

REGISTERED COMPANY NUMBER: 04730602 (England and Wales)
REGISTERED CHARITY NUMBER: 1101927

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2021
for
Huntingdon Mencap Society Ltd**



George Hay Partnership LLP
Chartered Accountants and Statutory Auditor
St George's House, George Street
Huntingdon, Cambridgeshire PE29 3GH

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for the Year Ended 31 March 2021**

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**Reference and Administrative Details
for the Year Ended 31 March 2021**

TRUSTEES	Mrs A Aldred Mrs P Robson Mr T Shears Ms S Duley Mr P Finnigan (resigned 27.04.21) Mr M Ryman Mr D Moir (resigned 30.10.20) Mrs J Sanders (appointed 01.01.22)
COMPANY SECRETARY	Mrs A Aldred
REGISTERED OFFICE	107c High Street Huntingdon Cambridgeshire PE29 3DL
REGISTERED COMPANY NUMBER	04730602 (England and Wales)
REGISTERED CHARITY NUMBER	1101927
AUDITORS	George Hay Partnership LLP Chartered Accountants and Statutory Auditor St George's House George Street Huntingdon Cambridgeshire PE29 3GH

**Report of the Trustees
for the Year Ended 31 March 2021**

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 2021. 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity are:

- The relief of people with a learning disability by the provision of help and support for them and for their families, dependents, and carers.
- To provide or assist in the provision of facilities for the recreation or other leisure time occupation for people who have need thereof by reason of learning disability with the object of improving their conditions of life.

"Learning disability" (LD) means any developmental disability of the mind and any associated condition howsoever caused and whether mild, moderate, or severe.

The strategies employed to achieve the charity's objectives are to: -

- Increase public awareness and understanding of the abilities of people with a learning disability, their problems and needs and those of their families, dependents, and carers to assist their integration in society
- Encourage mutual help and co-operation between families, dependents, and carers of people with learning disabilities (particularly within the geographical vicinity of the Society) and, also between them and other agencies and individuals who work for and with them
- Assist and promote the Royal Society, its members, and groups (considering the work and resources of the Society) to achieve mutual or similar objectives
- Co-operate with other charities voluntary bodies and statutory authorities operating in furtherance of the objects of the Society or of similar charitable objects and exchange information and advice with them
- Raise funds and ask for and receive contributions (including subscriptions, donations, legacies, grants, and other gifts) provided that in raising funds the Society shall not undertake any permanent activities of a trading nature except those allowed by charity law
- Invest money of the society not immediately required for its purposes in or upon such investments, securities or properties as may be thought fit
- Employ staff as are necessary for the proper pursuit of the objects upon such terms as to remuneration and otherwise as the Executive Committee shall decide provided that no paid member of staff shall be a member of the Executive Committee
- Appoint and constitute an advisory committee of people with a learning disability and such other advisory committees as the executive committee shall think fit
- Borrow or raise money in such manner and upon such terms as the Society shall think fit and may, for the purpose of securing any debt or other obligation of the Society, Mortgage or charge all or part of the property of the Society.
- Buy, take on lease or in exchange any buildings and/or land and maintain and equip such buildings and/or land for use and sell, lease, or otherwise dispose of them subject to complying with such conditions and obtaining such consents as may be required by charity law
- Undertake or accept any trusts or obligations
- Do all such other lawful things as shall further the attainment of the objects of the Society

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: Running a charity (PB2)'.

**Report of the Trustees
for the Year Ended 31 March 2021**

STRATEGIC REPORT

Achievement and performance

We support 38 people all who have a learning disability in various settings.

Our supported living service predominantly offers support for people choosing to live in shared accommodation. This service is provided 24 hours per day 365 days per year. Each household have their own team who are able to offer all the support needed to enable service users to thrive in their own home engage with the activities in the community and be part of the wider Hunts Mencap family therefore making safe friend networks to enjoy time with. We also support people who live independently in the community via our Outreach service offering up to 12 hours per week to each person to enable emotional and social wellbeing as well as practical help to maintain skills for safe independent living.

We encourage our service users to be proactive in helping to improve the activities and opportunities we offer and this can be done in many ways formally through our service user forums informally through social meet ups particularly at Pinnies and our Mencap office which has an open-door policy and all of our service users, the support staff families and friends are welcome to pop in for a chat. These simple methods of communication are how the Society have continually improved year on year, by active listening and appropriate action we can provide what is wanted not what we think people, need inspiring confidence and self-worth

COVID-19

The past year has been challenging in the extreme because of the Coronavirus pandemic. The staff team has been exemplary in their dedication, loyalty and fastidious care and attention given to those in their care, led by our CEO and senior management team. The Board of Trustees would like to formally thank everyone for their continued support. The service should be extremely proud of the way it has supported and cared for some of the most vulnerable people in society.

Every effort has been made to ensure that life in lockdown has been stable, happy, and entertaining for our service users. Wherever possible, contact with family and friends has been maintained. Indeed, some of our tenants have thrived throughout this difficult time as they have been relieved from external pressures and been able to feel safe and secure in their own homes.

Charitable Activities

The global pandemic has had a significant impact on the charity sector and the Society has not been exempt from this. The Freeman's Charity of Huntingdon kindly donated money for us to purchase iPads for each of the group homes, enabling tenants to access a wealth of online activities, games, and apps, as well as facilitating contact with friends and family via video conferencing platforms.

Pinnies Café

The hospitality industry has been one of the most affected by the pandemic and has been closed for a large part of the past year. When open, the team has been both flexible and innovative in the services they have offered. This has included a full take-out service, a "meals on wheels" service providing hot lunches for clinically extremely vulnerable people living locally, providing afternoon teas for the elderly, and working collaboratively with the Godmanchester Food Bank to provide free school meals whilst children have been home schooling. The service has benefited from Government Grants including furlough payments for some staff, which has enabled the café to maintain it's vital community presence throughout the last year.

Security for future provision

The impact of our high benchmark of service provision is that we have successfully been accepted as a preferred service care provider by Cambridgeshire County Council to provide Supported Living Services for a ten-year period, of which there are 8 years remaining. We continue to work collaboratively with the Council to ensure that the needs of our service users are met, but also that we are paid at the appropriate levels accurately calculated and on time.

Outreach service

This service too has been hard hit by the pandemic as we have needed to protect both staff and people using the service from contracting Coronavirus. Only a very limited in-person service has been provided to those in absolute need. Contact has been maintained throughout by remote means.

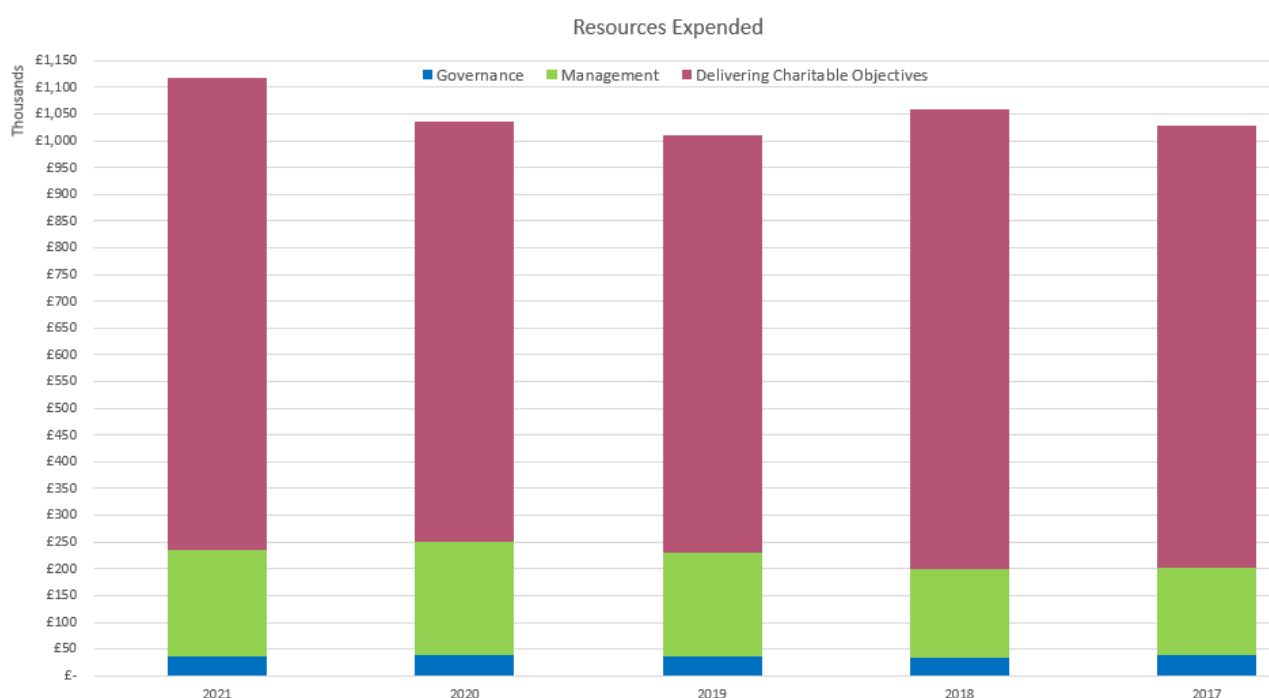
**Report of the Trustees
for the Year Ended 31 March 2021**

Financial review

Financial Position

Thanks to sound and transparent financial management this was a positive year for the society with a surplus recorded of £97,744, there was a number of reasons for this:

- ✓ Increased funding in delivered support to our supported tenancies and out-reach service, which the trustees had identified as particularly problematic due to the age of the contracts which did not reflect the changing needs of our service users. After meeting with Cambridge County Council, the funding was increased to reflect the appropriate costs incurred by the Society and going forward this will be reviewed on an annual basis.
- ✓ Due to the Pandemic, there were various grant schemes and incentives to ensure services were being delivered to the most vulnerable people, we were able to use these resources to provide infection control measures to keep our service users safe.
- ✓ Key Social activities were suspended and therefore spending decreased in these areas.
- ✓ Although closed for an extended period, Pinnies benefitted from the government grant schemes available to help businesses carry on through the pandemic restrictions. However, although sales revenues were hindered, the Pinnies team were able to provide community support by delivering meals not only to our service user groups but to the elderly and vulnerable in the community. We hope these efforts will increase our visibility in the community and further promote the work the Society does in the area. We aim to further this impact by offering more temporary work placements for people from the wider community who may not have full eligibility to receive statutory funding however their vulnerability necessitates a caring and supported workplace as a starting point to being in employment.
- ✓ Workforce development grants enabled us to upskill staff to ensure they could take on support roles when staff capacity was limited.
- ✓ Being part of the Personal Protective Equipment scheme, enabled us to get all of the equipment we needed at no cost which has been invaluable and contributed in no small part to our financial wellbeing.



**Report of the Trustees
for the Year Ended 31 March 2021**

STRATEGIC REPORT
Financial review continued

Principal funding sources and reserves policy

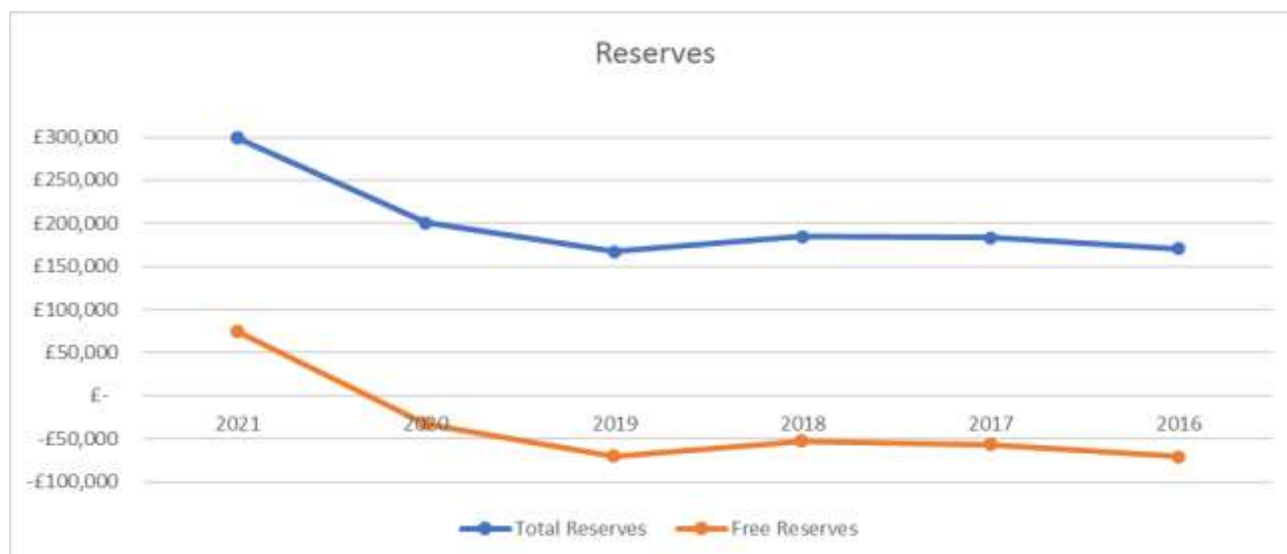
The input of the Trustees involved in that exercise was crucial to that outcome which enables us to bolster our Reserve strengthening our long-term sustainability is a key pillar in the delivery of our charity. We have continued to remain focused on introducing financial systems and reporting to support that objective including:

- Developing strong communication lines with our main funding provider to ensure timely and accurate funding payments with appropriate increases in funding
- Improving the effectiveness and reducing the cost of day-to-day bookkeeping and accounting.
- Developing a financial recording method which provides clarity of information for everyone to see.
- Developing a reserves policy and strategy

We consider these objectives to largely be in place but need to be continually managed and developed. The financial clarity and process has been much improved by the input of our professional bookkeeper who is a great asset and part of the team. All of these objectives have allowed us to move to a strengthened financial position.

This year we are in a strong financial position to move forward with a free closing £124,078 this will allow the Society to have a 2-month cash reserve and builds positively and at a more rapid pace the objective of strengthening the reserves policy. It will also allow the Society to consider expanding the supported living services we provide and post Covid. We feel this will be much needed as the process of transitioning from home to supported living has been hampered by the Covid outbreak leaving more people to come into the social care system.

We took the opportunity given by the government to apply for a £50k bounce back loan [BBL] which has enabled to clear our mortgage with Barclays Bank costing interest of 5.5%pa and had a monthly cash outflow of £902. The BBL is at an interest rate 2.5% and has a deferred payment scheme of 12 months after which a monthly repayment of £585 shall be made. In the first 12 months this will improve cashflow by £10,824 with a subsequent annual reduction of £3,804. The change in lending has the added benefit of ending trustee guarantees which had been applied to both our Mortgage and Overdraft facility. Remaining Monies from the BBL are retained in a separate account and form part of the reserve fund.



**Report of the Trustees
for the Year Ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 11th April 2003, and registered as a charity on 5th February 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of executive committee

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles are known as members of the Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Executive Committee are elected to serve for one year after which they must be re-elected at the next Annual General Meeting. The Trustees have an active succession approach.

The board was saddened to receive the resignation of the Chairman, Mr. David Moir and that of Mr. Peter Finnegan who left us at the end of March 2021. We welcome Mrs. Jillian Sanders who will join the board during the 2021/22 financial year.

Organisational structure

The Executive Committee, which can have up to 12 members, administers the charity. The Committee meet every four to six weeks.

Decisions made at the Committee meeting are determined by a majority vote. In the case of an equality of votes the chair of the meeting shall have a second or casting vote.

Responsibility for the day-to-day monitoring and control of the Society's activities is held by Mrs. Susan Roberts.

Membership of the Society is open to all people who declare their support for the objectives of the society. Membership can be obtained by applying in a form pre-scribed by the Executive Committee. Membership is free and all members are eligible to vote on wider issues discussed by the Executive Committee.

Key Personnel

The Trustees are immensely proud and appreciative of the many staff that provide the high standard of care our service users benefit from.

Amongst the key management of the charity are the following:

Susan (Sue) Roberts - CEO

Rica Scott - Development & Training Co-Ordinator / Pinnies Café Manager

Lynne Spratt - Support Services Registered Manager

Marie Huggins - Administrator

Andrea Bell - Bookkeeper

**Report of the Trustees
for the Year Ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT
Risk management and use of professional advisers

Risk Management

Three main pillars of risk management are recognised:

- ❖ Care and well-being of clients and staff - Care and well-being of staff and clients is delegated to the CEO but regular reports are given to Trustees who comment and challenge as appropriate. External examination by the Care Quality Commission is a further cross check on our operational care and well-being outcomes.
- ❖ Financial governance - Financial risk management is delivered by use of a small financial team consisting of the CEO, two trustees (minimum) and our professional in house bookkeeper who review the financial position monthly reporting to the main Trustees meetings, or as required, to highlight matters that require to be addressed.
- ❖ General organisation governance - Other areas of governance and also to include care and finance are controlled by means of a traffic light risk management register regularly maintained and reviewed by Trustees and the CEO.

Professional Advisors

Accounting

We have continued dialogue with our auditors to review cost effectiveness in our relationship. As part of that we now deploy an online accounting system that is resource efficient and additionally brings more of the day-to-day processing work back in-house to drive down costs. This process is ongoing.

Banking

As with all other cost areas we continuously review the services provided to the Society to confirm we are receiving the best value for money. Our current bankers re-main supportive and work with us to explore relevant financial opportunities as well as advising on general cost efficiencies.

HR and Health & Safety consultants

The current provider, Rob Bryan has been chosen on reputation, cost and past performance. The contract agreed is on an annual basis and therefore can be renewed only on a successful previous year. Most providers have a minimum 3-year contract term which has not proved either cost effective or successful the past.

**Report of the Trustees
for the Year Ended 31 March 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Huntingdon Mencap Society Ltd for the purposes of company law) are responsible for preparing 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 in-come 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; - state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in 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, George Hay Partnership LLP, were proposed for re-appointment at the Annual General Meeting, held in September 2021.

The report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 5th January 2022 and signed on the board's behalf by:

Mrs A. Aldred
Trustee

Report of the Independent Auditors to the Members of Huntingdon Mencap Society Ltd

Opinion

We have audited the financial statements of Huntingdon Mencap Society Ltd (the 'charitable company') for the year ended 31 March 2021 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Report of the Independent Auditors to the Members of Huntingdon Mencap Society Ltd

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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 or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

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 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 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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

1. The nature of the industry and sector, control environment and business performance
2. Key drivers for the remuneration policies or directors' remuneration, bonus levels and performance targets
3. Enquiries with management about their own identification and assessment of the risks of irregularities.
4. The matters discussed among the audit team regarding how and where fraud might occur and fraud indicators.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in terms of misstatements in the financial statements was in relation to stock valuation. In common with all audits under ISA's (UK), we are also required to perform specific procedures to respond to the risk of management override. The assessment of the risk of fraud in terms of misappropriation of assets highlighted fraudulent payments as a focus area.

In addition we considered the legal and regulatory framework that the company operates in, focusing on provisions of these law and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. Key laws considered include the UK Companies Act and UK Tax Legislation.

We also considered those laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty, these include Health & Safety Legislation.

Report of the Independent Auditors to the Members of Huntingdon Mencap Society Ltd

Audit response to risks identified:

Areas of the valuation that are subjective and checked to corroborating evidence where possible.

Testing was undertaken on the completeness of liabilities to include both substantive and analytical procedures. Standard procedures were used to test management override including the review of year end journals and whether the judgments made in making accounting estimates are indicative of potential bias.

To cover the assessed risks in relation to fraudulent payments, we ensure that transactions are conducted in line with the company's authority matrix, together with a review of expenses in the profit and loss to ensure that they are genuine business expenses. We also perform analytical procedures to identify any unusual or unexpected relationship that may indicate risks of material misstatement due to fraud, these procedures also include the review of profit margins.

We remained alert to any indications of fraud or non-compliance throughout the entire audit process.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our 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.

Mrs T M Hunter FCCA ACA DChA (Senior Statutory Auditor)
for and on behalf of George Hay Partnership LLP
Chartered Accountants and Statutory Auditor
St George's House
George Street
Huntingdon
Cambridgeshire
PE29 3GH

Date: 6th January 2022



**Statement of Financial Activities
for the Year Ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	13,542	-	13,542	1,339
Charitable activities	5				
Delivering support and promoting awareness		90,479	9,023	99,502	-
Residential income		1,068,940	-	1,068,940	1,002,362
Other trading activities	3	22,088	-	22,088	54,145
Investment income	4	29	-	29	55
Other income		10,091	-	10,091	12,665
Total		1,205,169	9,023	1,214,192	1,070,566
EXPENDITURE ON					
Raising funds	6	9,140	-	9,140	18,143
Charitable activities	7				
Delivering support and promoting awareness		1,098,285	9,023	1,107,308	1,018,981
Total		1,107,425	9,023	1,116,448	1,037,124
NET INCOME		97,744	-	97,744	33,442
RECONCILIATION OF FUNDS					
Total funds brought forward		200,760	-	200,760	167,318
TOTAL FUNDS CARRIED FORWARD		<u>298,504</u>	<u>-</u>	<u>298,504</u>	<u>200,760</u>

The notes form part of these financial statements

Balance Sheet
31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Intangible assets	12	7,800	-	7,800	8,400
Tangible assets	13	<u>216,626</u>	<u>-</u>	<u>216,626</u>	<u>225,300</u>
		224,426	-	224,426	233,700
CURRENT ASSETS					
Debtors	14	29,280	-	29,280	20,046
Cash at bank and in hand		<u>164,021</u>	<u>-</u>	<u>164,021</u>	<u>64,313</u>
		193,301	-	193,301	84,359
CREDITORS					
Amounts falling due within one year	15	<u>(69,223)</u>	<u>-</u>	<u>(69,223)</u>	<u>(85,304)</u>
NET CURRENT ASSETS		<u>124,078</u>	<u>-</u>	<u>124,078</u>	<u>(945)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		348,504	-	348,504	232,755
CREDITORS					
Amounts falling due after more than one year	16	<u>(50,000)</u>	<u>-</u>	<u>(50,000)</u>	<u>(31,995)</u>
NET ASSETS		<u>298,504</u>	<u>-</u>	<u>298,504</u>	<u>200,760</u>
FUNDS	20				
Unrestricted funds				<u>298,504</u>	<u>200,760</u>
TOTAL FUNDS				<u>298,504</u>	<u>200,760</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 5th January 2022 and were signed on its behalf by:

Mrs A Aldred
Trustee

**Cash Flow Statement
for the Year Ended 31 March 2021**

Notes	2021 £	2020 £
Cash flows from operating activities		
Cash generated from operations 1	94,287	102,199
Interest paid	<u>(5,285)</u>	<u>(8,429)</u>
Net cash provided by operating activities	<u>89,002</u>	<u>93,770</u>
Cash flows from investing activities		
Sale of intangible fixed assets	(3,484)	-
Sale of tangible fixed assets	3,484	-
Interest received	<u>29</u>	<u>55</u>
Net cash provided by investing activities	<u>29</u>	<u>55</u>
Cash flows from financing activities		
New loans in year	50,000	-
Loan repayments in year	<u>(39,323)</u>	<u>(8,062)</u>
Net cash provided by/(used in) financing activities	<u>10,677</u>	<u>(8,062)</u>
	<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period	99,708	85,763
Cash and cash equivalents at the beginning of the reporting period	<u>64,313</u>	<u>(21,450)</u>
Cash and cash equivalents at the end of the reporting period	<u>164,021</u>	<u>64,313</u>

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2021**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	97,744	33,442
Adjustments for:		
Depreciation charges	5,790	4,367
Loss on disposal of fixed assets	3,484	-
Interest received	(29)	(55)
Interest paid	5,285	8,429
(Increase)/decrease in debtors	(9,234)	52,961
(Decrease)/increase in creditors	<u>(8,753)</u>	<u>3,055</u>
Net cash provided by operations	<u><u>94,287</u></u>	<u><u>102,199</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	<u>64,313</u>	<u>99,708</u>	<u>164,021</u>
	<u>64,313</u>	<u>99,708</u>	<u>164,021</u>
Debt			
Debts falling due within 1 year	(7,679)	7,328	(351)
Debts falling due after 1 year	<u>(31,995)</u>	<u>(18,005)</u>	<u>(50,000)</u>
	<u>(39,674)</u>	<u>(10,677)</u>	<u>(50,351)</u>
Total	<u><u>24,639</u></u>	<u><u>89,031</u></u>	<u><u>113,670</u></u>

**Notes to the Financial Statements
for the Year Ended 31 March 2021**

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.

Income

The key sources of income include donations, grants and cafe sales. 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.

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.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of twenty years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land	- not depreciated
Freehold property	- 2% on cost
Improvements to property	- 10% on reducing balance

Taxation

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

Pension costs and other post-retirement benefits

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

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

2. DONATIONS AND LEGACIES

	2021 £	2020 £
Donations	<u>13,542</u>	<u>1,339</u>

3. OTHER TRADING ACTIVITIES

	2021 £	2020 £
Pinnies Café sales	<u>22,088</u>	<u>54,145</u>

The primary purpose of Pinnies Café is to give service users an opportunity to learn new skills, work as a team, gain valuable experience and integrate into the community. The objective is to financially breakeven, however the Trustees accept a deficit because the facility has such an impact on service users, staff and the local community.

Key management are looking at ways to make the Café more self-funding as part of their long term strategy.

4. INVESTMENT INCOME

	2021 £	2020 £
Interest receivable	<u>29</u>	<u>55</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
Miscellaneous Grants Received	99,502	-
Residential Income	<u>1,068,940</u>	<u>1,002,362</u>
	<u>1,168,442</u>	<u>1,002,362</u>

6. RAISING FUNDS
Other trading activities

	2021 £	2020 £
Purchases	<u>9,140</u>	<u>18,143</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Delivering support and promoting awareness	<u>862,721</u>	<u>244,587</u>	<u>1,107,308</u>

8. SUPPORT COSTS

	Management £	Other £	Governance costs £	Totals £
Delivering support and promoting awareness	<u>198,159</u>	<u>9,274</u>	<u>37,154</u>	<u>244,587</u>

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

Management

	2021 Delivering support and promoting awareness £	2020 Total activities £
Wages	123,416	128,750
Social security	10,018	14,289
Pensions	1,090	384
Rates and water	243	1,003
Insurance	676	971
Light and heat	1,919	2,640
Telephone	8,825	7,271
Postage and stationery	3,711	2,844
Advertising	2,884	2,772
Sundries	19,232	25,340
Rent	13,200	13,200
Motor expenses	436	3,087
Subscriptions	-	202
Training	1,261	1,820
Repairs and renewals	<u>11,248</u>	<u>5,293</u>
	<u>198,159</u>	<u>209,866</u>

Governance costs

	2021 Delivering support and promoting awareness £	2020 Total activities £
Legal & professional fees	6,835	8,706
Auditors' remuneration	10,248	9,240
Payroll services	<u>3,090</u>	<u>2,880</u>
Carried forward	20,173	20,826

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

8. SUPPORT COSTS - continued

Governance costs - continued

	2021 Delivering support and promoting awareness £	2020 Total activities £
Brought forward	20,173	20,826
Bookkeeping	11,696	9,645
Bank loan interest	2,688	2,730
Loan interest paid	<u>2,597</u>	<u>5,699</u>
	<u>37,154</u>	<u>38,900</u>

9. NET INCOME/(EXPENDITURE)

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

	2021 £	2020 £
Depreciation - owned assets	5,190	3,767
Deficit on disposal of fixed assets	3,484	-
Goodwill amortisation	<u>600</u>	<u>600</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There was not any trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were not any trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

11. STAFF COSTS

	2021 £	2020 £
Wages and salaries	806,322	717,137
Social security costs	64,805	55,707
Other pension costs	<u>10,303</u>	<u>8,017</u>
	<u>881,430</u>	<u>780,861</u>

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

	2021	2020
Care staff	41	38
Management	<u>2</u>	<u>2</u>
	<u>43</u>	<u>40</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

11. STAFF COSTS - continued

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

	2021	2020
£60,001 - £70,000	<u>1</u>	<u>1</u>

12. INTANGIBLE FIXED ASSETS**COST**

At 1 April 2020 and 31 March 2021

Goodwill
£

12,000

AMORTISATION

At 1 April 2020

3,600

Charge for year

600

At 31 March 2021

4,200

NET BOOK VALUE

At 31 March 2021

7,800

At 31 March 2020

8,400

13. TANGIBLE FIXED ASSETS**COST**

At 1 April 2020

Freehold
property
£

225,000

Improvements
to
property
£

10,792

Totals
£

235,792

Disposals

-

(6,913)

(6,913)

At 31 March 2021

225,000

3,879

228,879

DEPRECIATION

At 1 April 2020

6,600

3,892

10,492

Charge for year

4,500

690

5,190

Eliminated on disposal

-

(3,429)

(3,429)

At 31 March 2021

11,100

1,153

12,253

NET BOOK VALUE

At 31 March 2021

213,900

2,726

216,626

At 31 March 2020

218,400

6,900

225,300

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	20,543	14,664
Other debtors	4,703	2,266
Prepayments	<u>4,034</u>	<u>3,116</u>
	<u><u>29,280</u></u>	<u><u>20,046</u></u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 17)	351	7,679
Trade creditors	7,881	4,350
Social security and other taxes	24,127	14,512
Sundry creditors & accruals	<u>36,864</u>	<u>58,763</u>
	<u><u>69,223</u></u>	<u><u>85,304</u></u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans (see note 17)	<u><u>50,000</u></u>	<u><u>31,995</u></u>

17. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u><u>351</u></u>	<u><u>7,679</u></u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u><u>10,000</u></u>	<u><u>7,679</u></u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u><u>30,000</u></u>	<u><u>23,036</u></u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more than 5 years by instalments	10,000	1,280

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

18. LEASING AGREEMENTS

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

	2021 £	2020 £
Within one year	17,583	26,500
Between one and five years	<u>-</u>	<u>10,833</u>
	<u>17,583</u>	<u>37,333</u>

19. SECURED DEBTS

The following secured debts are included within creditors:

	2021 £	2020 £
Bank loans	<u>50,351</u>	<u>39,674</u>

The bank overdraft and bank loan are secured by legal charge over the freehold property known as 5 Hall Close, Hartford, Huntingdon.

Personal guarantees provided to Barclays have been withdrawn, as alternative finance has been arranged.

20. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General Charitable Activities	200,760	10,664	87,080	298,504
Pinnies Cafe	-	(35,978)	35,978	-
Service Care Provision	<u>-</u>	<u>123,058</u>	<u>(123,058)</u>	<u>-</u>
	<u>200,760</u>	<u>97,744</u>	<u>-</u>	<u>298,504</u>
TOTAL FUNDS	<u>200,760</u>	<u>97,744</u>	<u>-</u>	<u>298,504</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Charitable Activities	66,457	(55,793)	10,664
Pinnies Cafe	59,682	(95,660)	(35,978)
Service Care Provision	<u>1,079,030</u>	<u>(955,972)</u>	<u>123,058</u>
	1,205,169	(1,107,425)	97,744
Restricted funds			
Workforce Capacity Grant Fund	<u>9,023</u>	<u>(9,023)</u>	<u>-</u>
TOTAL FUNDS	<u>1,214,192</u>	<u>(1,116,448)</u>	<u>97,744</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

20. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General Charitable Activities	175,653	(154,749)	179,856	200,760
Pinnies Cafe	(8,335)	(31,325)	39,660	-
Service Care Provision	-	219,516	(219,516)	-
	<u>167,318</u>	<u>33,442</u>	<u>-</u>	<u>200,760</u>
TOTAL FUNDS	<u>167,318</u>	<u>33,442</u>	<u>-</u>	<u>200,760</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Charitable Activities	1,395	(156,144)	(154,749)
Pinnies Cafe	54,144	(85,469)	(31,325)
Service Care Provision	1,015,027	(795,511)	219,516
	<u>1,070,566</u>	<u>(1,037,124)</u>	<u>33,442</u>
TOTAL FUNDS	<u>1,070,566</u>	<u>(1,037,124)</u>	<u>33,442</u>

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

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General Charitable Activities	175,653	(144,085)	266,936	298,504
Pinnies Cafe	(8,335)	(67,303)	75,638	-
Service Care Provision	-	342,574	(342,574)	-
	<u>167,318</u>	<u>131,186</u>	<u>-</u>	<u>298,504</u>
TOTAL FUNDS	<u>167,318</u>	<u>131,186</u>	<u>-</u>	<u>298,504</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Charitable Activities	67,852	(211,937)	(144,085)
Pinnies Cafe	113,826	(181,129)	(67,303)
Service Care Provision	<u>2,094,057</u>	<u>(1,751,483)</u>	<u>342,574</u>
	2,275,735	(2,144,549)	131,186
Restricted funds			
Workforce Capacity Grant Fund	9,023	(9,023)	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>2,284,758</u></u>	<u><u>(2,153,572)</u></u>	<u><u>131,186</u></u>

Transfers between funds

The Charity is entitled to pool together unspent funding to support general activities such as the Pinnies Café project.

21. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The pension cost for the year ended 31 March 2021 represents the contributions payable by the charity to the scheme and amounted to £10,252 (2020: £8,016)

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	13,542	1,339
Other trading activities		
Pinnies Café sales	22,088	54,145
Investment income		
Interest receivable	29	55
Charitable activities		
Residential Income	1,068,940	1,002,362
Miscellaneous Grants Received	<u>99,502</u>	<u>-</u>
	1,168,442	1,002,362
Other income		
Rental income	<u>10,091</u>	<u>12,665</u>
Total incoming resources	1,214,192	1,070,566
EXPENDITURE		
Other trading activities		
Purchases for Pinnies Café	9,140	18,143
Charitable activities		
Wages	682,906	588,387
Social security	54,787	41,418
Pensions	9,213	7,633
Sub contractors	26,093	20,978
Travelling	11,084	18,546
Motor expenses	234	4,100
Welfare activities	11,310	14,760
Rent	42,111	43,737
Rates & Water	3,912	6,790
Insurance	16,438	14,214
Light & heat	3,457	4,680
Repairs & renewals	<u>1,176</u>	<u>605</u>
	862,721	765,848
Support costs		
Management		
Wages	123,416	128,750
Social security	10,018	14,289
Pensions	1,090	384
Rates and water	243	1,003
Insurance	676	971
Carried forward	135,443	145,397

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2021**

	2021 £	2020 £
Management		
Brought forward	135,443	145,397
Light and heat	1,919	2,640
Telephone	8,825	7,271
Postage and stationery	3,711	2,844
Advertising	2,884	2,772
Sundries	19,232	25,340
Rent	13,200	13,200
Motor expenses	436	3,087
Subscriptions	-	202
Training	1,261	1,820
Repairs and renewals	<u>11,248</u>	<u>5,293</u>
	198,159	209,866
Other		
Goodwill	600	600
Freehold property	4,500	3,000
Improvements to property	690	767
Loss on sale of intangible fixed assets	<u>3,484</u>	<u>-</u>
	9,274	4,367
Governance costs		
Legal & professional fees	6,835	8,706
Auditors' remuneration	10,248	9,240
Payroll services	3,090	2,880
Bookkeeping	11,696	9,645
Bank loan interest	2,688	2,730
Loan interest paid	<u>2,597</u>	<u>5,699</u>
	<u>37,154</u>	<u>38,900</u>
Total resources expended	<u>1,116,448</u>	<u>1,037,124</u>
Net income	<u><u>97,744</u></u>	<u><u>33,442</u></u>