

TAPESTRY CARE UK LIMITED

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

Company Registration No. 3942243 (England and Wales)

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Directors

Chair

Neil Yeomans
 Gillian Botwright
 Mark Burton
 Rev Hugh Dibbens
 Catherine McCarthy
 Lesley Buckland
 Mariska Van Beukering
 Galiya Bayzhuman
 Florence Cantle (appointed 20 October 2020)
 Alexa Fernandez (appointed 28 August 2020)

Executive team

Group Chief Executive Officer
 Group Head of Operations

Anthony Lowe
 Stuart Robinson

Registered Office

HOPWA House
 Inskip Drive
 Hornchurch
 Essex
 RM11 3UR

Bankers

Charities Aid Foundation
 25 Kings Hill Avenue
 Kings Hill
 West Malling
 Kent ME19 4TA

Auditors

PKF Littlejohn LLP
 15 Westferry Circus
 Canary Wharf
 London E14 4HD

Charity Registration number

1079969

Company Registration number

03942243

The Trustees present their report and the audited consolidated financial statements of the charity for the year ended 31 March 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" ("FRS 102 SORP") in preparing the annual report and financial statements of the charity.

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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Trustees who served during the year are disclosed on page 2 of this report.

Objectives and activities

Tapestry Care UK limited (the Charity), is a company limited by guarantee governed by its Memorandum and Articles of Association dated 24 February 2000, which assumed in entirety the operations of its predecessor organisations originally founded in 1949. Members of the Company each agreed to contribute £1 in the event of the charity winding up. Membership of the charity is open to local statutory and non-statutory organisations operating in the London Borough of Havering and to anyone known to the Board to be interested in furthering the work of the charity.

The charity is governed by the Board of Trustees which meets a minimum of six times a year. This Board decides the strategic direction the charity should take and sets the financial targets for the year. It monitors performance during the year against the financial and non-financial criteria it has set. To help it in this task, and in overseeing certain aspects of the charity's business, the Board has established a Finance Sub Committee. The day-to-day operation and management of the charity is delegated to the Chief Executive Officer and the Head of Operations.

Tapestry's origins stretch back to 1949. Like all organisations it has been affected by the Covid-19 Pandemic, but today Tapestry remains an innovative, flexible social business providing services for adults and older people.

In the period that these accounts refer to, the group consisted of the registered charity, Tapestry and a wholly owned subsidiary, Home Age Care Solutions Ltd. Home Age Care Solutions Ltd operated Tapestry's home care and podiatry services. These services were terminated in September 2020.

Tapestry's mission is to provide prevention focused, affordable, personalised, integrated care that ensures that people can live healthy, connected and fulfilling lives in their communities.

An overview of our service provision

To deliver our unique personalised service, Tapestry provides high quality, tailored, person centred care and support services that also tackle social isolation for individuals and their carers.

We do this by

- Preventing the deterioration of the health of our clients and their carers through the provision of healthy, affordable food, specialist activities and therapies;
- Providing advice support and respite for carers;
- Tackling loneliness by ensuring that people remain connected to society, and their peer/friendship groups, through the provision of transport and person centered care at home and at our Community Hubs; and
- Keeping people safe, healthy and cared for at home.

This is achieved through the provision of specialised services which make a difference to the lives of our customers every day.

The Trustees have taken due regard of the Charity Commission's guidance on public benefit and are pleased to report on the main activities undertaken by the charity to further its charitable purposes for the public benefit. All our charitable activities are undertaken to further our charitable purposes for the public benefit and we have due regard to the Charity Commission's guidance on public benefit.

The single most influential on Tapestry's activities and its clients during 2020-21 was the Covid-19 Pandemic and the lockdowns implemented to control its spread.

The lockdowns meant that our clients could no longer attend our Hubs to receive important care and support services, activities and healthy food and their carers could no longer have important respite.

The impact of this was significant.

Within weeks, it became clear from our interactions with clients that, very quickly, the vulnerable people we care for and their carers were becoming increasingly isolated and anxious, and their ability and enthusiasm to cook healthy meals for themselves was waning fast.

As a result, we developed and immediately introduced "care calls" and daily deliveries of hot freshly prepared meals. We were supported in doing this by the London Borough of Havering whose actions and flexibility enabled us to support hundreds of very vulnerable people during a very difficult time.

"Care calls" were daily care calls providing companionship and, if necessary, practical support and advice. The service developed to include virtual health and wellbeing activities and companionship and added additional safeguarding monitoring of the most vulnerable. These calls became an extremely important lifeline providing companionship, reassurance, and a help line for medical and food needs.

A quote from a Client's daughter on the importance of the Care Calls:

"Thank you so much to Zoe, Painsbrook Court, who has been a rock for me and mum, she rings weekly to check we are ok and it is so greatly appreciated!!! Thanks xxx"

Demand for hot meals rose steadily throughout the pandemic and again became a vital part of very vulnerable people's daily routine. Not just for the food, but the social interaction with the volunteer or staff member delivering it.

It has been impossible to measure the physical and mental health benefits of these interventions over such a short period. However, through daily calls, we have been able to assess the importance of the emergency support to clients and carers, from responses to our questions regarding individuals' feelings of anxiety, depression or isolation and if they were eating well.

Delivering these new services demonstrated that there is not just an ongoing need for these vital services, during the ongoing pandemic and any future lockdowns or shielding of vulnerable people, but an ongoing need for many vulnerable people to be supported, in this way.

It became clear that there are many people hidden within our community who are isolated and/or lonely and, as a result, are experiencing high levels of anxiety and depression and are not eating healthily.

As a result, we have made the decision to continue to deliver the emergency measures, as part of our ongoing service provision. These services can improve health and wellbeing, improve community resilience and act as an early warning system to social services and signpost vulnerable people towards services they may need, including our own.

In the past few months we have also begun to introduce support and companionship at home through the provision of virtual events/activities that stimulate and improve physical and mental health. This too will now also become, in some way, a part of our ongoing service delivery.

During this period, we became aware of vulnerable people, of all ages, who needed our support. As a result, we will also continue to advocate that our services are available for all adults, not just the elderly and disabled, and we are working with voluntary sector partners to develop new joint services and ensuring our services are able to reach all sections of our community.

Between March 2020 and April 2021, we delivered 15,930 meals and made 18,711 care calls. Our befriending service, also made 3,798 telephone befriending calls.

Delivery of face-to-face services was initially impossible, due to restrictions, and limited from October 2020 onwards when restrictions were reduced. Services were delivered, in our Hornchurch Hub only, in small bubbles of 5 clients each with a dedicated member of staff. Our Harold Hill Hub was closed for 60 weeks.

HOPWA House reopened 21st September 2020 until 18th December 2020 during which 1,349 hours of care were provided.

Over the Christmas and New Year period, when loneliness and anxiety can become a significant problem, we provided personalised/tailored support packages to those totally isolated and at high risk during that important holiday.

Over the period, with the support of our 40 plus volunteers, we delivered over 600 meals, including over 100 Christmas Meals. We also made over 650 Care Calls to lonely, isolated people in the community, which included multiple calls to those on their own, and at risk, over the period.

This would not have been possible without the support of the local authority and a number of grant funders. We are a social business and as such we generate our income from the delivery of affordable services. The lockdowns prevented us from delivering our normal services and therefore, prevented us generating money to do so. This could have been catastrophic.

However, the flexible approach to payment and forward-thinking approach of the London Borough of Havering enabled us to continue to support those that we care for.

The provision of grants from the following organisations enabled us to increase our emergency service provision to help many more people in need in the community. Grants from London Funders, Barclays Bank and Tesco contributed to the delivery of meals and care calls, and a grant from Screwfix helped us make our pub pod more accessible

The government's furlough scheme enabled us to retain employees

Grants and Loans from Social Entrepreneur Support Fund and Resilience and Recovery Loan Fund have enabled us to rebuild following the pandemic and integrate new services into our post pandemic service provision.

A legacy enabled the organisation to completely refurbish our Hornchurch Hub including the gardens.

During the financial year, following up on a decision made in the previous year, We closed our Home Care service, Home Age Care Solutions (HACS). The closure was planned for March 31st, 2020, however, because of the pandemic and the concern for the health and wellbeing of our clients, this closure was delayed and the subsidiary was finally closed in October 2020 following a lifting of Covid-19 restrictions nationally.

A carefully managed transition for clients from HACS to new Care providers was delivered by the Tapestry operational team and the staff of HACS.

During the period from 1st April 2021 until 31st August 2021 the service provided 1,447 hours of care to people in the own homes.

This extended provision of service and closedown resulted in additional losses for the subsidiary. These losses were approved by the trustees as the health and wellbeing of clients was paramount and the pandemic presented the organisation with unexpected and unprecedented challenges.

Going forward, unfortunately, very little has changed for the majority of those that we have provided services to during the pandemic.

They are still suffering from increased isolation that is resulting in increased levels of anxiety and depression.

Many in the community have experienced loss or psychological trauma due to Covid and/or Covid infection to themselves or a family member/friend/carer. Covid has affected the health of many people who were healthy and are now suffering the affects of the Covid infection and/or experiencing 'Long Covid' symptoms.

Many people have been on long term furlough and/or have lost their jobs and are now experiencing financial difficulties that are affecting their physical and mental health. Therefore, those we serve are now facing an unprecedented number of challenges. We, therefore, intend to develop new services to meet these new challenges.

Their carers feel much more isolated which is damaging their physical and mental health and their ability to care.

Individuals who have had the Covid virus have new mental and physical health needs that may be temporary or, in many cases, will require long-term care and support.

Families of those who have either recovered from or died from the virus now need support and the evidence suggests that many people will be affected by the psychological trauma of exposure to, or fear of, the disease.

We exist to support all vulnerable adults in the community. This has been predominantly older, disabled people, those living with dementia and/or other cognitive illness and their Carers. Covid has changed this.

As a result, we are now working with a wider range of vulnerable people than before and we have refocused and adapted our activities to meet the needs of a changed local population.

Since November 2020 we have increased our collaborative approach to delivery, and are working with all local public sector stakeholders and a number of local voluntary organisations to manage the increased service delivery and develop new services

We expect that the fallout from the Covid pandemic will continue to change the profile and number of people we help permanently. It will also greatly change how we support this increased and more diverse group with increased food provision and virtual support becoming a regular and growing part of an overall support strategy.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 its income and expenditure, for the year. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate and sufficient accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 2011 and regulations made thereunder and with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustee recruitment, induction and training

The skills and experience required by the Trustee Board is regularly reviewed and, where gaps are identified, new Trustees with the requisite skills and knowledge are actively sought. The methods used for recruiting new Trustees include advertising vacancies on Trustee registers and with Trustee recruitment agencies, as well as by search and word of mouth. Since the last set of accounts four new Trustees have been recruited to support the financial governance, improve the organisation's marketing activities and add additional specialist health knowledge.

All new Trustees receive an induction, which includes meetings with senior staff. They also receive copies of key documents e.g. the charity's governing instrument, the latest annual report and accounts and recent minutes of recent board meetings. Trustees receive updates on their roles and responsibilities as required.

Decision-making

Staff follow the policies laid down by the Trustee Board, working under the direction of the Chief Executive. They are delegated powers for operational matters within those policies and within agreed budgets. The Chief Executive reports back to the Board at regular meetings.

Preparation of the accounts on a going concern basis

The current economic environment is difficult and the marketplace, within which Tapestry Care UK limited operates, is particularly challenging because of the Covid-19 Pandemic

In assessing the going concern position of Tapestry Care UK Limited for the 12 months from the date of the approval of the accounts, the Trustees have considered the financial performance of the charitable company in the year ended 31 March 2021 and the company's financial position as at that date.

Tapestry concludes the year with an overall surplus of £136,289 for the year ended 31 March 2021. This compares to a surplus of £79,995 for the year ended 31 March 2020.

Total income in the year ended 31 March 2021 was £1,225,409, compared to £1,686,985 in the previous year. Tapestry's income has been severely affected by the pandemic and the closure of its Home Care business, HACS.

Total expenditure was £1,089,120 compared to £1,606,990 in 2019-20. This is as a direct result of the challenges of the Covid pandemic and survival through the receipts of grants.

Tapestry has net assets of £700,604 at 31 March 2021 compared to £564,315 at 31 March 2020.

The ability of the charitable company to continue as a going concern is dependent on the income generated from our two Community Hubs continuing to generate surpluses at the forecast level. Whilst times are uncertain, currently agreements are in place with funders that enable the organization to generate similar income during periods of lockdown, if they happen again.

The Trustees have prepared a detailed financial and cash flow forecast. The forecast shows that the charitable company will be in a position to meet its liabilities, as they fall due for the 12 months from the signing of these accounts.

The Trustees are confident that the preparation of the financial statements on a going concern basis is appropriate and the financial statements do not include the adjustments that would be result if Tapestry Care UK Limited was unable to continue as a going concern.

Risk assessment

The Trustees have undertaken a comprehensive assessment of the risks to which the charity is exposed. This has included business, operational and financial risks. Major risks identified include the challenges of the funding environment in which the charity operates, particularly the loss of local government grant funding opportunities and the impact of cuts in public spending on income from service provision. Systems and procedures are in place to manage and reduce these risks, and the Trustees monitor the effects of these systems and procedures using an established management information framework.

Credit Risk

We manage our credit risk through monitoring payment terms, debt outstanding days and in rare circumstances by way of agreeing payments plans to ensure that there is no financial loss to the group.

To limit our credit risk payment terms for services are as follows:

- Private self-paying clients pay within 10 days.
- Cash paying clients settle their payment of services as and when the service occurs.
- One of the significant customers, whom pay for clients that have already been assessed for and have a budget to receive the service, pay regularly on monthly basis.

Liquidity Risk

As a social business we are very conscious of cashflow. For this reason, there is weekly cashflow management, which monitors fixed & ad hoc outgoings and regular income allowing foresight into the financial position of the group in the near future.

Interest Rate Risk

Commitments in place are set with fixed pre-agreed interest rates therefore exposure to fluctuations in rates are reduced.

Reserves policy

It is the long-term aim of the Trustees to maintain free reserves of six months forward unrestricted expenditure. This is to act as a financial safety net during times of uncertainty, when adverse trading conditions could threaten the survival of the charity, putting its vital services to communities at risk.

Tapestry have free reserves of £197,456 at 31 March 2021 (2020 - £50,767).

The Trustees are conscious of the need for adequate free reserves and continue to oversee activities that will build back reserves.

Plans for future periods

The organisation plans to open new Community Hubs over the next few years. These Hubs will enable Tapestry to support more vulnerable people and, at the same time, will bring in addition surplus income that will be used to build reserves.

Investment policy

With the current nature of funding for the charity, the policy regarding investments is that all funds held should be in short-term investments of a liquid nature i.e. cash deposits. When available cash deposits are held with the Charities Official Investment Fund (COIF). The charity holds no investments in the form of equities or government securities. The investment policy is in keeping with the needs of the charity and cash flow is monitored closely.

Disclosure of information to auditors

In accordance with company law, each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the Trustees also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

Auditors

PKF Littlejohn LLP are appointed as auditors to the Charitable Company and have indicated their willingness to continue in office.

Status of this Directors' Report

This report is prepared in accordance with the small companies' regime under the Companies Act 2006.

This report was approved by Order of the Board of Directors and signed on its behalf by:



Neil Yeomans,
Chair of Trustees.

21 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF TAPESTRY CARE UK LIMITED**Opinion**

We have audited the financial statements of Tapestry Care UK Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Summary Income and Expenditure Account, the Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021, and of the group's 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 and the Charities Act 2011.

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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the group and parent charitable company 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 group and parent charitable company financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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

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

- We obtained an understanding of the group and parent charitable company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the group and parent charitable company in this regard to be those arising from Companies Act 2006, Charities Act 2011, Charities (Accounts and Reports) Regulations 2008 etc.), tax and employee legislation, safeguarding regulations and health and safety.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent charitable company with those laws and regulations. These procedures included, but were not limited to enquiries of management and review of minutes.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that accruals and prepayments are also an area of risk. The financial statements have been adjusted for misstatements identified.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

A further description of our responsibilities 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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and 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 members and 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.



Alastair Duke (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

21 December 2021

| | Note | 2021 Unrestricted funds £ | 2021 Restricted funds £ | 2021 Total funds £ | 2020 Total funds £ |
|------------------------------------|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations and gifts | 4 | 147,291 | - | 147,291 | 93,132 |
| Charitable activities | 5 | 857,158 | 60,000 | 917,158 | 1,593,844 |
| Other income | 6 | 160,960 | - | 160,960 | - |
| Bank interest | | - | - | - | 9 |
| Total Income | | 1,165,409 | 60,000 | 1,225,409 | 1,686,985 |
| Expenditure on: | | | | | |
| Charitable activities | 8 | 1,029,120 | 60,000 | 1,089,120 | 1,606,990 |
| Total Expenditure | | 1,029,120 | 60,000 | 1,089,120 | 1,606,990 |
| Net Income | 3 | 136,289 | - | 136,289 | 79,995 |
| Transfers between funds | 15 | - | - | - | - |
| Total funds brought forward | | 547,422 | 16,893 | 564,315 | 484,320 |
| Total funds carried forward | | 683,711 | 16,893 | 700,604 | 564,315 |

All income and expenditure derive from continuing activities, except for the activities of HACS which has been dormant since the year end. Income from HACS in the year was £42,047 and expenditure £55,528.

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

The Accounting Policies and Notes on pages 15 to 28 form part of these Financial Statements.

TAPESTRY CARE UK LIMITED
(Company Registration number 3218719)

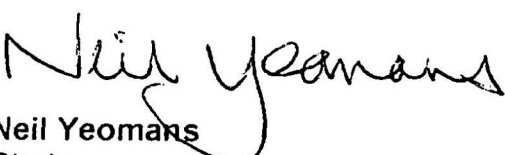
BALANCE SHEETS
YEAR ENDED 31 MARCH 2021

| | | Group | | Charity | |
|--|-------------|----------------|----------------|----------------|----------------|
| | Note | 2021 | 2020 | 2021 | 2020 |
| | | £ | £ | £ | £ |
| Fixed Assets | | | | | |
| Tangible assets | 9 | 513,203 | 497,813 | 513,203 | 497,813 |
| Investment in subsidiaries | 10 | - | - | 4 | 4 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| | | 513,203 | 497,813 | 513,207 | 497,817 |
| Current Assets | | | | | |
| Stock | 11 | - | 1,854 | - | - |
| Debtors | 12 | 121,758 | 200,376 | 132,446 | 190,206 |
| Cash at bank and in hand | | 291,789 | 19,063 | 277,742 | 9,522 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| | | 413,547 | 221,293 | 410,188 | 199,728 |
| Creditors: amounts falling due within one year | 13 | 86,146 | 149,609 | 82,791 | 141,529 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Net Current Assets | | 327,401 | 71,684 | 327,397 | 58,199 |
| Creditors: amounts falling due after more than one year | 14 | 140,000 | 5,182 | 140,000 | 5,182 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Net Assets | | <u>700,604</u> | <u>564,315</u> | <u>700,604</u> | <u>550,834</u> |
| Restricted Funds | 16 | 16,893 | 16,893 | 16,893 | 16,893 |
| Unrestricted Funds | 15 | | | | |
| General | | 197,456 | 50,767 | 197,456 | 37,286 |
| Designated | | 486,255 | 496,655 | 486,255 | 496,655 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Unrestricted Funds | | 683,711 | 547,422 | 683,711 | 533,941 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Charity Funds | | <u>700,604</u> | <u>564,315</u> | <u>700,604</u> | <u>550,834</u> |

The financial statements have taken advantage of the exemption from presenting its unconsolidated statement of financial activities under section 408 of the Companies Act 2006. The charitable company's surplus for the year was £149,770 (2020: surplus of £80,301).

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

Approved by the Board on 21 December 2021 and signed on its behalf by:


Neil Yeomans
Chair

The Accounting Policies and Notes on pages 15 to 28 form part of these Financial Statements.

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Cash outflow from operating activities | 184,839 | 8,316 |
| Cash flow from investing activities | | |
| Payments to acquire tangible fixed assets | (31,415) | (1,271) |
| Interest receivable | - | 9 |
| Net cash flow provided by investing activities | (31,415) | (1,262) |
| Cash flow from financing activities | | |
| Cash inflow from new borrowings | 140,000 | - |
| Repayment of borrowings | (20,698) | (13,847) |
| Net cash flow provided by financing activities | 119,302 | (13,847) |
| Change in cash and cash equivalents in the year | 272,726 | (6,793) |
| Cash and cash equivalents at start of year | 19,063 | 25,856 |
| Cash and cash equivalents at end of year | 291,789 | 19,063 |
| Cash and cash equivalents consists of: | | |
| Cash at bank and in hand | 291,789 | 19,063 |
| Reconciliation of net expenditure to net cash flow from operating activities | | |
| Net expenditure for year | 136,289 | 79,995 |
| Interest receivable | - | (9) |
| Depreciation of tangible fixed assets | 16,025 | 35,654 |
| Decrease/(increase) in stock | 1,854 | (1,188) |
| Decrease/(increase) in debtors | 78,618 | (78,884) |
| (Decrease) in creditors | (47,947) | (3,252) |
| (Decrease) in provisions | - | (24,000) |
| Net cash flow provided from operating activities | 184,839 | 8,316 |

The Accounting Policies and Notes on pages 15 to 28 form part of these Financial Statements.

1. General information and basis of preparation

Tapestry Care UK Limited is a company limited by guarantee in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are set out in the Report of the Directors.

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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Charity has opted to take advantage of the reduced disclosure exemption in paragraph 1.12(b) of FRS 102, from producing an individual cash flow statement.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

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.

Tapestry Care UK have taken exemption from presenting its unconsolidated statement of financial activities under section 408 of the Companies Act 2006. The charitable company's surplus for the year was £149,770 (2020: surplus of £80,301).

Going Concern

Tapestry concludes the year with an overall surplus of £136,289 for the year ended 31 March 2021. This compares to a deficit of £79,995 for the year ended 31 March 2020.

Total income in the year ended 31 March 2021 was £1,225,409, compared to £1,686,985 in 2019-20.

Total expenditure was £1,089,120 compared to £1,606,990 in 2019-20.

Tapestry has net assets of £700,604 at 31 March 2021 compared to £564,315 at 31 March 2020.

The ability of the charitable company to continue as a going concern is dependent on the income generated from its two Community Hubs.

Whilst times are uncertain, agreements with funders are in place that enable the organisation to generate similar income during periods of lockdown, if they happen again.

The Trustees have prepared a detailed financial and cash flow forecast. The forecast shows that the charitable company will be in a position to meet its liabilities, for at least 12 months from the date the financial statements are authorised for issue.

The Trustees are confident that the preparation of the financial statements on a going concern basis is appropriate.

Basis of consolidation

Group financial statements have been prepared in respect of the Charity and its wholly owned subsidiary undertakings Home Age Care Solutions Limited and Age Concern Havering Trading Limited. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertakings are disclosed in note 10.

Key Judgements and estimates

To be able to prepare the financial statements in accordance with FRS102, the charity must make certain estimates and judgements that have an impact on the policies and the amount reported in the annual accounts. The estimates are based on past experience and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made. The key areas of the financial statements that we consider to be subject to estimation or judgement are as follows:

Fair value of Hopwa House

The property is held at valuation. This is discussed further in note 2.4.

Recoverable value of debtors

Debtors and their recoverability are assessed to determine provisions required, based on whether it is probable that the amounts will be received.

2. Accounting Policies**2.1 Funds**

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

2.2 Income

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

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail of the contribution of volunteers to the charity is given in the Trustees' Annual Report.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Legacy income is recognised when the charity becomes aware that probate has been granted, there are sufficient assets in the estate to pay the legacy and that any conditions attached to the legacy are either in control of the charity or have already been met. On occasion legacies will be notified where it is not possible to measure the amount expected to be distributed with sufficient reliability. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes. It includes dividends, interest and rent. Interest income is recognised when receivable and dividend income is recognised as the charity's right to receive payment is established.

2.3 Expenditure recognition

All expenditure is accounted for on an accruals basis. 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
- Expenditure on charitable activities

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

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and management costs. They are incurred directly in support of expenditure on the objects of the charity. 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Termination benefits are recognised at the point at which end of employment is effective and communicated.

2.4 Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

| | |
|------------------------|--|
| Fixtures and fittings | 25% straight line |
| Computer equipment | 33% straight line |
| Leasehold improvements | straight line over length of the lease |
| HOPWA House | 2% straight line |

HOPWA House was valued in September 2018 on a fair value basis by Hilbery Chaplin, RICS qualified valuers. This value is the value as at 31 March 2018 and is treated as the cost as at that date. HOPWA House is depreciated on a straight line basis as per the policy outlined above.

The property will be revalued every 5 years unless there is an event during this period which is considered to materially affect this value.

2.5 Investments

Publicly traded investments, or those where fair value can otherwise be measured reliably, are measured at fair value at each balance sheet date, with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

2.6 Stock

Stock, where valued is valued at the lower of cost and net realisable value, after making due allowance for obsolete or slow moving items.

2.7 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.

2.8 Provisions

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

2.9 Leases

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

2.10 Pensions

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The Charitable Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charitable Company to the fund in respect of the year.

2.11 Taxation

The Charitable Company is exempt from Corporation Tax as all of its income is charitable and is applied for charitable purposes. The Charitable Company is registered for Value Added Tax (VAT); irrecoverable VAT (where applicable) is included in the cost of those items to which it relates.

3. Net Expenditure

This is stated after charging:

| | 2021 £ | 2020 £ |
|---|-------------------|-------------------|
| Fees payable for the audit of the Charity's financial statements | 9,850 | 9,660 |
| Fees payable for the audit of the Charity's subsidiary financial statements | 1,250 | 1,225 |
| Auditors' remuneration – tax compliance services | 1,875 | 1,875 |
| Depreciation | 16,028 | 35,654 |
| Operating leases | 17,051 | 43,328 |
| | <u> </u> | <u> </u> |

4. Donations and gifts

| | | |
|---------------|-------------------|-------------------|
| Donations | 114,463 | 5,669 |
| Legacy income | 32,828 | 87,463 |
| | <u> </u> | <u> </u> |
| Total | 147,291 | 93,132 |
| | <u> </u> | <u> </u> |

| 5. Income from charitable activities | 2021 | 2020 |
|--|-------------|-------------|
| | £ | £ |
| Unrestricted income from: | | |
| Day centres, meals and activities | 777,453 | 1,128,962 |
| Early intervention service | - | 64,936 |
| Dementia day care | 5,939 | 51,261 |
| Home Support and Befriending | 4,333 | - |
| Neighbourhood day service | - | 85,777 |
| Minibus operation | 44,383 | 188,268 |
| Financial services | 2,402 | - |
| Information | 18,601 | - |
| Other activities | 4,047 | - |
| | <hr/> | <hr/> |
| Total unrestricted income from charitable activities | 857,158 | 1,519,204 |
| Restricted income from: | | |
| My Health Matters | 60,000 | 60,000 |
| Reach | - | 14,640 |
| | <hr/> | <hr/> |
| Total restricted income from charitable activities | 60,000 | 74,640 |
| | <hr/> | <hr/> |
| Total income from charitable activities | 917,158 | 1,593,844 |
| | <hr/> | <hr/> |
| 6. Other income | 2021 | 2020 |
| | £ | £ |
| Coronavirus Job Retention Scheme Grant | 160,960 | - |
| | <hr/> | <hr/> |
| | 160,960 | - |
| | <hr/> | <hr/> |
| 7. Employee Information - Staff Costs | 2021 | 2020 |
| | £ | £ |
| Wages and salaries | 635,922 | 991,672 |
| Social security costs | 34,461 | 52,829 |
| Pension costs | 30,632 | 42,994 |
| Temporary staff costs | - | 1,552 |
| Redundancy costs | 23,333 | 19,152 |
| | <hr/> | <hr/> |
| | 724,348 | 1,108,199 |
| | <hr/> | <hr/> |

One employee earned between £70,000 and £79,999 in the year (2020: one between £70,000 and £79,999).

The total amount of employee benefits received by key management personnel, considered to be the Executive Team, during the year was £158,875 (2020 - £170,305).

| Average Monthly Number of Employees during the Year | 2021 | 2020 |
|---|-----------|-----------|
| HACS Limited | 5 | 23 |
| Day centres | 21 | 21 |
| Dementia advisory services | 1 | 8 |
| Information service | - | 2 |
| Management and administration | 6 | 9 |
| Minibus | 5 | 7 |
| Food | 3 | 5 |
| | <u>41</u> | <u>75</u> |

Transactions with Directors

The Directors of the Charitable Company received no remuneration or reimbursement of expenses in the year (2020 - £Nil).

8. Total Resources Expended**8.1 Analysis of Charitable Expenditure**

| | Direct costs £ | Support costs £ | Total 2021 £ | Total 2020 £ |
|-----------------------------------|-------------------|--------------------|--------------------|--------------------|
| Day centres, meals and activities | 433,700 | 363,019 | 796,719 | 1,020,832 |
| Early intervention service | 16,011 | 13,402 | 29,413 | 88,873 |
| Dementia day care | 4,103 | 3,435 | 7,538 | 43,210 |
| Home support and befriending | 233 | 195 | 428 | 7,590 |
| Neighbourhood day service | 40,945 | 34,272 | 75,217 | 143,574 |
| Minibus operation | 97,878 | 81,927 | 179,805 | 302,742 |
| Financial Services | - | - | - | 169 |
| | <u>592,870</u> | <u>496,250</u> | <u>1,089,120</u> | <u>1,606,990</u> |
| 2020 totals | <u>1,085,767</u> | <u>521,223</u> | <u>1,606,990</u> | |

Charitable expenditure was £1,089,120 (2020 - £1,606,990) of which £60,000 (2020 - £60,747) was attributable to restricted funds and £1,029,120 (2019 - £1,546,243) was attributable to unrestricted funds.

8.2 Analysis of Support Costs

| | Total 2021 £ | Total 2020 £ |
|-------------------------------------|--------------------|--------------------|
| Wages and staff related costs | 294,887 | 313,720 |
| Establishment | 4,208 | 48,366 |
| Administration | 94,044 | 43,259 |
| Depreciation | 16,028 | 12,866 |
| Legal, professional and consultancy | 19,269 | 24,250 |
| IT costs | 54,494 | 65,700 |
| Audit | 13,320 | 13,062 |
| | <u>496,250</u> | <u>521,223</u> |

Support costs are allocated on a basis consistent with the use of resources.

9. Tangible Assets – Group and Charity

| | Leasehold properties £ | Furniture and Equipment £ | Computer Equipment £ | Total £ |
|--------------------------|------------------------------|------------------------------------|----------------------------|------------|
| Cost or valuation | | | | |
| At 1 April 2020 | 520,000 | 70,696 | 242,216 | 832,912 |
| Additions | - | 23,891 | 7,524 | 31,415 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2021 | 520,000 | 94,587 | 249,740 | 864,327 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Depreciation | | | | |
| At 1 April 2020 | 40,800 | 66,799 | 227,500 | 335,099 |
| Charge for the year | 10,400 | 3,914 | 1,711 | 16,025 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2021 | 51,200 | 70,713 | 229,211 | 351,124 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net Book Value | | | | |
| At 31 March 2021 | 468,800 | 23,874 | 20,529 | 513,203 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2020 | 479,200 | 3,897 | 14,716 | 497,813 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

10. Investment in subsidiaries – Charity

| | 2021 | 2020 |
|----------------------------|-------|-------|
| Investment in subsidiaries | 4 | 4 |
| | <hr/> | <hr/> |
| | 4 | 4 |
| | <hr/> | <hr/> |

The Charitable Company owns 100% of the ordinary share capital of Age Concern Havering Trading Limited and Home Age Care Solutions Limited (HACS), which are both incorporated in England and Wales.

10. Investment in subsidiaries – Charity (continued)

| | Age Concern Havering Trading Limited Company number 03177258 | | Home Age Care Solutions Limited Company number: 07261719 | |
|------------------------------------|---|--------------|---|--------------|
| | 2020/21 £ | 2019/20 £ | 2020/21 £ | 2019/20 £ |
| Turnover | - | - | 42,047 | 388,454 |
| Cost of sales | - | - | (47,270) | (254,549) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Gross profit | - | - | (5,223) | 133,905 |
| Administration expenses | - | - | (8,258) | (134,211) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Operating loss | - | - | (13,481) | (306) |
| Interest receivable | - | - | - | - |
| Write back of amount due to parent | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Loss before taxation | - | - | (13,481) | (306) |
| Tax on profit | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Loss for the Financial Year | - | - | (13,481) | (306) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net assets at year end | - | - | - | 13,481 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

Age Concern Havering is a dormant subsidiary that is exempt from preparing individual financial statements by virtue of s394A of Companies Act 2006.

| | Group | | Charity | |
|-----------|-------|--------|---------|-------|
| 11. Stock | 2021 | 2020 | 2021 | 2020 |
| Stock | £- | £1,854 | £- | £ - |
| | <hr/> | <hr/> | <hr/> | <hr/> |

| 12. Debtors | 2021 | 2020 | 2021 | 2020 |
|--|-----------------|-----------------|-----------------|-----------------|
| Trade debtors | 38,847 | 42,416 | 38,847 | 31,745 |
| Grants receivable and accrued income | - | 122,414 | - | 118,455 |
| Other debtors and prepayments | 82,911 | 35,546 | 82,877 | 34,171 |
| Amounts due from subsidiary undertaking | - | - | 10,722 | 5,835 |
| | <u>£121,758</u> | <u>£200,376</u> | <u>£132,446</u> | <u>£190,206</u> |
| 13. Creditors: Amounts falling due within one year | 2021 | 2020 | 2021 | 2020 |
| Trade Creditors | 10,126 | 48,390 | 10,126 | 44,176 |
| Deferred income | - | 5,176 | - | 5,176 |
| Social security and other taxes | 40,415 | 58,057 | 38,555 | 57,275 |
| Other creditors | 30,423 | 17,288 | 28,928 | 14,204 |
| Loans Payable | 5,182 | 20,698 | 5,182 | 20,698 |
| Amount due to subsidiary undertaking | - | - | - | - |
| | <u>£86,146</u> | <u>£149,609</u> | <u>£82,791</u> | <u>£141,529</u> |

The loan payable is with Charites Aid Foundation, with the final balance paid in May 2021. The loan is unsecured.

14. Creditors: Amounts falling due after more than one year

| | 2021 | 2020 |
|---------------|-----------------|---------------|
| Loans payable | <u>£140,000</u> | <u>£5,182</u> |

During the year the charity received a loan of £140,000 from the Social Investment Business FM Limited, the term of which is until 1 March 2026. The interest rate is 9% per annum until 1 April 2022 and 7% per annum thereafter. There is no security for the loan which forms part of the Government's Coronavirus Business Interruption Loan Scheme.

| | 2021 | 2020 |
|---------------------------|-----------------|----------------|
| Payable within: | | |
| One year | 5,182 | 20,698 |
| Between one and two years | 35,000 | 5,182 |
| Two to five years | 105,000 | - |
| | <u>£145,182</u> | <u>£25,880</u> |

16. Unrestricted Funds

Group

The income funds of the Group include designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

| | Balance at 1 April 2020 £ | Incoming resources/ gain £ | Outgoing expenditure/ losses £ | Transfers £ | Balance at 31 March 2021 £ |
|---------------------------|------------------------------------|-------------------------------------|---|----------------|-------------------------------------|
| General Funds | 50,767 | 1,165,409 | (1,018,720) | - | 197,456 |
| Designated Funds | | | | | |
| HOPWA house | 479,200 | - | (10,400) | - | 468,800 |
| Replacement of IT system | 17,455 | - | - | - | 17,455 |
| | <u>496,655</u> | <u>-</u> | <u>(10,400)</u> | <u>-</u> | <u>486,255</u> |
| Unrestricted Funds | <u>547,422</u> | <u>1,165,409</u> | <u>(1,029,120)</u> | <u>-</u> | <u>683,711</u> |

Group

The income funds of the Group include designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

| | Balance at 1 April 2019 £ | Incoming resources/ gain £ | Outgoing expenditure/ losses £ | Transfers £ | Balance at 31 March 2020 £ |
|---------------------------|------------------------------------|-------------------------------------|---|----------------|-------------------------------------|
| General Funds | (25,735) | 1,612,345 | (1,535,843) | - | 50,767 |
| Designated Funds | | | | | |
| HOPWA house | 489,600 | - | (10,400) | - | 479,200 |
| Replacement of IT system | 17,455 | - | - | - | 17,455 |
| | <u>507,055</u> | <u>-</u> | <u>(10,400)</u> | <u>-</u> | <u>496,655</u> |
| Unrestricted Funds | <u>481,320</u> | <u>1,612,345</u> | <u>(1,546,243)</u> | <u>-</u> | <u>547,422</u> |

| Charity | Balance at 1 April 2020 £ | Incoming resources £ | Outgoing expenditure £ | Transfers £ | Balance at 31 March 2021 £ |
|---------------------------|--|-------------------------------------|---------------------------------------|------------------------|---|
| General Funds | 37,286 | 1,194,084 | (1,033,914) | - | 197,456 |
| Designated Funds | | | | | |
| HOPWA house | 479,200 | - | (10,400) | - | 468,800 |
| Replacement of IT system | 17,455 | - | - | - | 17,455 |
| | <u>496,655</u> | <u>-</u> | <u>(10,400)</u> | <u>-</u> | <u>486,255</u> |
| Unrestricted Funds | <u>533,941</u> | <u>1,194,084</u> | <u>(1,044,314)</u> | <u>-</u> | <u>683,711</u> |
| Charity | Balance at 1 April 2019 £ | Incoming resources £ | Outgoing expenditure £ | Transfers £ | Balance at 31 March 2020 £ |
| General Funds | (39,522) | 1,229,726 | (1,152,918) | - | 37,286 |
| Designated Funds | | | | | |
| HOPWA house | 489,600 | - | (10,400) | - | 479,200 |
| Replacement of IT system | 17,455 | - | - | - | 17,455 |
| | <u>507,055</u> | <u>-</u> | <u>(10,400)</u> | <u>-</u> | <u>496,655</u> |
| Unrestricted Funds | <u>467,533</u> | <u>1,229,726</u> | <u>(1,163,318)</u> | <u>-</u> | <u>533,941</u> |

17. Restricted Funds – Group and Charity

The income funds of the Charitable Company include the following restricted funds where the donor has specified the purpose for which the fund is to be used:

| | Balance at 1 April 2020 £ | Incoming resources £ | Outgoing expenditure £ | Transfers £ | Balance at 31 March 2021 £ |
|-------------------|------------------------------------|----------------------------|------------------------------|----------------|-------------------------------------|
| My Health Matters | 4,413 | 60,000 | (60,000) | - | 4,413 |
| Reach | 12,480 | - | - | - | 12,480 |
| | <u>16,893</u> | <u>60,000</u> | <u>(60,000)</u> | <u>-</u> | <u>16,893</u> |

The nature of the key funds is set out below:

My Health Matters – Championing healthy living and promoting good health in Havering.

Reach – Grant for the development of a financial model, research and coproduction for a new community hub

| | Balance at 1 April 2019 £ | Incoming resources £ | Outgoing expenditure £ | Transfers £ | Balance at 31 March 2020 £ |
|--------------------|------------------------------------|----------------------------|------------------------------|----------------|-------------------------------------|
| My Health Matters | - | 60,000 | (55,587) | - | 4,413 |
| Tesco Bags of Help | 3,000 | - | (3,000) | - | - |
| Reach | - | 14,640 | (2,160) | - | 12,480 |
| | <u>3,000</u> | <u>74,640</u> | <u>(60,747)</u> | <u>-</u> | <u>16,893</u> |

18. Allocation of Net Assets between Funds

| Group | Unrestricted fund £ | Restricted fund £ | Total £ |
|--------------------------------|---------------------------|-------------------------|----------------|
| Tangible fixed assets | 513,203 | - | 513,203 |
| Current assets | 396,654 | 16,893 | 413,547 |
| Current liabilities | (86,146) | - | (86,146) |
| Non current liabilities | (140,000) | - | (140,000) |
| Net assets as at 31 March 2021 | <u>683,711</u> | <u>16,893</u> | <u>700,604</u> |

18. Allocation of Net Assets between Funds (continued)

| Charity | Unrestricted fund £ | Restricted fund £ | Total £ |
|--------------------------------|------------------------|----------------------|------------|
| Tangible fixed assets | 513,207 | - | 513,207 |
| Current assets | 393,295 | 16,893 | 410,188 |
| Current liabilities | (82,791) | - | (82,791) |
| Non current liabilities | (140,000) | - | (140,000) |
| | <hr/> | <hr/> | <hr/> |
| Net assets as at 31 March 2021 | 683,711 | 16,893 | 700,604 |
| | <hr/> | <hr/> | <hr/> |

| Group | Unrestricted fund £ | Restricted fund £ | Total £ |
|--------------------------------|------------------------|----------------------|------------|
| Tangible fixed assets | 497,813 | - | 497,813 |
| Current assets | 204,400 | 16,893 | 221,293 |
| Current liabilities | (149,609) | - | (149,609) |
| Non current liabilities | (5,182) | - | (5,182) |
| | <hr/> | <hr/> | <hr/> |
| Net assets as at 31 March 2020 | 547,422 | 16,893 | 564,315 |
| | <hr/> | <hr/> | <hr/> |

| Charity | Unrestricted fund £ | Restricted fund £ | Total £ |
|--------------------------------|------------------------|----------------------|------------|
| Tangible fixed assets | 497,817 | - | 497,817 |
| Current assets | 182,835 | 16,893 | 199,728 |
| Current liabilities | (141,529) | - | (141,529) |
| Non current liabilities | (5,182) | - | (5,182) |
| | <hr/> | <hr/> | <hr/> |
| Net assets as at 31 March 2020 | 533,941 | 16,893 | 550,834 |
| | <hr/> | <hr/> | <hr/> |

19. Financial Commitments

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

| | 2021 £ | 2020 £ |
|-------------------|-----------|-----------|
| Within 1 year | 4,766 | 50,380 |
| Within 1-5 years | - | 83,500 |
| More than 5 years | - | 4,175 |
| | <hr/> | <hr/> |
| | £4,766 | £138,055 |
| | <hr/> | <hr/> |

Our lease with Scottish Mutual House ended on 24 June 2021. The lease for our new offices is a monthly lease and as such there is no long term leasing commitment in place.

20. Capital Commitments

There were no contracted capital commitments at 31 March 2021 (2020 - none).

21. Related Party Relationships and Transactions

No such transactions in either financial year.