

STOCKPORT CARE SCHEMES

(operating as Stockport Car Scheme)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Registered Charity No.1091546

COMMUNITY ACCOUNTANCY SERVICE LTD
THE GRANGE
PILGRIM DRIVE, BESWICK
MANCHESTER M11 3TQ

STOCKPORT CARE SCHEMES

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STOCKPORT CARE SCHEMES**Report of the trustees for the year ended 31ST March 2021**

The trustees present their annual report and financial statements of the charity for the year ended 31st March 2021.

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

Reference and administrative information

Charity Name: Stockport Care Schemes

Charity Number: 1091546

Trustees

The trustees and officers serving during the year and since the year end were as follows:

| | |
|------------------------|-----------|
| Ms Helen O'Sullivan | Chair |
| Mr George Berry | Treasurer |
| Mr Andrew Wardle | |
| Mr Clive Calton | |
| Miss Claire Bakewell | |
| Cllr. Christine Corris | |
| Ms Theresa Rogers | |
| Mr Michael Faragher | |

Key management personnel: Trustees and Directors

Ms Helen O'Sullivan Chair of Trustees

Senior managers

Mrs Susan Peck

Registered Office

The Heatons Centre, Thornfield Road, Heaton Moor, Stockport, Cheshire, SK4 3LD

Independent Examiners

Community Accountancy Service Limited
The Grange, Pilgrim Drive
Beswick, Manchester
M11 3TQ

Bankers

The Cooperative Bank plc, 1 Balloon Street, Manchester, M60 4EP

STOCKPORT CARE SCHEMES

Objectives and activities

The purposes of the charity are to promote the relief of persons who are aged, sick or who have disabilities and are in need of care and support, by provision of support services and information to such persons and their carers in Stockport; to carry out such other charitable purpose or purposes as the Trustees in their absolute discretion shall from time to time determine.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives, in planning future activities, and setting the policies for the year.

The charity furthers its charitable purposes for the public benefit through using volunteer drivers who use their own cars to take people who struggle with public transport to social groups, day centres, medical appointments visiting friends and family and shopping to reduce social isolation and help people stay well and independent in their own homes.

Structure, governance and management

Stockport Care Schemes is registered as a charity with the Charity Commission (dated 5th April 2002).

Appointment of trustees

As set out in the constitution trustees are elected annually by the members of the charity attending the Annual General meeting and serve for a period of 1 year, following which they may offer themselves for re-election. The Executive Committee shall consist of not less than 3 members not more than 12 members.

Trustee induction and training

New trustees are given a Trustee Training and Guidance Pack which covers:

The obligations of the Board of Trustees

The current financial position

Future plans and objectives

Organisation

The board of trustees administers the charity. The board normally meets formally four times a year. A manager is appointed by the trustees to manage the day-to-day operations of the charity.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work as trustees with the charity. Any connection between a trustee or senior manager with any service providers must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year remuneration and re-imbursement for other roles and related party transactions are reported in Note 6.

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A review of our achievements and performance

The main achievements during the year were:

- Continuing the contract with Stockport MBC
- Providing transportation to over 4,000 clients
- Using over 80 volunteers to drive and assist with the administrative functions of the organisation
- To provide support during covid by collecting prescriptions, delivering kit and PPE for the CCG, taking people to essential medical appointments, making welfare calls to isolated clients during lockdown
- Taking people for their covid vaccination

Financial review

Total incoming resources were £168,811 (2020 £231,828).

Total resources expended were £179,453 (2020 £228,425).

Overall the net movement in funds was -£10,642 (2020 £3,403), before actuarial gains and losses relating to the pension scheme.

Restricted Funds balance at 31st March was £nil (2020 £1,437)

Investment powers and policy

The trustees, having regard to the liquidity requirements of operating the charity and because it only secured long term funding during the year, have kept available funds in a current account. It is currently exploring the options to deposit funds into a longer-term higher interest account.

Reserves policy and going concern

The balance held in unrestricted reserves at 31st March 2021 was £167,567, £165,549 of which is free reserves, after allowing for funds tied up in tangible fixed assets.

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately six months of normal pre-Covid running costs (currently £114,000). The trustees consider that this level will provide sufficient funds to respond to applications for grants and ensure that support and governance costs are covered.

Having considered financial forecasts and the current level of reserves the trustees consider that the charity is a going concern.

Risk management

The trustees have conducted a review of the major risks to which the charity is exposed and systems have been established to mitigate those risks.

The main risk will always be the need to maintain grant funding. The organisation is continually monitored by Stockport MBC to ensure it meets its requirements. Additionally, it seeks other sources of grant funding to help maintain its services.

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Plans for Future Periods

- To continue to recruit volunteer drivers and administration staff to meet the demand from clients and partners in the contract
- To maintain an innovative approach for providing transport to our clients. These clients may have multiple disabilities or through deterioration of health need accessible transport.
- To continue networking and collaborating with organisations providing health related services

Trustees responsibilities in relation to the financial statements

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

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting principles and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provision of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board of trustees



Ms Helen O'Sullivan

Chair

Date: 24TH September 2021

**INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF
STOCKPORT CARE SCHEMES
REGISTERED CHARITY NO. 1091546**

I report on the accounts of the charity, for the Year Ended 31st March 2021 which are set out on pages 6 to 14.

Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity 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 is preparing accrued accounts and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

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

Basis of Independent Examiners 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, except as disclosed below, 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 have in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act, 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.

A trustee was paid for administration work- see Note 6. The constitution is silent on the payment of trustees and no authorisation was sought in advance from the Charity Commission. The amount did not exceed £1000 in the financial year.

Signed: EL Anderson

EL Anderson MA FCA CTA

Date: 24th September 2021

Community Accountancy Service Ltd
The Grange, Pilgrim Drive, Beswick,
Manchester, M11 3TQ

STOCKPORT CARE SCHEMES

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|--|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME FROM: | | | | | |
| Donations | | 43,737 | - | 43,737 | 122,641 |
| Charitable Activities | (2) | 118,574 | 5,500 | 124,074 | 109,187 |
| Other income | | 1,000 | | 1,000 | - |
| TOTAL | | 163,311 | 5,500 | 168,811 | 231,828 |
| EXPENDITURE ON: | | | | | |
| Charitable Activities | | (172,516) | (6,937) | (179,453) | (228,425) |
| TOTAL | (3) | (172,516) | (6,937) | (179,453) | (228,425) |
| NET INCOME (EXPENDITURE) | | (9,205) | (1,437) | (10,642) | 3,403 |
| Actuarial Gains(Losses) on defined benefit pension schemes | (10) | (410) | - | (410) | 385 |
| NET MOVEMENT IN FUNDS | | (9,615) | (1,437) | (11,052) | 3,788 |
| Reconciliation of Funds | | | | | |
| Total Funds Brought Forward | | 177,182 | 1,437 | 178,619 | 174,831 |
| TOTAL FUNDS CARRIED FORWARD (11) | | 167,567 | - | 167,567 | 178,619 |

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 9 to 14 form part of these accounts.

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BALANCE SHEET AS AT 31 MARCH 2021

| | Notes | £ | 2021 | £ | 2020 | £ |
|--|-------|-----------------|----------------|-----------------|----------------|----------------|
| FIXED ASSETS | 7 | | | 2,018 | | 4,128 |
| CURRENT ASSETS | | | | | | |
| Debtors and Prepayments | 8 | 2,564 | | | 311 | |
| Cash at Bank & in Hand | | 203,866 | | | 223,248 | |
| | | <u>206,430</u> | | | <u>223,559</u> | |
| LIABILITIES: | | | | | | |
| Amounts falling due within one year | 9 | <u>(28,906)</u> | | <u>(34,879)</u> | | |
| Net Current Assets | | | 177,524 | | | 188,680 |
| PROVISIONS FOR LIABILITIES: | | | | | | |
| Defined benefit Pension Scheme Asset (Liability) | 10 | | (11,975) | | | (14,189) |
| NET (LIABILITIES) / ASSETS | | | <u>167,567</u> | | | <u>178,619</u> |
| THE FUNDS OF THE CHARITY | | | | | | |
| Restricted Funds | 11 | | - | | | 1,437 |
| Unrestricted Income Funds | 11 | | 167,567 | | | 177,182 |
| | | | <u>167,567</u> | | | <u>178,619</u> |

Approved on behalf of the Trustees Management Committee

Trustee Helen O'Sullivan Chair




Trustee George Berry Treasurer

Date: 24th September 2021

The notes on pages 9 to 14 form part of these accounts.

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2021

| | 2021 £ | 2020 £ |
|--|-----------------|----------------|
| Net movement in funds | (11,052) | 3,788 |
| Add back depreciation | 1,437 | 1,437 |
| Decrease/(increase) in debtors | (2,253) | 1,935 |
| Increase/(decrease) in creditors | (8,187) | 682 |
| Net cash used in operating activities | (20,055) | 7,842 |
| Cash flows from investment activities: | | |
| Purchase of Fixed Assets | - | (2,691) |
| Net cash provided by investing activities | - | (2,691) |
| Increase/(decrease) in cash and cash equivalents during the year | (20,055) | 5,151 |
| Cash and cash equivalents brought forward | 223,248 | 218,097 |
| Cash and cash equivalents carried forward | 203,193 | 223,248 |

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies**(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

(b) Funds structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. There are no restricted funds at the year end.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Further details of each fund are disclosed in note 11.

(c) Income recognition

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 income receivable can be measured reliably.

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 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 those conditions will be fulfilled in the reporting period.

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

(d) Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (g) below.

(e) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on staff time and the usage of facilities and services for management purposes.

The charity has the free use of a room for management meetings and increasingly uses teleconferencing facilities.

The allocation of support and governance costs is analysed in note 4.

(g) Charitable Activities

Costs of charitable activities include governance costs and an apportionment of support costs as shown in note 3.

(h) Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and valued at historical cost. Depreciation is charged on the following basis:

| | |
|------------------------------|-------------|
| Furniture & Office Equipment | 25% on cost |
|------------------------------|-------------|

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

(i) Debtors

Trade and other debtors are recognised at settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(k) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their varying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(l) Pensions

The charity recognises a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding discount rate as a finance cost in the period in which it arises. A provision is made for liabilities beyond the standard contributions Note 10.

(m) Contingent liabilities

There were no contingent liabilities at 31st March 2021 (2020 £nil).

(n) Taxation

The charity will apply for an exemption to tax on income and gains, due to its charitable status therefore no provision for taxation has been made in the accounts. The charity is not registered for Value Added tax.

(o) Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised on a transaction value and subsequently measured at their settlement value with the exception of pensions (see l above).

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

2. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted 2021 £ | Restricted 2021 £ | Total Funds 2021 £ | Unrestricted 2020 £ | Restricted 2020 £ | Total Funds 2020 £ |
|--------------------|---------------------------|-------------------------|-----------------------------|---------------------------|-------------------------|-----------------------------|
| Grants Receivable | | | | | | |
| SMBC Grant | 108,000 | - | 108,000 | 108,000 | - | 108,000 |
| SMBC Covid | 574 | - | 574 | - | - | - |
| Manchester Airport | - | 900 | 900 | - | - | - |
| Forever Manchester | - | 4,100 | 4,100 | - | - | - |
| Community Fund | 10,000 | - | 10,000 | - | - | - |
| Groundwork UK | - | 500 | 500 | - | - | - |
| Co-op Grant | - | - | - | - | 187 | 187 |
| Tesco Bags of Help | - | - | - | - | 1,000 | 1,000 |
| | <u>118,574</u> | <u>5,500</u> | <u>124,074</u> | <u>108,000</u> | <u>1,187</u> | <u>109,187</u> |

3. EXPENDITURE ON CHARITABLE ACTIVITIES

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2020 £ |
|-------------------------------|----------------------------|--------------------------|-----------------------------|----------------------------|--------------------------|-----------------------------|
| Rent | 7,624 | - | 7,624 | 7,437 | - | 7,437 |
| Staff Salaries and NIC | 81,107 | - | 81,107 | 81,315 | - | 81,315 |
| Staff Pensions | 2,269 | - | 2,269 | 2,186 | - | 2,186 |
| Staff Travel Expenses | 59 | - | 59 | 446 | - | 446 |
| Training & Conferences | - | - | - | 165 | - | 165 |
| Volunteer Expenses | 32,134 | 4,100 | 36,234 | 82,566 | - | 82,566 |
| Uniforms , Car Signs & Badges | 1,130 | 1,400 | 2,530 | 2,000 | 1,382 | 3,382 |
| DBS Checks | 264 | - | 264 | 170 | - | 170 |
| Transport Costs | 36,000 | - | 36,000 | 36,000 | - | 36,000 |
| Room Hire | - | - | - | 118 | - | 118 |
| Activity Costs & Refreshments | 80 | - | 80 | 731 | - | 731 |
| Sundries | 171 | - | 171 | 47 | - | 47 |
| Interest Charges | 318 | - | 318 | 218 | - | 218 |
| Support Costs | 10,712 | 1,437 | 12,149 | 11,571 | 1,437 | 13,008 |
| Governance Costs | 648 | - | 648 | 636 | - | 636 |
| | <u>172,516</u> | <u>6,937</u> | <u>179,453</u> | <u>225,606</u> | <u>2,819</u> | <u>228,425</u> |

4. ALLOCATION OF GOVERNANCE AND SUPPORT COSTS

The breakdown of support costs and how these were allocated between governance and other support costs is shown below:

| | General Support £ | Governance £ | Total 2021 £ | General Support £ | Governance £ | Total 2020 £ |
|--|-------------------------|-----------------|-----------------|-------------------------|-----------------|-----------------|
| Computer System Maintenance & Minor Equipment | 3,394 | - | 3,394 | 3,901 | - | 3,901 |
| Telephone | 2,380 | - | 2,380 | 2,086 | - | 2,086 |
| Insurance | 1,039 | - | 1,039 | 824 | - | 824 |
| Repairs, Maintenance, H & Safety | 570 | - | 570 | 274 | - | 274 |
| Post, Printing & Stationery | 1,717 | - | 1,717 | 2,640 | - | 2,640 |
| Subscriptions | 203 | - | 203 | 75 | - | 75 |
| Depreciation | 2,110 | - | 2,110 | 1,437 | - | 1,437 |
| Bank Charges | - | - | - | 738 | - | 738 |
| Payroll Costs | 736 | - | 736 | 1,033 | - | 1,033 |
| Accountancy Fees | - | 648 | 648 | - | 636 | 636 |
| | <u>12,149</u> | <u>648</u> | <u>12,797</u> | <u>13,008</u> | <u>636</u> | <u>13,644</u> |

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

5. STAFF COSTS

| | 2021 £ | 2020 £ |
|--------------------|---------------|---------------|
| Staff Costs: | | |
| Wages and Salaries | 79,784 | 79,909 |
| Pension Costs | 2,186 | 2,186 |
| Employers NIC | 1,406 | 1,406 |
| | <u>83,376</u> | <u>83,501</u> |

The charity employed 8 staff during the year (average number of employees during the year was 6) with a full time equivalent of 3 (2020: 3). The charity considers its key management personnel comprises the trustees, Manager and Senior Transport Organiser.

The total employment benefits, including employer pension contributions of the key management personnel were £52,402 (2020 £50,542). No employee has benefits in excess of £60,000.

6. TRUSTEES' REMUNERATION AND EXPENSES

Except as disclosed below no remuneration directly or indirectly out of the funds of the charity was paid or payable during the year, to any trustee or to any persons known to be connected with any of them.

Theresa Rogers £174.42

No trustees were paid expenses in their role as trustees.

Except as disclosed below no reimbursement of expenses has been made or is due to be made to any of the trustees in respect of the year.

Mileage - 1 trustee £ 108

7. TANGIBLE FIXED ASSETS

| | Furniture & Office Equipment £ | Total £ |
|--------------------------------------|---|---------------|
| COST at 1st April 2020 | 21,577 | 21,577 |
| Additions | - | - |
| Disposals | - | - |
| At 31st March 2021 | <u>21,577</u> | <u>21,577</u> |
| DEPRECIATION at 1st April 2020 | 17,449 | 17,449 |
| Charge for Year | 2,110 | 2,110 |
| Disposals | - | - |
| At 31st March 2021 | <u>19,559</u> | <u>19,559</u> |
| NET BOOK VALUE At 31st March 2021 | <u>2,018</u> | <u>2,018</u> |
| At 31 March 2020 | <u>4,128</u> | <u>4,128</u> |

8. DEBTORS

| | 2021 £ | 2020 £ |
|------------------------------|--------------|------------|
| Prepayments & Accrued Income | 2,564 | 311 |
| | <u>2,564</u> | <u>311</u> |

All prepayments and accrued income in 2021 and 2020 related to unrestricted funds.

9. LIABILITIES: Amounts Falling Due Within One Year

| | 2021 £ | 2020 £ |
|-----------------|---------------|---------------|
| Other Creditors | 26,946 | 12,387 |
| Accruals | 1,960 | 22,492 |
| | <u>28,906</u> | <u>34,879</u> |

All creditors and accruals for 2021 and 2020 related to unrestricted funds.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

10. PROVISION FOR LIABILITIES

Stockport Care Schemes participates in The Pensions Trust's Growth Plan (the Plan), a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. It therefore accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2017. This actuarial valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m.

To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions will be paid to the scheme as follows:

Deficit Contributions

From 1 April 2019 to 31 January 2025 £11,243,000 per annum (payable monthly by increasing 3% each on 1 April)

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

Note that the scheme's previous valuation statement was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m.

To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit Contributions

From 1 April 2016 to 30 September 2025 £12,945,440 per annum (payable monthly by increasing 3% each on 1 April)

From 1 April 2016 to 30 September 2028 £54,560 per annum (payable monthly and increasing by 3% each on 1 April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

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

| | 31 March 2021 £ | 31 March 2020 £ |
|---|-----------------------|-----------------------|
| Present Value of Provision | | |
| Present Value of Provision | 11,975 | 14,189 |
| Reconciliation of Opening and Closing Provisions | | |
| Provision at Start of the Period | 14,189 | 17,212 |
| Unwinding of the Discount Factor | 318 | 218 |
| Deficit Contribution Paid | (2,942) | (2,856) |
| Re-measurements - impact of any change in assumptions | 410 | (385) |
| Re-measurements - amendments to the contribution schedule | - | - |
| Provision at End of the Period | 11,975 | 14,189 |
| Assumptions | % | % |
| Rate of Discount | 0.66 | 2.53 |

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