	-	(552)	28,519
- Poyntz Road	59,157	-	(603)	58,554
- Sedgemoor	234,088	-	(3,745)	230,343
- St James's Parade	655,997	-	(4,317)	651,680
- Hawthorn	272,372	-	(4,359)	268,013
- Newton Street	69,744	-	(1,477)	68,267
Social Housing				
Working capital	122,898	-	(26,325)	96,573
Supported Housing Sinking Fund	54,321	-	-	54,321
Burlington St contingency	88,000	-	-	88,000
Designated Funds - properties				
- Burlington St	815,916	-	(14,497)	801,419
	<u>3,395,362</u>	<u>-</u>	<u>(319,175)</u>	<u>3,076,187</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

The HTL Sinking Funds represent retained funds for repairs and renewals at HTL properties.

The 2 Bridges Trust Fund is to provide access to employment, education and training for DHI clients.

The Infrastructure Sustainability fund is to safeguard the charity against zero-inflation contract income spent against cost of living rises in overheads.

The Cloud fund is to upgrade ageing IT infrastructure.

The St James Parade Refurbishment fund is to cover refurbishment works at the premise.

Property Fund for Supported Housing – Following the sale of Peter's House, the sale proceeds have been designated for the purchase of similar housing. This was part of the covenant when DHI were gifted Peter's House.

Designated Funds - Properties are the asset value of properties owned by DHI, separately shown from General Funds. The amounts include the net book value of properties purchased by the charity, less any long term finance used to purchase them as well as unspent cash reserves allocated towards expected renovations or purchase costs.

The Social Housing Working capital fund represents funds that have been ring-fenced

The SH Sinking Funds represent retained funds for repairs and renewals at social housing properties

The Burlington Street Contingency Fund was created to support the operation of DHI's work at the project recognising the possibilities of future funding restrictions.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

RESTRICTED FUNDS	Brought Forward £	Incoming Resources £	Resources Expensed £	Transfers and investment gains/(losses) £	Carried Forward £
Treatment services					
Digital Transformation	-	15,000	(6,700)	-	8,300
Housing Projects					
Housing First	574	-	(574)	-	-
Access Scheme	-	15,000	(6,803)	-	8,197
Home Turf Lettings					
HTL Empty Homes Fund (Cash)	34,836	-	-	20,562	55,398
HTL Empty Homes Fund (Loans)	21,780	-	-	(20,562)	1,218
Central Services					
Young People Serious Violence	3,042	-	(3,042)	-	-
	60,232	30,000	(17,119)	-	73,113

Housing Projects

This fund is available to assist clients in personalisation costs when they secure accommodation

Home Turf Lettings

The HTL Empty Homes Fund (Cash) is a cash reserve available to make loans to landlords to enable properties in disrepair to be refurbished and rented out through DHI's Social Enterprise: Home Turf Lettings.

Central Services

Young People Serious Violence is a fund that can only be used for specific purposes such as preventive crime with Young People and towards dedicated youth work.

	Brought Forward £	Incoming Resources £	Resources Expensed £	Transfers and Investment gains/(losses) £	Carried Forward £
SUMMARY OF FUNDS					
Designated Funds	3,395,362	-	-	(319,175)	3,076,187
General Funds	1,606,059	11,053,876	(11,270,337)	334,456	1,724,054
	5,001,421	11,053,876	(11,270,337)	15,281	4,800,241
Restricted Funds	60,232	30,000	(17,119)	-	73,113
	5,061,653	11,083,876	(11,287,456)	15,281	4,876,354

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	DESIGNATED FUNDS 2023-24 £	GENERAL FUNDS 2023-24 £	RESTRICTED FUNDS 2023-24 £	TOTAL FUNDS 2023-24 £
Tangible fixed assets	3,117,991	193,858	-	3,311,849
Fixed asset investments	-	716,674	-	716,674
Net current assets	555,903	1,054,922	73,113	1,683,938
Creditors due in more than one year	(597,707)	-	-	(597,707)
Provision for liabilities and charges	-	(241,400)	-	(241,400)
	3,076,187	1,724,054	73,113	4,873,354

17. LEASE COMMITMENTS

The charity has financial commitments in respect of operating leases of land and buildings. The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023-24 £	2022-23 £
Land and Buildings		
Not later than one year	721,503	1,244,695
Later than one and not later than 5 years	1,120,937	1,158,072
Later than 5 years	418,174	106,769
	2,260,614	2,509,536

Included in the total lease commitments above is £1,998,095 (2023: £2,150,086) relating to the maximum rents that the charity may have to pay on behalf of the tenants. Our experience is that voids are only 5% of total rental income.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

18. PENSION COMMITMENTS

SCHEME: TPT Retirement Solutions – The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9 m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit Contributions

From 1 April 2023 to 31 January 2025:	£3,312,000 per annum, payable monthly
---------------------------------------	---------------------------------------

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit Contributions

From 1 April 2019 to 30 September 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)
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The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the charity has agreed to a deficit funding arrangement, the charity recognises a liability for this obligation. The amount recognised would be the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate would be recognised as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

	2024	2023	2022
	£	£	£
Present value of provision	111	237	372

On the basis that this provision is not material to the Financial Statements, the charity has taken the decision not to include such a provision.

If the provision had been included, the accounting entries would have been as follows:

	2024	2023
	£	£
Provision at start of the period	237	371
Unwinding of the discount factor	9	7
Deficit contribution paid	(135)	(135)
Remeasurements - impact on any changes in assumptions	-	(6)
Remeasurements - amendments to the contribution schedule	-	-
	111	237

Income and expenditure impact

Interest expense	9	7
Remeasurements - impact on any changes in assumptions	-	(6)
Remeasurements - amendments to the contribution schedule	-	-
	9	1

Assumptions	2024	2023	2022
	% per annum	% per annum	% per annum
Rate of Discount	5.31	5.52	2.35

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

SCHEME: The Pensions Trust's Growth Plan Series 4.

From 1 October 2013, all contributions made into the Plan were into Series 4, which is a defined contribution pension plan.

SCHEME: NHS Pension Schemes

Three employees are covered by the provisions of NHS Pension Schemes. Details of the benefits payable and rules of the NHS Schemes can be found on the NHS Pensions website at

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

www.nhsbsa.nhs.uk/pensions. These are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in these schemes is taken as equal to the contributions payable to that scheme for the accounting period.

19. RELATED PARTIES

There were no related party transactions this year, beyond those identified in note 8, and no amounts were due at the year-end date (2023: £Nil).

20. CONTROLLING PARTY

The Trustees consider that the charity is jointly controlled by the Trustees and that there is no ultimate controlling party.

21. FINANCIAL COMMITMENTS

Contractual commitments for the acquisition of tangible fixed assets contracted for but not provided in the financial statements amounted to £nil (2023: £nil).

22. FUNDS RECEIVED AND HELD AS AGENT

Three properties are classified as being Managed and under the Client Money Protection scheme, DHI hold a separate bank account with Unity through which rent is received and landlords paid. These transactions are not recognised in the Financial Statements. However, a fee is receivable and this is shown as income in the Financial Statements.

23. FINANCIAL INSTRUMENTS

The carrying amounts of the charity's financial instruments are as follows:

	2024	2023
	£	£
Financial Assets		
Measured at fair value through net income:		
- Fixed asset investments (note 10)	716,674	701,073
Debt instruments measured at amortised cost:		
- Trade debtors (note 11)	702,124	923,299
Financial Liabilities		
Measured at amortised cost		
- Bank loans (note 13)	624,495	650,501
- Trade creditors (note 12)	203,474	252,908

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

24. RESTATEMENT OF COMPARATIVES

In order to more fairly present the gross income and to ensure compliance with Generally Accepted Accounting Policies, the Charity has decided to amend its Income Recognition policy to show all income gross without any deduction for associated expenditure.

As illustrated in the table below, this change does not affect either the net income for 2022-23 or the balance sheet as at 31 March 2023.

Statement of Financial Activities

	Originally stated 2022-23	Change 2022-23	Restated 2022-23
	£	£	£
INCOMING RESOURCES			
Donations	42,781	-	42,781
Charitable Activities:			
Treatment Services	5,775,774	1,204,477	6,980,251
Community Services	294,945	-	294,945
Housing Projects	484,959	109,000	593,959
Home Turf Lettings	790,485	1,156,469	1,946,954
Social Housing	271,432	40,375	311,807
Central Services	75,603	-	75,603
Investment Income	4,248	-	4,248
TOTAL Incoming Resources	7,740,227	2,510,321	10,250,548
RESOURCES EXPENDED			
Charitable Activities:			
Treatment Services	5,533,476	1,204,477	6,737,953
Community Services	297,443	-	297,443
Housing Projects	463,600	109,000	572,600
Home Turf Lettings	765,646	1,156,469	1,922,115
Social Housing	274,061	40,375	314,436
Central Services	247,574	-	247,574
TOTAL Resources Expended	7,581,800	2,510,321	10,092,121
Net gains/(losses) on investments	(28,571)	-	(28,571)
Net gain /loss on sale of assets	28,012	-	28,012
NET INCOME / (EXPENDITURE)	157,868	-	157,868

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

25. POST BALANCE SHEET EVENTS

At the time of agreeing these accounts, the Charity had withdrawn from one key contract for treatment services in Bristol and was in the final stages of tendering for a contract for treatment services in Bath & North East Somerset. If the later contract is not renewed, the income of the Charity could reduce to approximately £7.2m. The Trustees have considered the impact to the organisation's financial position and are confident that the organisation will be able to restructure and therefore continues to be a going concern.

DEVELOPING HEALTH AND INDEPENDENCE

PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES (including income & expenditure account) For the year ended 31 March 2023

	Note	Unrestricted Funds 2022-23 £	Designated Funds 2022-23 £	Restricted Funds 2022-23 £	Total Funds 2022-23 £
INCOMING RESOURCES					
Donations	2	42,781		-	42,781
Charitable activities	3				
Treatment Services		6,965,251	-	15,000	6,980,251
Community Services		294,945	-	-	294,945
Housing Projects		593,959	-	-	593,959
Home Turf Lettings		1,946,954	-	-	1,946,954
Social Housing		311,807	-	-	311,807
Central Services		75,603	-	-	75,603
Investment income		4,248	-	-	4,248
TOTAL INCOMING RESOURCES		10,235,548	-	15,000	10,250,548
RESOURCES EXPENDED					
Charitable activities	5				
Treatment Services		6,711,287	-	26,666	6,737,953
Community Services		297,443	-	-	297,443
Housing Projects		558,879	-	13,721	572,600
Home Turf Lettings		1,922,115	-	-	1,922,115
Social Housing		314,436	-	-	314,436
Central Services		247,574	-	-	247,574
TOTAL RESOURCES EXPENDED		10,051,734	-	40,387	10,092,121
Net gains/(losses) on investments	10	(28,571)	-	-	(28,571)
Net gains/(losses) on sale of assets			28,012		28,012
NET INCOME/ (EXPENDITURE)		155,243	28,012	(25,387)	157,868
Transfers between funds		143,713	(143,713)	-	-
NET MOVEMENT IN FUNDS		298,956	(115,701)	(25,387)	157,868
RECONCILIATION OF FUNDS:					
TOTAL FUNDS BROUGHT FORWARD		1,307,103	3,511,063	85,619	4,903,785
TOTAL FUNDS CARRIED FORWARD		1,606,059	3,395,362	60,232	5,061,653

DEVELOPING HEALTH AND INDEPENDENCE

PRIOR YEAR FUNDS ANALYSIS For the year ended 31 March 2023

DESIGNATED FUNDS

	Bought Forward £	Gain in sale of property £	Transfers £	Carried Forward £
Charitable				
HTL Sinking Fund	18,833	-	-	18,833
2 Bridges Trust Fund	10,538	-	-	10,538
Infrastructure Sustainability	360,473	-	(100,000)	260,473
Cloud	30,000	-	-	30,000
St James's Parade refurb	100,000	-	-	100,000
Property Fund – supported housing	-	-	174,344	174,344
Designated Funds - properties				
- Oak House	407,567	-	(7,957)	399,610
- Peter's House	147,204	28,012	(175,216)	-
- 19 Abbotswood	27,244	-	1,827	29,071
- Poyntz Road	56,196	-	2,961	59,157
- Sedgemoor	235,725	-	(1,637)	234,088
- St James's Parade	665,743	-	(9,746)	655,997
- Hawthorn	276,729	-	(4,357)	272,372
- Newton Street	71,221	-	(1,477)	69,744
- under construction	5,713	-	(5,713)	-
Social Housing				
Working capital	125,527	-	(2,629)	122,898
SH Sinking Fund	54,321	-	-	54,321
Designated Funds - properties				
- Burlington St	830,029	-	(14,113)	815,916
Burlington St contingency	88,000	-	-	88,000
	3,511,063	28,012	(143,713)	3,395,362

DEVELOPING HEALTH AND INDEPENDENCE

PRIOR YEAR FUNDS ANALYSIS For the year ended 31 March 2023

RESTRICTED FUNDS	Brought Forward £	Incoming Resources £	Resources Expensed £	Transfers and investment gains/(losses) £	Carried Forward £
Housing Projects					
Housing First	14,295	-	(13,721)	-	574
Access Scheme		15,000	(15,000)	-	-
Home Turf Lettings					
HTL Empty Homes Fund (Cash)	42,174	-	-	14,442	56,616
HTL Empty Homes Fund (Loans)	14,442	-	-	(14,442)	-
Central Services					
Young People Serious Violence	14,708	-	(11,666)	-	3,042
	85,619	15,000	(40,387)	-	60,232