

REGISTERED COMPANY NUMBER: 04610839 (England and Wales)  
REGISTERED CHARITY NUMBER: 1099202

**Report of the Trustees and**  
**Consolidated Financial Statements**  
**For The Year Ended 31 March 2023**  
**for**  
**Warren House Group At Dartington**

Bromhead  
Chartered Accountants  
Statutory Auditors  
Harscombe House  
1 Darklake View  
Plymouth  
Devon  
PL6 7TL

## **Warren House Group At Dartington**

### **Report of the Trustees** **For The Year Ended 31 March 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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 2019).

#### **Message from Ruth Dobson, Chair of Trustees**

This has been a positive and successful year, in terms of high-impact work, new partnerships and income generation. The charity remains strong, vibrant and well-placed to play an important role in the sector. Last year we published our updated strategy – an integrated approach to evidence for those working to improve outcomes for children and young people. This year we've been working hard to put this into practice, as you can read from our CEO's message below.

The macroeconomic climate continues to be challenging - there remains a lot of uncertainty and instability, with estimations about short- to medium-term trends proving hard to predict. The post-pandemic context, compounded by international conflict, political instability and the continuing cost-of-living crisis has strained the resources of central and local government, and philanthropy. What we remain sure of, unfortunately, is that the most vulnerable children and families will continue to bear the brunt of these shocks to the system. This is being reflected in rising financial hardship, poorer physical and mental health and less certain outlooks for children and young people's futures.

This reality strengthens our resolve to direct our work with partners to identify and tackle inequalities faced by children and young people – working with communities and local leaders to design innovative and systemic solutions to help safeguard the futures of young people across the UK.

Once again this year, I'm deeply grateful to the whole team for unwavering commitment and innovative work. Led by our dynamic and dedicated CEO and Senior Management Team, the whole staff has continued to proactively assess where we can most impactfully add value to the ecosystem of supports around children, families and communities. We have grown in many ways, further strengthening our service design and systemic design functions – which we anticipate being increasingly in demand in the coming years. One major change for the organisation this year was that we said farewell to our longstanding Chief Operating Officer, Brian Warren, who retired. We are grateful for his dedicated service to the charity, and for helping us to seamlessly welcome our new Director of Operations into role.

As the team has grown and evolved, so too have our governance structures and capabilities. This last year a number of new Trustees have embraced their new roles, bringing further insight and experience, as well as refreshing perspectives, to our work. We have also updated our subcommittee structure to ensure we are meeting all of our governance responsibilities with professionalism and achieving the highest degree of impact possible. I am, as ever, extremely grateful to the contributions of our exceptional Board.

We look forward to building on the successes of the year, ensuring we remain agile, strong and ready to play the most impactful role we can in addressing the challenges that will inevitably be faced in the years to come.

#### **Message from Dr Tim Hobbs, CEO of the charity**

I'm proud of what our team has achieved this year. We have focused on strengthening our team to put into practice our strategy – taking an integrated approach to the generation and use of evidence to improve outcomes for children and young people. This means generating and using robust social research and data, and working with young people and communities to contextualise this so that it can be used in practice to meaningful shape and inform decisions that affect children and families.

Since launching the strategy last year, we've begun to put into practice some truly systemic ways, working with a range of partners that previously, we've not worked with. For example, we have started an ambitious programme of work with Grosvenor Hart Homes – designing integrated models of social housing for care-leavers and vulnerable families, encompassing social and mental health support, advice and employment opportunities. We've started work with Young Lives vs Cancer to deeply understand the needs of young people and families navigating cancer, and design what an effective system-wide response could look like. We are working with committed partners in Newham and Northern Devon to co-design ways of addressing the systemic barriers that affect young people's mental health and wellbeing. All of this demands an innovative integration of research, design and systems thinking, and I'm delighted in the promise that our approaches are demonstrating.

Our team is going from strength-to-strength. We are continuing to be innovative in our methods and approaches, as well as building the skills and capabilities of those we work with and serve. We are continuing to advance our approaches to anti-racist research and are steadily learning and investing in more equitable and embedded approaches to research and design, including an increasing emphasis on supporting embedded community research and youth participation in our work. I'm grateful to the whole team and Trustees for the dedication and passion they bring to our work, and to our wonderful partners for the dedication they exhibit in improving outcomes for children, young people and families.

## **Warren House Group At Dartington**

### **Report of the Trustees** **For The Year Ended 31 March 2023**

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Warren House Group at Dartington (WHG) is the registered name of the charity. It operates a trading subsidiary 'The Dartington Service Design Lab' a company [No. 12613600] limited by a single share which the Charity wholly owns; it also shelters the Centre for Social Policy - whose activities drew to a planned close this year.

##### **Dartington Service Design Lab:**

We are a research and design arm of the charity dedicated to improving outcomes for children and young people. We innovate to ensure that research and evidence plays a valued and impactful role in the design and implementation of services for children and families.

We work in close partnership with those commissioning, designing or delivering services for children. Our work is grounded in data and evidence, as well as a deep understanding of public systems and the diverse needs and community contexts they serve. We bring together expertise in social research, service design, systems thinking and data science.

Our activities include children's services strategy development, service design, rapid-cycle design and testing, system reform, evidence reviews and data analytics and visualisation - all of which you can read about here: [www.dartington.org.uk](http://www.dartington.org.uk).

##### **Significant activities**

Over the last year, the Lab worked with over 25 different clients on a range of activities to help them generate or use evidence to inform their work and have a greater impact. Significant activities during the year include:

- (i) Securing and commencing two large-scale initiatives that allow us to implement an integrated approach to evidence. The first is with Grosvenor Hart Homes, an innovative social housing venture that combines high quality housing, mental health support and jobs brokerage for care leavers and vulnerable families. The second is with Young Lives vs Cancer to develop an organisational and sector-wide strategy to plug gaps in psychosocial support for those navigating cancer. These large-scale programmes of work bring together research, data, evidence, service design and systems thinking.
- (ii) Commencing a three-year learning partnership with UK Youth and their Thriving Minds grant programme – supporting over 100 youth sector grantees to build capacity and capabilities for providing mental health support as part of their core youth work activities. This is alongside other learning Partner projects, including those with the Youth Endowment Fund and Barnardo's Foundation.
- (iii) Ongoing implementation of large-scale systems change initiatives. This includes Kailo: a £5.3m research grant from UKPRP to co-design local strategies addressing the social determinants of young people's mental health and wellbeing. This year we have developed and refined the framework and undertaken extensive programmes of early 'Discovery' in Newham and Northern Devon, engaging with hundreds of young people, community and system leaders to determine local priorities. Co-design of local responses is now underway.
- (iv) Ongoing evaluation of a range of service-level and systems change initiatives. This includes the formative evaluation of LEAP – an early year's systems change programme. Insights from two years of development work were concluded, paving the way for a final stage summative impact evaluation starting in 2023/24. Evaluation activities also include a range of innovative theory-based service evaluations in the context of youth employment and youth violence prevention.
- (v) Conclusion of a three-year systems change programme in Scotland focused on coercive relationships and emotional wellbeing: Early Action Systems Change. Learning shared via a range of local and national forum.
- (vi) We supported a range of small and large service delivery organisations working across England and Scotland with children and families to develop their activities, including theory of change development and designing approaches to learning and evaluation.

In response to increasing demand, and in line with our strategy in which we aspire to take an increasingly inter-disciplinary approach to our work, we have increased the staff team across WHG and the Lab this year. During 2022/23, our team grew from 19 staff to 24 by year-end: including new service designers, researchers and communications experts.

##### **Warren House Group activities:**

In addition to supporting the activities of the Lab, the charity also published eight blogs sharing learning and insights from our work, focusing on themes such as innovative approaches to Theory of Change development, appreciative enquiry and co-design, and topics such as gender-based violence, young men's mental health and young people's experiences of cancer.

**Warren House Group At Dartington**

**Report of the Trustees**  
**For The Year Ended 31 March 2023**

We have also further developed our own organisational approaches to build a culture of anti-racist research and design, building the position paper published in 2021. This year we produced a blog sharing our learning and hosted a learning event for those working in the sector to share learning and stimulate further progress.

Since 1995 the WHG has also run the Centre for Social Policy (CSP). This was established to provide a resource for people who have left posts connected to established organisations or who work independently. It is a facility to be used as the CSP members (Fellows) wish but it provides them with a link to a multi-disciplinary peer group and enables them to keep up to date with current issues. In return, Lab staff have ready access to a range of experts familiar with its work. The current officers are John Diamond (Chair), Patrick Diamond (WHG Trustee), Roger Bullock (Treasurer) and Brian Warren, and latterly, Laurence Evans (Secretary).

During 2022/23, the CSP held three virtual seminars and summaries of these and emerging papers are posted on the CSP website: [www.centreforsocialpolicy.org.uk](http://www.centreforsocialpolicy.org.uk). These covered topics including public health responses to COVID, domestic violence, youth violence, national and international approaches to commissioning and trauma-informed services for children and families.

During the year, the CSP Ethical Committee, which comprises five fellows and co-opted consultants as needed, gave independent ethical approval to six Lab research proposals.

2022/23, it was collectively agreed by the Centre and WHG Trustees and Executive to conclude the CSP's operations. Instead, going forwards, the ethical review function will be incorporated into the WHG infrastructure (via the Lab Research Ethics Committee (LabREC)), and we will explore wider opportunities for sector-facing peer-to-peer collaboration and learning forum.

## **Warren House Group At Dartington**

### **Report of the Trustees** **For The Year Ended 31 March 2023**

#### **FINANCIAL REVIEW**

##### **Financial position**

##### **Message from Treasurer – Joel Glover**

Strong performance in the previous year (2021/22) meant that we started the new financial year with a strong pipeline of potential work that was of significant value over multiple years. The sharp focus on income generation throughout the financial year was maintained throughout resulting in income of £1.69M generated from operations.

The creation of the Dartington Service Design Lab trading subsidiary in 2020 continues to allow us to deliver a wide range of more commercially and consultancy-based functions that are not ideally suited to the constraints of being a charity.

The macroeconomic environment has been volatile through 2022/23, with a high level of inflation being driven by various factors including the general UK fiscal position, the ongoing economic consequences of the Covid 19 pandemic, and the war in Ukraine. These factors are reflected in the "cost-of-living crisis", and create challenges for public and 3<sup>rd</sup> sector bodies to finance programmes for the social good. Despite this pressure, or perhaps because of it, the work of the Lab remains more necessary than ever.

The Board's goal has always been to ensure adequate financial reserves to ensure that we can deliver the aims of the charity through uncertainty, complexity and ambiguity, and this goal remains. The Board establish budgets and a strategic approach to finances with the goal of a steady increase in reserves that reflects the growing cost base of the organisation, and the need to factor in the increased challenges to the organisation and wider sector.

A material contributor to our bottom line position is the provision for pensions. The WHG has for a number of years offered its staff a pension arrangement through the University Superannuation Scheme (USS). The latest actuarial evaluation of the USS has revealed a continuing deficit that the charity must recognise its share of. This is reflected in a provision in the 2022/23 accounts of £103,562 (21/22 £47,403). Although it reduces the free reserves of the charity, in cash terms, the deficit is paid over 15 years as an annual cash contribution to the USS.

With the movement in the pension provision of £56,139 this year the unrestricted reserves of the WHG have reduced from £1,211,463 to £1,165,487 with restricted reserves of £8,745.

The Finance and Operations Subcommittee of the Board meet monthly and continues to monitor the financial and risk profile of the charity throughout the year, ensuring a steady financial footing and acceptable level of financial risk, balanced against the charitable aims and objectives of the charity.

Overall, the charity is well placed to deliver its charitable objectives whilst also meeting the financial goals the Trustees have set; it will continue to consolidate its position in the sector and achieve a positive impact for children and families.

#### **FINANCIAL REVIEW**

##### **Investment policy and objectives**

Unrestricted, undesignated funds are held as cash in the bank and where appropriate money is placed on timed deposit to attract interest. Due to the need to manage large fluctuations in cash flow, no money is currently placed in any other investment vehicle. This is kept under regular review.

The Trustees have the power to invest the charity's money not immediately required, for its object in any investments, securities or property. Investment powers can be delegated to a financial expert provided that the financial expert is: An individual who is an authorised person within the meaning of the Financial Services and Markets Act 2000; or A company or firm of repute which is an authorised or exempt person within the meaning of that Act except persons exempt solely by virtue of Article 44 and/or Article 45 of the Financial Services and Markets Act 2000 (exemption) order 2001.

##### **Reserves policy**

In 2022, the Trustees reviewed its reserves policy and concluded that it needs to have a minimum of 6 months of the annual forecast expenditure in unrestricted reserve with a target level of 9 months up to a maximum of 15 months.

At 31 March 2023 the level of unrestricted funds, not already designated, amounted to £1,165,487 (2022: £1,211,463). There were £8,745 of restricted reserves (those with restrictions placed on their use by the donors) at year end (2022: nil).

The reserve levels held at the year end, would currently cover more than the minimum reserve levels required of £875,000 based upon a calculation of 6 months of currently forecast operating expenditure. However, the reserves currently held are below the target level of 9 months and up to a maximum of 15 months.

## **Warren House Group At Dartington**

### **Report of the Trustees** **For The Year Ended 31 March 2023**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The governing documents of the charitable company are its Memorandum and Articles of Association. The Directors who are Trustees of the charity in office during the year are listed separately in the Legal and Administrative Information section. In mid-2019 an independent review of the governance of the charity was undertaken and the outcomes reflected well on the organisation. Of the minor efficiency and best practice recommendations presented to the Board, all have now been adopted.

The Trustees meet four times a year with additional meetings being called as necessary with four sub committees delegated to support the charity at a more operational level - these include: (i) Finance, Operations and Governance (FOG); (ii) Strategy and Impact; (iii) People; and (iv) Scotland Subcommittees. The day-to-day management of the charity is the responsibility of the CEO.

##### **Recruitment and appointment of new trustees**

During 2022/23, four Trustees retired from the Board. We are deeply grateful for John Drew's (CBE) nine years of service to the charity, Patrick Diamond's five years of service with Julie Belanger's and Dan Burke's three years' service. John Drew provided a wealth of experience and insight in relation to children's services leadership, youth justice, child protection and safeguarding. Patrick Diamond brought significant "evidence based" public policy experience with a focus on the application of cognitive science to our board. Julie brought a wealth of experience to help advance our own organisational approaches to learning and impact, and Dan Burke expertly supported our understanding of systemic reform in the public sector.

Following a significant recruitment campaign to strengthen our Board, we have also appointed eight new Trustees and we are delighted with the breadth of experience they'll bring as we continue to enhance our impact as an organisation.

- David Derbyshire: Director of Practice Improvement at Action for Children
- Shivonne Gates: Impact and Evaluation Specialist, Impact Lead at Frontline
- Peter Grigg: CEO at HomeStart UK
- Lynn Hendry: Social justice leader in Scotland
- Maria Neophytou: Director of Strategy and Knowledge at NSPCC
- Carole Patrick: Third Sector leader in Scotland
- Lee Mauve Patron: Director of Education and Health Communications – CoppaFeel!
- Hannah Stoddart: Director of Strategy and Insight at National Citizen Service Trust

*(positions shown at the time of appointment)*

##### **Induction and training of new trustees**

All Trustees have received an enhanced DBS check as well as an extensive, rigorous and on-going induction and training process covering such matters as awareness of a Trustee's responsibility, the governing document, administrative procedures, the history and philosophical approach of the charity.

All Trustees have received copies of the previous year's Annual Return report, accounts and a copy of the Charity Commission leaflet "The Essential Trustee: What you need to know". Trustees are also offered the opportunity to engage in training with external organisations, should they wish to take this up.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Pay and Remuneration Policy**

Staff salaries and progression are implemented using a salary banding structure, supported by annual performance appraisal process. Following consultation, an outdated bonus scheme was abolished and a new non-contractual trial scheme called the Health and Wellbeing Allowance was implemented at the start of 2022/23. This equitable approach provides a discretionary quarterly staff payment designed to support activities or equipment that promote staff health and wellbeing in support of a healthy work/life balance. Feedback on the scheme has proved positive, and it will continue subject to affordability.

## Warren House Group At Dartington

### Report of the Trustees For The Year Ended 31 March 2023

#### **Risk management**

The Trustees have considered the risks to which the charity is exposed and have established systems for mitigating those risks. External risks have been minimised by the adoption of a new strategic plan, reviewed on quarterly basis, which includes a strategy for securing funds from a wide range of sources. Internal risks are minimised by implementing procedures for authorising transactions, projects etc, and to ensure consistent quality of delivery for all operational aspects of the charity.

The Trustees have a risk-management monitoring regime which comprises:

- A quarterly review of the principal activities, including risks and uncertainties that the Lab face;
- An on-going review of policies, systems and processes by the Senior Management Team of the Lab to mitigate those risks that are identified;
- The implementation of procedures designed to minimise or manage any potential negative impact on the charity should identified as risks materialise.

The principal risk of financial sustainability for the charity is very closely monitored and reviewed by the Honorary Treasurer monthly, and quarterly by all Trustees. Attention also continues to focus on non-financial risks arising from safeguarding, GDPR, health and safety, reputation, security, confidentiality, welfare, morale etc., which are supported by robust policies and procedures as well as regular staff awareness updates. During 2022/23 an updated programme of policy review and updates has been initiated.

The Charity have had due regard to principals of recommended practices as set out by the 'Charity Governance Code' and have applied these wherever practicable and in decision making.

**Warren House Group At Dartington**

**Report of the Trustees**  
**For The Year Ended 31 March 2023**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

04610839 (England and Wales)

**Registered Charity number**

1099202

**Registered office**

Lower Ground Floor

Higher Mills

Buckfast Abbey

Buckfastleigh

Devon

TQ11 0EE

**Trustees**

R M Dobson Chair of Trustees

D C Archibald Senior Independent Director

J J H Drew CBE (resigned 27.10.22)

P Diamond (resigned 27.10.22)

J R Glover Honorary Treasurer

J Belanger (resigned 15.03.23)

D Derbyshire (appointed 12.5.22)

S M Gates (appointed 12.5.22)

P J Grigg (appointed 12.5.22)

M Neophytou (appointed 12.5.22)

L M Patrntasch (appointed 12.5.22)

H C Stoddart (appointed 12.5.22)

L Hendry (appointed 14.10.22)

C Patrick (appointed 14.10.22)

**Auditors**

Bromhead

Chartered Accountants

Statutory Auditors

Harscombe House

1 Darklake View

Plymouth

Devon

PL6 7TL

**Solicitors**

Browne Jacobson

1 Manor Court

Dix's Field

Exeter

Devon

EX1 1UP



**Warren House Group At Dartington**

**Report of the Trustees**  
**For The Year Ended 31 March 2023**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Warren House Group at Dartington for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently; observe the methods and principles in the Charity SORP; make judgements and estimates that are reasonable and prudent; 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

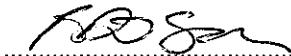
In so far as the trustees are aware:

There is no relevant audit information of which the charitable company's auditors are unaware; and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Bromhead, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 21 September 23 and signed on its behalf by:



.....  
R M Dobson - Trustee

**Report of the Independent Auditors to the Members of  
Warren House Group At Dartington**

**Opinion**

We have audited the financial statements of Warren House Group At Dartington (the 'charitable company') its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group and the 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 and 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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 company 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 exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Report of the Independent Auditors to the Members of**  
**Warren House Group At Dartington**

**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 financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

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 a Report of the Independent Auditors 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 laws and regulations applicable to the company through discussions with management, and those charged with governance. These laws and regulations which were considered to have a material effect on the financial statements or operations of the company were identified including following; Companies Act 2006, Employment Law, Health and Safety Act, Data Protection Act & Charities Act 2011.

We obtained an understanding of the entity's policies and procedures for assessing fraud risk and identifying actual or alleged fraud by making enquiries with managements and those charged with governance and reviewing supporting correspondence with relevant authorities and advisors.

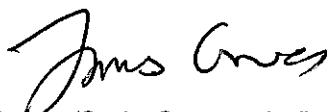
We obtained an understanding of the effectiveness of the entities control environment by testing of management override of controls, which includes but is not limited to; testing of journal entries, review of assumptions and judgements made in accounting estimate, and reviewing transactions occurring outside the normal scope of business.

The use of qualified and experienced staff members to ensure the audit team is comprised of only competent and capable members who are able to recognise and document any instances of non-compliance.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



James Groves (Senior Statutory Auditor)  
for and on behalf of Bromhead  
Chartered Accountants  
Statutory Auditors  
Harscombe House  
1 Darklake View  
Plymouth  
Devon  
PL6 7TL

Date: 3/10/23

**Warren House Group At Dartington**

**Consolidated Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
For The Year Ended 31 March 2023**

|  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 31.3.23<br>Total<br>funds<br>£ | 31.3.22<br>Total<br>funds<br>£ |
|--|-------|----------------------------|--------------------------|--------------------------------|--------------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>      |       |                            |                          |                                |                                |
| Donations and legacies                 | 2     | 4,126                      | -                        | 4,126                          | 16,627                         |
| <b>Charitable activities</b>           | 4     |                            |                          |                                |                                |
| Research and Development               |       | 1,610,684                  | 64,797                   | 1,675,481                      | 1,386,771                      |
| Investment income                      | 3     | 6,708                      | -                        | 6,708                          | 1,461                          |
| Other income                           | 5     | 325                        | -                        | 325                            | -                              |
| <b>Total</b>                           |       | <b>1,621,843</b>           | <b>64,797</b>            | <b>1,686,640</b>               | <b>1,407,332</b>               |
| <br><b>EXPENDITURE ON</b>              |       |                            |                          |                                |                                |
| Raising funds                          | 6     | 2,974                      | -                        | 2,974                          | -                              |
| <b>Charitable activities</b>           | 7     |                            |                          |                                |                                |
| Research and Development               |       | 1,664,845                  | 56,052                   | 1,720,897                      | 1,368,891                      |
| <b>Total</b>                           |       | <b>1,667,819</b>           | <b>56,052</b>            | <b>1,723,871</b>               | <b>1,368,891</b>               |
| <br><b>NET INCOME/(EXPENDITURE)</b>    |       | <b>(45,976)</b>            | <b>8,745</b>             | <b>(37,231)</b>                | <b>38,441</b>                  |
| <br><b>RECONCILIATION OF FUNDS</b>     |       |                            |                          |                                |                                |
| <b>Total funds brought forward</b>     |       | <b>1,211,463</b>           | <b>-</b>                 | <b>1,211,463</b>               | <b>1,173,022</b>               |
| <br><b>TOTAL FUNDS CARRIED FORWARD</b> |       | <b>1,165,487</b>           | <b>8,745</b>             | <b>1,174,232</b>               | <b>1,211,463</b>               |

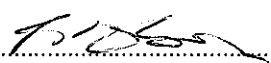
**Warren House Group At Dartington (Registered number: 04610839)**

**Consolidated and Charity Balance Sheet**  
**31 March 2023**

|  | Notes | Group<br>2023<br>£ | Charity<br>2023<br>£ | Group<br>2022<br>£ | Charity<br>2022<br>£ |
|--|-------|--------------------|----------------------|--------------------|----------------------|
| <b>FIXED ASSETS</b>                          |       |                    |                      |                    |                      |
| Tangible assets                              | 12    | 26,250             | 6,162                | 31,797             | 3,361                |
| Investments                                  | 13    | -                  | 1                    | -                  | 1                    |
|  |       | <u>26,250</u>      | <u>6,163</u>         | <u>31,797</u>      | <u>3,362</u>         |
| <b>CURRENT ASSETS</b>                        |       |                    |                      |                    |                      |
| Debtors                                      | 14    | 739,001            | 838,327              | 646,611            | 539,968              |
| Cash at bank                                 |       | <u>755,142</u>     | <u>602,905</u>       | <u>929,664</u>     | <u>716,773</u>       |
|  |       | <u>1,494,143</u>   | <u>1,441,232</u>     | <u>1,576,275</u>   | <u>1,256,741</u>     |
| <b>CREDITORS</b>                             |       |                    |                      |                    |                      |
| Amounts falling due within one year          | 15    | (242,599)          | (226,741)            | (349,206)          | (238,694)            |
|  |       | <u>1,251,544</u>   | <u>1,214,491</u>     | <u>1,227,069</u>   | <u>1,018,047</u>     |
| <b>NET CURRENT ASSETS</b>                    |       |                    |                      |                    |                      |
|  |       | <u>1,251,544</u>   | <u>1,214,491</u>     | <u>1,227,069</u>   | <u>1,018,047</u>     |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>1,277,794</u>   | <u>1,220,654</u>     | <u>1,258,866</u>   | <u>1,021,409</u>     |
| <b>PROVISIONS FOR LIABILITIES</b>            | 17    | (103,562)          | (103,562)            | (47,403)           | (47,403)             |
|  |       | <u>1,174,232</u>   | <u>1,117,092</u>     | <u>1,211,463</u>   | <u>974,006</u>       |
| <b>NET ASSETS</b>                            |       |                    |                      |                    |                      |
|  |       | <u>1,174,232</u>   | <u>1,117,092</u>     | <u>1,211,463</u>   | <u>974,006</u>       |
| <b>FUNDS</b>                                 |       |                    |                      |                    |                      |
| Unrestricted funds                           |       | 1,165,487          | 1,108,347            | 1,211,463          | 974,006              |
| Restricted funds                             |       | 8,745              | 8,745                | -                  | -                    |
| <b>TOTAL FUNDS</b>                           |       | <u>1,174,232</u>   | <u>1,117,092</u>     | <u>1,211,463</u>   | <u>974,006</u>       |

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

The financial statements were approved by the Board of Trustees and authorised for issue on 21 September 23 and were signed on its behalf by:

  
R M Dobson - Trustee

**Warren House Group At Dartington**

**Consolidated Cash Flow Statement**  
**For The Year Ended 31 March 2023**

|   | Notes | 31.3.23<br>£          | 31.3.22<br>£          |
|---|-------|-----------------------|-----------------------|
| <b>Cash flows from operating activities</b>                               |       |                       |                       |
| Cash generated from operations  | 20    | <u>(170,112)</u>      | <u>(325,434)</u>      |
| Net cash (used in)/provided by operating activities                       |       | <u>(170,112)</u>      | <u>(325,434)</u>      |
| <b>Cash flows from investing activities</b>                               |       |                       |                       |
| Purchase of tangible fixed assets   |       | (13,148)              | (36,946)              |
| Sale of tangible fixed assets   |       | 2,030                 | 4,378                 |
| Interest received   |       | <u>6,708</u>          | <u>1,461</u>          |
| Net cash provided by/(used in) investing activities                       |       | <u>(4,410)</u>        | <u>(31,107)</u>       |
| <b>Change in cash and cash equivalents in the reporting period</b>        |       | <u>(174,522)</u>      | <u>(356,541)</u>      |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |       | <u>929,664</u>        | <u>1,286,205</u>      |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |       | <u><u>755,142</u></u> | <u><u>929,664</u></u> |

## **Warren House Group At Dartington**

### **Notes to the Financial Statements** **For The Year Ended 31 March 2023**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

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. There are no material uncertainties affect the current years accounts.

##### **Income**

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

Service contracts are recognised based on the stage of completion, which is measured by the amount of staff hours put against that contract. Income from the provision of services is stated after trade discounts, other sales taxes and net of VAT.

Grants, donations and investment income are recognised when receivable. Where such amounts have terms or conditions which must be met for specific activities, the relevant income is not recognised in the year but deferred and shown on the balance sheet within current liabilities.

Legacies are accounted for as income either upon receipt or where the receipt of legacy is probable, can be reliably measured and all conditions attached to the legacy have been fulfilled.

##### **Expenditure**

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Charitable activities**

Charitable expenditure comprises of research, development and dissemination activity.

##### **Allocation and apportionment of costs**

Costs comprise direct expenditure including direct staff costs attributable to the activity. Staff costs are allocated in accordance to time spent on projects. Administration and management costs are allocated in the same way. Other costs are allocated in proportion to income generated by the activity.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory examinations and legal fees together with an apportionment of overhead and support costs. These costs are included within charitable activities when relevant.

##### **Tangible fixed assets**

Fixed assets are held at historic cost less accumulated depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

|                       |              |
|-----------------------|--------------|
| Fixtures and fittings | -20% on cost |
| Computer equipment    | -33% on cost |

Fixed assets are only capitalised when the value exceeds £1,000. The company applies a short life policy of 3 years straight line.

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

## **Warren House Group At Dartington**

### **Notes to the Financial Statements - continued** **For The Year Ended 31 March 2023**

#### **1. ACCOUNTING POLICIES - continued**

##### **Fund accounting**

The charity has designated certain funds for specific purpose although there is no legal force for the designations.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

##### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102.

The trustees are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

The Charity participates in Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The Charity is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the charity therefore accounts for the scheme as if it were a wholly defined contribution scheme.

As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the charity recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

The charity's total liability under the recovery plan has been recognised in the accounts at its present value. Contributions towards this plan continue to be made on a monthly basis and the accounts will recognise the unwinding of the relevant discount provision.

##### **Financial instruments**

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### **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.



**Warren House Group At Dartington**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2023**

**2. DONATIONS AND LEGACIES**

|           | 31.3.23      | 31.3.22       |
|-----------|--------------|---------------|
|           | £            | £             |
| Donations | <u>4,126</u> | <u>16,627</u> |

**3. INVESTMENT INCOME**

|                          | 31.3.23      | 31.3.22      |
|--------------------------|--------------|--------------|
|                          | £            | £            |
| Deposit account interest | <u>6,708</u> | <u>1,461</u> |

**4. INCOME FROM CHARITABLE ACTIVITIES**

|        | 31.3.23          | 31.3.22          |
|--------|------------------|------------------|
|        | £                | £                |
| Grants | <u>1,675,481</u> | <u>1,386,771</u> |

Activity  
Research and Development

Included in grants received are the following amounts received from Government and other Public Authorities

|               | 31.03.23       | 31.03.22       |
|---------------|----------------|----------------|
|               | £              | £              |
| Lab iWill     | 232,812        | 202,798        |
| S Lanarkshire | -              | 43,432         |
|               | <u>232,812</u> | <u>246,230</u> |

**5. OTHER INCOME**

|                                    | 31.03.23 | 31.03.22 |
|------------------------------------|----------|----------|
|                                    | £        | £        |
| Income on disposal of fixed assets | 325      | 2,473    |

**6. RAISING FUNDS**

**Other trading activities**

|                        | 31.3.23      | 31.3.22  |
|------------------------|--------------|----------|
|                        | £            | £        |
| Loss on sale of assets | <u>2,974</u> | <u>-</u> |

**7. CHARITABLE ACTIVITIES COSTS**

|                          | Direct Costs     | Support costs (see note 8) | Totals           |
|--------------------------|------------------|----------------------------|------------------|
|                          | £                | £                          | £                |
| Research and Development | <u>1,290,633</u> | <u>430,264</u>             | <u>1,720,897</u> |

**8. SUPPORT COSTS**

|                          | Management     | Governance costs | Totals         |
|--------------------------|----------------|------------------|----------------|
|                          | £              | £                | £              |
| Research and Development | <u>408,742</u> | <u>21,522</u>    | <u>430,264</u> |

**Warren House Group At Dartington**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2023**

**8. SUPPORT COSTS - continued**

Support costs, included in the above, are as follows:

|   | <b>31.3.23</b>                      | <b>31.3.22</b>           |
|---|-------------------------------------|--------------------------|
|   | Research<br>and<br>Development<br>£ | Total<br>activities<br>£ |
| Wages                                     | 118,726                             | 127,744                  |
| Pension provision                         | 56,159                              | 5,274                    |
| Central overheads                         | 30,618                              | 35,814                   |
| Recruitment and training                  | 12,830                              | 26,900                   |
| Telephone                                 | 2,088                               | 2,802                    |
| Postage and stationery                    | 317                                 | 782                      |
| Sundries                                  | 1,885                               | 1,851                    |
| Professional fees                         | 25,025                              | 25,967                   |
| Equipment                                 | 15,654                              | 15,925                   |
| Computer & IT                             | 8,438                               | 5,839                    |
| Travel                                    | 83,404                              | 20,585                   |
| Events                                    | 38,597                              | 18,556                   |
| Depreciation of tangible assets           | 14,016                              | 8,393                    |
| Auditors' remuneration                    | 6,500                               | 6,270                    |
| Auditors' remuneration for non audit work | <u>15,022</u>                       | <u>12,285</u>            |
|   | <u><b>430,264</b></u>               | <u><b>315,527</b></u>    |

**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

|   | <b>31.3.23</b> | <b>31.3.22</b> |
|---|----------------|----------------|
|   | £              | £              |
| Auditors' remuneration                        | 6,500          | 6,270          |
| Accounting                                    | 15,022         | 12,825         |
| Depreciation - owned assets                   | 14,016         | 8,393          |
| (Deficit)/surplus on disposal of fixed assets | <u>2,649</u>   | <u>(2,473)</u> |

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

**Trustees' expenses**

No trustees were reimbursed for expenses for the year 31 March 2023 nor for the year ended 31 March 2022.

**11. STAFF COSTS**

The following staff costs were paid during the year:

|                    | <b>31.03.23</b>         | <b>31.03.22</b>       |
|--------------------|-------------------------|-----------------------|
|                    | £                       | £                     |
| Wages and salaries | 956,348                 | 713,643               |
| Social security    | 102,372                 | 52,503                |
| Pension costs      | <u>67,988</u>           | <u>66,189</u>         |
|                    | <u><b>1,126,708</b></u> | <u><b>832,335</b></u> |

**Warren House Group At Dartington**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2023**

**11. STAFF COSTS - continued**

The average monthly number of employees during the year was as follows:

| <b>31.3.23</b>   | <b>31.3.22</b>   |
|------------------|------------------|
| <b><u>24</u></b> | <b><u>20</u></b> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

|                    | <b>31.3.23</b>  | <b>31.3.22</b>  |
|--------------------|-----------------|-----------------|
| £60,001 - £70,000  | <b>2</b>        | <b>1</b>        |
| £70,001 - £80,000  | <b>-</b>        | <b>1</b>        |
| £80,001 - £90,000  | <b>-</b>        | <b>-</b>        |
| £90,001 - £100,000 | <b>1</b>        | <b>-</b>        |
|                    | <b><u>3</u></b> | <b><u>2</u></b> |

**12. TANGIBLE FIXED ASSETS**

The Group

|                        | Fixtures<br>and<br>fittings<br>£ | Computer<br>equipment<br>£ | Totals<br>£          |
|------------------------|----------------------------------|----------------------------|----------------------|
| <b>COST</b>            |                                  |                            |                      |
| At 1 April 2022        | <b>5,263</b>                     | <b>42,442</b>              | <b>47,705</b>        |
| Additions              | <b>-</b>                         | <b>13,148</b>              | <b>13,148</b>        |
| Disposals              | <b>-</b>                         | <b>(7,215)</b>             | <b>(7,215)</b>       |
| At 31 March 2023       | <b><u>5,263</u></b>              | <b><u>48,375</u></b>       | <b><u>53,638</u></b> |
| <b>DEPRECIATION</b>    |                                  |                            |                      |
| At 1 April 2022        | <b>4,590</b>                     | <b>11,318</b>              | <b>15,908</b>        |
| Charge for year        | <b>673</b>                       | <b>13,343</b>              | <b>14,016</b>        |
| Eliminated on disposal | <b>-</b>                         | <b>(2,536)</b>             | <b>(2,536)</b>       |
| At 31 March 2023       | <b><u>5,263</u></b>              | <b><u>22,125</u></b>       | <b><u>27,388</u></b> |
| <b>NET BOOK VALUE</b>  |                                  |                            |                      |
| At 31 March 2023       | <b><u>-</u></b>                  | <b><u>26,250</u></b>       | <b><u>26,250</u></b> |
| At 31 March 2022       | <b><u>673</u></b>                | <b><u>31,124</u></b>       | <b><u>31,797</u></b> |

**13. FIXED ASSET INVESTMENTS**

The Charity

|                       | Shares in<br>group<br>undertakings<br>£ |
|-----------------------|---|
| <b>MARKET VALUE</b>   |   |
| Cost                  | <b><u>1</u></b>                         |
| <b>NET BOOK VALUE</b> |   |
| At 31 March 2023      | <b><u>1</u></b>                         |
| At 31 March 2022      | <b><u>1</u></b>                         |

There were no investment assets outside the UK.

**Warren House Group At Dartington**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2023**

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                | The Group      |                | The Charity    |                |
|--------------------------------|----------------|----------------|----------------|----------------|
|                                | 31.03.23       | 31.03.22       | 31.03.23       | 31.03.22       |
|                                | £              | £              | £              | £              |
| Trade debtors                  | 325,905        | 537,087        | 66,197         | 163,275        |
| Intercompany Loan              | -              | -              | 615,155        | 376,693        |
| Prepayments and accrued income | 413,096        | 109,524        | 156,975        | -              |
|                                | <b>739,001</b> | <b>646,611</b> | <b>838,327</b> | <b>539,968</b> |

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                              | The Group      |                | The Charity    |                |
|------------------------------|----------------|----------------|----------------|----------------|
|                              | 31.03.23       | 31.03.22       | 31.03.23       | 31.03.22       |
|                              | £              | £              | £              | £              |
| Trade creditors              | 44,456         | 128,027        | 66,662         | 108,560        |
| VAT                          | 56,750         | 69,272         | -              | 24,401         |
| Taxation and social security | 34,519         | 15,524         | 3,831          | 1,543          |
| Accruals and deferred income | 77,550         | 77,088         | -              | -              |
| Other creditors              | 980            | -              | 980            | -              |
| Accrued expenses             | 28,344         | 59,295         | 155,268        | 104,190        |
|                              | <b>242,599</b> | <b>349,206</b> | <b>226,741</b> | <b>238,694</b> |

**16. LEASING AGREEMENTS**

The Group

Minimum lease payments under non-cancellable operating leases fall due as follows:

|                            | 31.3.23       | 31.3.22       |
|----------------------------|---------------|---------------|
|                            | £             | £             |
| Within one year            | 18,533        | 17,240        |
| Between one and five years | 15,444        | -             |
|                            | <u>33,977</u> | <u>17,240</u> |

**17. PROVISIONS FOR LIABILITIES**

The Group

|            | 31.3.23        | 31.3.22       |
|------------|----------------|---------------|
|            | £              | £             |
| Provisions | <u>103,562</u> | <u>47,403</u> |

The employment pension scheme will incur major changes in the coming years due to the scheme entering a deficit. There is a recovery period ending in 31 March 2038 and a provision of £103,562 has been included. This has been derived from an average of current employment pension at the new rates and a discount rate of 4.75% has been applied based upon information obtained from the pension scheme provider USS.

**Warren House Group At Dartington**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2023**

**18. MOVEMENT IN FUNDS**

The Group

|                             | At 1.4.22<br>£          | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31.3.23<br>£      |
|-----------------------------|-------------------------|----------------------------------|------------------------------------|-------------------------|
| <b>Unrestricted funds</b>   |                         |                                  |                                    |                         |
| General fund                | 1,208,101               | (43,116)                         | (5,660)                            | 1,159,325               |
| Fixed asset designated fund | <u>3,362</u>            | <u>(2,860)</u>                   | <u>5,660</u>                       | <u>6,162</u>            |
|                             | 1,211,463               | (45,976)                         | -                                  | 1,165,487               |
| <b>Restricted funds</b>     |                         |                                  |                                    |                         |
| Think Forward               | -                       | 8,745                            | -                                  | 8,745                   |
|                             | <u>          </u>       | <u>          </u>                | <u>          </u>                  | <u>          </u>       |
| <b>TOTAL FUNDS</b>          | <b><u>1,211,463</u></b> | <b><u>(37,231)</u></b>           | <b><u>-</u></b>                    | <b><u>1,174,232</u></b> |

Net movement in funds, included in the above are as follows:

|                             | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|-----------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b>   |                            |                            |                           |
| General fund                | 1,621,518                  | (1,664,634)                | (43,116)                  |
| Fixed asset designated fund | <u>325</u>                 | <u>(3,185)</u>             | <u>(2,860)</u>            |
|                             | 1,621,843                  | (1,667,819)                | (45,976)                  |
| <b>Restricted funds</b>     |                            |                            |                           |
| Think Forward               | 24,745                     | (16,000)                   | 8,745                     |
| Stand Together Foundation   | <u>40,052</u>              | <u>(40,052)</u>            | <u>-</u>                  |
|                             | 64,797                     | (56,052)                   | 8,745                     |
| <b>TOTAL FUNDS</b>          | <b><u>1,686,640</u></b>    | <b><u>(1,723,871)</u></b>  | <b><u>(37,231)</u></b>    |

Comparatives for movement in funds

|                             | At 1.4.21<br>£          | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31.3.22<br>£      |
|-----------------------------|-------------------------|----------------------------------|------------------------------------|-------------------------|
| <b>Unrestricted funds</b>   |                         |                                  |                                    |                         |
| General fund                | 1,015,937               | 192,388                          | (224)                              | 1,208,101               |
| Fixed asset designated fund | <u>5,152</u>            | <u>(2,014)</u>                   | <u>224</u>                         | <u>3,362</u>            |
|                             | 1,021,089               | 190,374                          | -                                  | 1,211,463               |
| <b>Restricted funds</b>     |                         |                                  |                                    |                         |
| Big Lottery Fund            | 151,933                 | (151,933)                        | -                                  | -                       |
|                             | <u>          </u>       | <u>          </u>                | <u>          </u>                  | <u>          </u>       |
| <b>TOTAL FUNDS</b>          | <b><u>1,173,022</u></b> | <b><u>38,441</u></b>             | <b><u>-</u></b>                    | <b><u>1,211,463</u></b> |

**Warren House Group At Dartington**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2023**

**18. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

|                             | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|-----------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b>   |                            |                            |                           |
| General fund                | 1,184,960                  | (992,572)                  | 192,388                   |
| Fixed asset designated fund | <u>2,372</u>               | <u>(4,386)</u>             | <u>(2,014)</u>            |
|                             | 1,187,332                  | (996,958)                  | 190,374                   |
| <b>Restricted funds</b>     |                            |                            |                           |
| Big Lottery Fund            | 220,000                    | (371,933)                  | (151,933)                 |
|                             | <u>          </u>          | <u>          </u>          | <u>          </u>         |
| <b>TOTAL FUNDS</b>          | <u><u>1,407,332</u></u>    | <u><u>(1,368,891)</u></u>  | <u><u>38,441</u></u>      |

A current year 12 months and prior year 12 months combined position is as follows:

|                             | At 1.4.21<br>£          | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31.3.23<br>£      |
|-----------------------------|-------------------------|----------------------------------|------------------------------------|-------------------------|
| <b>Unrestricted funds</b>   |                         |                                  |                                    |                         |
| General fund                | 1,015,937               | 149,272                          | (5,884)                            | 1,159,325               |
| Fixed asset designated fund | <u>5,152</u>            | <u>(4,874)</u>                   | <u>5,884</u>                       | <u>6,162</u>            |
|                             | 1,021,089               | 144,398                          | -                                  | 1,165,487               |
| <b>Restricted funds</b>     |                         |                                  |                                    |                         |
| Big Lottery Fund            | 151,933                 | (151,933)                        | -                                  | -                       |
| Think Forward               | <u>-</u>                | <u>8,745</u>                     | <u>-</u>                           | <u>8,745</u>            |
|                             | 151,933                 | (143,188)                        | -                                  | 8,745                   |
| <b>TOTAL FUNDS</b>          | <u><u>1,173,022</u></u> | <u><u>1,210</u></u>              | <u><u>-</u></u>                    | <u><u>1,174,232</u></u> |

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

| The Group                   | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|-----------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b>   |                            |                            |                           |
| General fund                | 2,806,479                  | (2,657,207)                | 149,272                   |
| Fixed asset designated fund | <u>2,696</u>               | <u>(7,570)</u>             | <u>(4,874)</u>            |
|                             | 2,809,175                  | (2,664,777)                | 144,398                   |
| <b>Restricted funds</b>     |                            |                            |                           |
| Big Lottery Fund            | 220,000                    | (371,933)                  | (151,933)                 |
| Think Forward               | 24,745                     | (16,000)                   | 8,745                     |
| Stand Together Foundation   | <u>40,052</u>              | <u>(40,052)</u>            | <u>-</u>                  |
|                             | 284,797                    | (427,985)                  | (143,188)                 |
| <b>TOTAL FUNDS</b>          | <u><u>3,093,972</u></u>    | <u><u>(3,092,762)</u></u>  | <u><u>1,210</u></u>       |

**Unrestricted funds**

The unrestricted funds consists of funds which the charity may use for its charitable purposes at its discretion.

**18. MOVEMENT IN FUNDS - continued**

**Designated funds**

The fixed asset fund represents the value of the charity's funds that are held in the form of tangible fixed assets net of any borrowings directly for the purpose of purchasing these fixed assets. They are held specifically to further the day to day activities of the charity and are expected to be held on a long term basis. As such they are therefore not freely available to spend.

**Restricted funds**

The Big Lottery Fund is restricted funds. These funds are to be used to address poor emotional health and coercive relationships in Renfrewshire, by mapping the current system and identifying strategies to redirect resources to early action.

ThinkFoward UK fund is restricted funds. These funds are to be used to help young people and advance the lives of young people by providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals.

Stand Together Foundation fund is restricted funds. These funds are to improve the lives of young people with educational, scientific or literacy support.

**Warren House Group At Dartington**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2023**

**19. EMPLOYEE BENEFIT OBLIGATIONS**

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2020 (the valuation date), and was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole..

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles ([uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles](http://uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles)).

|  |   |
|--|---|
| CPI assumption                               | <b>Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less:<br/>1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040</b> |
| Pension increases (subject to a floor of 0%) | <b>CPI assumption plus 0.05%</b>  |
| Discount rate (forward rates)                | <b>Fixed interest gilt yield curve plus:<br/>Pre-retirement: 2.75% p.a.<br/>Post retirement: 1.00% p.a.</b>   |

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

|                                  |   |
|----------------------------------|---|
|                                  | <b>2020 valuation</b>   |
| Mortality base table             | <b>101% of S2PMA "light" for males and 95% of S3PFA for females</b>   |
| Future improvements to mortality | <b>CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females</b> |

The current life expectancies on retirement at age 65 are:

|                                   | <b>2023 valuation</b> | <b>2022 valuation</b> |
|-----------------------------------|-----------------------|-----------------------|
| Males currently aged 65 (years)   | <b>24.0</b>           | <b>23.9</b>           |
| Females currently aged 65 (years) | <b>25.6</b>           | <b>25.5</b>           |
| Males currently aged 45 (years)   | <b>26.0</b>           | <b>25.9</b>           |
| Females currently aged 45 (years) | <b>27.4</b>           | <b>27.3</b>           |

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions: as at 31 March 2022 and 2023.

|                         | <b>2023</b>  | <b>2022</b>  |
|-------------------------|--------------|--------------|
| Discount rate           | <b>4.75%</b> | <b>2.65%</b> |
| Pension increases (CPI) | <b>3.00%</b> | <b>2.53%</b> |

The charity's employer contributions to the scheme during the year was £12,778 (2022: £32,213).



**Warren House Group At Dartington**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2023**

**19. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The charity has accounted for the present value of all remaining contributions to the deficit recover plan in these accounts at their present value of £103,562 based upon the information available from the scheme administrator. This liability will be adjusted annually to unwind the relevant discount applied

**20. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

|   | 31.3.23<br>£            | 31.3.22<br>£            |
|---|-------------------------|-------------------------|
| <b>Net income for the reporting period (as per the Statement of Financial Activities)</b> | <b>(37,231)</b>         | <b>38,441</b>           |
| <b>Adjustments for:</b>   |                         |                         |
| Depreciation charges  | 14,016                  | 8,395                   |
| Profit on disposal of fixed assets  | 2,649                   | -                       |
| Interest received   | (6,708)                 | (1,461)                 |
| (Decrease)/ increase in provisions  | 56,159                  | 5,274                   |
| (Increase)/decrease in debtors  | (92,330)                | (74,515)                |
| (Decrease)/increase in creditors  | <u>(106,667)</u>        | <u>(299,095)</u>        |
| <b>Net cash (used in)/provided by operations</b>  | <b><u>(170,112)</u></b> | <b><u>(325,434)</u></b> |

**21. ANALYSIS OF CHANGES IN NET FUNDS**

|                 | At 1.4.22<br>£        | Cash flow<br>£          | At 31.3.23<br>£       |
|-----------------|-----------------------|-------------------------|-----------------------|
| <b>Net cash</b> |                       |                         |                       |
| Cash at bank    | <u>929,664</u>        | <u>(174,522)</u>        | <u>755,142</u>        |
| <b>Total</b>    | <b><u>929,664</u></b> | <b><u>(174,522)</u></b> | <b><u>755,142</u></b> |

**Warren House Group At Dartington**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2023**

**22. INDIVIDUAL STATEMENT OF FINANCIAL ACTIVITIES**

The Charity

|                                    | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 31.3.23<br>Total<br>funds<br>£ | 31.3.22<br>Total<br>funds<br>£ |
|------------------------------------|-------|----------------------------|--------------------------|--------------------------------|--------------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>  |       |                            |                          |                                |                                |
| Donations and legacies             | 2     | 239,533                    | -                        | 239,533                        | 199,762                        |
| <b>Charitable activities</b>       | 4     |                            |                          |                                |                                |
| Research and Development           |       | 232,812                    | 64,797                   | 297,609                        | 516,190                        |
| Investment income                  | 3     | 25,156                     | -                        | 25,156                         | 5,414                          |
| Other income                       |       | <u>148,592</u>             | <u>-</u>                 | <u>148,592</u>                 | <u>206,822</u>                 |
| <b>Total</b>                       |       | <b>646,093</b>             | <b>64,797</b>            | <b>710,890</b>                 | <b>928,188</b>                 |
| <br><b>EXPENDITURE ON</b>          |       |                            |                          |                                |                                |
| <b>Charitable activities</b>       | 5     |                            |                          |                                |                                |
| Research and Development           |       | 511,754                    | 56,052                   | 567,806                        | 944,025                        |
| <b>NET INCOME/(EXPENDITURE)</b>    |       | <b>134,339</b>             | <b>8,745</b>             | <b>143,084</b>                 | <b>(15,837)</b>                |
| <br><b>RECONCILIATION OF FUNDS</b> |       |                            |                          |                                |                                |
| Total funds brought forward        |       | 974,006                    | -                        | 974,006                        | 989,843                        |
| <b>TOTAL FUNDS CARRIED FORWARD</b> |       | <b><u>1,108,345</u></b>    | <b><u>8,745</u></b>      | <b><u>1,117,090</u></b>        | <b><u>974,006</u></b>          |

**Warren House Group At Dartington**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2023**

**23. GROUP STATEMENT OF FINANCIAL POSITION**  
The Group

|  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 31.3.23<br>Total<br>funds<br>£ | 31.3.22<br>Total<br>funds<br>£ |
|--|-------|----------------------------|--------------------------|--------------------------------|--------------------------------|
| <b>FIXED ASSETS</b>                          |       |                            |                          |                                |                                |
| Tangible assets                              | 12    | <u>26,250</u>              | <u>-</u>                 | <u>26,250</u>                  | <u>31,797</u>                  |
|  |       | 26,250                     | -                        | 26,250                         | 31,797                         |
| <b>CURRENT ASSETS</b>                        |       |                            |                          |                                |                                |
| Debtors                                      | 14    | 730,256                    | 8,745                    | 739,001                        | 646,611                        |
| Cash at bank                                 |       | <u>755,142</u>             | <u>-</u>                 | <u>755,142</u>                 | <u>929,664</u>                 |
|  |       | 1,485,398                  | 8,745                    | 1,494,143                      | 1,576,275                      |
| <b>CREDITORS</b>                             |       |                            |                          |                                |                                |
| Amounts falling due within one year          | 15    | <u>(242,599)</u>           | <u>-</u>                 | <u>(242,599)</u>               | <u>(349,206)</u>               |
| <b>NET CURRENT ASSETS</b>                    |       | <u>1,242,799</u>           | <u>8,745</u>             | <u>1,251,544</u>               | <u>1,227,069</u>               |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 1,269,049                  | 8,745                    | 1,277,794                      | 1,258,866                      |
| <b>PROVISIONS FOR LIABILITIES</b>            | 17    | <u>(103,562)</u>           | <u>-</u>                 | <u>(103,562)</u>               | <u>(47,403)</u>                |
| <b>NET ASSETS</b>                            |       | <u>1,165,487</u>           | <u>8,745</u>             | <u>1,174,232</u>               | <u>1,211,463</u>               |
| <b>FUNDS</b>                                 | 18    |                            |                          |                                |                                |
| Unrestricted funds                           |       |                            |                          | 1,165,487                      | 1,211,463                      |
| Restricted funds                             |       |                            |                          | <u>8,745</u>                   | <u>-</u>                       |
| <b>TOTAL FUNDS</b>                           |       |                            |                          | <u>1,174,232</u>               | <u>1,211,463</u>               |

**Warren House Group At Dartington**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2023**

**24. SUBSIDIARY TRADING ACTIVITIES**

The charity owns 100% of the company, Dartington Service Design Lab Limited 12613600 whose registered office is Lower Ground Floor, Higher Mills, Buckfast Abbey, Buckfastleigh, Devon, TQ11 0EE which operates a number of commercial ventures on behalf of the charity. The subsidiary donates its taxable profits to the charity each year by gift aid. Dartington Service Design Lab Limited is included in these consolidated accounts. Its trading results for the year extracted from the financial statements are summarised below:

|                            | <b>31.03.23</b>    | <b>31.03.22</b> |
|----------------------------|--------------------|-----------------|
|                            | <b>£</b>           | <b>£</b>        |
| Turnover                   | <b>1,627,231</b>   | 1,522,827       |
| Administration             | <b>(1,570,090)</b> | (1,285,370)     |
| Operating profit           | <b>57,141</b>      | 237,457         |
| Net profit before taxation | <b>57,141</b>      | 237,457         |
| Donation to parent charity | <b>237,457</b>     | 183,179         |
| Deferred tax               | <b>3,817</b>       | -               |
| Retained loss/profit       | <b>53,324</b>      | 237,457         |

**25. ASSETS AND LIABILITIES OF THE SUBSIDIARY**

|  | <b>31.03.23</b> | <b>31.03.22</b> |
|--|-----------------|-----------------|
|  | <b>£</b>        | <b>£</b>        |
| <b>Fixed assets</b>                          |                 |                 |
| Tangible assets                              | <b>20,088</b>   | 28,435          |
| <b>Current assets</b>                        |                 |                 |
| Debtors                                      | <b>779,209</b>  | 620,754         |
| Cash at bank                                 | <b>152,237</b>  | 212,891         |
|  | <b>931,446</b>  | 833,645         |
| <b>Creditors falling due within one year</b> |                 |                 |
| Trade creditors                              | <b>109,383</b>  | 77,654          |
| Amounts owed to group undertakings           | <b>615,490</b>  | 376,693         |
| Taxation and social security                 | <b>87,102</b>   | 44,871          |
| Other creditors                              | <b>82,417</b>   | 125,404         |
|  | <b>894,392</b>  | 624,622         |
| <b>Provisions for Liabilities</b>            | <b>3,817</b>    | -               |
| <b>Net assets</b>                            | <b>53,325</b>   | 237,458         |
| <b>Represented by:</b>                       |                 |                 |
| Called up share capital                      | <b>1</b>        | 1               |
| Retained earnings                            | <b>53,324</b>   | 237,457         |
| Capital and Reserves                         | <b>53,325</b>   | 237,458         |