



Dudley Lodge

safeguarding children services

DUDLEY LODGE

**143 Warwick Road, Coventry, CV3 6AT
(a company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2021**

**Company No: 03729909
Charity No: 1078207**

DUDLEY LODGE
(a company limited by guarantee)

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FOREWORD

Something which has struck me over the course of our recent discussions on climate change is the confidence with which people speak of the need to protect our environment for the sake of future generations – for the sake of our children, for our children's children, for people who have not yet been born. That is profoundly encouraging. And yet, we have to recognise that we do not express these ideas to make our ambitions sound loftier or our plans seem grander. We have these intuitions because most of us have relationships with children - as parents, family, carers, teachers, medical staff. But more importantly, each one of us was once a child. Yet we are so impatient to outgrow our childhood, to regard those memories as irrelevant in this context of our adulthood, especially where we have the privilege of knowing that our upbringing was stable and secure.

There are too many people in our society who do not have that privilege - people who spend every day of their lives dealing with the consequences of a childhood full of fear, abuse and neglect, a childhood deprived of care, compassion and loving relationships. To feel vulnerable as children is natural to all of us, and we would all do better for connecting with that sense of vulnerability. But when that raw vulnerability - that vulnerability which isn't quite yet capable of making sense of itself - is deliberately exploited and abused, it leaves the most awful scars.

I give thanks that Dudley Lodge remains so faithfully committed to engaging with severe vulnerability, for giving children the safe and happy upbringing, which is their birthright, and for nurturing successful parental relationships as the bedrock for this. Dudley Lodge has pursued its aims with such admirable courage and determination over the course of the COVID pandemic, keeping both of its centres open, investing in its staff, securing new grants and pressing onwards with its successful Community Support project. I rejoice in the charity's healthy financial situation, and wholeheartedly support its endeavours to find a third centre so that it would be able to transform even more lives.

Although the worst of the pandemic is behind us, we will continue to pick up the pieces for quite some time. Our society has been rocked in ways we do not yet understand. This makes the work of Dudley Lodge with some of our society's most vulnerable even more critical, noble and worthy of encouragement. This report highlights the details, vision, teamwork and leadership which enable such good work to happen, and all of these aspects are in my thoughts and prayers.

Dudley Lodge is a remarkable charity, evidenced by the contents of this report, which I warmly commend to you.



The Right Reverend Dr. Christopher Cocksworth
Bishop of Coventry

DUDLEY LODGE
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THE CHAIRMAN'S REPORT
for the year ended 31 March 2021

This is the second time I have had the privilege of writing an Introduction to our Annual Report and Financial Statements, having been appointed Chairman at the AGM in 2019.

I would again like to start by paying tribute to our wonderful staff who remain so committed to the services we provide, meeting the needs of the vulnerable families we serve and in particular ensuring the safety and wellbeing of young children.

It is interesting to refer back to last year's Report in which I described the challenges represented by the Covid-19 pandemic and the success we achieved at that time in keeping both our Centres open in unprecedented times. It is remarkable to note twelve months on that our success in that respect has been maintained and both Centres have remained open throughout the last year. The challenges posed by Covid have certainly not gone away although as a society we do appear to have become more adept at dealing with it and I guess the vaccination programme has played a large part in that.

The year ended March 2021 has been another successful one for Dudley Lodge. A healthy financial surplus has been recorded and that enables us to plough money back into the charity thereby allowing us to meet the needs of even more vulnerable families. In particular, our Community Support project, known as Hurdle, has got off to a very strong start and has attracted significant grant support over 5 years from the Lottery Fund. A range of smaller grants has also been secured and we have set up the Paul Tudor Fund which is also designed to develop and promote our community support services which were very close to the heart of our previous chairman. We have worked with 45 families to date, thereby exceeding the targets we set at launch.

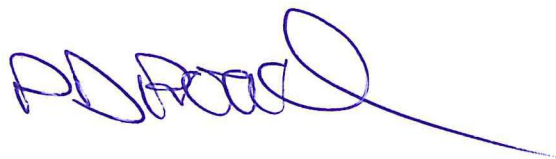
Referrals for our services have remained very high throughout the year and we have exceeded our budgeted occupancy levels at both Centres. Referrals have come from over 30 different local authorities covering a wide geographical area and that is testament to the quality of the services we provide. Feedback from service users and professionals has been consistently positive.

Our investment in our staff team is a particularly important priority for us and I am pleased to report that staff turnover is low compared to the norm for the sector. The training and coaching of staff continues to be an important commitment albeit there has been a switch from external trainers to internal training programmes through the year and many training sessions have been delivered online given the constraints posed by Covid. We have also been focusing on meeting our commitments on Equality, Diversity & Inclusion whether those relate to service users, the staff team or the Board. This will remain a priority going forward and we can never be complacent as we tackle a continuous improvement plan at each Centre.

One of our objectives is to continue the search for a third Centre which would enable us to reach even more vulnerable families. Our search so far has proved somewhat frustrating, not least because the criteria we have set for a suitable property are very tight so we are searching for something which turns out to be quite rare. However, we remain optimistic that we shall find the right property over the months to come.

We have a lot to look forward to and I am delighted to welcome five new board members who have been recruited since our last AGM, namely Caroline Wilson, Jane Flynn, Arinola Adefila, Zara Bailey and Farzana Asghar. I know they will all make a valuable addition to our Board and I look forward to working with them. As we welcome new colleagues, though, we are also saying goodbye to Jennifer Hailey at our forthcoming AGM. Jennie has served as a trustee at Dudley Lodge since 2009 and currently chairs our People & Governance Committee. We are immensely grateful for the support Jennie has provided over the last 12 years and wish her well for the future.

I hope all those who have an interest in our work find the following Report and Financial Statements of some value and that it furthers your understanding of the work we do.



Peter Roach
Chairman

DUDLEY LODGE
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DIRECTORS'/TRUSTEES' REPORT
for the year ended 31 March 2021

The trustees are pleased to present their annual Directors' report together with the financial statements of the charity for the year ending 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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) published in October 2019.

Objects and principal activities of the charity

The charity is established to promote the physical and mental health welfare and safety of children, young people and adults, by developing childcare knowledge and by providing parenting assessments, practical support and assistance, education, advice and counselling, whether in accommodation provided by the charity or in the wider community.

Change of Articles of Association

On 12th December 2019, at an Extraordinary General Meeting held at 143 Warwick Road, Coventry CV3 6AT, a special resolution was passed, and new Articles of Association of the Company were approved and formally adopted. Prior written consent had previously been obtained from the Charity Commission.

Principal activities of the charity

The principal activity of the charity is to provide accommodation to vulnerable children, young people and their parents for the purpose of assessment and support.

At our Centres, Dudley Lodge in Coventry and Bonner House in Birmingham, we provide a wide variety and a combination of various assessment arrangements in order to meet the needs of children and their families and to provide detailed information for decision making purposes. For example, we offer bespoke residential assessments, a range of parenting risk assessments in the community, day assessments, viability and PAMS assessments. The Parenting Assessment Manual (PAMS) is a wide-ranging functional and multi-dimensional evidenced-based parenting assessment aimed at vulnerable families particularly those with learning difficulties, their children and their needs.

The Directors/Trustees and the Executive Team demonstrate a strong commitment to continuous improvement in relation to assessment, support, services, accommodation, and facilities. They are committed to the principle of providing a quality workforce, having competent well-trained staff, to provide good quality care/services for children, young people and their families.

In shaping our objectives for the year and planning our future activities, the Directors/Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Our Vision

Dudley Lodge will be the preferred provider of a range of independent high-quality children's safeguarding services for local authorities, guardians and advocates.

We will enhance our reputation for excellence and innovation by demonstrating skills in dealing with the most complex cases regarding vulnerable children and families.

Our Mission:

To provide the courts and other relevant parties concerned with safeguarding children, with a range of high-quality independent assessments, interventions and services regarding referred parents/carers' abilities to keep children safe; and to assess their capacity and potential for promoting children's continuing wellbeing.

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DIRECTORS'/TRUSTEES' REPORT
for the year ended 31 March 2021

Our Values:

- We believe that all children have the right to have their safety and welfare needs met.
- We believe that all adults have a responsibility to respond to concerns, worries and doubts regarding the safety and wellbeing of children wherever they may be.
- We believe that it is people who make the difference in any enterprise, and to give of their best they must be treated with dignity and respect.

Equality & Diversity Statement

Dudley Lodge will place diversity at the heart of all activities. Our charity values the diverse nature of its Staff, Board Members and of those using our services. We will ensure that this is reflected in all our practices, policies, and services.

Promoting equality and diversity is a duty our charity takes very seriously and is a responsibility shared by all Staff and Board Members.

Dudley Lodge's commitment to equality involves much more than positive action to promote equal opportunities and eradicate discrimination. It means that we are actively committed to encouraging and promoting the richness brought to the charity by the diverse nature of our Staff, Board Members, and Service Users.

Fundraising Standards Information:

The charity contracts with a third party to assist in sourcing potential funders and helping with funding applications. The charity does employ a fundraising officer who initiates campaigns and makes approaches to other charities or those who have given explicit consent to receive such contact under the General Data Protection Regulation (GDPR). We have received no fundraising complaints in the year.

Objectives for 2020/2021 and our Achievements:

1. To operate at a manageable occupancy level, reduced by 10.5% compared with the previous year, due to the coronavirus pandemic.

The Charity successfully met the revised occupancy level targets and wherever possible exceeded target. A high demand for residential assessments continued throughout the year. Our capacity to manage admissions was constantly reviewed against our Covid-19 risk assessments and Outbreak Response Plan. We were guided by Public Health England and put a plan in place to be able to financially cope during turbulent times of coronavirus outbreaks, essentially minimising risk of extended outbreaks and utilising the benefit of having two sites.

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DIRECTORS'/TRUSTEES' REPORT
for the year ended 31 March 2021

Objectives for 2020/2021 and our Achievements cont:

2. To ensure the charity maintains high morale across the staff team to promote strong levels of commitment and motivation within the company.

The pandemic has placed significant pressure and challenge on everybody. Dealing with constant uncertainty, fear, restrictions, and changes to the way in which we work, and indeed lead our lives. Whilst we already had a number of supportive features in place for our staff, recognising the potential increase in stress and challenge to mental wellness, we expanded our staff care even further.

- We have Family Workers trained in 'Mental Health First Aid' at both sites
- We provide Self-Care workshops (external providers)
- Four therapy sessions with Phoenix Psychology
- Employee Assistance Programme
- 'Buddies' for new starters
- Quality supervision that includes well-being support
- BAME Support Group
- EDI Workshops
- Access to Occupational Health
- Utilised the furlough scheme for vulnerable staff
- Social events (which we continued virtually throughout lockdowns)

We complete staff 'happiness' surveys and reviews to seek and act upon staff feedback, working collaboratively to develop improvement plans. Survey results have demonstrated good morale amongst the team with positive reference to the Charity's handling of the pandemic and support provided to employees throughout.

Turnover of staff has been low.

3. To invest in the staff team with training and coaching, developing them accordingly to their talent management findings, growing our future managers/leaders.

We have supported several employees this year to commence their Social Work Degrees via an apprenticeship scheme with Warwick University. There was much interest for this course, and we hope to extend this to more staff over the next few years.

Providing our teams with a training programme has been particularly difficult this year, due to challenges in securing venues or external providers. However, we held several workshop days internally, utilising the skill sets of our staff. Feedback was very positive. Our Training Manager embraced the challenges of virtual training and developed her IT skills further to be able to transfer several of her courses to online, ensuring 'breakout' rooms and videos etc to hold everybody's interest.

4. To focus on expanding the community support services, achieving grants/funds to secure the future of our community support project called Hurdle.

All planned elements of Hurdle's service delivery have been met and targets exceeded since launching. We have recruited and inducted staff/volunteers, offered the Freedom Programme, Protection Group and Parenting Group and piloted our first 16-week Compassion Focused Therapy Group in partnership with Phoenix Psychology. We doubled our initial projected number of beneficiaries for year 1; working with 45 families to date, and currently 75% of live cases were achieved via external referrals.

Hurdle has achieved a lottery grant of £379,514 for 5-year project funding, in addition to numerous other smaller grants and donations being attained to further develop and expand the service and securing Hurdle's future.

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DIRECTORS'/TRUSTEES' REPORT
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Objectives for 2020/2021 and our Achievements cont:

5. To decide on future expansion to a 3rd site, and the format of such provision (communal/self-contained/mix)

The Board agreed for the Executive Team to source a property for expansion of assessment services. The preference is for self-contained units with potentially a shared living space to replicate 'The Hub' used at both sites for highly supervised families requiring a lot of support.

The property search has proved problematic with a narrow criterion to support our preferences, along with concerns regarding planning permissions and competing with developers.

We hope to purchase a property in 2021/22 as one of the Charity's main priorities.

6. To generate revenue across a wide geographical area for our core activities and through various sources to develop and sustain operations of projects

We worked with over thirty different local authorities from a wide geographical area during the year and are not dependent on any single local authority for our residential placements. We continue to receive many enquiries from nearby local authorities despite currently not opting into their contract/tender arrangements. Our centres carried out a number of specialist PAMS assessments in the year and we continue to offer one to one supervision and CCTV monitoring which generates additional income to sustain our charitable activities.

Plans for Future Periods

Strategic Aims

We aim to:

- attract, develop, value, reward and retain high performing staff from diverse backgrounds to deliver high-quality services
- innovate and develop a diverse range of support & intervention services and expand our services to increase the number of children, young people and parents we work with and support
- maintain a diverse & sustainable funding base that enables us to ensure value for money, long-term financial stability and achieve our strategic aims

Objectives for 2021 – 2022

The objectives for 2021/22 are:

1. To ensure the charity maintains high morale across the staff team to promote strong levels of commitment and motivation within the company, actively seeking feedback from staff and including them in continuous improvement plans.
2. To provide an individualised approach to supporting our employees' mental health, utilising supervisions to monitor and support well-being.
3. To meet the requirements of the Lottery funding for our support work 'Hurdle' and build relationships with other support providers.
4. To expand to a 3rd site to enable the Charity to help more families and be in a position to offer Place of Safety Assessments again.

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DIRECTORS'/TRUSTEES' REPORT
for the year ended 31 March 2021

Objectives for 2021 – 2022 cont

5. To meet our Commitment Statement in relation to Equality, Diversity and Inclusion matters. Providing our staff with support forums, educational resources and working collaboratively with our staff team to develop a continuous improvement plan at each site.

Financial Review and Results for the Year

During the year, the charity received total income of £3,766k (2020: £3,931k). This was a decrease of 4% on the previous year due to a planned reduction in assessments to manage the business during the pandemic. Demand for residential assessments remained strong however, and we were able to manage our centres to exceed revised budgeted income levels and generate £3,505k for the year (2020: £3,512k). Income from other services decreased to £192k (2020: £411k) due to a reduced need for high level surveillance in the families assessed and no community assessments being carried out. The charity received £10k in donations to support the development of Hurdle support services and £2k of investment income from short term deposits.

Resources expended during the year totalled £3,495k (2020: £3,548k) and included £5k on fundraising activities for Hurdle. The cost of charitable activities totalled £3,489k (2020: £3,542k) reflecting some reduction in the level of assessments and support activities, with direct costs totalling £2,784k (2020: £2,872k) for the year, and support costs totalling £705k (2020: £670k). Staff salaries and pension provision increased in line with inflation and other support costs increased due to specific measures being implemented during the pandemic.

A defined contribution 'money purchase' scheme is in operation, under the government's automatic enrolment initiative; employer contributions of £90k were made in the year.

At 31 March 2021 total funds were £3,041k (2020: £2,769k). Restricted funds totalled £5k and Special Trust funds totalled £152k. Unrestricted funds increased by £258k from £2,626k to £2,884k after net income of £273k less £15k which was transferred to the Dunsmoor Fund; of this £1,928k is designated leaving £956k as free funds, see reserves policy below.

Reserves Policy

Reserves are required to meet the working capital requirements of the charity to safeguard the provision of service should income generating activities be curtailed or delayed. The Directors/Trustees have reviewed the charity's needs for reserves in line with guidance issued by the Charity Commission and the requirements of Ofsted and consider that the level of free reserves needed at 31 March 2021 would be £956k.

After allowing for funds set aside for a future building project to expand our operational facilities and programs of work; which is expected to be completed in the next 2 years; reserves set aside for functional/operational tangible fixed assets, and Hurdle support services (see detail in note 15 of the accounts) free reserves totalled £956k at 31st March 2021. This amount meets our current reserves requirement.

Principal Funding Sources

Local Authorities continue to represent the principal source of funding for the charity. Some community/day assessment cases are jointly funded by family solicitors and these costs are currently eligible for Legal Aid.

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DIRECTORS'/TRUSTEES' REPORT
for the year ended 31 March 2021

Investment Policy

The Directors/Trustees are empowered by the Memorandum and Articles to invest the charity's funds as they see fit. The investment policy requires that surplus funds that are not required for working capital purposes should be invested to provide maximum return at minimum risk to the organisation.

All funds that are considered to be surplus from time to time are invested on a short term or medium-term fixed interest basis. To minimise the risk to funds, investments are deposited with several banking institutions who are regulated by the Financial Services Authority and are members of the Financial Services Compensation Scheme.

The charity's Investment Policy is reviewed on an annual basis.

Risk Management

The Directors/Trustees have a risk management strategy that comprises:

- 1) The operation of a risk register and an annual review of the risks the charity may face,
- 2) The establishment of systems and procedures to mitigate those risks identified on the register and;
- 3) The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise. Procedures are in place to ensure compliance with health and safety of staff, families and visitors to both Centres. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.
- 4) The adoption of a risk-based approach to managing bribery risks. Procedures have been put in place in line with our commitment to zero tolerance to bribery based on the guidance in the Bribery Act.

Post Balance Sheet Disclosure

During September 2021 our regulator Ofsted carried out an inspection at Bonner House. This followed an incident where a child was found to have sustained an unexplained suspected injury whilst in the care of their mother and under CCTV surveillance. Our internal investigation revealed that whilst we have comprehensive safeguarding procedures and CCTV procedures in place at the centre, on this occasion staff had not followed these fully. Some shortfalls were identified in the monitoring of the family by staff, as well as shortfalls in record-keeping. As a result of these findings, we have developed and implemented an ongoing action plan to improve and strengthen our safeguarding procedures.

This incident has led to an Ofsted inspection judgement for the centre of 'requires improvement to be good' from 'Good' at our last inspection four years ago. The Ofsted report confirms that no serious or widespread failures were found that result in the welfare of children and parents not being safeguarded or promoted, and that our assessments are well balanced, evidence-based and detailed.

Structure, Governance and Management

Governing Document

Dudley Lodge is a charitable company limited by guarantee incorporated on 10th 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. The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as Board of Directors. Under the requirements of the Memorandum and Articles of Association the members of the Board are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

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DIRECTORS'/TRUSTEES' REPORT
for the year ended 31 March 2021

Organisational Structure

Dudley Lodge has a Board of Directors/Trustees, under company law, who meet quarterly and are responsible for the strategic direction and policy of the charity. There is no limit on Board membership. At present the Board has eleven members from a variety of professional backgrounds relevant to the work of the charity.

During 2020/21 there were two standing committees meeting quarterly:

- Finance and Business Development Committee
- General Purpose Committee which incorporates Risk, Health and Safety, Human Resources and Fabric & Assets

On 23rd June 2021, the Board approved a subcommittee restructure, it was agreed for:

- A People and Governance committee to be formed to meet quarterly
- A Finance and Audit Committee to be formed to meet quarterly
- Business Development and Project Group to be formed to meet quarterly

A Remuneration Committee continues to meet on an annual basis.

A scheme of delegation is in place and day-to-day responsibility for the provision of the services rests with the Chief Executives supported by other members of the Executive Team.

Director/Trustee Induction and Training

Directors/Trustees are recruited via internet job sites, advertisements placed in Birmingham and Coventry newspapers and via Voluntary Action Coventry who support the voluntary and community sector in the city.

The Director/Trustee appointment process includes a detailed introduction to the work of the charity by the Executive Team, Centre Managers and the Senior Management team; the role and responsibilities of a Director/Trustee are explained by the chair of the Board.

During this process the context within which the charity operates is described with particular reference to the Articles of Association, the Governing Rules and the role of Ofsted in relation to regulation inspection. Following this, interested applicants are invited to tour the facilities and attend committee and Board meetings before making a commitment to join. New Directors/Trustees appreciate this process and are able to contribute to the work of the charity quickly and positively.

Pay policy for senior staff

The Trustees consider the senior management team comprise the key management personnel of the Charity in charge of directing, running and operating the charity on a day-to-day basis. The pay of the senior staff is reviewed annually by the remuneration committee and is based on performance and average earning across the sector. The remuneration ratio (highest paid versus the median salary) is 3.48 (2019/20 - 3.61). The ratio decrease was due to fewer, less experienced new starters being recruited and existing staff receiving increases to scale points. We do not pay less than the UK Living Wage.

Statement as to Disclosure of Information to Auditors

Members of the Board of Trustees who are Directors for the purpose of company law and Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 14.

In accordance with company law, as the company's Directors/Trustees, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware;
and;
- As to the Directors/Trustees of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

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DIRECTORS'/TRUSTEES' REPORT
for the year ended 31 March 2021

Reference and Administrative Details

Dudley Lodge

Charity registration number

1078207

Company registration number

03729909

**Registered Office and
Operational address**

143 Warwick Road,
Coventry,
Warwickshire
CV3 6AT

President

The Lord Bishop of Coventry
The Right Reverend Dr Christopher Cocksworth

Vice-Presidents

Mr R Quinn
Mr P Tudor

Auditors

Dafferns LLP,
One Eastwood,
Harry Weston Road,
Binley Business Park,
Coventry
CV3 2UB

Solicitors

Brindley Twist Tafft & James Solicitors, Lowick Gate,
Siskin Drive, Coventry CV3 4FJ

Band Hatton Button Solicitors, 53-55 Butts Road,
Coventry CV1 3BH

Bankers

Lloyds Bank, 30 High Street, Coventry CV1 5RA

Management Board of Directors/Trustees

Mr P Roach - Chair
Mrs J Sullivan – Vice Chair
Mr D Spafford – retired (10 December 2020)
Ms J Hailey
Dr S Calder – retired (10 December 2020)
Mr K R Scrivens
Mr P Maddock
Mr D Churchill
Dr C Noy Wilson – appointed (10 December 2020)
Ms Z Bailey – appointed (23 June 2021)
Ms J Flynn – appointed (10 December 2020)
Dr A Adefila – appointed (23 June 2021)
Mrs F Asghar – appointed (30 September 2021)

**Executive team members to whom day-to-day
management of the charity is delegated by the
Board of Directors/Trustees**

Mr J Evans - Chief Executive (Job Share)
Mrs C Davis – Chief Executive (Job Share)
Mrs H Roebuck – HR & Finance Manager

Company Secretary

Mrs H Roebuck

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DIRECTORS'/TRUSTEES' REPORT
for the year ended 31 March 2021

Directors/Trustees' Responsibilities in the Preparation of Financial Statements

The Directors/Trustees are responsible for preparing the Management Board of Directors/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 Directors/Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Directors/Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019;
- make judgments 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 Directors/Trustees are responsible for keeping adequate 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors/Trustees are aware:

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

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

The company has taken advantage of the small companies' exemption in preparing the report above.

The Directors/Trustees declare that they have approved the trustees' report (including directors report) above.

Signed on behalf of the charity's Directors/Trustees



Mr P Roach
Chairman

Dated: 9 November 2021

DUDLEY LODGE
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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF DUDLEY LODGE

Opinion

We have audited the financial statements of Dudley Lodge (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance Sheet, 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 FRS 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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF DUDLEY LODGE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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.

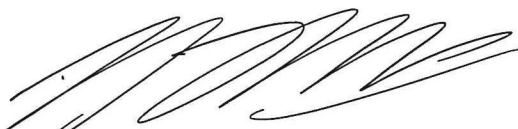
DUDLEY LODGE
(a company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF DUDLEY LODGE

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Martin Gibbs FCCA (Senior Statutory Auditor)
for and on behalf of Dafferns LLP
Chartered Accountants
Statutory Auditor
One Eastwood
Harry Weston Road
Binley Business Park
Coventry
CV3 2UB

Date: 9...November 2021

Dafferns LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

DUDLEY LODGE
(a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
For the year ended 31 March 2021

	Notes	Unrestricted Fund £	Restricted Fund £	Special Trust £	Total 2021 £	Total 2020 £
						(see page 16)
Income from:						
Donations and legacies	1	9,736	-	-	9,736	2,820
Investments	2	1,991	-	-	1,991	5,673
Charitable activities	3	3,697,363	-	-	3,697,363	3,922,610
Other Income – CJRS Grant		56,909	-	-	56,909	-
Total income		<u>3,765,999</u>	<u>-</u>	<u>-</u>	<u>3,765,999</u>	<u>3,931,103</u>
Expenditure on:						
Raising funds	4	5,314	-	-	5,314	6,151
Charitable activities	5	3,488,018	1,268	-	3,489,286	3,541,807
Total expenditure		<u>3,493,332</u>	<u>1,268</u>	<u>-</u>	<u>3,494,600</u>	<u>3,547,958</u>
Net income/(expenditure) before net gains		<u>272,667</u>	<u>(1,268)</u>	<u>-</u>	<u>271,399</u>	<u>383,145</u>
Net gains/(losses) on investments	11	697	-	-	697	(110)
Net income/(expenditure)	8	<u>273,364</u>	<u>(1,268)</u>	<u>-</u>	<u>272,096</u>	<u>383,035</u>
Transfers between funds	15	<u>(15,215)</u>	<u>-</u>	<u>15,215</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>258,149</u>	<u>(1,268)</u>	<u>15,215</u>	<u>272,096</u>	<u>383,035</u>
Reconciliation of funds						
Total funds brought forward		<u>2,625,537</u>	<u>6,321</u>	<u>136,935</u>	<u>2,768,793</u>	<u>2,385,758</u>
Total funds carried forward		<u><u>2,883,686</u></u>	<u><u>5,053</u></u>	<u><u>152,150</u></u>	<u><u>3,040,889</u></u>	<u><u>2,768,793</u></u>

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

All incoming resources and resources expended derive from continuing activities.

The notes on pages 24 to 30 form part of these accounts.

DUDLEY LODGE
(a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
For the year ended 31 March 2020

	Notes	Unrestricted Fund £	Restricted Fund £	Special Trust £	Total 2020 £
Income from:					
Donations and legacies	1	2,820	-	-	2,820
Investments	2	5,673	-	-	5,673
Charitable activities	3	3,909,648	12,962	-	3,922,610
Total income		<u>3,918,141</u>	<u>12,962</u>	<u>-</u>	<u>3,931,103</u>
Expenditure on:					
Raising funds	4	6,151	-	-	6,151
Charitable activities	5	3,535,166	6,641	-	3,541,807
Total expenditure		<u>3,541,317</u>	<u>6,641</u>	<u>-</u>	<u>3,547,958</u>
Net income before net gains/(losses)		<u>376,824</u>	<u>6,321</u>	<u>-</u>	<u>383,145</u>
Net gains/(losses) on investments	11	(110)	-	-	(110)
Net income / (expenditure)	8	<u>376,714</u>	<u>6,321</u>	<u>-</u>	<u>383,035</u>
Transfers between funds	15	<u>(15,215)</u>	<u>-</u>	<u>15,215</u>	<u>-</u>
Net movement in funds		<u>361,499</u>	<u>6,321</u>	<u>15,215</u>	<u>383,035</u>
Reconciliation of funds					
Total funds brought forward		<u>2,264,038</u>	<u>-</u>	<u>121,720</u>	<u>2,385,758</u>
Total funds carried forward		<u><u>2,625,537</u></u>	<u><u>6,321</u></u>	<u><u>136,935</u></u>	<u><u>2,768,793</u></u>

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

All incoming resources and resources expended derive from continuing activities.

The notes on pages 24 to 30 form part of these accounts.

DUDLEY LODGE
(a company limited by guarantee)

BALANCE SHEET
As at 31 March 2021

	Notes	£	2021 £	£	2020 £
Fixed Assets					
Tangible assets	10		964,935		916,599
Investments	11		4,069		3,372
			<u>969,004</u>		<u>919,971</u>
Current assets					
Debtors	12	482,421		502,053	
Cash at bank and in hand		1,916,184		1,605,718	
			<u>2,398,605</u>	<u>2,107,771</u>	
Creditors: amounts falling due within one year	13	(252,863)		(177,471)	
			<u>2,145,742</u>	<u>1,930,300</u>	
Net current assets					
			<u>2,145,742</u>	<u>1,930,300</u>	
Total assets less current liabilities			<u>3,114,746</u>	<u>2,850,271</u>	
Creditors: amounts falling due after more than one year	14		(73,857)		(81,478)
			<u>3,040,889</u>	<u>2,768,793</u>	
Net assets			<u>3,040,889</u>	<u>2,768,793</u>	
Funds of the charity:					
Unrestricted funds					
General fund	15	955,802		900,491	
Designated funds	15	1,926,073		1,723,932	
Revaluation reserve	15	1,811		1,114	
			<u>2,883,686</u>	<u>2,625,537</u>	
Total Unrestricted Funds			<u>2,883,686</u>	<u>2,625,537</u>	
Restricted funds	15		5,053		6,321
Special trust	15		152,150		136,935
			<u>3,040,889</u>	<u>2,768,793</u>	

For the year ended 31 March 2021 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors'/Trustees' responsibilities:


- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 476;
- The Directors/Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

DUDLEY LODGE
(a company limited by guarantee)

BALANCE SHEET
As at 31 March 2021

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

The financial statements were approved by the Board of Directors'/Trustees' and authorised for issue on 9 November 2021 and signed on its behalf by:



Mr. P Roach - Chairman

DUDLEY LODGE
(a company limited by guarantee)

Registered No. 03729909

CASH FLOW STATEMENT
As at 31 March 2021

		2021 £	2020 £
Cash flow from operating activities	19	422,167	399,595
Interest paid		(2,868)	(3,649)
		<hr/>	<hr/>
Net cash flow from operating activities		419,299	395,946
		<hr/>	<hr/>
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(103,041)	(26,944)
Interest received		1,829	5,495
		<hr/>	<hr/>
Net cash flow from investing activities		(101,212)	(21,449)
		<hr/>	<hr/>
Cash flow from financing activities			
Repayment of long-term loans		(10,489)	(10,735)
Interest paid		2,868	3,649
		<hr/>	<hr/>
Net cash flow from financing activities		(7,621)	(7,086)
		<hr/>	<hr/>
Net increase in cash and cash equivalents		310,466	367,411
Cash and cash equivalents at 1 April 2020		1,605,718	1,238,307
		<hr/>	<hr/>
Cash and cash equivalents at 31 March 2021		1,916,184	1,605,718
		<hr/>	<hr/>
Cash and cash equivalents consist of:			
Cash at bank and in hand		1,916,184	1,605,718
		<hr/>	<hr/>
Cash and cash equivalents at 31 March 2021		1,916,184	1,605,718
		<hr/>	<hr/>

The notes on pages 24 to 30 form part of these accounts.

DUDLEY LODGE
(a company limited by guarantee)

ACCOUNTING POLICIES
For the year ended 31 March 2021

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charitable company's accounts.

General information and basis of preparation

Dudley Lodge is a charity incorporated and limited by guarantee in England / Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £20 per member of the charity. The address of the registered office is given in the charity information on page 10 of these financial statements. The nature of the charity's operations and principal activities are to provide accommodation to vulnerable children, young people and their parents for the purpose of assessment and support.

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 applicable to charities preparing their accounts 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.

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 presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Income recognition

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has legal entitlement to the funds;
- any performance conditions attached to the item of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of:

- the date on which the charity is aware that probate has been granted;
- the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made; or
- when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

DUDLEY LODGE
(a company limited by guarantee)

ACCOUNTING POLICIES
For the year ended 31 March 2021

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. It is categorised under the following headings:

- Costs of raising funds includes direct costs of fundraising activities;
- Expenditure on charitable activities 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 necessary to support them; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

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.

Funds

Unrestricted Funds

Comprises those funds which the Directors/Trustees are free to use for any purpose in furtherance of the charitable objects.

Designated Funds

Unrestricted funds include designated funds where the Directors/Trustees, at their discretion, have created a fund for a specific purpose.

Restricted Funds

Restricted funds comprise those funds where the donor has attached restrictions to its application.

Special Trust Funds

In October 2007, the Dunsmoor charity was wound up and all assets were transferred to Dudley Lodge with prior approval from the Charity Commission.

Based upon the restrictions identified in the Dunsmoor charity accounts prior to transfer, the monies received were set up as a Special Trust and restricted funds in Dudley Lodge.

On 19th August 2010, Dudley Lodge were granted permission by the Charity Commission to use the monies received from the Dunsmoor Charity to contribute to the purchase and refurbishment of a new residential family centre. The Special Trust monies were ordered to be set aside each year for ten years, which Dudley Lodge must invest as a permanent endowment.

Further details of each fund are disclosed in note 15.

DUDLEY LODGE
(a company limited by guarantee)

ACCOUNTING POLICIES
For the year ended 31 March 2021

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

All assets costing more than £1,000 are capitalised. Depreciation of fixed assets is charged by equal instalments commencing with the year of acquisition at rates estimated to write off their cost less any residual value over the expected useful lives as follows:

Freehold land	Nil
Freehold buildings	50 years
Leasehold land and buildings	Over the remaining term of the lease
Fixtures and fittings	5 to 10 years
Computer equipment	3 years
Motor vehicle	5 years

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 Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

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.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities over the period of the lease.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Pensions

Employees of the charity are eligible for automatic enrolment in the company's defined contribution pension scheme. The contributions charged to the Statement of Financial Activities are disclosed in note 6 to the accounts. There were outstanding contributions of £nil included within other creditors at the year end.

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.

DUDLEY LODGE
(a company limited by guarantee)

ACCOUNTING POLICIES
For the year ended 31 March 2021

Financial instruments

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price.

Other financial assets, including investments in equity instruments and which are not subsidiaries, associates or joint ventures, are initially measured at fair value which is normally transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit and loss.

Financial liabilities

Basic financial liabilities, including trade and other payables, and bank loans that are classified as debt are initially recognised at transaction price. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

DUDLEY LODGE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

	2021 £	2020 £
1 Donations and legacies		
Donations	9,736	2,820
	<u>9,736</u>	<u>2,820</u>
2 Investment income		
Listed investments	162	178
Other interest receivable	1,829	5,495
	<u>1,991</u>	<u>5,673</u>
3 Income from charitable activities		
Residential assessment charges	3,505,454	3,512,080
Other services	191,909	410,530
	<u>3,697,363</u>	<u>3,922,610</u>
4 Expenditure on raising funds		
Fundraising costs	<u>5,314</u>	<u>6,151</u>
5 Charitable activities - family care, assessment and support		
Costs directly allocated to activities		
Staff costs (including ancillary costs)	2,413,524	2,449,430
Staff training	36,990	55,195
Premises costs	231,520	244,201
Security	4,965	5,852
Household expenses	55,358	77,435
Loan interest	2,868	3,649
Depreciation	38,629	35,878
	<u>2,783,854</u>	<u>2,871,640</u>
Support costs		
Staff costs (including ancillary costs)	470,820	438,825
Office costs	55,034	66,216
Other expenses	151,798	137,033
Depreciation	16,076	18,439
Audit and accountancy	6,900	6,600
Other governance costs – Director/Trustee training etc	4,804	3,054
	<u>705,432</u>	<u>670,167</u>
	<u>3,489,286</u>	<u>3,541,807</u>

DUDLEY LODGE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

	2021 £	2020 £
6 Staff costs		
Wages and salaries	2,413,742	2,402,413
Social security costs	217,379	211,366
Pension costs	90,234	87,186
Other employee benefits	162,988	187,290
	<u>2,884,343</u>	<u>2,888,255</u>

The number of higher paid employees was:	Number	Number
Taxable emoluments band £60,001 - £70,000	2	2
Taxable emoluments band £70,001 - £80,000	1	1
	<u> </u>	<u> </u>
The average number of employees analysed by function was: -		
Provision of family care and assessment	99	98
Support	13	13
	<u>112</u>	<u>111</u>
Full time equivalent	<u>84</u>	<u>83</u>

Key Management Personnel (Senior management) remuneration

There are three members of the senior management team and their aggregated remuneration in respect of qualifying services was:

	2021 £	2020 £
Remuneration and benefits including employers NIC	171,337	173,012
Pension	5,112	4,933
	<u>176,449</u>	<u>177,945</u>

7 Directors'/Trustees' remuneration

No Directors/Trustees received any remuneration for the current or preceding year, however £36 was paid to 1 Directors/Trustees as expenses (2020: £159 paid to 2 Directors/Trustees).

	2021 £	2020 £
8 Net incoming / (outgoing) resources		
This is stated after charging:		
Auditors remuneration - audit	6,900	6,600
Auditors remuneration - other services	19,406	22,213
Depreciation	<u>54,705</u>	<u>54,317</u>

DUDLEY LODGE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

9 Taxation

As a charitable company, Dudley Lodge is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or S256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charitable company.

10 Fixed assets

	Freehold premises £	Leasehold premises £	Computers, fixtures and fittings £	Total £
Cost				
1 April 2020	537,223	505,896	409,183	1,452,302
Additions	-	-	103,041	103,041
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2021	537,223	505,896	512,224	1,555,343
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
1 April 2020	159,523	79,609	296,571	535,703
Charge for year	9,003	9,647	36,055	54,705
Eliminated on disposal	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2021	168,526	89,256	332,626	590,408
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
31 March 2021	<u>368,697</u>	<u>416,640</u>	<u>179,598</u>	<u>964,935</u>
31 March 2020	<u>377,700</u>	<u>426,287</u>	<u>112,612</u>	<u>916,599</u>

Included in freehold premises is land valued at £86,120 which is not depreciated.

Leasehold premises were acquired on 3 March 2010 and comprised a 54-year occupational lease of Bonner House, this lease was extended on 27 January 2017 to a 125-year lease from that date.

DUDLEY LODGE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

		£
11	Fixed asset investments	
	1 April 2020	3,372
	Net gains / (losses) on revaluation at 31 March 2021	697
		<hr/>
	Market value at 31 March 2021	4,069
		<hr/> <hr/>
	Historical cost at 31 March 2021	2,258
		<hr/> <hr/>
	Investments consist of:	
	Charities Official Investment Fund	4,069
		<hr/> <hr/>
		2021 2020
		£ £
12	Debtors	
	Debtors - accommodation charges	398,240
	Prepayments and accrued income	84,181
		<hr/>
		482,421
		<hr/> <hr/>
		2021 2020
		£ £
13	Creditors: amounts falling due within one year	
	Bank loan (see note 14)	7,500
	Trade creditors	102,262
	Accruals	80,220
	Tax and social security	52,870
	Other creditors	10,011
		<hr/>
		252,863
		<hr/> <hr/>
		2021 2020
		£ £
14	Creditors: Amounts falling due after more than one year	
	Bank loan	73,857
		<hr/> <hr/>
		81,478
		<hr/> <hr/>

The bank loan, is secured by a legal charge over freehold property, and is repayable by monthly instalments. Interest is being charged at 3.26% over Lloyds Bank plc Base Rate.

Amounts falling due on the bank loan are as follows:

	2021	2020
	£	£
In one year or less (note 13)	7,500	7,500
Between one and two years	7,500	7,500
Between two and five years	22,500	22,500
Over five years	43,857	51,478
	<hr/>	<hr/>
	81,357	88,978
	<hr/> <hr/>	<hr/> <hr/>

DUDLEY LODGE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

15 Analysis of charitable funds

	Balance 31 March 2020 £	Incoming Resources £	Resources Expended £	Transfers £	Gains/ (Losses) £	Balance 31 March 2021 £
Unrestricted fund	900,491	3,765,999	(3,478,137)	(232,551)	-	955,802
Designated funds:						
Fixed Asset Fund	916,599	-	-	48,336	-	964,935
Capital Building Fund	747,000	-	-	131,000	-	878,000
PMPY Project	16,333	-	(3,463)	(12,870)	-	-
Hurdle Support Services:						
(Inc. The Paul Tudor Fund)	44,000	-	(11,732)	50,870	-	83,138
Revaluation Reserve	1,114	-	-	-	697	1,811
Restricted fund	6,321	-	(1,268)	-	-	5,053
Special Trust Fund	136,935	-	-	15,215	-	152,150
	<u>2,768,793</u>	<u>3,765,999</u>	<u>(3,494,600)</u>	<u>-</u>	<u>697</u>	<u>3,040,889</u>

Unrestricted Funds

The "free reserves" which are available to be spent on the purposes of the charity.

Designated funds

Fixed Asset Fund is the value of unrestricted funds represented by the tangible fixed assets owned by the charity. These are used for operational purposes and have been excluded from 'free reserves' under Charity Commission guidelines.

Capital Building Fund represents the amount set aside by the Directors/Trustees to create additional space and to expand operational facilities. The expected project costs are likely to be in excess of £878k.

PMPY Project stands for the "Protecting Me, Protecting You" Project which teaches children about staying safe. Funds received from a legacy have been allocated by the Directors/Trustees to this project with the aim to spend the monies developing the programme in the future.

Hurdle Support Services (Inc. The Paul Tudor Fund) are funds committed to support the Hurdle Project which is aimed at helping parents who are at risk of losing their children to the care system or who have already lost their children to the care system.

Revaluation Reserve Fund is required by the Companies Act and represents the amount by which investments exceed their historical cost.

Restricted fund

The Restricted Fund represents monies received from National Lottery Fund – Awards for All, and Tesco towards the "Know to say No" project. Know to Say No is designed to help young people develop the resilience and support networks they need to prevent them from being exploited and experiencing the trauma and subsequent impacts on their attainment, safety, physical and mental health, transition to adulthood.

Special Trust Fund - Dunsmoor Fund

On 19 August 2010, Dudley Lodge were granted permission by the Charity Commission to use permanent endowment monies, received from the Dunsmoor Charity in October 2007, to contribute to the purchase and refurbishment of a new residential family centre. Under the Charity Commission recoupment order made at that time, £15,215 has to be repaid to the fund each year for the next ten years to replace the money used. Interest received, which is below £500, has been recorded in unrestricted funds and was fully spent on family activities.

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16 Analysis of net assets between funds

	Unrestricted £	Restricted £	Special Trust £	Total £
Fund balances at 31 March 2021 are represented by:				
Tangible fixed assets	964,935	-	-	964,935
Investments	4,069	-	-	4,069
Cash at bank and in hand	1,758,981	5,053	152,150	1,916,184
Other net assets	155,701	-	-	155,701
	<u>2,883,686</u>	<u>5,053</u>	<u>152,150</u>	<u>3,040,889</u>

17 Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

Land and Buildings	2021 £	2020 £
Within one year	7,500	17,025
One to five years	30,000	30,796
More than five years	<u>2,386,982</u>	<u>2,394,482</u>

18 Capital commitments

	2021 £	2020 £
Contracted but not provided for in the financial statements	<u>185,506</u>	<u>-</u>

19 Cash flow from operating activities

	2021 £	2020 £
Net movement in funds	272,096	383,035
Depreciation	54,705	54,317
Interest payable	2,868	3,649
Interest receivable	(1,829)	(5,495)
(Losses)/gains in investments	(697)	110
Decrease/(increase) in debtors	19,632	(18,149)
Increase/(decrease) in creditors	75,392	(17,872)
	<u>422,167</u>	<u>399,595</u>

20 Ultimate controlling party

The Charity is under the control of its Board of Directors/Trustees throughout the current and preceding year.

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21 Related party transactions

There are no related party transactions during the period (2020: £ nil).

22 Pensions and other post-retirement benefits

Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £90,234 (2020: £87,186).

The defined contribution liability is allocated to unrestricted funds.

23 Financial instruments

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

	2021 £	2020 £
Financial assets		
Measured at fair value through net income / expenditure:		
Fixed asset listed investments (note 11)	4,069	3,372
Debt instruments measured at amortised cost:		
Debtors – accommodation charges (note 12)	398,240	467,267
Other debtors (note 12)	-	-
Financial liabilities		
Measured at amortised cost		
Bank loans (notes 14)	(81,357)	(88,978)
Trade creditors (notes 13)	(102,262)	(35,585)
Other creditors (notes 13)	(10,011)	(8,074)

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

Net gains and losses (including changes in fair value)

Financial assets measured at fair value through net income / expenditure	697	(110)
Financial liabilities measured at amortised cost through net income / expenditure	(2,868)	(3,649)