



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 2022

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

DUDLEY LODGE
(a company limited by guarantee)

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FOREWORD

Dudley Lodge provides support to vulnerable families, parents, and children. According to Christian analysis, such work is of ultimate significance. The Bible tells us that 'Jesus put a child in their midst' and said, 'Whoever welcomes one such child in my name welcomes me; and whoever welcomes me welcomes not me but the one who sent me'. That's a big vision! In providing a welcoming environment that places the needs of children – and the families who have responsibility for them – at the centre of its activity, God's own presence is being received. In seeking not only to protect those at risk but to provide support for their families to reset their lives, grow in parental confidence and give their children the sort of life that they deserve, Dudley Lodge is sharing in the work of Jesus who also said, 'I have come that you may have life in its fullness'.

This work relies on many people working together for a common end, always with 'the child in the midst'. With the Chair, I too am grateful for Jim Evans' many years of service as Chief Executive; and I rejoice in the continuing leadership of Carly Davis who brings so much experience from her time sharing the Chief Executive role with Jim to her present full-time role as our sole CEO.

The staff team and the Board are to be congratulated on the acquisition of a third 'Family Assessment Centre'. As well as being a bold response to the level of need, it is also testament to the good work Dudley Lodge has been doing through its present two centres in Coventry and Birmingham, as well as to the reputation it has built up with Local Authorities in the region and well-beyond.

The work of Dudley Lodge extends much further than its residential activity, and I am delighted too that Hurdle is developing in such an impactful way, providing welcoming environments in the community and opportunities for children with their families to grow into a fuller and better experience of life.

There is much more in this report to warm the heart in these days when there are so many chill winds blowing across our country and world that make life even harder for people, especially those whose lives are already vulnerable, often because of factors over which they have little control. So, I am glad not only to commend this report to you but also to celebrate the past year of Dudley Lodge's work – work that I have described as of ultimate value – and to look forward to the next year of dedicated care with confidence.



The Right Reverend Dr. Christopher Cocksworth
Bishop of Coventry

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THE CHAIR'S REPORT
for the year ended 31 March 2022

This is the third time I have had the privilege of writing an Introduction to our Annual Report and Financial Statements, having been appointed Chair 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. Our commitment to professional and personal development continues, as does our commitment to regular surveys of staff morale which help to underpin our reputation as a good employer. This year I would like to pay a special tribute to Jim Evans who has served Dudley Lodge for the last 20 years as our Chief Executive, the last few of which have been on a job share basis with Carly Davis. Jim has led the organisation with distinction over the last 20 years which has seen significant and positive change in so many respects. He is taking a well-earned retirement and everybody at Dudley Lodge extends their best wishes for a long and happy retirement as Jim hands over the reins to Carly on a full-time basis.

Our work across the wider community comes under the title of "HURDLE" which enjoys the financial support of the National Lottery Community Fund and generous grants also from a number of other charities. We are grateful for that support, and we have developed a strategy which aims to demonstrate that a range of community-based services to vulnerable families outside our Centres can make a huge difference, whether that be in post assessment support or preventative work. We hope and believe that HURDLE can evolve into a range of services which command mainstream funding based on better value for money for commissioning bodies.


We have been aware for a long time that the demand for our services is well in excess of the support we can offer, and on that basis, we were delighted earlier this year to complete the acquisition of a property which will become our third Centre. Once this third Centre is operational it will sit alongside our other two Centres in Coventry and Birmingham, and we are aiming to achieve that by April 2023.

I am pleased that the Board has added a new Strategic Aim for the future, namely a commitment to reduce our use of energy and our carbon footprint. It is important that all of us do what we can to tackle environmental sustainability, whether we are individuals, businesses or indeed governments. Our acquisition of a third Centre represents a particular opportunity, but we shall also be looking across the business to reduce our carbon footprint where we can.

The year ended 31 March 2022 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, including our community support work through HURDLE.

I am delighted to welcome Dr Sarah Raistrick to our Board. Sarah was appointed as a Director/Trustee in June 2022 and brings a wealth of experience from her work as a GP and also her work across the wider health community. This appointment further strengthens the Board given that I was able to welcome Arinola Adefila, Farzana Asghar and Zara Reid to the Board in my previous Chair's Report. Sarah's appointment brings the number of board members up to 11 and we are undoubtedly blessed with a diverse board which is very committed to the continuing success of our organisation as we respond to the ongoing high demand for our services.

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.



Mr P Roach

Chair

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DIRECTORS'/TRUSTEES' REPORT
for the year ended 31 March 2022

The trustees are pleased to present their annual Directors' report together with the financial statements of the charity for the year ending 31 March 2022 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.

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 2022

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 2021/2022 and our Achievements:

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.

We continue to boost and maintain high levels of morale across the organisation, in a bid to retain good quality staff. We continue to implement Staff Happiness Surveys 6 monthly (4 targeted questions), maintaining a level of 80% satisfied staff (agree or strongly agree to the four positive statements). Where suggestions have been made within the surveys to improve happiness, actions are considered for the Improvement Plan.

We continue to gather insights into staff turnover to identify 'was there anything we could have done to retain you? We have a Retention Plan in place that provides a clear record of 'reasons for leaving', with a 'live', continuous improvement plan in place. This enables us to identify common themes, and dissatisfactions, along with issues out of our control.

Exit interviews are attempted with all leavers. We have a very good uptake on these interviews and feedback has been generally positive with all those completing the interview, stating they would recommend the company as an employer. We prioritise low job vacancy times, with efficient on-boarding to avoid periods of being short staffed, which leads to low morale.

We have developed a Talent Management system to aid with staff profiling to notice and invest in 'rising stars' and identify 'at risk' roles. We are also continuing to provide our staff with opportunities to continue professional and personal development. We will continue to utilise this system further and analyse and exploit the data to its full potential.

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DIRECTORS'/TRUSTEES' REPORT
for the year ended 31 March 2022

A bespoke management and training programme is underway for our management teams including coaching and training for senior management. This will ensure the charity can utilise other team members to deputise for staff in key roles and provide potential for longer-term replacement should they leave the organisation.

We continue to support and promote staff well-being and recognise that there will be a long-term impact on people's psychological health following the pandemic.

During the year we developed an Employee Health and Well-Being Strategy that covers:

- Creating a safe and healthy working environment
- Improving physical and emotional wellbeing
- Encouraging and supporting employees to develop and maintain a healthy lifestyle
- Improving staff satisfaction, recruitment, and retention

We are utilising supervision sessions with staff to identify areas of support they require. We have formed good partnership working, accessing free support sessions for our staff in relation to all kinds of aspects of self-care, including diet and sleep routines. We continued to offer a good package of benefits which includes our Employee Assistance Programme. This can provide staff with virtual and face to face counselling sessions and feedback from staff has been positive. We also developed psychological training in conjunction with our external trainer and therapeutic provider, to assist staff in managing the emotional elements of their role. The training provides techniques for dealing with extreme behaviours of service users in crisis, supporting our staff to cope with the ongoing pressures this work brings. We also provided psychological support to staff who had more unique therapeutic needs to not only assist them during times of crisis, but also to help the Charity to successfully enable staff to come back to work.

2. To meet the requirements of the National Lottery Community Fund grant funding for our support work 'Hurdle' and build relationships with other support providers.

We have developed a three-year strategy for Hurdle with an annual action plan and KPIs that includes post assessment support and tracking, preventative work (support during pregnancy via 'Planting Seeds' – joint project with 'The Parenting Project') and specialist therapeutic support. The Hurdle support work has continued to flourish, meeting the Lottery outcomes, and experiences continuously high demand. The team is now well experienced and stable with clarity on our targets going forward. A clearly defined team/supervision structure is in place that will allow us to continue to expand as funding allows.

We continue to develop strong working partnerships with local organisations that complement our work and from services from further afield that we could learn from and maintain supportive forums. We have developed links to prominent researchers involved in National research regarding Cyclical Removals and will make longer term links by joining their support forums.

3. 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.

The search for the right property has been long and challenging but we have now acquired a suitable property to expand our services. This will enable us to increase our service provision to meet the demand for urgent placements and to offer Place of Safety placements again. Renovation and conversion work on the property will commence in November 2022. We have developed a 'Resource Plan' in relation to staffing the 3rd site, that takes account of internal talent, opportunity for new/external talent and a timeline for recruitment, induction, and training. This enables a prompt opening of business once the building is prepared and ensures that the culture and expertise of our current centres is successfully replicated.

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4. To meet our Commitment Statement in relation to Equality, Diversity, and Inclusion (EDI) 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.

We are maintaining rolling action plans for both Centres that ensure continuous improvement in all EDI matters. We now have EDI Champions at both sites, and our regular EDI workshops and BAME support groups continue. We take full account of the feedback from staff through these groups, and from staff surveys and supervisions. All staff are now completing mandatory EDI training. We commissioned an EDI audit during the year, utilising an external resource, with positive feedback and recommendations for further improvement.

Plans for Future Periods

Strategic Aims

- o We aim to successfully launch a 3rd Family Assessment Centre to enable us to meet high demand for our residential assessment services, alongside maintaining high quality support services via Hurdle.
- o We aim to attract, develop, value, reward and retain high performing staff from diverse backgrounds in order to deliver high quality services.
- o We aim to maintain a diverse & sustainable funding base that enables us to ensure value for money, long-term financial stability and achieve our strategic aims.
- o We will strive to ensure that all of our work with children and families is to the highest quality with the protection of vulnerable children our firm priority.
- o We are committed to assessing our use of energy and will proactively seek to reduce our carbon footprint and make long term savings for the Charity 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.

Objectives for 2022 – 2023

The objectives for 2022/23 are:

1. To ensure high quality project management of the new Centre refurb and building works, alongside meeting all the necessary requirements of Ofsted to ensure approval to open the Centre by the beginning of our next financial year.
2. To ensure Hurdle continues to garner positive feedback and good news stories from our service users and that all the expectations of the Lottery are met. Data collation and analysis continues to remain of high importance, with preparation made for building a case for future funding.
3. To ensure the organisation maintains high morale across the staff team to promote strong levels of commitment, motivation, and good psychological well-being within the company.
4. To invest in the staff team with training and coaching, developing them according to their talent management findings, growing our future managers/leaders.
5. We aim to reduce our carbon footprint when developing our 3rd Centre, striving to achieve the greenest and most efficient use of energy for the long term when making decisions on the refurb and building work.

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DIRECTORS'/TRUSTEES' REPORT
for the year ended 31 March 2022

Financial Review and Results for the Year

During the year, the charity received total income of £4,384k (2021: £3,766k). This was an increase of 16% on the previous year as we were able to return the number of assessments to near normal levels in the later stages of the pandemic. Demand for residential assessments remained strong, and we were able to manage our centres to exceed revised budgeted income levels and generate £3,964k income for the year (2021: £3,505k). Income from other services increased to £395k (2021: £191k) as the need for high level surveillance in the families assessed. We were awarded five years of funding from the National Lottery Community Fund for our Hurdle support services and received £74k in stage payments during the year. The charity received a further £24k in donations to support the development of Hurdle support services and £0.6k of investment income from short term deposits.

Resources expended during the year totalled £3,770k (2021: £3,495k) and included £0.5k on fundraising activities for Hurdle. The cost of charitable activities totalled £3,770k (2021: £3,489k) reflecting the level of assessments and support activities, with direct costs totalling £3,059k (2021: £2,784k) for the year, and support costs totalling £711k (2021: £705k). Staff salaries and pension provision increased in line with inflation. The charity spent £370k on fixed asset additions including £313k from the Capital Building Fund to underpin part of the foundations at the Coventry centre, and to re-build and convert an original extension into new and improved office space.

A defined pension contribution 'money purchase' scheme is in operation, under the government's automatic enrolment initiative; employer contributions of £102k were made in the year.

At 31 March 2022 total funds were £3,655k (2021: £3,041k). Restricted funds totalled £19k and Special Trust funds totalled £152k. Unrestricted funds increased by £600k in the year from £2,884k to £3,484k; of this £2,278k is designated leaving £1,206k 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 as of 31 March 2022 would be £1,097k.

After allowing for funds set aside for the conversion and renovation of a 3rd site which is expected to be completed in the next year; reserves set aside for functional/operational tangible fixed assets, and Hurdle support services (see detail in note 15 of the accounts) free reserves totalled £1,206k as of 31st March 2022. The reserves requirement is therefore met.

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.

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 a measured risk to the organisation.

All funds considered to be surplus from time to time are primarily invested on a short term or medium-term fixed interest basis to ensure that the capital value is secure and readily available. 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. A smaller amount continues to be invested in Income Units with the Charities Official Investment Fund.

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

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DIRECTORS'/TRUSTEES' REPORT
for the year ended 31 March 2022

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.

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.

There are three standing committees:

- A People and Governance committee meeting quarterly
- A Finance and Audit Committee meeting quarterly
- A Remuneration Committee meeting annually

A Business Development and Project Group also meets on a quarterly 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 3.01 (2020/21 - 3.48). 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.

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DIRECTORS'/TRUSTEES' REPORT
for the year ended 31 March 2022

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 10.

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 2022

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
Ms J Hailey – retired (18 November 2021)
Mr K R Scrivens
Mr P Maddock
Mr D Churchill
Dr C Wilson
Ms J Flynn
Ms Z Bailey – appointed (23 June 2021)
Dr A Adefila – appointed (23 June 2021)
Mrs F Asghar – appointed (30 September 2021)
Dr S Raistrick – appointed (23 June 2022)

**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 2022

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:

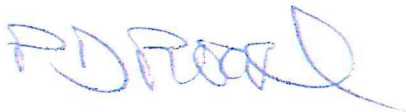
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors/Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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
Chair

Dated: 29 September 2022

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 2022 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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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



Geoffrey Cox BA FCA (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:

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 2022

	Notes	Unrestricted Fund £	Restricted Fund £	Special Trust £	Total 2022 £	Total 2021 £ (see page 16)
Income from:						
Donations and legacies	1	24,149	-	-	24,149	9,736
Investments	2	643	-	-	643	1,991
Charitable activities	3	4,285,468	73,824	-	4,359,292	3,697,363
Other Income – CJRS Grant		-	-	-	-	56,909
Total income		<u>4,310,260</u>	<u>73,824</u>	<u>-</u>	<u>4,384,084</u>	<u>3,765,999</u>
Expenditure on:						
Raising funds	4	371	-	-	371	5,314
Charitable activities	5	3,710,078	59,925	-	3,770,003	3,489,286
Total expenditure		<u>3,710,449</u>	<u>59,925</u>	<u>-</u>	<u>3,770,374</u>	<u>3,494,600</u>
Net income/(expenditure)						
before net gains		599,811	13,899	-	613,710	271,399
Net gains/(losses) on investments	11	351	-	-	351	697
Net income/(expenditure)	8	<u>600,162</u>	<u>13,899</u>	<u>-</u>	<u>614,061</u>	<u>272,096</u>
Transfers between funds	15	-	-	-	-	-
Net movement in funds		<u>600,162</u>	<u>13,899</u>	<u>-</u>	<u>614,061</u>	<u>272,096</u>
Reconciliation of funds						
Total funds brought forward		2,883,686	5,053	152,150	3,040,889	2,768,793
Total funds carried forward		<u><u>3,483,848</u></u>	<u><u>18,952</u></u>	<u><u>152,150</u></u>	<u><u>3,654,950</u></u>	<u><u>3,040,889</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 2021

	Notes	Unrestricted Fund £	Restricted Fund £	Special Trust £	Total 2021 £
Income from:					
Donations and legacies	1	9,736	-	-	9,736
Investments	2	1,991	-	-	1,991
Charitable activities	3	3,697,363	-	-	3,697,363
Other Income – CJRS Grant		56,909	-	-	56,909
Total income		<u>3,765,999</u>	<u>-</u>	<u>-</u>	<u>3,765,999</u>
Expenditure on:					
Raising funds	4	5,314	-	-	5,314
Charitable activities	5	3,488,018	1,268	-	3,489,286
Total expenditure		<u>3,493,332</u>	<u>1,268</u>	<u>-</u>	<u>3,494,600</u>
Net income before net gains/(losses)		<u>272,667</u>	<u>(1,268)</u>	<u>-</u>	<u>271,399</u>
Net gains/(losses) on investments	11	697	-	-	697
Net income / (expenditure)	8	<u>273,364</u>	<u>(1,268)</u>	<u>-</u>	<u>272,096</u>
Transfers between funds	15	<u>(15,215)</u>	<u>-</u>	<u>15,215</u>	<u>-</u>
Net movement in funds		<u>258,149</u>	<u>(1,268)</u>	<u>15,215</u>	<u>272,096</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>
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>

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)

Registered No. 03729909

BALANCE SHEET
As at 31 March 2022

	Notes	£	2022	£	£	2021	£
Fixed Assets							
Tangible assets	10		1,284,764			964,935	
Investments	11		4,420			4,069	
			<u>1,289,184</u>			<u>969,004</u>	
Current assets							
Debtors	12	487,150		482,421			
Cash at bank and in hand		2,204,577		1,916,184			
		<u>2,691,727</u>		<u>2,398,605</u>			
Creditors: amounts falling due within one year	13	(259,946)		(252,863)			
		<u></u>		<u></u>			
Net current assets			2,431,781			2,145,742	
Total assets less current liabilities			<u>3,720,965</u>			<u>3,114,746</u>	
Creditors: amounts falling due after more than one year	14		(66,015)			(73,857)	
		<u></u>	<u></u>	<u></u>		<u></u>	
Net assets			<u>3,654,950</u>			<u>3,040,889</u>	
Funds of the charity:							
Unrestricted funds							
General fund	15	1,205,679		955,802			
Designated funds	15	2,276,007		1,926,073			
Revaluation reserve	15	2,162		1,811			
		<u></u>		<u></u>			
Total Unrestricted Funds			3,483,848			2,883,686	
Restricted funds	15		18,952			5,053	
Special trust	15		152,150			152,150	
			<u>3,654,950</u>			<u>3,040,889</u>	

For the year ended 31 March 2022 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.

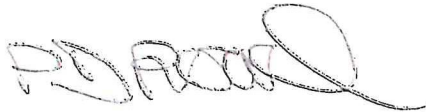

DUDLEY LODGE
(a company limited by guarantee)

Registered No. 03729909

BALANCE SHEET
As at 31 March 2022

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 29 September 2022 and signed on its behalf by:

Mr P Roach - Chair

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

DUDLEY LODGE
(a company limited by guarantee)

CASH FLOW STATEMENT
As at 31 March 2022

		2022 £	2021 £
Cash flow from operating activities	19	668,806	422,167
Interest paid		(2,695)	(2,868)
		<hr/>	<hr/>
Net cash flow from operating activities		666,111	419,299
		<hr/>	<hr/>
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(370,372)	(103,041)
Interest received		496	1,829
		<hr/>	<hr/>
Net cash flow from investing activities		(369,876)	(101,212)
		<hr/>	<hr/>
Cash flow from financing activities			
Repayment of long-term loans		(10,537)	(10,489)
Interest paid		2,695	2,868
		<hr/>	<hr/>
Net cash flow from financing activities		(7,842)	(7,621)
		<hr/>	<hr/>
Net increase in cash and cash equivalents		288,393	310,466
Cash and cash equivalents at 1 April 2021		1,916,184	1,605,718
		<hr/>	<hr/>
Cash and cash equivalents at 31 March 2022		<u>2,204,577</u>	<u>1,916,184</u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		2,204,577	1,916,184
		<hr/>	<hr/>
		2,204,577	1,916,184
Cash and cash equivalents at 31 March 2022		<u>2,204,577</u>	<u>1,916,184</u>

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 2022

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 2022

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 2022

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 2022

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 2022

1	Donations and legacies	2022	2021
		£	£
	Donations	24,149	9,736
		<u>24,149</u>	<u>9,736</u>
2	Investment income	2022	2021
		£	£
	Listed investments	147	162
	Other interest receivable	496	1,829
		<u>643</u>	<u>1,991</u>
3	Income from charitable activities	2022	2021
		£	£
	Residential assessment charges	3,964,044	3,505,454
	Other services	321,424	191,909
	National Lottery Community Fund grant	73,824	-
		<u>4,359,292</u>	<u>3,697,363</u>
4	Expenditure on raising funds	2022	2021
		£	£
	Fundraising costs	371	5,314
		<u>371</u>	<u>5,314</u>
5	Charitable activities - family care, assessment and support	2022	2021
		£	£
	Costs directly allocated to activities		
	Staff costs (including ancillary costs)	2,581,398	2,413,524
	Staff training	40,642	36,990
	Premises costs	303,975	231,520
	Security	8,628	4,965
	Household expenses	79,162	55,358
	Loan interest	2,695	2,868
	Depreciation	42,164	38,629
		<u>3,058,664</u>	<u>2,783,854</u>
	Support costs		
	Staff costs (including ancillary costs)	467,571	470,820
	Office costs	50,292	55,034
	Other expenses	168,146	151,798
	Depreciation	8,379	16,076
	Audit and accountancy	8,040	6,900
	Other governance costs – Director/Trustee training etc	8,911	4,804
		<u>711,339</u>	<u>705,432</u>
		<u>3,770,003</u>	<u>3,489,286</u>

DUDLEY LODGE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

	2022	2021
	£	£
6 Staff costs		
Wages and salaries	2,549,735	2,413,742
Social security costs	226,631	217,379
Pension costs	102,013	90,234
Other employee benefits	170,590	162,988
	<u>3,048,969</u>	<u>2,884,343</u>
The number of higher paid employees was:	Number	Number
Taxable emoluments band £60,001 - £70,000	0	2
Taxable emoluments band £70,001 - £80,000	3	1
	<u> </u>	<u> </u>
The average number of employees analysed by function was: -		
Provision of family care and assessment	98	99
Support	15	13
	<u>113</u>	<u>112</u>
Full time equivalent	<u>86</u>	<u>84</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:		
	2022	2021
	£	£
Remuneration and benefits including employers NIC	183,368	171,337
Pension	5,750	5,112
	<u>189,118</u>	<u>176,449</u>
7 Directors'/Trustees' remuneration		
No Directors/Trustees received any remuneration for the current or preceding year, however £132 was paid to 2 Directors/Trustees as expenses (2021: £36 paid to 1 Directors/Trustees).		
	2022	2021
	£	£
8 Net incoming / (outgoing) resources		
This is stated after charging:		
Auditors remuneration - audit	7,500	6,900
Auditors remuneration - other services	20,803	19,406
Depreciation	50,543	54,705
	<u> </u>	<u> </u>

DUDLEY LODGE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

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 2021	537,223	505,896	512,224	1,555,343
Additions	331,980	-	38,392	370,372
Disposals	-	-	(21,547)	(21,547)
31 March 2022	869,203	505,896	529,069	1,904,168
Depreciation				
1 April 2021	168,526	89,256	332,626	590,408
Charge for year	10,664	9,647	30,232	50,543
Eliminated on disposal	-	-	(21,547)	(21,547)
31 March 2022	179,190	98,903	341,311	619,404
Net book value				
31 March 2022	690,013	406,993	187,758	1,284,764
31 March 2021	368,697	416,640	179,598	964,935

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 2022

11	Fixed asset investments	£	
	1 April 2021		4,069
	Net gains / (losses) on revaluation at 31 March 2022		351
	Market value at 31 March 2022		<u>4,420</u>
	Historical cost at 31 March 2022		<u>2,258</u>
	Investments consist of:		
	Charities Official Investment Fund		<u>4,420</u>
		2022	2021
		£	£
12	Debtors		
	Debtors - accommodation charges	429,175	398,240
	Prepayments and accrued income	57,975	84,181
		<u>487,150</u>	<u>482,421</u>
		2022	2021
		£	£
13	Creditors: amounts falling due within one year		
	Bank loan (see note 14)	7,500	7,500
	Trade creditors	96,625	102,262
	Accruals	88,350	80,220
	Tax and social security	58,036	52,870
	Other creditors	9,435	10,011
		<u>259,946</u>	<u>252,863</u>
		2022	2021
		£	£
14	Creditors: Amounts falling due after more than one year		
	Bank loan	66,015	73,857
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:			
		2022	2021
		£	£
	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	36,015	43,857
		<u>73,515</u>	<u>81,357</u>

DUDLEY LODGE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

15 Analysis of charitable funds

	Balance 31 March 2021 £	Incoming Resources £	Resources Expended £	Transfers £	Gains/ (Losses) £	Balance 31 March 2022 £
Unrestricted fund	955,802	4,310,260	(3,689,262)	(371,121)	-	1,205,679
Designated funds:						
Fixed Asset Fund	964,935	-	-	319,828	-	1,284,763
Capital Building Fund	878,000	-	-	(12,707)	-	865,293
PMPY Project	-	-	-	-	-	-
Hurdle Support Services: (Inc. The Paul Tudor Fund)	83,138	-	(21,187)	64,000	-	125,951
Revaluation Reserve	1,811	-	-	-	351	2,162
Restricted funds:						
National Lottery Community Fund – RC Midlands Region	-	73,824	(54,872)	-	-	18,952
Other	5,053	-	(5,053)	-	-	-
Special Trust Fund	152,150	-	-	-	-	152,150
	<u>3,040,889</u>	<u>4,384,084</u>	<u>(3,770,374)</u>	<u>-</u>	<u>351</u>	<u>3,654,950</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.

Hurdle Support Services (Inc. The Paul Tudor Fund) are funds committed to support the Hurdle Service 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 funds

The Restricted Fund represents monies received from The National Lottery Community Fund - RC Midlands Region programme. These funds will assist with the provision of the Hurdle community support service.

The Restricted Fund also represents 'Other' monies received from The National Lottery Community Fund - Awards for All programme and Tesco PLC, towards the "Know to say No" project. This project was 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.

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15 Analysis of charitable funds (Continued)

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 had 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.

16 Analysis of net assets between funds

	Unrestricted £	Restricted £	Special Trust £	Total £
Fund balances at 31 March 2022 are represented by:				
Tangible fixed assets	1,284,764	-	-	1,284,764
Investments	4,420	-	-	4,420
Cash at bank and in hand	2,033,475	18,952	152,150	2,204,577
Other net assets	161,189	-	-	161,189
	<u>3,483,848</u>	<u>18,952</u>	<u>152,150</u>	<u>3,654,950</u>

17 Operating lease commitments

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

Land and Buildings	2022 £	2021 £
Within one year	7,500	7,500
One to five years	30,000	30,000
More than five years	2,379,482	2,386,982
	<u>2,416,982</u>	<u>2,424,482</u>

18 Capital commitments

	2022 £	2021 £
Contracted but not provided for in the financial statements	650,000	185,506
	<u>650,000</u>	<u>185,506</u>

19 Cash flow from operating activities

	2022 £	2021 £
Net movement in funds	614,061	272,096
Depreciation	50,543	54,705
Interest payable	2,695	2,868
Interest receivable	(496)	(1,829)
(Losses)/gains in investments	(351)	(697)
Decrease/(increase) in debtors	(4,729)	19,632
Increase/(decrease) in creditors	7,083	75,392
	<u>668,806</u>	<u>422,167</u>

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

20 Ultimate controlling party

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

21 Related party transactions

There are no related party transactions during the period (2021: £ 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 £102,013 (2021: £90,234).

The defined contribution liability is allocated to unrestricted funds.

23 Financial instruments

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

	2022 £	2021 £
Financial assets		
Measured at fair value through net income / expenditure:		
Fixed asset listed investments (note 11)	4,420	4,069
Debt instruments measured at amortised cost:		
Debtors – accommodation charges (note 12)	429,175	398,240
Financial liabilities		
Measured at amortised cost		
Bank loans (notes 14)	(73,515)	(81,357)
Trade creditors (notes 13)	(96,625)	(102,262)
Other creditors (notes 13)	(9,435)	(10,011)

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	351	697
Financial liabilities measured at amortised cost through net income / expenditure	(2,695)	(2,868)