

Company Registration No. 07463849 (England and Wales)

Charity No. 1141823

Imagine Act and Succeed

(A registered charity and company limited by guarantee)

**Annual Report of the Trustees
and Financial Statements
for the Year Ended
31 March 2021**

IMAGINE ACT AND SUCCEED

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IMAGINE ACT AND SUCCEED

REFERENCE AND ADMINISTRATIVE INFORMATION

Key Management Personnel:

Trustees	Mr P Cassidy Mr S Howard Mrs B A Latham Mr M Routledge Mr P A Rowlinson Mrs K Waring
Company Secretary	Mr P Cassidy
Chief Executive Officer	Mrs R Gorman
Strategic Head of Operations	Mr T Keely
Strategic Head of Operations	Ms J Pilkington
Head of Business	Ms L Nuttall
Lead Strategic Finance	Mr S Jones
Company number	07463849
Registered charity number	1141823
Registered office	110 Chapel Street Leigh Lancashire WN7 2DB Tel: 01942 807009 www.imagineactandsucceed.co.uk
Auditor	MHA Moore and Smalley Chartered Accountants & Statutory Auditor Richard House Winckley Square Preston PR1 3HP

IMAGINE ACT AND SUCCEED

TRUSTEES' REPORT

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ending 31 March 2021, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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) published in October 2019.

The charity is a charitable company limited by guarantee and not having a share capital and is exempt from the requirement to use the word 'limited' as part of its name. It is governed by a memorandum and articles of association and was incorporated on 8 December 2010 to take over, from 1 July 2011, the activities of IAS (Services) Limited, an incorporated company which was originally founded in 1988.

Structure, governance and management

Imagine Act and Succeed became a charity in July 2011 when the owners of IAS Services gifted their shares, assets and cash reserves to the charity so the long-term support of people and welfare of staff could be protected and developed.

A new Board was developed from the previous shareholders and is still growing as new members are identified and inducted into the values and work of the Board. We had 6 Trustees at April 21, and it is our intention to attract additional Trustees in the coming months.

The Board meets bi-monthly or more often if urgent business arises. The Board has a planned annual agenda, and this is to ensure all the Charity's activities are considered and to make sure there is time for thorough governance, but also for good work to be appreciated and celebrated.

Sub-committees are established to complete work in particular areas, and one has been established to oversee the charity's Investment Strategy. The Board will delegate the sub-committee's work and final authority remains with it. A new sub-committee has been set up to look at new developments. The sub-committees will be a mix of Board members and operational staff and these partnerships will be able to draw on the necessary skills, creativity and knowledge.

Board members have jointly developed a Trustee Handbook, which clearly identifies their roles and responsibilities in the governance of the charity and the means by which this will be achieved. The Handbook drew on information from the Charity Commission and was based around its suggested good practice. Induction for new trainees reinforces the handbook and is individually tailored to each Board member's requirements.

The Board of Trustees had one additional half day meeting to look at the strategic direction of the Charity in light of the challenging environment it operates in.

Board members are also committed to spending time with people the charity supports, their families and support staff, so they will develop the relationships to have effective communication and insight into the work of the charity. They will be mindful not to undermine the work of the operational teams.

Imagine Act and Succeed has an experienced and creative senior management team led by the Chief Executive appointed by the Board. Each geographical area has a dedicated management team responsible for the development of services which are person centred and innovative. The local teams have access to support from H.R, Accountancy, Business, Payroll and other specialist functions so they can concentrate on their main task of leading staff teams to provide the best possible support to individuals. Each team reports regularly to the Board on their work and how they are meeting the agreed objectives in the charity's annual business plan.

The trustees continually examine the major strategic business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

IMAGINE ACT AND SUCCEED

TRUSTEES' REPORT

Key management personnel remuneration

The combined salaries of the 5 Key Management Personnel, including employer National Insurance and pension contributions, are £252,345. These salaries have been reviewed and agreed by the trustees, and are comparable with salaries paid to similar staff in medium size charities in the social care sector. The salaries and benefits are considerably lower than for counterparts in the statutory sector, but the compensation is working in an organisation, where you can see the difference your contribution makes. The sense of identity with the organisation, and the sense of responsibility for its success is also very different.

Public Benefit Statement

Our memorandum of association describes our public benefit as being to meet the needs of people who have a learning disability and to support people to reach their full potential. Without prejudice to the generality of the foregoing to support people with a disability to have choice and control over their lives, be valued and contributing members of their communities and be part of a wide network of friends, neighbours and family. The support will extend to their families, friends and local community with the aim of creating a society that is welcoming and inclusive of everyone.

Our statement of purpose, written by the people we support, their families, staff, commissioners and other allies in 2004 explains our focus as being:

- We seek to develop a person centred organisation where everyone feels valued and sees that their contribution is making a difference
- We aim to create an environment where everybody's energy and creativity is focussed on getting better lives for people
- We support people to live as valued and contributing members of their communities where they are part of a wide network of friends, neighbours and family
- We do this through active listening, thoughtful practice, passionate commitment and by working towards people's dreams.

Objectives and activities

Imagine Act and Succeed's purpose is to provide support services that empower adults with a learning disability to have choice and control in their lives and enable them to have fulfilling lives. We work closely with the people we support, their families, friends and others to plan and deliver services in line with person centred approaches. Our Statement of Purpose encompasses our central philosophy and against which we measure everything we do.

Our main work has continued to focus on supporting people in their own homes (supported tenancies and shared ownership) in Wigan, Oldham and Trafford. We also have Community Support Teams in Wigan, Oldham and Salford that provide one to one support to people living at home with their families, or to people requiring lower levels of support in their own tenancies.

The Chief Executive and Senior Management team continue to manage and develop the organisation operationally and are supported by the Trustee Board. Major decisions or proposals affecting the charity are brought to the Board for discussion and decision.

The organisation became a charity in July 2011 and the Board continues to grow in membership. All appointed Trustees go through an induction process with existing Trustees, and key members of the operational staff. As part of the induction process new trustees are also given opportunities to meet some of the people and families we support and enabled to understand the organisation and how it functions and performs.

IMAGINE ACT AND SUCCEED

TRUSTEES' REPORT

Strategic report

Achievements and performance

The year began with great challenges resulting from the COVID-19 pandemic. We very quickly had to implement new ways of working whilst dealing with self-isolation measures, shielding and furlough. Remote working for non-frontline staff began, and the frontline teams continued to provide support to people, attempting business as usual. We implanted enhanced cleaning measures, and required all staff to update their Infection Control e-learning.

In the very early days of the pandemic PPE was difficult to source and we had to shop around to get the required protective wear for staff until the local authority began to supply. A number of months later we could order PPE supplies via a central portal.

Throughout the pandemic, we were keeping up to date with ever changing guidance in relation to PPE, to shielding, to lockdown rules and furlough regulations. We worked with the people we support to get the support right for them in these difficult circumstances, to help them to understand the situation and the virus, to be able to stay in touch with families and friends and to fill their time during lockdown within the government guidance.

The lockdown was quite a traumatic experience for the people supported and their families due the fact that they couldn't have relatives visit and were unable to go to relatives' homes. We had to draw up a careful communication plan with each person and relative and ensure that people had ways of communicating, either by phone or electronically on face time/Teams/Zoom or another platform. The leadership team also spent a lot of time reassuring everyone.

We also had to deal with pressure from hospitals and local authorities to accept people home from hospital or people new to us without COVID-19 testing in place.

We very quickly became adept with virtual working, the Senior Management team meeting weekly by conference call and video conference. Our existing e-learning was expanded to include mandatory training such as First Aid and Moving and Handling that had been previously face to face. Later in the pandemic, we created online induction for new staff to replace the face to face course that had been in place previously. The Stepping Out Service that provided social and leisure opportunities for the people we support also went virtual so that people could still socialise virtually.

We have been able to keep staff up to date with important information and changes to guidance using our text messaging service.

For every member of staff an individual risk assessment took place this helped us to identify specific issues for each member of staff taking into account their current health and ethnicity due to the BAME risk assessments also required. These assessments were used to establish what would happen in each tenancy if a person supported developed COVID-19.

We also faced increased calls for data from external agencies such as CQC, Local authorities and Health Authorities and providing information to access Infection control funding.

During the pandemic we have had to deal with staff sickness, shielding and people we support having COVID-19 and how to support them, and we have sadly lost staff members and people we support to the virus.

Throughout the pandemic, we have had staff morale and wellbeing in mind. We were able to offer flu vaccines to a large number of our staff, and regularly communicated to staff about the availability of our Employee Assistance programme. We have a number of staff participating in mental health training.

It was very important to us to thank our staff for their hard work and commitment and we were able to reward staff with shopping vouchers, Christmas hampers and a lottery to win vouchers.

Later during this year, our staff were able to access the COVID-19 vaccine, and we had an excellent take up of this. Staff are now also able to use lateral flow tests when they begin their shifts.

We have always had strong relationships with our Health colleagues however because Health took a lead in this area our relationships have become much stronger and we are able to go to them directly with any queries and for advice.

IMAGINE ACT AND SUCCEED

TRUSTEES' REPORT

Achievements and performance (continued)

We are very proud of the organisation and our fantastic staff that worked throughout this pandemic putting the people they support first. It is an incredible achievement and has been a very difficult and challenging year on many levels.

Redesign

We continue to implement all changes made in the redesign to ensure we remain in a viable financial situation.

New Work

We continue to take new work from local authorities even throughout the pandemic. We took over a whole tenancy in May in the midst of the pandemic.

Partnerships

We are established members of a number of different umbrella groups. These are VODG (Voluntary organisation Disability group), Learning Disability England and Care England. This enables the sector to come together, share best practice and challenges and be a stronger voice for people with support needs. One outcome of the pandemic is strengthening of relationships with health authorities.

Working together for Change

Our experience in Working Together for change has led to GM local authorities requesting our services to deliver this across the charitable and statutory sector in Greater Manchester. This has been a positive experience with the charity building positive strategic partnerships with both local authorities and providers and this has generated income.

Housing Partners / Housing developments / Assistive Technology

Our work continues to develop in this area with a number of developments. One notable development is in partnership not only with a housing association but working alongside another care provider. This has ensured a cost effective whilst qualitative service for a number of people in their own apartments, enabling people to have greater independence. During the height of the pandemic new developments were put on hold due to COVID-19 and the lack of materials available. There are now many new developments on the horizon.

We are a leading partner in a Department of Health Project to find innovative ways to use technology coupled with the process around Just Enough Support that supports people to have greater friendships, relationships and connections and have the right level of support when it's needed and to share resources wherever possible.

There is a tool in place to measure people's quality of life, relationships, connections and independence and this is measured 6 months in. This has been a very positive, win win and cost effective process favoured by the local Authorities. We have started working in an additional extra care scheme supporting the local community. Our models over the last twelve months we have developed new models of housing / support. This has enabled people's confidence to grow, become more independent and receive less formal support. This continues to be a priority moving forward with new projects continually on the go.

CQC Inspections

All networks have overall CQC ratings of Good and networks are completing their PIR.

Safeguarding

As an organisation, we take the safeguarding of people very seriously. We have training for staff delivered by the local authorities and ourselves, this is a standard agenda item on team meetings and in private job consultations. All staff are aware of the process of recording anything that makes them uncomfortable through a whistleblowing policy. In many situations, staff are suspended prior to investigation as a way of keeping everyone safe. All instances are investigated thoroughly this can and does lead to disciplinary hearings. All safeguarding is reported to the local authority through their tier system.

IMAGINE ACT AND SUCCEED

TRUSTEES' REPORT

Achievements and performance (continued)

Stepping Out

Stepping Out is well established and has developed extensively since its creation to the point of offering a wide range of possibilities to many people. It has a real focus on health; well-being and employment with a gardening project and two shops inside Extra Care Schemes offering purposeful employment experience for people we support. This also offers the community a service for those who need support with shopping and gardening. Stepping Out also offer a dog walking service. This has enabled many elderly people to be able to keep their pet dog whilst living in extra care. The service that Stepping Out offer to people has led to relationships and connections that would not have developed ordinarily. Over 50 people now receive support within Stepping Out, both internal and external to IAS. Stepping Out continues to flourish with new developments and opportunities. We are considering the gardening project becoming a social enterprise in the future owned by the people who work as part of the group. This financial year, the country was in lockdown during the COVID-19 pandemic, this resulted in Stepping Out using technology and creative ways to deliver their support.

Sleep in Crisis

The Supreme Court have delivered the outcome that sleep ins are not liable for the national minimum living wage, however, IAS have continued to pay staff the national living wage per hour for Sleep ins, and will as long as we are funded to do so by the local authority / CCG.

Recruitment issues

At the beginning of the pandemic lockdown we had to risk assess the situations where support is required, this had an effect on staffing levels in these situations. Where this could have been a major issue, we have been able to staff services appropriately.

Our recruitment continued to be successful during this period with our recruitment co-ordinator working flexibly to safely recruit new staff, we also had a number of people applying for roles from other sectors that they were furloughed from, or were unable to work in.

In the latter half of the pandemic, as the country started to open up we started to experience more difficulty in recruiting and this continues to be the case.

Disabled employees

The charity gives full consideration to applications for employment from disabled persons where a disabled person can adequately fulfil the requirements of the job. Where existing employees become disabled, it is the charity's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

IMAGINE ACT AND SUCCEED

TRUSTEES' REPORT

Employee engagement

We have always acknowledged that good ideas come from everywhere and that staff perform at their maximum capacity when they see that their contribution matters. Involvement in the development of the service creates a sense of ownership and responsibility for what we do, and how we do it. Each staff member will be regularly involved in job consultation, attend team meetings, and have an ongoing appraisal – all opportunities to put ideas forward and be listened to. Service development Forums and occasional task groups are further ways in which staff can be involved and contribute. Each Senior Manager reports annually to the Board on their work and how they are meeting the agreed objectives in the charity's annual business plan.

During the COVID-19 pandemic lockdown staff again proved to be our greatest asset, with staff working throughout. Staff worked creatively to maintain high quality support in very challenging conditions. Leadership continued throughout the period, using technology to ensure outcomes were met and staff were well supported.

Involvement of People we support

As an organisation, we are person centred and people are at the heart of what we do. There is a belief in the organisation that people we support and their families and friends need to have control over the support. We gather this information through one-page profiles, reviews, My Day learning logs, Peoples Forums and Relatives forums, and Tenants meetings. Peoples forum discuss topics and issues about their support and what's going on in the wider world. This information is all fed into Working Together for Change that people we support and families and friends attend.

During the COVID-19 pandemic lockdown, we used increased technology to ensure that people we support stayed connected to their family and friends, and the organisation.

Financial review & reserves policy

This year we worked very hard to implement the measures put in place regarding cost savings. This has resulted in ending the financial year with a surplus of £701,948, which included investment gains of £236,409. We continue to astutely manage the budgets whilst negotiating hourly rates with the local authority. During the financial year, we had high cash reserves and our investment groups met and decided to transfer £500,000 into our investments.

The charity began its life with assets of just over £2 million, which were a combination of cash reserves and the fixed assets of our six offices. 10 years on, our combined assets are over £3.8 million.

Total reserves at 31 March 2021 are £3,827,317, which are all unrestricted funds. After the deduction of tangible fixed assets, total funds are £3,353,064. The Charities Commission recommends having reserves equivalent to six months operating costs to ensure stability and security. We are very close to this figure.

IMAGINE ACT AND SUCCEED

TRUSTEES' REPORT

Investments policy

The Board established an Investment Strategy sub-committee, which meets twice a year to review existing investments and to consider further options when the cash balance is high. The sub-committee is made up of three trustees and the CEO. These meetings were held remotely during this financial year.

Currently just over £3.6 million is invested in a mixture of a Managed Investment Portfolio, one year fixed rate deposit accounts, and interest bearing bank accounts. We also have fixed assets worth just over £0.45 million in the shape of three fully paid up offices.

Plans for future periods

Priorities for the coming 12-18 months include:

- **Keeping people safe**
As the pandemic seems to subside, the main priority is to keep people we support and our staff safe and well. This includes appropriate infection control, PPE, requiring new recruits to be vaccinated and finding creative ways to ensure that people have their outcomes met in different ways.
- **Further development of Stepping Out style projects**
Our vision for the future is for IAS to become a real community asset; this includes working with people who are vulnerable, homeless, hungry, unemployed and isolated. This would engage the people we support in meaningful activity using some of their own resources to help communities thrive. This is work we have started but need to develop further. We've been working with Community Catalysts to look at the employment opportunities for people we support. People are currently running two shops and a gardening project and we would like to develop this into a Social Enterprise or CIC.
- **House Model, housing partners and assistive technology**
This will continue to be a priority over the next 12 months. We have done a lot of work on this and are seen as the leading thinkers. The fast track agenda will be significant as people need the right kind of property to come back from Out of Borough. There is a danger that the belief is purpose built and totally segregated from real communities and then we are just recreating the problem but closer. One of our local authorities is particularly forward thinking and working with us to remodel supported living and meaningful communities. In Wigan, we have been working with the local authority to create area based models, whereby people have their own front door but are part of a supportive community close by to other supported tenants. We believe this is a safer model; it results in less isolation, provides better outcomes and is cost effective.
- **Right Support**
Over a number of years we have developed a culture in IAS where we are focussed on getting the support right for people. This includes not under or over supporting people and the use of technology. Other providers find this particularly difficult in positive behaviour support situations. We have learned that getting the environment, support and technology right for people reduces an over reliance on paid support. This is a marketable product that is invaluable to people, families, providers and health and social care.

Fundraising

We have considered the requirements of the Charities (Protection and Social Investment) Act 2016 regarding disclosures concerning fundraising and fundraising standards and confirm that these do not apply to the charity.

IMAGINE ACT AND SUCCEED

TRUSTEES' REPORT

Statement of trustees' responsibilities

The trustees (who are also directors of Imagine Act and Succeed for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 2019 (FRS102);
- 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;
- 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 charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution proposing that MHA Moore and Smalley be re-appointed as auditor of the charity will be put to the Annual General Meeting.

This report, which incorporates the Strategic Report, was approved by the Board of trustees on ..17/11/2021..... and signed on its behalf

Peter Alan Rowlinson

.....
Mr P A Rowlinson – Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OF

IMAGINE ACT AND SUCCEED

Opinion

We have audited the financial statements of Imagine Act and Succeed (the 'charitable company') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement 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 FRS 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 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the trustees 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, except to the extent otherwise explicitly stated in our report, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OF

IMAGINE ACT AND SUCCEED

Opinion 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 trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Respective responsibilities of the trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OF

IMAGINE ACT AND SUCCEED

Auditor's responsibilities for the audit of the financial statements (continued)

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations;
- Enquires with management about any known or suspected instances of fraud;
- Review of minutes of board meetings;
- Examination of journal entries and other adjustments to test for appropriateness and identify any instances of management override of controls;
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries.

Because of the field in which the client operates we identified that employment law, health and safety legislation, Care Quality Commission (CQC) compliance, and compliance with the UK Companies Act are the areas most likely to have a material impact on 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.

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

Use of 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 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 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.



.....
Christine Wilson (Senior Statutory Auditor)
For and on behalf of
MHA Moore and Smalley
Chartered Accountants & Statutory Auditor

Richard House
Winckley Square
Preston
PR1 3HP

Date: 24/11/2021
.....

IMAGINE ACT AND SUCCEED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Income from					
Charitable activities:					
Supported tenancies		10,735,423	-	10,735,423	9,609,991
Community support team		377,685	-	377,685	511,494
Stepping Out		23,245	-	23,245	35,647
Investments:					
Interest receivable		4,653	-	4,653	5,510
Dividends receivable		14,050	-	14,050	17,957
Other income	2	119,714	101,622	221,336	-
Total income		11,274,770	101,622	11,376,392	10,180,599
Expenditure on					
Raising funds	3	12,429	-	12,429	11,825
Charitable activities	4	10,796,442	101,622	10,898,064	9,803,521
Total expenditure		10,808,871	101,622	10,910,493	9,815,346
Net income for the year before other recognised gains/(losses)		465,899	-	465,899	365,253
Investment gains/(losses)	11	236,049	-	236,049	(103,629)
Net income for the year		701,948	-	701,948	261,624
Transfer between funds		-	-	-	-
Net movement in funds		701,948	-	701,948	261,624
Reconciliation of funds:					
Fund balances brought forward		3,125,369	-	3,125,369	2,863,745
Fund balances carried forward		3,827,317	-	3,827,317	3,125,369

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The result for the year for Companies Act purposes comprises the net incoming resources for the year net of unrealised profits and losses on investments and was a surplus of £465,899 (2020: surplus of £365,253).

IMAGINE ACT AND SUCCEED

BALANCE SHEET

AS AT 31 MARCH 2021

	Note	Designated funds £	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Fixed assets						
Tangible fixed assets	10	-	474,253	-	474,253	610,530
Investments	11	-	1,656,261	-	1,656,261	918,591
		-	2,130,514	-	2,130,514	1,529,121
Current assets						
Debtors	12	-	412,437	-	412,437	260,996
Cash at bank and in hand		-	2,033,054	-	2,033,054	1,881,634
		-	2,445,491	-	2,445,491	2,142,630
Creditors: Amounts falling due within one year	13	-	(748,688)	-	(748,688)	(546,382)
Net current assets		-	1,696,803	-	1,696,803	1,596,248
Net assets		-	3,827,317	-	3,827,317	3,125,369
Funds						
Designated funds		-	-	-	-	-
Unrestricted funds		-	3,827,317	-	3,827,317	3,125,369
Restricted funds		-	-	-	-	-
Total funds	15	-	3,827,317	-	3,827,317	3,125,369

These financial statements were approved by the trustees on 17/11/2021 and signed on their behalf by:

Peter Alan Rowlinson

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Mr P A Rowlinson – Trustee

Company Registration Number: 07463849

IMAGINE ACT AND SUCCEED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Net income for the year	701,948	261,624
<i>Adjustments for:</i>		
Investment income	(18,703)	(23,467)
(Gain) / loss on investments	(236,049)	103,629
Depreciation	31,611	36,866
Loss on disposal of tangible fixed assets	637	119
(Increase) / decrease in debtors	(151,441)	88,887
Increase / (decrease) in creditors	202,306	(33,047)
Net cash provided by operating activities	530,309	434,611
Cash flows from investing activities:		
Investment income	18,703	23,467
Purchase of tangible fixed assets	(4,975)	(15,078)
Proceeds from the sale of tangible fixed assets	109,004	250
Purchase of investments	(696,177)	(473,728)
Proceeds from sale of investments	330,182	400,445
Movement in cash held as investments	(135,626)	67,151
Cash (used in) / provided by investing activities	(378,889)	2,507
Change in cash and cash equivalents in the year	151,420	437,118
Cash and cash equivalents at the beginning of the year	1,881,634	1,444,516
Cash and cash equivalents at the end of the year	2,033,054	1,881,634
Analysis of cash and cash equivalents		
Cash in hand	473	1,494
Cash at bank	2,032,581	1,880,140
	2,033,054	1,881,634

Total cash and cash equivalents includes a total of £nil (2020: £nil) relating to restricted funds.

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Accounting policies

1 Basis of preparation

The financial statements have been prepared in accordance with 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) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Imagine Act and Succeed meets the definition of a public benefit entity under FRS 102.

The charity has availed itself of Paragraph 4(1) of Schedule 1 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the charity's activities.

Going concern

The global COVID-19 pandemic will have a significant impact on a number of organisations. The trustees responded to the challenges faced as a result of the pandemic and together with management put in place new risk management processes to minimise the impact of the virus on employees and service users. The management team continue to review operational and staffing impacts caused by the outbreak on a regular basis and the charity has taken advantage of the government's employment support schemes and keeps the situation under regular review.

In light of the measures implemented and following a review of the financial forecasts, together with funds held, the trustees have concluded that it remains appropriate to prepare these financial statements on the going concern basis as the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Company status

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

Fund accounting

General funds are unrestricted funds, which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are those which have been provided for a specific purpose.

Designated funds are set aside by the trustees out of unrestricted general funds for specific purposes or projects.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance of an event or provision of other specific provision of other specified service it is deferred until the criteria for income recognition are met.

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Income (continued)

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

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs 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 the resources. Detailed analyses of the expenditure, including irrecoverable VAT where applicable, are provided in the notes to the accounts.

Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected economic lives as follows:

- | | | |
|------------------------------------|---|-------------------|
| • Land and buildings | - | 2% straight line |
| • Fixtures, fittings and furniture | - | 25% straight line |
| • Office equipment | - | 25% straight line |

Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

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

Debtors

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

Creditors

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

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Financial instruments

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

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the SOFA.

Taxation

The company is a registered charity and therefore exempt from taxation.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Judgements and key sources of estimation uncertainty

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.

The Trustees do not believe that there are any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

2 Other income

	Unrestricted funds £	Restricted funds £	2021 £
Coronavirus Job Retention Scheme income	99,714	-	99,714
Local Authority Grants	20,000	-	20,000
Infection control funding	-	74,182	74,182
COVID-19 testing funding	-	15,855	15,855
Workforce capacity funding	-	11,585	11,585
	119,714	101,622	221,336

Other income in the previous year was £nil. All income in the previous year was unrestricted income.

3 Expenditure

	Direct costs £	Support costs £	2021 £	2020 £
Expenditure on raising funds:				
Investment management fees	12,429	-	12,429	11,825
Expenditure on charitable activities:				
Provision of high-quality residential care facilities and related consultancy services (note 4)	10,555,186	342,878	10,898,064	9,803,521
	10,567,615	342,878	10,910,493	9,815,346

Total expenditure includes £101,622 (2020: £nil) of restricted expenditure.

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

4 Expenditure on charitable activities

	2021 £	2020 £
Salaries	10,049,011	9,043,165
Motor and travel	9,640	16,257
Computer support	36,694	35,784
Property costs	2,476	3,471
Repairs and maintenance	7,680	6,078
Other staff costs	177,308	102,516
Sundry	66,126	46,256
Depreciation	31,611	36,866
Heat and light	4,954	13,701
Printing, postage and stationery	23,843	26,613
Telephone	40,300	34,700
Electronic call monitoring	-	1,834
Insurance	83,619	73,927
Governance costs (note 5)	56,212	63,878
Support costs allocated - salaries	308,590	298,475
	10,898,064	9,803,521

The above expenditure relates to the one charitable activity: Provision of high quality residential care facilities and related consultancy services.

5 Governance costs

	2020 £	2020 £
Audit	12,840	12,480
Legal and professional fees	9,084	18,234
Support costs allocated - salaries	34,288	33,164
	56,212	63,878

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

6 Net incoming resources

	2021 £	2020 £
The net incoming resources are stated after charging:		
Depreciation	31,611	36,866
Audit fee	10,700	10,400
	<hr/>	<hr/>

7 Analysis of staff costs, Trustee remuneration and expenses, and cost of key management personnel

	2021 £	2020 £
Payroll costs were:		
Wages and salaries	9,440,995	8,537,413
Social security costs	665,541	582,594
Pension costs	285,353	254,797
	<hr/>	<hr/>
	10,391,889	9,374,804
	<hr/>	<hr/>

The number of employees whose remuneration for the year exceeded £60,000 was:

	2021 £	2020 £
£60,000 to £69,999	1	1

The trustees were not paid and did not receive any other benefits from employment with the charity in the year (2020: £nil). No out of pocket expenses were reimbursed to trustees during the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

The key management personnel of the charity comprise the Trustees, the Chief Executive Officer, the two Strategic Heads of Operations, the Head of Business, and the Lead Strategic Finance. The total employee benefits of the key management personnel, including employer National Insurance and pension contributions, were £252,345 (2020: £248,978).

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

8 Staff numbers

The average number of employees during the year was:

	2021 No	2020 No
Full and part time	494	474
Full time equivalents	376	357

9 Pension costs

The charity operates a defined contribution pension scheme in respect of its staff, the assets of which are held separately from those of the charity. Contributions made by the charity to the scheme during the year amounted to £285,353 (2020: £254,797). At the year-end £41,471 (2020: £34,985) was owed to the scheme in respect of contributions.

10 Tangible fixed assets

	Freehold land and buildings £	Fixtures, fittings & furniture £	Office equipment £	Total £
Cost				
At 1 April 2020	662,677	16,305	122,527	801,509
Additions	-	-	4,975	4,975
Disposals	(130,896)	(2,000)	-	(132,896)
At 31 March 2021	531,781	14,305	127,502	673,588
Depreciation				
As at 1 April 2020	79,782	12,847	98,350	190,979
Charge for the year	10,649	1,262	19,700	31,611
Eliminated on disposals	(21,755)	(1,500)	-	(23,255)
At 31 March 2021	68,676	12,609	118,050	199,335
Net book value				
As at 31 March 2021	463,105	1,696	9,452	474,253
As at 31 March 2020	582,895	3,458	24,177	610,530

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

11 Investments

	2021 £	2020 £
Market value at 1 April 2020	918,591	1,016,088
Additions at cost	696,177	473,728
Disposal proceeds	(330,182)	(400,445)
Net investment gains/(losses)	236,049	(103,629)
Movement in cash held on deposit by investment agents	135,626	(67,151)
Market value at 31 March 2021	1,656,261	918,591

Listed investments are represented by:

	2021 £	2020 £
Fixed interest	112,647	149,631
Corporate bonds	113,934	54,813
Equities	594,953	306,333
Real assets	213,859	140,200
Commodities	73,065	39,145
Absolute return	61,532	19,271
Multi asset class	172,617	176,320
Liquidity	150,000	4,850
Cash held by investment managers on temporary deposit	163,654	28,028
Total investments	1,656,261	918,591

Investments are valued at market value at the year end as determined by the charity's investment managers, Tilney Investment Management.

12 Debtors

	2021 £	2020 £
Trade debtors	102,628	111,465
Other debtors	7,515	8,073
Prepayments and accrued income	302,294	141,458
	412,437	260,996

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

13 Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	79,400	70,856
PAYE and social security	182,814	160,293
Other creditors	191,541	42,402
Accruals and deferred income	294,933	272,831
	748,688	546,382

14 Related party transactions

There were no related party transactions during the current or previous year.

15 Funds

Restricted funds

	Brought forward at 31 March 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Carried forward at 31 March 2021 £
Infection control funding	-	74,182	(74,182)	-	-
COVID-19 testing funding	-	15,855	(15,855)	-	-
Workforce capacity funding	-	11,585	(11,585)	-	-
	-	101,622	(101,622)	-	-

Unrestricted funds

	Brought forward at 31 March 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Carried forward at 31 March 2021 £
Unrestricted funds	3,125,369	11,274,770	(10,808,871)	236,049	3,827,317
	3,125,369	11,274,770	(10,808,871)	236,049	3,827,317

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

15 Funds – prior year

Unrestricted funds

	<i>Brought forward at 31 March 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains, losses and transfers £</i>	<i>Carried forward at 31 March 2020 £</i>
<i>Unrestricted funds</i>	2,863,745	10,180,599	(9,815,346)	(103,629)	3,125,369
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,863,745	10,180,599	(9,815,346)	(103,629)	3,125,369
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Purpose of the restricted funds:

The Infection Control funding represents funding from Wigan, Oldham and Trafford Councils which was distributed to charities within the care sector for infection control purposes. This was fully spent in the year.

The COVID-19 testing funding represents funding from Oldham and Trafford Councils for the costs of COVID-19 testing. This was fully spent in the year.

The Workforce capacity funding represents funding from Wigan and Oldham Councils towards the costs of delivering additional staffing capacity. This was fully spent in the year.