

Servol Community Services



Report and Financial Statements

For the year ended 31 March 2025

CONTENTS OF THE FINANCIAL STATEMENTS

	Page
Report of the Trustees	3
Independent Auditor's Report	16
Consolidated Statement of Financial Activities	20
Consolidated Balance Sheet	21
Charitable Company Balance Sheet	22
Consolidated Statement of Cash Flows	23
Notes to the Financial Statements	24
Registered Office and Professional Advisers	41

REPORT OF THE TRUSTEES

Chair of the Board Report

I am pleased to present our annual report for 2024/25, which highlights the significant progress Servol has made in supporting individuals severely affected by mental illness. This year's report reflects that progress of hope, transformation, and the vital role community-based mental health services play in helping people rebuild their lives. Our continued investment in staff development, systems improvement, and service user engagement underpins our commitment to high-quality, responsive care. This past year has continued to be marked by uncertainty and growing pressure across the mental health sector, and in particular real risks on existing contracts not having sufficient funding to provide the much-needed services. Equally, for those living with severe mental illness and for their carers the environment has remained challenging, with demand for services increasing and wider forms of support often limited or difficult to access. Against this difficult backdrop, I am deeply appreciative of the dedication and resilience shown by our staff, whose unwavering commitment has enabled us to not only maintain but also strengthen our service provision. In particular, we have focused on enhancing the quality and reach of our supported housing services, ensuring that more people can access stable, person-centred support on their journey toward recovery.

Notably, the latter part of 2024/25 brought new opportunities, including the launch of a new commissioned service in the London Borough of Sutton, a significant milestone that signals our ongoing growth and the recognition of our impact within the sector. Additionally, the successful introduction of our first-ever Staff Awards allowed our organisation to celebrate the individuals and teams who embody our values and make our work possible. Their sense of pride and recognition affirmed our belief in nurturing a positive, inclusive culture. As we look to the future, the change in national government brings with it the hope of renewed focus and investment in mental health. We are optimistic that a fresh policy direction will deliver improved outcomes for people living with mental illness, and we are committed to playing our part in shaping that future.

On behalf of the Board of Trustees, I extend our deepest thanks to all who have supported Servol over the past year, our staff, volunteers, partners, commissioners, and community members. Your contributions have been invaluable. Together, we remain focused on delivering meaningful impact and continuing to support recovery, independence, and dignity for all those we serve.



George Branch
Board Chair

REPORT OF THE TRUSTEES

Chief Executive's Report

It is with great pride that I present Servol's Annual Report for this period, a year marked by resilience, growth, and unwavering commitment to the people we serve.

A Year of Challenge and Commitment

As we reported last year the cost-of-living crisis and cuts to public sector funding nationally continues to impact both our sector and the communities we serve. Despite raising concerns and reviewing our contract financial envelopes with commissioners this did not result in any real meaningful uplifts to our current contract value. Yet, recognising the dedication and financial pressures faced by our frontline teams, our Trustees approved a wage increase for staff. This decision, warmly received, was a testament to the value we place on those who deliver our services every day.

Celebrating Our People

In April 2024, we were thrilled to host Servol's first-ever Staff Awards Ceremony in Birmingham, an event that was met with energy, pride, and joy. Trustees played an active role as part of the judging panel, personally presenting awards to individual staff and teams whose contributions have made a remarkable impact. The day was a powerful reminder of the dedication, compassion, and skill that drive our work forward. Building on this success, we are excited to announce that next year's ceremony will take place in London, where we plan to make it even bigger and better.

Financial Stability and Innovation

Through careful expenditure management, targeted fundraising, and successful grant applications, Servol not only sustained but increased income levels, resulting in a small surplus. This strong financial position is essential enabling us to maintain vital services, pioneer new models of working, and strengthen collaborative partnerships.

Service User-Led Innovation

At the heart of Servol's mission is a steadfast commitment to co-production with our service users. This ensures their voices shape every aspect of our work.

A standout achievement this year was the launch of Phase 2 of the Healthy Eating, Healthy Living programme, building on the strong results of our pilot. Participants from the pilot played a key role in shaping the new delivery, bringing their lived experience to the design process and proudly stepping up as programme ambassadors, sharing its benefits at resident meetings. Healthy Eating, Healthy Living empowers participants with practical guidance on nutrition, tips for eating well on a budget, and the chance to take part in gentle, accessible exercise—helping to make healthier lifestyles achievable for all.

Growth and Expansion

December 2024 saw a major milestone as Servol was awarded a new supported accommodation contract in the Borough of Sutton, Surrey. This expansion into a new locality strengthens our reach, enabling us to support more individuals to achieve independence and stability. We also maintained strong partnerships with Wandsworth and Richmond Local Authority Health and Social Care, while actively seeking opportunities to expand our footprint across London and beyond. Our residential services have sustained full occupancy for much of the year, despite natural fluctuations. Following the introduction

REPORT OF THE TRUSTEES

of a new service in Sutton, we restructured our London management provision to ensure continued strong leadership.

In early 2025, we launched My Path My Journey, a groundbreaking pilot project for Servol funded by the Mental Health Provider Collaborative for BSol. This innovative initiative offers dedicated, person-centred support to individuals living with severe mental illness (SMI), helping them navigate the transition from acute care with confidence. By focusing on recovery, stability, and empowerment, the project aims to reduce the risk of relapse and prevent readmission, paving the way for lasting wellbeing.

Our Belief and Vision

Servol's belief is simple but powerful: we see the potential in every person, regardless of their history or vulnerabilities. Our vision is to deliver quality mental health support and to be recognised as a leader in our field. This year, we have supported long-standing residents, some after more than 20 years with us, to move into independent living.

These successes embody our mission and the transformative impact of our work.

Looking Ahead

The year ahead will see us building on our achievements deepening community impact, strengthening partnerships, and exploring new opportunities for growth and innovation. We will continue to diversify our income streams to ensure long-term sustainability, while remaining steadfast in our focus on delivering the best possible outcomes for those we serve.

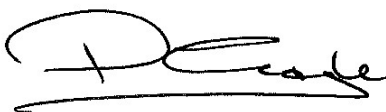
In October 2025 we will launch the Phoenix Project which will provide specialist supported accommodation for prison leavers with complex mental health needs, helping them reintegrate into the local community and reduce reoffending.

Acknowledgements

Our progress this year would not have been possible without:

- Our Board of Trustees, for their guidance and governance.
- Our exceptional staff, for their dedication, creativity, and resilience.
- Our service users, whose courage and contributions inspire us daily.

Servol faces the future with optimism, determination, and the belief that together we can continue to build lives of hope, dignity, and opportunity.



Philip Gayle
Chief Executive

REPORT OF THE TRUSTEES

The Trustees submit their strategic report and financial statements of Servol Community Services for the year ended 31 March 2025. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity. The group comprises the parent company, Servol Community Services (the company), and its subsidiary undertaking Servol Trading Limited.

Strategic direction & Business Plan Review

At our Annual Trustees' Board Away Day, the Trustees of Servol Community Services undertook a comprehensive review of the organisation's Strategic Business Plan. This review provided the opportunity to assess progress against our objectives, evaluate the impact of our services, and ensure our strategy remains aligned with the needs of our service users and the changing external environment. Further iterations of the plan will be made to reflect the current financial climate in which we operate, ensuring that Servol remains resilient, responsive, and able to seize opportunities for growth and innovation.

Servol's Strategic Business Plan sets out our organisational direction through 2024/25. It identifies the priority areas where Servol can make the most significant and lasting difference in the lives of vulnerable mental health service users and those who face disadvantage. The plan also outlines how we will continue to strengthen our internal capabilities, develop our workforce, and build the resources required to sustain and expand our services.

Our strategic objectives were established at the outset of the plan, each designed to maximise our impact, strengthen organisational resilience, and deliver measurable outcomes for those we support. Throughout the year, we have measured our performance against these objectives, using the results to inform service improvements, investment decisions, and our future direction.

Delivering Safe, Fulfilling, and Independent Lives

We are committed to enabling more adults to lead safe, fulfilling lives by delivering high-quality, evidence-based support services that promote wellbeing, recovery, and independence. Success will be measured by the positive outcomes achieved for every person we support.

Our approach is underpinned by the Outcome Star recovery model, embedded across all services, alongside a culture of continuous improvement in care and support.

Our continuous improvement programme for Adult Services will focus on:

Recovery

- Deliver recovery-focused services that put each individual's journey at the centre of all decisions.
- Support service users to live in the least restrictive environment possible.
- Promote maximum independence, autonomy, and self-determination.

REPORT OF THE TRUSTEES

Recruitment and Retention

- Attract and retain staff who embrace our values and are motivated to deliver excellence.
- Actively respond to staff feedback to improve working conditions.
- Invest in training, supervision, and career development opportunities.
- Enhance pay and introduce reward schemes to recognise excellence and commitment.

Service User Involvement

- Deepen engagement with our “experts by experience” to ensure their priorities are heard and acted upon.
- Give service users a central role in service redesign and improvement initiatives.

Service User Satisfaction

- Strengthen the way we gather and respond to feedback.
- Ensure service users’ voices actively shape the future of our services.

Quality

- Adopt proven quality improvement methods across all services.
- Review and refine internal audit processes to focus on quality-driven outcomes.
- Achieve and maintain a Care Quality Commission (CQC) Good rating or higher across all regulated services.
- Ensure consistent quality standards in all non-CQC regulated services.

Innovation

- Work with partners to review and redesign services where needed to enhance our offer.
- Prepare proactively for the next mental health contract cycle (anticipated in 2026/27).
- Maximise regional partnerships to expand and diversify services for people with Serious Mental Illness (SMI).

Digital Inclusion

- Ensure service users are supported to access and navigate the digital world.
- Provide tools, skills, and programmes to reduce digital poverty and exclusion.
- Help service users use technology to access benefits, utilities, and wider support networks.

The Focus of Our Work

At Servol, we believe that every individual regardless of their history or circumstances has the unquestionable right to safe, decent, and well-maintained accommodation, alongside the care and support essential for mental wellness. For those living with Serious Mental Illness (SMI), these are not luxuries; they are the foundation for recovery, dignity, and hope.

Our work is grounded in the voices of the people we serve. We know that the best way to improve and innovate is to listen deeply and respectfully to those who live the reality of mental health challenges every day. Their insight shapes our services, drives our decisions, and ensures our support remains relevant, compassionate, and life-changing.

REPORT OF THE TRUSTEES

We also believe that exceptional care begins with exceptional people. That is why we invest in our staff, equipping them with the training, tools, and opportunities to grow. By nurturing our team, we ensure that the quality of our services remains consistently high and that every individual we support receives care that is not only professional but personal.

At our core, Servol's focus is simple but powerful: to deliver the highest standard of support and care to individuals with SMI, enabling them to live with dignity, independence, and the belief that their future is worth fighting for.

Our Two Main Goals

Servol exists to achieve two clear and unwavering goals:

- First, to empower adults with serious mental illness and complex needs to live as independently, confidently, and fully as possible.
- Second, to deliver services of the highest quality and set the standard as a leader in mental health care and support.

Public Benefit

In setting Servol's plans and priorities, the Trustees have been guided by the Charity Commission's principles on delivering public benefit. Every planned activity is carefully assessed against our strategic objectives to ensure it directly advances our charitable purpose.

Our core mission is to promote the safety, support, and care of individuals living with mental ill health, particularly those with Serious Mental Illness (SMI) and complex needs. We believe that by delivering high-quality, person-centred services, we not only meet immediate needs but also empower our service users to rebuild their lives, restore dignity, and achieve greater independence.

Servol's work benefits both the individuals we serve and the wider community. By supporting some of the most vulnerable members of society to stabilise, recover, and thrive, we help unlock their potential to contribute positively to society while also reducing the social and economic impact of untreated mental ill health.

Our commitment is clear: to create pathways of opportunity, hope, and inclusion ensuring every person we support is given the chance to live a life of purpose and possibility.

Financial Stability and Sustainable Growth

We are committed to safeguarding Servol's future by managing our resources with precision, discipline, and foresight. Every pound we receive is an opportunity to extend our impact, and we are determined to maximise its value through robust governance, efficient operations, and strategic investment.

Our approach will be built on:

- **Strong Foundations** – Maintaining rigorous internal systems and processes that provide the platform for delivering consistently high-quality services while ensuring long-term financial stability and sustainable growth.

REPORT OF THE TRUSTEES

- **Efficiency Through Technology** – Automating key processes and harnessing digital transformation to streamline operations, reduce manual workloads, and free resources to focus where they are most needed.
- **Smarter Spending** – Embedding a culture of cost awareness and value for money across the organisation, ensuring every decision delivers measurable benefit. Cost savings will be reinvested directly into initiatives that increase our reach and improve our impact.
- **Environmental Responsibility** – Integrating environmentally sustainable practices into all aspects of our operations, reducing CO₂ emissions and contributing to the wellbeing of the communities we serve.

Through this disciplined and forward-looking approach, we will ensure Servol remains financially strong, operationally agile, and fully equipped to meet both the challenges and opportunities ahead.

Financial review

During 2024-25 Servol has been able to secure new income to support its charitable activities and deliver its objectives in accordance with its strategic business plan. The current public sector funding environment remains challenging and contingency plans are in place to minimise the effect on our charitable activities should our income be adversely affected.

The financial statements show total incoming resources of £3.7m (2024: £3.3m). The principal source of Servol's income is mainly in the form of accommodation fees and care and support fees towards the cost of the services we provide. Such fees are charged for the provision of residential and supported living accommodation services and are paid for by local and health authorities mainly in London and Birmingham, as well as local authorities in Sutton, Derby and East Sussex. Staff costs are the largest resource and such expenditure for the organisation averages 60% - 70% of total expenditure annually.

During the year, operational income increased by £314k over the financial year ended March 2025. Total operational expenditure also increased significantly by £208k. Net income before gains on investment was £30k for the year (2024: net expenditure of £26k). During the year £59k of leasehold improvements were written down due to early termination of a lease by the landlord. Total group funds carried forward were therefore £635k (2024: £605k).

Servol's major financial risks continue to come from running services with the possibility of high voids, arrears and the high usage of agency staff.

Reserves and Risk Management Strategy

The Reserves Policy undergoes a thorough review each year. The Trustees are committed to ensuring that Servol maintains a financial reserve robust enough to sustain effective operations, particularly considering the prevailing practice whereby contracting bodies release payments retrospectively, most often on a quarterly basis. This safeguard is

REPORT OF THE TRUSTEES

designed to enable Servol to continue delivering its services even in the face of significant challenges, providing vital breathing space to adapt strategies in response to shifting circumstances.

The Trustees recognise the importance of careful stewardship, ensuring reserves are neither excessive nor idle. Each year, the adequacy of the reserve is evaluated against anticipated income levels. Should the reserve surpass the agreed threshold, the surplus will be channelled directly into advancing the charity's objectives. Conversely, if reserves fall below the level required to cover operational costs, urgent steps and an action plan will be taken to the finance subcommittee for approval and support to stem further depletion and rebuild the fund without delay.

Servol operates in an environment where both financial and operational risks are ever-present. The Trustees actively assess these potential threats and maintain systems designed to mitigate them effectively. The most pressing financial vulnerabilities stem from operating services with high vacancy rates and sustaining long-term contracts that require renegotiation and renewed dialogue. As noted in our previous report, where 'new' regulatory requirements are introduced to enhance service standards without the provision of additional funding, the strain on resources is significant. Nonetheless, Servol's existing control measures have improved significantly and are now strong and provide the Board with a reliable, though not absolute, level of assurance against material misstatement or loss. When emerging risks are identified, Servol remains ready to strengthen its safeguards by implementing further systems and procedures as necessary.

Unrestricted undesignated reserves

Unrestricted undesignated or 'free' reserves are those funds available to meet the day-to-day needs of the organisation's work. The Trustees have decided that, given the long-term commitments in the organisation's work, the fragility of external funding for some of its services and the uncertainty of voluntary income and legacies, these reserves should be held for not less than 3 months and not more than 6 months' expenditure.

At the balance sheet date, the group's 'free' reserves amounted to £192k (2024: £107k), equivalent to less than one month of unrestricted expenditure. These reserves are therefore still below the reserves policy minimum level. The Trustees continue to follow a strategic plan, which amongst other things, seeks to diversify income streams and rebuild 'free' reserves.

Risk Management and Internal Controls

Overview

Over the past year, Servol Community Services has continued to apply its comprehensive risk management framework and register. This structured framework clearly delineates the roles and responsibilities for risk oversight across the organisation, while establishing a systematic methodology for the identification, assessment, mitigation, monitoring, and review of risks. Furthermore, it promotes a culture of continuous learning, ensuring that insights gained from risk management activities are embedded into organisational practice.

REPORT OF THE TRUSTEES

Governance and Oversight

The Board of Trustees retains ultimate responsibility for the management and control of risks across Servol. While overall accountability rests with the Board, specific elements of the risk management process are delegated to the Finance Committee, the Quality and Safety Committee, the senior leadership team, operational managers, and other key colleagues who are in attendance at the committee meetings.

These two groups work in close collaboration to maintain the integrity and effectiveness of the corporate risk register, which serves as the central tool for identifying and tracking organisational risks. The register is formally reviewed at meetings of both the Finance and the Quality & Safety Committees, where key risks are examined in detail and appropriate actions are discussed. Recommendations and findings from these committees are subsequently presented to the Board, ensuring informed oversight and robust decision-making.

The following risks have been identified as the most significant the organisation faces:

Risk	Actions taken to address the risk
Recruitment and retention We recognise that if we fail to have the competitive salary and benefits package, together with the right culture, we may be unable to deliver services in a challenging recruitment market.	We moved closer to becoming a London Living Wage employer; for the first time this was achieved for staff working at the Sutton scheme in Surrey. We have developed pay bands and are working on developing a job evaluation framework, making Servol more competitive with salaries.
Financial Sustainability We recognise that if we fail to cultivate a diverse portfolio of income streams, supported by robust capital reserves, we cannot deliver long-term financial stability. Our current phase of strategic growth is designed not only to strengthen Servol's financial position, but to embed the resilience needed to sustain and expand our impact well into the future.	Our support contracts remain under significant financial pressure, as revenue growth continues to lag behind the escalating costs driven by increases in the Living Wage and inflation. In response, we have intensified our efforts on rigorous cost control, implementing robust housing management practices to minimise void periods, and strengthening arrears recovery processes to safeguard income.
Health and Safety We acknowledge that deficiencies in health and safety systems, processes, policies, or staff awareness can significantly increase the risk of serious incidents, accidents, and work-related illnesses.	We commissioned an independent review of our health and safety at our properties, providing valuable insights that have enabled us to accelerate the completion of our Fire Risk Assessments. In addition, we have enhanced the capability of our support staff through targeted training, equipping them with greater knowledge and awareness of health and safety requirements to strengthen compliance and reduce risk across the organisation.

REPORT OF THE TRUSTEES

Risk	Actions taken to address the risk
IT Security We recognise that inadequate IT infrastructure increases vulnerability to cyberattacks, fraud, hacking, and system failures, any of which could compromise operational continuity.	We have achieved a "Standards Met" rating in our Data Security and Protection Toolkit assessment and have recently secured Cyber Essentials accreditation. Mobile phones and computers have been upgraded to strengthen security and performance.

The Trustees have undertaken a review of Servol's Organisation's internal control framework, assessing the effectiveness of existing measures and weighing the cost of maintaining specific controls against the benefits they deliver. These systems are structured to provide reasonable, though not absolute, assurance against material misstatement or loss. Key elements include:

- A strategic plan and annual budget formally approved by the Trustees.
- Regular monitoring by the Trustees of financial performance, budget variances, and non-financial performance indicators.
- Clear delegation of day-to-day management authority, supported by appropriate segregation of duties.

Legal and Organisational Structure

Servol Community Services exists to deliver high quality mental health care and support, improving lives and building stronger communities. Our work is underpinned by a clear legal and governance framework that ensures transparency, accountability, and alignment with our charitable purpose.

Servol is registered as a charitable company limited by guarantee. It operates in accordance with its Articles of Association and is guided by the objectives and powers set out in its Memorandum of Association. In keeping with this structure, the liability of each member who also serves as a Trustee is strictly limited to £1. This framework safeguards the organisation while ensuring all resources are directed towards our mission.

To further support our charitable objectives, Servol owns and operates Servol Trading Limited, a wholly owned subsidiary. This entity generates income, which is reinvested into the charity's work, helping us to extend our reach, enhance service quality, and remain financially resilient. This structure ensures that Servol remains both mission-driven and well-governed, enabling us to focus on what matters most: delivering exceptional support to those who need it most, now and in the future.

Employees

Servol is committed to creating an outstanding workplace where employees feel valued, supported, and empowered to grow both professionally and personally. We actively provide opportunities for learning and development, ensuring our people have the tools and knowledge to excel in their roles. Employees are engaged in shaping our corporate

REPORT OF THE TRUSTEES

strategies and objectives, fostering a sense of shared ownership and purpose. We also maintain a continuous focus on evaluating how effectively we manage, support, and involve our workforce, ensuring their voices remain central to our organisational progress.

Engagement with employees

Over the past 12 months, Servol has strengthened its commitment to valuing colleagues and embedding our core values within our organisational culture. We have worked to ensure our people remain well-informed about developments across the organisation and that their perspectives are meaningfully considered in decision-making processes. Our employee awards programme continued to celebrate individuals whose contributions exemplify our values in action. The results of our annual staff survey provided valuable insight, enabling us to recognise and celebrate areas of significant progress while also identifying opportunities for further improvement. This ongoing dialogue between leadership and staff has not only enhanced transparency but has also deepened engagement and a shared sense of purpose.

Pensions

As a responsible employer, Servol is committed to supporting the long-term financial security of our colleagues. We continue to operate a workplace pension scheme through NEST Pension, ensuring all eligible employees have access to a reliable and regulated means of saving for their future.

Leadership and Management

Strong leadership and effective governance are the foundation of Servol's success. At the strategic helm, our Board of Trustees brings vision, accountability, and a deep commitment to our mission. Guided by the Chair, and comprising a further seven Trustees with expertise in finance, academia, housing, and governance and offender management, the Board's diverse mix of backgrounds and perspectives ensures decisions are grounded in both professional insight and the lived realities of the communities we serve. Their collective leadership has driven year-on-year growth, secured financial stability, met cost improvement targets, and consistently enhanced the quality of our services.

While the Board sets the strategic direction, operational excellence is delivered by our Senior Management Team. This results-driven group is made up of the Chief Executive Officer, Director of Services, Head of Operations and Head of Finance and Corporate Services, transforms strategy into day-to-day impact. Bringing together deep sector expertise, operational know-how, and a shared passion for making a difference, they lead with clarity, agility, and purpose. Remuneration for this team is reviewed annually and benchmarked against comparable charities in the West Midlands, ensuring fairness, competitiveness, and alignment with the exceptional responsibilities they shoulder.

A key fixture in our governance calendar is the annual Board Awayday—a dedicated forum for in-depth reflection, innovation, and forward planning. In 2024/25, the session focused on refining the 2025/26 strategic business plan considering emerging challenges, such as the continued limited finances when it comes to uplifts in contracts. The Awayday enabled the Board to set bold priorities: expanding and enhancing services, diversifying into new areas of work, increasing housing stock to support growth, and generating more unrestricted income. Together, the Board of Trustees and Senior Management Team form

REPORT OF THE TRUSTEES

a leadership partnership that is both visionary and hands on ensuring Servol remains resilient, forward-looking, and committed to making a lasting impact on the lives of those we serve.

Trustees

The directors of the company, for the purposes of company law, are also the Trustees and they oversee and direct strategy. The following Trustees served during the year:

Trustee	Role	Subcommittee
G Branch	Board Chair	
L Found		Quality and Safety Committee
A Grant		Quality and Safety Committee
A Howell		Quality and Safety Committee
K Jackson	Subcommittee Chair	Quality and Safety Committee
R Smith	Subcommittee Chair	Finance Committee
V Taylor		Finance Committee
R Zitola		Finance Committee

Statement of Trustees' Responsibilities

The Trustees, who also act as the charity's directors under company law, are responsible for preparing the Trustees' Report and financial statements each year in line with UK law and accounting standards. They must ensure these statements give a true and fair view of Servol's finances—showing its income, how resources have been used, and its overall financial position.

To meet this duty, the Trustees:

- Choose suitable accounting policies and apply them consistently.
- Follow the Charities SORP and UK accounting standards.
- Make careful and reasonable judgements and estimates.
- Prepare the statements on a "going concern" basis unless they believe Servol cannot continue operating.

They are also responsible for keeping accurate financial records, safeguarding the charity's assets, and taking reasonable steps to prevent and detect fraud or other irregularities.

Disclosure of information to auditor

At the time of approving this report, each Trustee has confirmed that, to the best of their knowledge, all relevant audit information has been shared with the charity's auditor. They have also confirmed that they have taken all reasonable steps to identify such information and to ensure the auditor is fully informed.

Auditors

A resolution to reappoint HB&O Ltd as the Company's external auditor will be proposed at the forthcoming Annual General Meeting.

REPORT OF THE TRUSTEES

Funds held as custodian

At 31 March 2025 Servol held funds totalling £120,643 on behalf of service users. The transactions and assets associated with residents' funds are accounted for separately and are not included within the financial statements of Servol. Residents' funds are held in separate bank accounts and specific controls are in place to safeguard these funds.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that Servol has adequate resources to continue in operational existence for the foreseeable future. It therefore continues to adopt the going concern basis in preparing the financial statements.

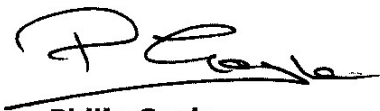
Appreciation & Thanks

We extend our heartfelt thanks to all who have stood alongside Servol, year after year, in support of our mission. To our stakeholders, your encouragement and commitment have been instrumental in enabling us to deliver life-changing support to those who need it most. To our funders, we are deeply grateful for your belief in our work and your investment in the vital services we provide. Your trust empowers us to continue making a difference.

We also wish to acknowledge the dedication of the Mental Health Teams in Birmingham and London, whose close partnership with our staff helps us to provide the highest quality of care to our service users and communities. It is through this shared commitment that we are able to achieve so much together.

As we look ahead to 2025/26, we do so with gratitude, optimism, and the confidence that, with your continued support, we will build an even stronger future for the people we serve.

Approved by order of the Board of Trustees on 25th September and signed on its behalf by:



Philip Gayle
Company Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVOL COMMUNITY SERVICES

Opinion

We have audited the financial statements of Servol Community Services (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charitable Company Balance Sheet, the Consolidated Statement of Cash Flows 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, 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 group's and parent charitable company's affairs as at 31 March 2025 and of the group's 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group and charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent 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 other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVOL COMMUNITY SERVICES

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, which includes the strategic report and the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report included within the Report of the Trustees have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 14, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVOL COMMUNITY SERVICES

applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor 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 process includes an assessment of the group and parent charitable company's risk environment, through enquiry of and discussion with management and those charged with governance, including an assessment of any key laws and regulations with which the group and charitable company must comply in the ordinary course of its operations.

Additionally, the overall risks of irregular transactions occurring are assessed following our observations and confirmation of the design and implementation of management's controls. Whilst we are mindful of these risks, our audit focus is geared towards the risk of material misstatement in the financial statements as a whole.

As such, our procedures cannot guarantee that all transactions have been fully compliant with all relevant laws and regulations, including those regulations relating to fraud, as our procedures are not designed to detect all instances of non-compliance. By definition, the risk of our detection of non-compliance is greater where compliance with a law or regulation is removed from the events and transactions reflected in the financial statements. The risk is also greater regarding irregularities due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/library/standards-codes-policy/audit-assurance-and-ethics/auditors-responsibilities-for-the-audit/>.

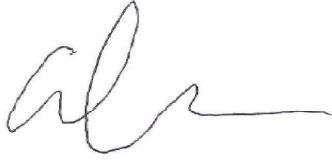
This description forms part of our auditor's report.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVOL COMMUNITY SERVICES

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.



Gregg Olnier MPhil BA (Hons) FCA (Senior Statutory Auditor)

for and on behalf of HB&O Ltd
Chartered Accountants and Statutory Auditors
Seven Stars House
1 Wheler Road
Coventry
CV3 4LB

Date: 25 September 2025

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted funds £	Designated funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Income and endowments from:						
Donations and grants		109	-	27,794	27,903	-
Charitable activities		3,559,859	-	64,001	3,623,860	3,309,361
Investment income		13,970	-	-	13,970	25,336
	5	3,573,938	-	91,795	3,665,733	3,334,697
Expenditure on:						
Charitable activities	6	3,468,830	8,108	91,795	3,568,733	3,360,486
Other expenditure		-	66,952	-	66,952	-
		3,468,830	75,060	91,795	3,635,685	3,360,486
Net gains on investments		-	-	-	-	158,810
Net income/(expenditure)	8	105,108	(75,060)	-	30,048	133,021
Transfers between funds	19	(20,380)	20,380	-	-	-
Net movement in funds		84,728	(54,680)	-	30,048	133,021
Reconciliation of funds						
Total funds brought forward		106,782	497,847	-	604,629	471,608
Total funds carried forward	19	191,510	443,167	-	634,677	604,629

Servol Community Services uses the exemption in s408 of the Companies Act 2006 from presenting a separate income and expenditure account for Servol Community Services as a separate entity. The net income for Servol Community Services alone for the year to 31 March 2025 was £114,244 (2024: net expenditure £9,168) and the total funds movement in the year was £114,244 (2024: negative £9,168).

The notes on pages 24 to 40 form part of these financial statements.

CONSOLIDATED BALANCE SHEET

	Note	2025 £	2024 £
Fixed assets			
Investment property	10	415,663	395,000
Tangible fixed assets	11	27,504	102,847
		443,167	497,847
Current assets			
Debtors	13	557,953	461,978
Cash and cash equivalents		359,142	245,166
		917,095	707,144
Creditors: amounts falling due within one year	14	(716,418)	(581,195)
Net current assets		200,677	125,949
Total assets less current liabilities		643,844	623,796
Creditors: amounts falling due after more than one year	15	(9,167)	(19,167)
Total net assets		634,677	604,629
Funds			
Unrestricted funds		634,677	604,629
Restricted funds		-	-
Total funds	19	634,677	604,629

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

The financial statements were approved by the Board of Trustees and authorised for issue on 25th September 2025 and were signed on its behalf by:



Chair of Trustees
George Branch

CHARITABLE COMPANY BALANCE SHEET

	Note	2025 £	2024 £
Fixed assets			
Investment property	10	415,663	395,000
Tangible fixed assets	11	27,504	102,847
Investment in subsidiaries	12	7	7
		443,174	497,854
Current assets			
Debtors	13	604,936	346,373
Cash and cash equivalents		147,823	245,166
		752,759	591,539
Creditors: amounts falling due within one year	14	(610,082)	(607,786)
Net current assets/(liabilities)		142,677	(16,247)
Total assets less current liabilities		585,851	481,607
Creditors: amounts falling due after more than one year	15	(9,167)	(19,167)
Total net assets		576,684	462,440
Funds			
Unrestricted reserves		576,684	462,440
Restricted reserves		-	-
Total funds	19	576,684	462,440

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

The financial statements were approved by the Board of Trustees and authorised for issue on 25th September 2025 and were signed on its behalf by:



Chair of Trustees
George Branch

CONSOLIDATED STATEMENT OF CASHFLOWS

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by/ (used in) operating activities	20	139,178	(7,068)
Cash flow from investing activities			
Purchase of tangible fixed assets		(8,509)	(3,431)
Purchase of investment property		(20,663)	(53,280)
Interest and rent from investments		13,970	25,336
Net cash used in investing activities		<u>(15,202)</u>	<u>(31,375)</u>
Cash flow from financing activities			
Loan repayments in year		(10,000)	(7,872)
Net cash used in financing activities		<u>(10,000)</u>	<u>(7,872)</u>
Change in cash and cash equivalents in the reporting period		113,976	(46,315)
Cash and cash equivalents at the beginning of the reporting period		245,166	291,481
Cash and cash equivalents at the end of the reporting period	20	<u>359,142</u>	<u>245,166</u>

NOTES TO THE FINANCIAL STATEMENTS

1. Legal status

Servol Community Services is a charitable company limited by guarantee, incorporated and domiciled in England and Wales and registered with Companies House and the Charity Commission. The charitable company's registered office is 51 Pinfold Street, Birmingham, England, B2 4AY and its principal place of business is 18 Bennetts Hill, Birmingham, England, B2 5QJ.

2. Accounting policies

Basis of accounting

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Servol Community Services meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist, a view that has in part been informed by the additional work generated since the year end, in line with the charity's strategic plan. The Trustees have considered the level of funds held and the expected level of income and expenditure for the 12 months from authorising these financial statements and concluded that the charity has adequate resources to continue operating as a going concern.

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary, Servol Trading Limited for the year ended 31 March 2025.

Income

All income is recognised, net of value added tax, once the Charitable Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

NOTES TO THE FINANCIAL STATEMENTS

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Expenditure

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 allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company. Governance costs are those incurred in connection with administration of the charitable company and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives on the following bases: using the straight-line and reducing balance methods:

- Long-term leasehold property - over the lease term
- Fixtures and fittings - 10% reducing balance
- Office equipment - 33% straight line

Investments

Fixed asset investments are stated at cost, less impairment.

Investment property

Investment property is carried at fair value determined annually by either external valuers or the trustees and is derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any differences in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS

Fund accounting

General funds can be used in accordance with the charitable objectives at the discretion of the trustees in furtherance of the general objectives of the Charitable Company and which have not been designated for other purposes.

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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Pensions

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

Debtors

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

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Financial instruments

The group and charitable company only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Operating leases

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS

Rentals payable on operating leases are charged on a straight-line basis over the lease term.

Tax

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. As such, it does not have liability to corporation tax in the course of its normal charitable activities.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The group and charitable company make estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Investment property

The financial statements include an investment property held at valuation, which is a significant estimate. In order to arrive at a reliable estimate, the trustees may make use of professional valuers. However, significant changes to the assumptions underlying the valuer's or the trustees' calculations, or significant changes in market conditions could result in significant changes to the carrying value of investment property over the next financial year.

Depreciation

Depreciation is charged against assets so as to write them down to their residual value at the end of their useful lives. At each reporting date the group and charitable company assesses whether there is any indication of impairment or deviation from the expected useful lives. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Provision for doubtful debts

The group and charitable company provides against doubtful debts based on the ageing and nature of the debts and the risk profile of those debts. This is a change from last year where the provision was calculated on a case-by-case basis.

NOTES TO THE FINANCIAL STATEMENTS

4. Comparatives for the consolidated statement of financial activities

	Note	Unrestricted funds £	Designated funds £	Restricted funds £	2024 Total funds £
Income and endowments from:					
Donations		-	-	-	-
Charitable activities		2,587,039	-	31,107	2,618,146
Investment income		25,336	-	-	25,336
		2,612,375	-	31,107	2,734,234
Expenditure on:					
Charitable activities		2,756,886	23,098	31,476	2,811,460
Other expenditure		-	-	-	-
		2,756,886	23,098	31,476	2,811,460
Net gains on investments		-	158,810	-	158,810
Net income/(expenditure)		(144,511)	135,712	(369)	(9,168)
Transfers between funds		(56,711)	56,711	-	-
Net movement in funds		(201,222)	192,423	(369)	(9,168)
Reconciliation of funds					
Total funds brought forward		165,815	305,424	369	471,608
Total funds carried forward		106,782	497,847	-	604,629

NOTES TO THE FINANCIAL STATEMENTS

5. Analysis of income

	Unrestricted funds £	Designated funds £	Restricted funds £	2025 Total funds £
Donations				
Gifts and donations	109	-	27,794	27,903
	109	-	27,794	27,903
Charitable activities				
Community and residential care:				
- Local Authorities	2,137,865	-	-	2,137,865
- CCG/ICB	1,288,604	-	64,001	1,352,605
- Other	133,390	-	-	133,390
	3,559,859	-	64,001	3,623,860
Investment income				
Bank interest	1,989	-	-	1,989
Investment property rent	11,981	-	-	11,981
	13,970	-	-	13,970
Total income	3,573,938	-	91,795	3,665,733

	Unrestricted funds £	Designated funds £	Restricted funds £	2024 Total funds £
Donations				
Gifts and donations	-	-	-	-
	-	-	-	-
Charitable Activities				
Community and residential care:				
- Local Authorities	2,727,434	-	-	2,727,434
- CCG/ICB	550,645	-	-	550,645
- Grants	175	-	31,107	31,282
	3,278,254	-	31,107	3,309,361
Investment Income				
Bank interest	1,676	-	-	1,676
Investment property rent	13,052	-	-	13,052
Other	10,608	-	-	10,608
	25,336	-	-	25,336
Total income	3,303,590	-	31,107	3,334,697

NOTES TO THE FINANCIAL STATEMENTS

6. Expenditure on charitable activities

	Direct costs	Support costs	2025
	£	£	£
Community and residential care	3,430,994	204,691	3,635,685
	3,430,994	204,691	3,635,685

	Direct costs	Support costs	2024
	£	£	£
Community and residential care	3,243,721	116,765	3,360,486
	3,243,721	116,765	3,360,486

7. Support costs

	Community and residential care	2025
	£	£
Management	173,420	173,420
Governance	31,271	31,271
	204,691	204,691

	Community and residential care	2024
	£	£
Management	103,497	103,497
Governance	13,268	13,268
	116,765	116,765

NOTES TO THE FINANCIAL STATEMENTS

8. Net income

Net income is stated after charging:

	Group and Charitable Company	
	2025	2024
	£	£
Depreciation of tangible fixed assets	75,060	23,098
Operating lease rentals		
- land and buildings	107,553	95,493
- vehicles and other equipment	1,670	-
Auditors' remuneration		
- audit fee	10,000	9,000
- tax administration	3,000	-
- other services	1,500	-
	<u> </u>	<u> </u>

9. Employees and Trustees

Average monthly number of employees during the year:

	Group and Charitable Company	
	2025	2024
	No.	No.
Care and support	82	88
Administration	7	8
	<u>89</u>	<u>96</u>

Employee costs

	Group and Charitable Company	
	2025	2024
	£	£
Wages and salaries	2,156,924	2,112,843
Social security costs	189,880	173,293
Pension costs	45,015	39,621
	<u>2,391,819</u>	<u>2,325,757</u>

NOTES TO THE FINANCIAL STATEMENTS

Senior management team

The full-time equivalent number of staff who received remuneration (excluding employer pension contributions) of £60,000 or more (excluding company directors and including the senior management team) was as follows:

	2025 No.	2024 No.
£60,000 to £70,000	-	-

The aggregate remuneration of the Senior Management Team, including pension contributions, amounted to £276,367 (2024: £302,846).

During the year, in accordance with the provisions of the Charity's articles of association, five (2024: five) of the Trustees received remuneration for their services to the organisation and attendance at board meetings. One Trustee (2024: one) was reimbursed office expenses during the year totalling £233 (2024: £161).

Name	Remuneration type	2025 £	2024 £
G Branch	Board remuneration	4,375	3,500
V Taylor	Board remuneration	2,500	2,500
A Grant	Board remuneration	2,500	2,500
K Jackson	Board remuneration	2,500	2,500
A Howell	Board remuneration	2,500	1,250
		14,375	12,250

10. Investment property

Group and charitable company

	£
Fair value	
At 1 April 2024	395,000
Additions	20,663
At 31 March 2025	415,663

The property was valued by the Board of Trustees on 31 March 2025.

NOTES TO THE FINANCIAL STATEMENTS

11. Tangible fixed assets

Group and charitable company

	Fixtures and fittings	Computer systems and equipment	Leasehold buildings	Total
	£	£	£	£
Cost				
At 1 April 2024	55,975	82,872	196,783	335,630
Additions	-	5,769	2,740	8,509
Disposals	(8,792)	-	(199,523)	(208,315)
At 31 March 2025	47,183	88,641	-	135,824
Depreciation				
At 1 April 2024	19,061	81,151	132,571	232,783
Charged in year	4,365	3,743	66,952	75,060
Disposals	-	-	(199,523)	(199,523)
At 31 March 2025	23,426	84,894	-	108,320
Net book value				
At 31 March 2025	23,757	3,747	-	27,504
At 31 March 2024	36,914	1,721	64,212	102,847

12. Investments in subsidiaries

Charitable company

	2025	2024
	£	£
Cost and net book value	7	7

At 31 March 2025 the Charity held more than 20% of the allotted share capital of the following undertaking:

	Country of incorporation	Class of share capital	Proportion owned	Nature of business
Servol Trading Limited	UK	Ordinary	100%	Residential care services

Servol Trading Limited's registered company number is 14287388. For the period to 31 March 2025 it had gross income of £713,019 (2024: £691,215), expenditure of £657,215 (2024: £549,027) and profit of £55,804 (2024: £142,188). At 31 March 2025 the company had assets

NOTES TO THE FINANCIAL STATEMENTS

of £236,165 (2024: £242,250), liabilities of £178,166 (2024: £100,055) and capital and reserves of £57,999 (2024: £142,195).

13. Debtors

	Group		Charitable Company	
	2025	2024	2025	2024
	£	£	£	£
Due within one year				
Trade debtors	479,729	486,205	454,881	370,600
Less: Provision for bad and doubtful debts	(36,456)	(80,744)	(36,456)	(80,744)
Amount due from subsidiary undertaking	-	-	71,831	-
Other debtors	-	20,450	-	20,450
Prepayments and accrued income	114,680	36,067	114,680	36,067
	557,953	461,978	604,936	346,373

14. Creditors: amounts falling due within one year

	Group		Charitable Company	
	2025	2024	2025	2024
	£	£	£	£
Debt (note 17)	10,000	10,000	10,000	10,000
Trade creditors	109,718	148,830	100,830	148,830
Amount due to subsidiary undertaking	-	-	-	126,645
Corporation tax	513	513	-	-
Other taxation and social security	148,188	148,635	51,253	49,094
Other creditors	74,826	57,646	74,826	57,646
Accruals and deferred income	373,173	215,571	373,173	215,571
	716,418	581,195	610,082	607,786

15. Creditors: amounts falling due after more than one year

	Group		Charitable Company	
	2025	2024	2025	2024
	£	£	£	£
Debt (note 17)	9,167	19,167	9,167	19,167
	9,167	19,167	9,167	19,167

NOTES TO THE FINANCIAL STATEMENTS

16. Deferred income

	2025 £	2024 £
At 1 April	93,997	88,207
Resources deferred during the year	263,442	93,997
Released to income during the year	(93,997)	(88,207)
At 31 March	263,442	93,997

Deferred income represents service user income billed in advance.

17. Debt analysis

Borrowings

	Group and Charitable Company	
	2025 £	2024 £
Due within one year		
Bank loans	10,000	10,000
Due between one and two years		
Bank Loans	9,167	10,000
Due between two and five years		
Bank Loans	-	9,167
Total borrowings	19,167	29,167

The charitable company received a £50,000 bounce back loan in February 2021. The loan is repayable in equal instalments beginning in March 2022. The interest rate is fixed at 2.5% over the term of the loan with the first 12 months of interest being paid by the UK Government.

18. Pensions

The group and charitable company operate a defined contribution pension scheme. The assets of the scheme are held separately from those of the group and charitable company in an independently administered fund. The pension cost charge represents contributions payable by the group and charitable company to the fund and amounted to £45,015 (2024: £39,621). Contributions totalling £20,751 (2024: £8,878) were payable to the fund at the balance sheet date and are included in creditors

NOTES TO THE FINANCIAL STATEMENTS

19. Movement in funds

Group

	At 1 April 2024	Income	Expenditure	Transfers	Gains/ (losses)	At 31 March 2025
	£	£	£	£	£	£
Unrestricted funds						
General fund	106,782	3,573,938	(3,468,830)	(20,380)	-	191,510
Designated fund	497,847	-	(75,060)	20,380	-	443,167
	604,629	3,573,938	(3,543,890)	-	-	634,677
Restricted funds						
Project funds	-	91,795	(91,795)	-	-	-
	-	91,795	(91,795)	-	-	-
Total funds	604,629	3,665,733	(3,635,685)	-	-	634,677

The purpose of the designated fund is to reflect the value of fixed assets at the balance sheet date which represents reserves which are not cash backed.

	At 1 April 2023	Income	Expenditure	Transfers	Gains/ (losses)	At 31 March 2024
	£	£	£	£	£	£
Unrestricted funds						
General fund	165,815	3,303,590	(3,305,912)	(56,711)	-	106,782
Designated fund	305,424	-	(23,098)	56,711	158,810	497,847
	471,239	3,303,590	(3,329,010)	-	158,810	604,629
Restricted funds						
Project funds	369	31,107	(31,476)	-	-	-
	369	31,107	(31,476)	-	-	-
Total funds	471,608	3,334,697	(3,360,486)	-	158,810	604,629

NOTES TO THE FINANCIAL STATEMENTS

Analysis of assets and liabilities representing funds

	Unrestricted	Restricted	Total
	£	£	£
Tangible fixed assets	27,504	-	27,504
Investments	415,663	-	415,663
Current assets	917,095	-	917,095
Liabilities	(725,585)	-	(725,585)
At 31 March 2025	634,677	-	634,677

	Unrestricted	Restricted	Total
	£	£	£
Tangible fixed assets	102,847	-	102,847
Investments	395,000	-	395,000
Current assets	707,144	-	707,144
Liabilities	(600,362)	-	(600,362)
At 31 March 2024	604,629	-	604,629

Charitable company

	At 1 April 2024	Income	Expenditure	Transfers	Gains/ (losses)	At 31 March 2025
	£	£	£	£	£	£
Unrestricted funds						
General fund	(35,407)	3,507,172	(3,317,868)	(20,380)	-	133,517
Designated fund	497,847	-	(75,060)	20,380	-	443,167
	462,440	3,507,172	(3,392,928)	-	-	576,684
Restricted funds						
Project funds	-	91,795	(91,795)	-	-	-
	-	91,795	(91,795)	-	-	-
Total funds	462,440	3,598,967	(3,484,723)	-	-	576,684

The purpose of the designated fund is to reflect the value of fixed assets at the balance sheet date which represents reserves which are not cash backed.

NOTES TO THE FINANCIAL STATEMENTS

	At 1 April 2023	Income	Expenditure	Transfers	Gains/ (losses)	At 31 March 2024
	£	£	£	£	£	£
Unrestricted funds						
General fund	165,815	2,588,577	(2,733,088)	(56,711)	-	(35,407)
Designated fund	305,424	-	(23,098)	56,711	158,810	497,847
	471,239	2,588,577	(2,756,186)	-	158,810	462,440
Restricted funds						
Project funds	369	31,107	(31,476)	-	-	-
	369	31,107	(31,476)	-	-	-
Total funds	471,608	2,619,684	(2,787,662)	-	158,810	462,440

Analysis of assets and liabilities representing funds

	Unrestricted £	Restricted £	Total £
Tangible fixed assets	27,504	-	27,504
Investments	415,670	-	415,670
Current assets	752,759	-	752,759
Liabilities	(619,249)	-	(619,249)
At 31 March 2025	576,684	-	576,684

	Unrestricted £	Restricted £	Total £
Tangible fixed assets	102,847	-	102,847
Investments	395,007	-	395,007
Current assets	591,539	-	591,539
Liabilities	(626,953)	-	(626,953)
At 31 March 2024	462,440	-	462,440

NOTES TO THE FINANCIAL STATEMENTS

20. Cash flow from operating activities

	2025 £	2024 £
Net income for the reporting period	30,048	133,021
Adjustments for:		
Depreciation of tangible fixed assets	75,060	23,098
Other adjustment to tangible fixed assets	8,792	-
Gains on investments	-	(158,810)
Interest and rent from investments	(13,970)	(25,336)
Increase in debtors	(95,975)	(163,294)
Increase in creditors	135,223	184,253
Net cash provided by/(used in) operations	139,178	(7,068)

Analysis of changes in net funds

	At 1 April 2024 £	Cash Flow £	Non cash changes £	At 31 March 2025 £
Cash and Cash Equivalents				
Cash at bank and in hand	245,166	113,976	-	359,142
	245,166	113,976	-	359,142
Borrowings				
Due within 1 year	(10,000)	10,000	(10,000)	(10,000)
Due after 1 year	(19,167)	-	10,000	(9,167)
	(29,167)	10,000	-	(19,167)
Net cash	215,999	123,976	-	339,975

NOTES TO THE FINANCIAL STATEMENTS

21. Operating lease commitments

The charitable company and group's future minimum operating lease payments are as follows:

	Group and Charitable Company			
	Buildings		Other	
	2025	2024	2025	2024
	£	£	£	£
Within one year	58,125	44,044	6,680	-
Between one and five years	79,301	137,426	11,691	-
	137,426	181,470	18,371	-

22. Related parties

P Gayle, CEO of the charity, is also Chair of Birmingham and Solihull Mental Health Foundation Trust (BSMHFT). As a charity, Servol Community Services in turn has a contract with BSMHFT.

BSMHFT work in partnership with The Integrated Care Board (ICB) as part of the Birmingham and Solihull Integrated Care System (ICS), which brings together the local NHS, councils and the voluntary, community and faith sector to achieve better outcomes for citizens across the area. Together, all of the ICS's partner organisations work in collaboration, building further on what has been achieved through integrated working so far.

The value of the contract to deliver services was £458,617 in 2025 (2024: £551,202).

Other than the transactions above and the trustee related transactions as shown in note 9, there were no other related party transactions for the year ended 31 March 2025.

Servol Community Services
Report and financial statements for the year ended 31 March 2025

Registered Office

51 Pinfold Street
Birmingham
B2 4AY

Auditors

HB&O Ltd
Chartered Accountants and Statutory Auditors
Seven Stars House
1 Wheeler Road
Coventry
CV3 4LB

Bankers

Barclays Bank Plc
351-359 Soho Road
Birmingham
B21 9SE

