

Company Registration No. 06428225 (England and Wales)

**THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

Dr I C Bradley  
Mrs J Cooke  
Rev S M Small  
Mr Philip Bradley  
Dr J P A Richardson

**Secretary**

Mrs J Withington

**Charity number**

1123796

**Company number**

06428225

**Registered office**

Meadow Brook  
Little Minsterley  
Shrewsbury  
Shropshire  
SY5 0BP

**Auditor**

James Holyoak & Parker Limited  
1 Knights Court  
Archers Way  
Battlefield Enterprise Park  
Shrewsbury  
SY1 3GA

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# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

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# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2023

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The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### Objectives and activities

The Pontesbury Project is a charity, with a Christian ethos, for public benefit and its objects are:

- to provide a support service for people with learning disabilities, some of whom have associated mental health needs and behaviours that may challenge.
- to ensure that all accommodation where such a service is provided is affordable, safe and allows for community integration
- to promote such individual's privacy, dignity, choice, rights and fulfilment through the quality of experience and providing services without discrimination and based on need

The Pontesbury Project fulfils these objects by providing support services for adults with learning and other disabilities. These services are commissioned by the Local Authority. The charity is registered with the Care Quality Commission to provide care and specialist support for those with learning disabilities. The people that we support benefit from round the clock care and lead fulfilled, meaningful lives experiencing choice, privacy and social inclusion. We believe that society benefits from having adults with learning disabilities living in, and contributing to, the local community.

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charities Commission.

#### Achievements and performance

##### Operational performance

The Pontesbury Project, as it is known, is contracted to provide support services for local authorities; our services are commissioned within the framework of Individual Service Fund contracts.

We were last formally inspected by the Care Quality Commission on 7th August 2018 and rated as "Good" in all areas.

The Charity has a close working relationship with the Pontesbury Housing Trust as described on page 3 of this report. This symbiotic relationship is key to the success of the Charity because the support we deliver is intrinsically linked with the provision of accommodation which is exempt from the housing benefit cap. This means that good quality local accommodation is available and affordable for the people we support. If our people were unable to live in their own homes, then we would be unable to provide support services within the Community.

The ongoing recruitment crisis across the social care sector has continued to affect the work of the Charity, resulting in a modest fall in staff numbers. Consequently, there has been a reduction in the support hours that we were able to deliver. We are hopeful that in the future it will be easier to recruit especially as there are so many people with learning disabilities who are waiting for a suitable placement in a supported service.

Whilst the number of contracted support hours has fallen the quality of the support we deliver has not been compromised in any way. We continue to provide specialist bespoke services and were able to respond to changes in need for those we support.



# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### Financial review

Total unrestricted income for the year was £2,202,839 and the Charity incurred a deficit of £58,926.

The deficit was anticipated and was due to our inflationary pay award being at higher rate than the inflationary increase received on our Local Authority Contracts. Our employees are our most important asset and the Board, mindful of the impact of the cost of living crisis, were keen to ensure that the Project continued to pay employees well.

Year-end reserves include net unrestricted current assets of £1,061,133, which is the equivalent of 24 weeks running expense. While the level of reserves is higher than set out in our reserves policy, set out below, they are considered reasonable given uncertainty in the care sector, high inflation rates and our ability to fulfil our contracts given recruitment and retention difficulties in the sector. Our services are procured by the council within the framework of Individual Service Fund contracts which can be terminated by the Council with only one month's notice.

#### Reserves policy

At the year end, unrestricted reserves totalled £1,096,576.

The Trustees have reviewed the Charity's needs for reserves in line with the guidance issued by the Charity Commission. The Trustees consider it prudent that unrestricted reserves should be sufficient to:

- Ideally cover a minimum of 12 weeks running costs to ensure that the Charity can run efficiently and meet the needs of the service users. Additional reserves have been set aside due to uncertainties within the sector where we operate. As referred to in the financial review at the year ended 31 March 2021 the reserves are sufficient to cover 26 weeks running costs.
- Finance any specific project that has been identified to be undertaken within a year.
- To meet any anticipated additional cost associated with the sector in which we operate and the economy as a whole.

#### Investment policy and objectives

Cash in hand is needed to cover the running costs of the Charity. Cash is invested in safe, short notice accounts with major recognised banks and building societies.

#### Future developments

The Charity's primary strategy is to ensure that the people we support continue to receive the best quality care and support. The needs of some of our people are changing and we will continue to develop existing services to meet future need. In the short term our priority is to continue to consolidate our activities, restructure our head office and senior leadership team and to further improve systems, working practices and training programs to ensure that we deliver services to the highest standard. Recruitment in the sector is challenging and an area where we continue to focus. We praise God for all he has done through the work of the Project, to enable the people we support to live full, happy, independent lives.

#### Structure, governance and management

The Pontesbury Project for People with Special Needs was incorporated on 15 November 2007 (Company Number: 06428225) and is a company limited by guarantee. The company was granted charitable status on 21 April 2008 and is registered with the Charity Commission (Charity Number: 1123796). The company is constituted under a Memorandum of Association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr I C Bradley

Mrs J Cooke

Rev S M Small

Mr Philip Bradley

Dr J P A Richardson

Mrs M McCall

(Resigned 27 May 2022)

# **THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2023***

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### **Recruitment and appointment of Trustees**

A prospective Director/Trustee is required to be a practicing Christian and is appointed by the serving Directors/Trustees. Board members have a varied skill set and are well qualified to manage the work of the Charity. The Trustees have carried out a skills audit to ensure that all requisite skills were represented on the Board. All Trustees are passionate about meeting the needs of people with learning disabilities in the community. Trustees receive no remuneration and meet within the Management Committee to receive reports, review the activities of the Charity and plan for future developments.

### **Management of the Charity**

The Board of Trustees meets regularly to oversee the work and development of the Charity. These meetings are also attended by members of the Senior Leadership Team.

Mr R M Anscomb-Gates served as Chief Executive until September 2022. Since then, Mrs H Haigh and Mrs J Withington have been appointed to be responsible for the day to day running of the Charity. Mrs Withington is employed as Company Secretary and Treasurer and Mrs Haigh is the appointed Registered Manager and CQC Nominated Individual.

### **Induction and training of Trustees**

New Trustees are invited to visit services operated by the Pontesbury Project and attend a management meeting before appointment. This helps them to understand the nature and work of the Charity. Trustees have a role description and subscribe to a code of conduct. All Trustees have access to Charity Commission and NCVO publications and resources and keep up to date, attending training courses when able.

### **Payment of key personnel**

The pay of the executive management team is reviewed regularly.

### **Relationship with related parties**

The Financial Review on page 2 discloses our close working relationship with the Pontesbury Housing Trust and the benefits of that relationship. The Pontesbury Housing Trust provides homes for people with learning disabilities who are supported by a care provider commissioned by the Local Authority. The Pontesbury Housing Trust is responsible for ensuring that tenants are supported by a suitable and registered provider in order that they can provide exempt and affordable accommodation. Their preferred provider is the Pontesbury Project. This working relationship also enables the Pontesbury Housing Trust to maintain, adapt and develop accommodation to meet the specific needs of people supported by the Pontesbury Project. The charity rents an office suite and recreational facilities, including a multisensory room, from the Pontesbury Housing Trust.

### **Fundraising**

The Charity occasionally receives donations but does not engage in any fundraising activities.

### **Auditor**

In accordance with the company's articles, a resolution proposing that James Holyoak & Parker Limited be reappointed as auditor of the company will be put at a General Meeting.

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **Risk management**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. During the year the Board reviewed all risks and ensured that systems and procedures are in place to mitigate and manage those risks.

The Trustees are responsible for keeping accounting records and disclose with reasonable accuracy the financial position of the Charity and that the financial statements comply with applicable law and regulations. They are also responsible for safeguarding the assets of the Charity, taking reasonable steps for the prevention and detection of fraud and other irregularities.

In recent years, the emergence of Covid-19 presented a risk of concern for the Charity, the sector in which it operates and the UK economy. The Trustees have considered the ongoing Covid-19 scenario and concluded that while it will continue to have some impact on the charity, this is a risk that can be well managed without significantly affecting the business of the Charity.

### **Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

The Trustees' report was approved by the Board of Trustees.



**Mrs J Cooke**

Trustee

Dated: 19 September 2023

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

***FOR THE YEAR ENDED 31 MARCH 2023***

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The Trustees, who are also the directors of The Pontesbury Project for People With Special Needs for the purpose of company law, are responsible for preparing the Trustees' Report 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

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#### Opinion

We have audited the financial statements of The Pontesbury Project for People With Special Needs (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### Other information

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

We have nothing to report in this regard.



# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 charity'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.

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

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

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Care Quality Commission compliance, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was a susceptibility to fraud. Based on our understanding, our procedures involved enquiries of management and those charged with governance, manual journal entry testing and the challenge of significant accounting estimates used in preparing the financial statements.

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

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

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A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Mr Robert Humphreys BEng FCA (Senior Statutory Auditor)**  
for and on behalf of James Holyoak & Parker Limited

9 November 2023

**Chartered Accountants**  
**Statutory Auditor**

1 Knights Court  
Archers Way  
Battlefield Enterprise Park  
Shrewsbury  
SY1 3GA

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Notes							
<b><u>Income and endowments from:</u></b>							
Donations and legacies	3	758	-	758	1,311	-	1,311
Charitable activities	5	2,195,762	225,569	2,421,331	2,156,571	203,258	2,359,829
Investments	4	5,738	-	5,738	2,045	-	2,045
Other income	6	581	-	581	19,124	-	19,124
<b>Total income</b>		<b>2,202,839</b>	<b>225,569</b>	<b>2,428,408</b>	<b>2,179,051</b>	<b>203,258</b>	<b>2,382,309</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	7	2,261,765	225,569	2,487,334	2,222,536	203,258	2,425,794
<b>Net expenditure for the year/</b>							
<b>Net movement in funds</b>		<b>(58,926)</b>	<b>-</b>	<b>(58,926)</b>	<b>(43,485)</b>	<b>-</b>	<b>(43,485)</b>
Fund balances at 1 April 2022		1,155,502	-	1,155,502	1,198,987	-	1,198,987
<b>Fund balances at 31 March 2023</b>		<b>1,096,576</b>	<b>-</b>	<b>1,096,576</b>	<b>1,155,502</b>	<b>-</b>	<b>1,155,502</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.



# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	12		35,443		32,700
<b>Current assets</b>					
Debtors	13	114,568		132,033	
Cash at bank and in hand		1,335,816		1,679,735	
		1,450,384		1,811,768	
<b>Creditors: amounts falling due within one year</b>	14	(389,251)		(275,423)	
Net current assets			1,061,133		1,536,345
<b>Total assets less current liabilities</b>			1,096,576		1,569,045
<b>Provisions for liabilities</b>			-		(413,543)
<b>Net assets</b>			1,096,576		1,155,502
<b>Income funds</b>					
Unrestricted funds			1,096,576		1,155,502
			1,096,576		1,155,502

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

The financial statements were approved by the Trustees on 19 September 2023



Dr J P A Richardson  
Trustee

Company Registration No. 06428225

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	19		(318,657)		78,923
<b>Investing activities</b>					
Purchase of tangible fixed assets		(31,581)		(43,165)	
Proceeds on disposal of tangible fixed assets		581		19,124	
Investment income received		5,738		2,045	
<b>Net cash used in investing activities</b>			(25,262)		(21,996)
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(343,919)		56,927
Cash and cash equivalents at beginning of year			1,679,735		1,622,808
<b>Cash and cash equivalents at end of year</b>			<u>1,335,816</u>		<u>1,679,735</u>

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **1 Accounting policies**

#### **Company information**

The Pontesbury Project for People With Special Needs is a private company limited by guarantee incorporated in England and Wales. The registered office is Meadow Brook, Little Minsterley, Shrewsbury, Shropshire, SY5 0BP.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### **1.4 Incoming resources**

All income, including grant funding, is recognised when the charity is legally entitled to it, the amounts can be measured reliably, and it is probable that income will be received.

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

### **1 Accounting policies**

(Continued)

#### **1.5 Resources expended**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is accounted for on an accrual 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. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

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

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

The policy of the charitable company is to capitalise fixed assets over £500.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	33% on cost
Fixtures and fittings	33% on cost
Computers	33% on cost
Motor vehicles	33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### **1.7 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### **1.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

(Continued)

##### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

##### 1.10 Taxation

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

##### 1.11 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 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 Activity in the period to which they relate.

#### 1.14 Fund accounting

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

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.

#### 1.15 Debtors

Prepayments are valued at the amount prepaid. Accrued income is recognised at the settlement amount due.

#### 1.16 Creditors

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 reliably. Creditors and provisions are normally recognised at their settlement amount.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	758	1,311

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	5,738	2,045

### 5 Charitable activities

	Charitable Income	Charitable Income
	2023	2022
	£	£
Local authority grant income	2,117,016	2,078,288
Contributions towards administration and vehicles	33,400	37,437
Client contributions	270,915	244,104
	2,421,331	2,359,829
Analysis by fund		
Unrestricted funds	2,195,762	2,156,571
Restricted funds	225,569	203,258
	2,421,331	2,359,829

### 6 Other income

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Net gain on disposal of tangible fixed assets	581	19,124

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 7 Charitable activities

	Charitable activities 2023 £	Charitable activities 2022 £
Staff costs	2,090,359	2,079,552
Depreciation and impairment	28,838	23,157
Rent and rates	27,000	32,996
Housekeeping	225,569	203,258
Premises	7,492	3,769
Vehicles	40,743	22,359
General expenses	47,726	41,449
	<u>2,467,727</u>	<u>2,406,540</u>
Share of governance costs (see note 9)	19,607	19,254
	<u>2,487,334</u>	<u>2,425,794</u>
<b>Analysis by fund</b>		
Unrestricted funds	2,261,765	2,222,536
Restricted funds	225,569	203,258
	<u>2,487,334</u>	<u>2,425,794</u>

### 8 Trustees

No remuneration or other benefits were paid to any trustee for the year ended 31 March 2023 nor for the year ended 31 March 2022.

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

### 9 Support costs

	Support costs £	Governance costs £	2023 £	2022 £
Staff costs	-	14,494	14,494	14,141
Audit fees	-	5,113	5,113	5,113
	<u>-</u>	<u>19,607</u>	<u>19,607</u>	<u>19,254</u>
Analysed between Charitable activities	-	19,607	19,607	19,254

Governance costs includes payments to the auditors of £5,113 (2022- £5,113) for audit fees.



# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

### 10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	66	68
<b>Employment costs</b>	<b>2023</b>	<b>2022</b>
	£	£
Wages and salaries	1,868,050	1,861,567
Social security costs	171,080	164,780
Other pension costs	65,723	67,346
	2,104,853	2,093,693

The number of employees whose annual remuneration was £60,000 or more were:

	2023 Number	2022 Number
£70,001 to £80,000	1	-

### 11 Termination benefits

Included in wages and salaries is £39,044 which is made up of a termination payment and pay in lieu of notice. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 12 Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2022	7,540	1,249	32,276	75,961	117,026
Additions	-	-	3,986	27,595	31,581
Disposals	(7,540)	(637)	-	(6,732)	(14,909)
At 31 March 2023	-	612	36,262	96,824	133,698
<b>Depreciation and impairment</b>					
At 1 April 2022	7,540	1,249	21,135	54,402	84,326
Depreciation charged in the year	-	-	8,860	19,978	28,838
Eliminated in respect of disposals	(7,540)	(637)	-	(6,732)	(14,909)
At 31 March 2023	-	612	29,995	67,648	98,255
<b>Carrying amount</b>					
At 31 March 2023	-	-	6,267	29,176	35,443
At 31 March 2022	-	-	11,141	21,559	32,700

### 13 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Other debtors	100,768	114,576
Prepayments and accrued income	13,800	17,457
	114,568	132,033

### 14 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	45,481	49,858
Other creditors	282,842	44,190
Client money fund	53,116	173,941
Accruals and deferred income	7,812	7,434
	389,251	275,423

### 15 Retirement benefit schemes

The charity contributes to personal pension schemes for the majority of its staff. They are defined contribution schemes and contributions are charged to the SOFA as they accrue.

The total pension charge in respect of defined contribution schemes was £65,723 (2022 - £67,346).

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

<b>16</b>	<b>Provisions for liabilities</b>				<b>2023</b>	<b>2022</b>
					£	£
	Local Authority Grant rebate				-	413,543
<b>17</b>	<b>Analysis of net assets between funds</b>					
		<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>
		<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
		£	£	£	£	£
	Fund balances at 31 March 2023 are represented by:					
	Tangible assets	35,443	-	35,443	32,700	-
	Current assets/(liabilities)	1,061,133	-	1,061,133	1,536,345	-
	Provisions	-	-	-	(413,543)	-
		1,096,576	-	1,096,576	1,155,502	-

## 18 Related party transactions

### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	<b>2023</b>	<b>2022</b>
	£	£
Aggregate compensation	77,033	70,643

### Transactions with related parties

During the year the charity entered into the following transactions with related parties:

The Pontesbury Project for People with Special Needs shares a close working relationship with The Pontesbury Housing Trust (PHT), another charitable company with common trustees. Many of the service users supported by the Domiciliary Care Agency rent their accommodation from The Pontesbury Housing Trust. The Project rents offices at Meadow Brook from The Pontesbury Housing Trust, along with other premises from which the support services are provided. A total of £27,000 was paid during the year in rent for these premises (2022 - £32,997).

The Pontesbury Project for People with Special Needs also provides administration services, use of a vehicle and maintenance charges for The Pontesbury Housing Trust. During the year £33,400 was paid to The Pontesbury Project for People with Special Needs for these services (2022 - £37,437).

At the year end £261 is due from The Pontesbury Housing Trust (2022 - £3,653 owed to The Pontesbury Housing Trust).

# THE PONTESBURY PROJECT FOR PEOPLE WITH SPECIAL NEEDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

19 Cash generated from operations	2023	2022
	£	£
Deficit for the year	(58,926)	(43,485)
Adjustments for:		
Investment income recognised in statement of financial activities	(5,738)	(2,045)
Gain on disposal of tangible fixed assets	(581)	(19,124)
Depreciation and impairment of tangible fixed assets	28,838	23,157
Movements in working capital:		
(Increase)/decrease in debtors	17,465	(79,833)
Increase/(decrease) in creditors	113,828	(91,290)
Increase/(decrease) in provisions	(413,543)	291,543
<b>Cash (absorbed by)/generated from operations</b>	<b>(318,657)</b>	<b>78,923</b>
<b>20 Analysis of changes in net funds</b>		
The charity had no debt during the year.		