

Company registration number: 03936727 (England and Wales)

Charity registration number: 1082663

Embrace Wigan & Leigh

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 28 February 2022

Embrace Wigan & Leigh

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 4
Statement of Trustees' Responsibilities	5
Independent Examiner's Report	6
Statement of Financial Activities	7
Statement of Financial Position	8
Notes to the Financial Statements	9 to 15

Embrace Wigan & Leigh

Reference and Administrative Details

Trustees

Bryan Atkinson
Joanne Barrow
Sheila Marie Robinson
Andrew Taylor
Jordan Burns

Registered Office

81 Ribble Road
Platt Bridge
Wigan
WN2 5EG

The charity is incorporated in England.

Company Registration Number

03936727

Charity Registration Number

1082663

Lead Officer

Lynne Hamnett

Independent Examiner

P A Hull & Co
30 Bolton Road
Aspull
Wigan
WN2 1YY

Embrace Wigan & Leigh

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 28 February 2022.

Objectives and activities

Writing this year's report gives us the opportunity to reflect on what has been a hugely successful year. Securing a contract extension for our Information, Advice and Support Service, at the end of 2020, has given us the opportunity to develop the service, we have also been fortunate enough to open new services, which we believe will help our local community. Finally, we have been proud of the volume of people we have been able to support and we are thrilled that our capacity to do this continues to grow. The following report will expand on this and provide a brief overview of our plans for the year ahead.

As mentioned, extending the contract with Wigan Council for our Information Advice and Guidance Service was extremely significant. We have been offering assistance to the families of disabled children/young people for over two decades; this contract ensures we can continue to do this. On winning the contract, we implemented some changes. Firstly, was reorganising the team and installing a manager dedicated to the service. This allowed us to concentrate on our primary aims, including; reducing waiting times, enhancing our digital offer and developing our efficiency, which are all targets designed to enhance the experience of our local community. Whilst these goals are ones we will always continue to strive for, we have made significant progress. A service specific website was launched for the first time, this includes a range of informational articles and videos for local families. We managed to significantly reduce waiting times and provide information advice and guidance to over 1000 families. The feedback we received was overwhelmingly positive too, with 100% of people feeling our service was fair and independent and all people surveyed saying our support made a positive difference to their lives. This is a start to the new contract we are extremely proud of and we are determined to continue developing over the next four years.

The strength of our existing services presented us with a platform to build from. We therefore, identified an opportunity to tender for a new statutory advocacy service. This contract would have similar monetary value to our Information Advice and Guidance work, if we were successful. More importantly it would provide us with the opportunity to assist anyone 18+ with health and social care needs, which we felt fitted perfectly with our overarching mission of 'supporting disabled people to live the life they choose'. We tendered for the service at the start of the financial year and were fortunate enough to win the contract. This, we believe, was testimony to the great work we had been doing on our general advocacy and community connecting projects. Ultimately, this work provided us with the evidence needed to demonstrate our ability to manage such a service. Since June, we have been working tirelessly to embed our new service into our existing offer. Whilst this preliminary work is now complete, our efforts to develop and improve the service are ongoing. Whilst winning the contract was something we are extremely excited about, it has given us further opportunity to work with some of the most vulnerable people within our community. It is clear to see that a shortage of care staff, housing and care home spaces is having a dramatic impact on people's lives. We hope that our advocacy can help to inspire change on an individual and societal level.

In addition, to tendering for work, we make efforts to raise funds throughout the year. This gives us a greater level of autonomy as these funds are not attached to a service level agreement. Our fund raising income has always been a significantly small percentage of our annual revenue, therefore, we try to ensure that our fundraising has a social impact as well. At the start of this year, many of the lockdown restrictions still applied, however, going outside for exercise was encouraged. We, therefore, developed an inclusive fundraiser, which encouraged people to get active. The event was organised around our mascot Eddie the Bear and involved getting him home, after he had been left in a hotel room in York. We challenged participants to walk, roll or run 80 miles throughout February. One hundred and thirty people joined in, many of whom had rarely left their homes in the previous few months. We received lots of feedback from people saying that this challenge had provided them with the motivation they needed to go outdoors. This was brilliant feedback and we also managed to raise £3000. We were therefore, extremely satisfied with how this event unfolded.

Embrace Wigan & Leigh

Trustees' Report

As this year ends, our charity is in a strong position. Next year, we will focus on sustainability by identifying new income streams that are not solely dependent on grants or public sector contracts. One plan we have for the year ahead is making greater use of our building. We intend to transform the space into a community hub, where we can undertake a variety of activities to benefit local people. A key aim of the hub will be supporting disabled people to develop skills, which will make it easier for them to secure paid employment. I am confident that next year's report will outline how this has been achieved.

In summary, we are pleased with our year. We have managed to strengthen our position financially, which means we can assist more people in our local community. Our team moral remains strong and we are excited to see what the New Year has in store.

Financial Review

We are extremely pleased with our financial position. Securing the new adult advocacy contract with the local authority provides us with a great deal of stability. We now have two statutory services, with long-term contracts. Therefore, despite recording a small deficit this year, we are confident that organisation will continue to prosper. Next year, only one of our core contracts will require a retender process. Therefore, we can have greater confidence in our financial forecasts than in previous years. We feel that next year will be a positive one, financially; we, therefore, want to make sure, that as many of our beneficiaries benefit from this as possible.

Principle funding sources

Our income continues to derive primarily from public sector contracts and charitable grants. We invest these resources in frontline staff; administration and management to make sure our services are delivered to local residents.

Investment Policy and objectives

We continue to maintain enough funds to manage any contingencies. We also continue to invest a proportion of our reserves in fixed rate bonds, with a greater return than that of the bank reserve accounts, which can be liquidated without loss to capital element if the need arises.

Risk management

The trustees recognise their responsibility to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Governing document

The Charity is controlled by its governing document, Memorandum, and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Small company provisions

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

Structure, governance and management

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The charity does not use derivative financial instruments for speculative purposes.

Embrace Wigan & Leigh Trustees' Report

Cash flow risk

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances trade debtors. The charity's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful debts of which there have been none during the year. The credit risk on trade debtors is limited because the funding bodies are public authorities or large charities with whom the organisation has well established relationships.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.


Liquidity risk

The trustees consider that sufficient funds are available for ongoing operations and future developments.

Restricted Funds

Restricted funds include unspent grant and contract income that can only be used on specific activities and where any surplus funds would have to be repaid to the grant provider if unspent after the end of the project to which the funds relate. There are no such funds at the present time.

The annual report was approved by the trustees of the charity on 16th January 2023 and signed on its behalf by:


.....
Andrew Taylor
Trustee

Embrace Wigan & Leigh

Statement of Trustees' Responsibilities


The trustees (who are also the directors of Embrace Wigan & Leigh for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company'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 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.

Approved by the trustees of the charity on 16th January 2023 and signed on its behalf by:



.....
Mr Andrew Taylor
Trustee

Embrace Wigan & Leigh

Independent Examiner's Report to the trustees of Embrace Wigan & Leigh

I report on the accounts of the charity for the year ended 28 February 2022 which are set out on pages 7 to 15.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales..

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
- have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



C M Hothersall FCA

P A Hull & Co
30 Bolton Road
Aspull
Wigan
WN2 1YY

Date: 16th January 2023

Embrace Wigan & Leigh

Statement of Financial Activities for the Year Ended 28 February 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted Funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	86,773		86,773
Contracts	3	394,760		394,760
Other trading activities	4	14,065		14,065
Other income	5	7,240		7,240
Total Income		502,838		502,838
Expenditure on:				
Charitable activities		513,810	9,388	523,198
Raising Donations and Legacies		523		523
Other Trading Activities		5,467		5,467
Total Expenditure		519,800	9,388	529,188
Net income/(expenditure)		(16,962)	(9,388)	(26,350)
Reconciliation of funds				
Total funds brought forward		508,861	9,388	518,249
Total funds carried forward	14	491,899	-	491,899
	Note	Unrestricted funds £	Restricted Funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	129,796	31,262	161,058
Contracts	3	329,331		329,331
Other trading activities	4	10,929		10,929
Other income	5	85,169		85,169
Total Income		555,225	31,262	586,487
Expenditure on:				
Charitable activities		1,009		1,009
Raising Donations and Legacies		458,156	31,996	490,152
Other trading activities		2,524		2,524
Total Expenditure		461,689	31,996	493,685
Net income/(expenditure)		93,536	(734)	92,802
Reconciliation of funds				
Total funds brought forward		415,325	10,122	425,447
Total funds carried forward	14	508,861	9,388	518,249

Embrace Wigan & Leigh

Statement of Financial Position as at 28 February 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	8,245	10,993
Current assets			
Debtors	12	118,219	63,797
Cash at bank and in hand		370,418	447,909
		488,637	511,706
Creditors: Amounts falling due within one year	13	(4,983)	(4,450)
Net current assets		483,654	507,256
Net assets		491,899	518,249
Funds of the charity:			
Unrestricted income funds			
Restricted funds		-	9,388
Unrestricted funds		491,899	508,861
Total funds	15	491,899	518,249


For the financial year ending 28 February 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

The financial statements on pages 7 to 15 were approved by the trustees, and authorised for issue on 16 January 2023 and signed on their behalf by:



 Mr Andrew Taylor
 Trustee

Embrace Wigan & Leigh

Notes to the Financial Statements for the Year Ended 28 February 2022

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Embrace Wigan & Leigh meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Embrace Wigan & Leigh

Notes to the Financial Statements for the Year Ended 28 February 2022

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Income is recognised once it has been declared and notification has been received of the amount due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	25% reducing balance

Embrace Wigan & Leigh

Notes to the Financial Statements for the Year Ended 28 February 2022

Research and development

Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future income from the related project.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Trade debtors and creditors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business and are recognised initially at the transaction price. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers and are recognised initially at the transaction price.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Financial instruments

The charity holds only basic financial instruments, as defined under Section 11 of FRS 102

3 Income from donations and legacies

	Total 2022 £	Total 2021 £
Donations from individuals	3,831	3,894
Grants from local authority and other bodies	82,942	157,164
	<u>86,773</u>	<u>161,058</u>

4 Income from other trading activities

	Total 2022 £	Total 2021 £
Fundraising Income	1,564	2,755
Income from DBS checks	7,679	4,100
Income from Embrace Design	1,022	2,074
Placement fees received	3,800	2,000
	<u>14,065</u>	<u>10,929</u>

Embrace Wigan & Leigh

Notes to the Financial Statements for the Year Ended 28 February 2022

5 Income from Charitable Activities

	Total 2022 £	Total 2021 £
Activity Contracts	394,760	329,661
Other Income	7,240	85,169
	<u>402,000</u>	<u>414,830</u>

6 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2022 £	2021 £
Depreciation of fixed assets	2,748	3,664

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	406,610	395,060
Social security costs	33,361	26,670
Other pension costs	15,678	7,529
	<u>455,649</u>	<u>429,259</u>

No employee received emoluments of more than £60,000 during the year.

Embrace Wigan & Leigh

Notes to the Financial Statements for the Year Ended 28 February 2022

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 March 2021	65,362
Additions in year	-
At 28 February 2022	<u>65,362</u>
Depreciation	
At 1 March 2021	54,369
Charge for the year	<u>2,748</u>
At 28 February 2022	<u>57,117</u>
Net book value	
At 28 February 2022	<u>8,245</u>
At 28 February 2021	<u>10,993</u>

12 Debtors

	2022 £	2021 £
Trade debtors	115,329	50,074
Other debtor	1,000	1,367
Prepayments and accrued income	<u>1,890</u>	<u>12,356</u>
	<u>118,219</u>	<u>63,797</u>

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	1,225	516
Accruals	3,758	2,340
Other creditors	<u>-</u>	<u>1,594</u>
	<u>4,983</u>	<u>4,450</u>

Embrace Wigan & Leigh

Notes to the Financial Statements for the Year Ended 28 February 2022

14 Funds

	Balance at 1 March 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 28 February 2022 £
Unrestricted funds					
General fund	349,861	502,838	(519,800)	-	332,899
Designated office, admin and support	159,000	-	-	-	159,000
Total Unrestricted funds	508,831	502,838	(519,800)	-	491,899
Restricted Funds					
Children in Need ASC	7,268	-	(7,268)	-	-
Children in Need	2,120	-	(2,120)	-	-
Total Restricted Funds	9,388	-	(9,388)	-	-
Total funds	518,219	502,838	(529,188)	-	491,899
	Balance at 1 March 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 28 February 2021 £
Unrestricted funds					
General	256,295	555,225	(461,689)	-	349,831
Designated	159,000	-	-	-	159,000
Total unrestricted funds	415,295	555,225	(461,689)	-	508,831
Restricted Funds					
Children in Need ASC	8,002	31,262	(31,996)	-	7,268
Children in Need	2,120	-	-	-	2,120
Total Restricted Funds	10,122	-	-	-	9,388
Total funds	425,417	586,487	(493,685)	-	518,219

Embrace Wigan & Leigh

Notes to the Financial Statements for the Year Ended 28 February 2022

15 Analysis of net funds

	At 1 March 2021 £	Cash flow £	At 28 February 2022 £
Cash at bank and in hand	447,910	(77,492)	370,418
Net cash and cash equivalents	447,910	(77,492)	370,418

16 Related Party Disclosures

Bryan Atkinson, a trustee, was also a trustee and director of Abram Ward Community Charity (AWCC) during the year ended 28 February 2022. AWCC owns the premises from which Embrace Wigan & Leigh operates. Rental charges of £17,000 were paid by Embrace Wigan & Leigh to AWCC during the year (2021: £17,000) together with additional room hire charges totalling £1666.15 (2021: £200). The balance outstanding to AWCC at 28 February 2022 was nil (2021: nil).

Embrace Wigan & Leigh provided goods and services to the value of £6,486 (2021: £2,618) during the year to 28 February 2022 and a balance of £408.66 was outstanding at the year end (2021: £910).