

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 2022**

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 2022, 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 2022, 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 £261,645. 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 challenges of COVID-19 continued throughout the year and we had a particularly difficult time during Autumn where staff and people supported were affected by COVID-19 and sadly, we lost a member of the leadership team to it. This also coincided with a tender process in Wigan.

Throughout the year, we continued to follow the COVID-19 guidance including correct use of PPE and regular Lateral flow testing for staff, people supported and visitors, the results were reported to the appropriate local authority.

The uptake of the first and second doses of vaccine amongst staff was good, in the late Autumn government announced that vaccines were to become a mandatory condition of staff employment. We realised that this would be problematic and so we retained Peninsula, a HR and Employment law consultancy to support us through this process. However, at the final hour, the government reversed the decision; however, we have found working with Peninsula beneficial and so have continued to do so.

We continue to receive funding related to COVID-19 from various bodies, and this enabled us to give the national living wage increase from January 2022.

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 individual risk assessments continue helping 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 continue to face increased calls for data from external agencies such as CQC, Local authorities and Health Authorities and providing information to access Infection control funding.

We continue to work with awareness of staffs' mental health being affected by the pandemic and other issues, and we signpost to our Employee Assistance Programme that includes access to counselling.

It was very important to us to thank our staff for their hard work and commitment and we were able to reward staff with Christmas hampers and an early uplift to the national living wage.

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.

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 yet again on many levels.

IMAGINE ACT AND SUCCEED

TRUSTEES' REPORT

Achievements and performance (continued)

Wigan Tender

In May 2021, Wigan local authority announced that Wigan would be moving to area based support. The local authority was divided into ten distinct areas and providers were informed to tender based on areas. This was a difficult period in IAS' lifetime as we supported people across eight of the localities. This then needed to be communicated with the people we supported and their families / relatives and our staff. This created a huge amount of anxiety as we were informed of the outcome in September 2021 with a handover date of or service coming in and going out on 1st December 2021. This created a loss of income of around £2.4m per year. However, the most challenging aspect of this was the emotional connection both to people supported, families and staff. Many staff requested not to be TUPE'd to the new providers, however our dilemma was not having enough work to keep the staff, plus the people we support not having consistency of staff throughout a difficult process.

Our services that have PBS and restraint come with additional staff training to ensure that we are legal in this aspect of our care. Historically we have always had a figure from the local authority that reflects this additional expense; however, Wigan LA made the decision that the Ethical Framework would be a flat rate across the board. This is a concern as it could affect the long term viability of these services.

We were awarded two areas in the tender with 20 people coming into IAS support, and 46 going to other providers. Some people supported who were fortunate to have active family and relatives objected to the tender and requested a direct payment.

One of our tasks was for us to get to know people coming into the organisation and for staff to get to know and understand our culture and values. Supporting these new staff is very time consuming and continues to be so.

In the late autumn of 2021 Wigan LA announced that all Extra Care across the borough would be going out to tender. We already work in one extra care scheme supporting 42 people in their apartments. Our application went in in November and early the next year we were informed we were rewarded our current scheme back and a new scheme of 56 apartments in construction, ready in January 2023.

This period of time was extremely stressful and challenging due to all that was going on e.g. COVID-19, Wigan tender, staff shortages and the festive period.

New Work

We are offered new work continuously across the board, and have started some new pieces of work. However due to the recruitment crisis we have had to say that we don't have the capacity for new work.

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.

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.

CQC Inspections

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

IMAGINE ACT AND SUCCEED

TRUSTEES' REPORT

Achievements and performance (continued)

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 and this can and does lead to disciplinary hearings. All safeguarding is reported to the local authority through their tier system.

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. Stepping Out use a mixture of face to face support and online support. Many people who attend Stepping Out who went to new providers in the tender still attend Stepping out.

Recruitment issues

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. The recruitment Coordinator continues to work hard to recruit new staff and explores new creative ways to attract staff.

We have needed to use agencies to supply temporary staff as a second member of staff.

The recruitment market is very competitive and we are unable to match levels of pay offered by other sectors. The uplifts offered by local authorities to our funding only allow us to pay slightly over the minimum wage and not at the levels staff deserve. There is a move towards the professionalisation of support work; however, the low pay levels hinder the development of this perception amongst the population.

As cost of living continues to rise staff are looking for better paid jobs.

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.

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 (discussing topics and issues about their support and what's going on in the wider world) and Relatives forums, and Tenants meetings.

We continue to use 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 £741,741, which included investment gains of £63,378. We continue to astutely manage the budgets whilst negotiating hourly rates with the local authority.

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. 11 years on, our combined assets are over £4.569 million.

Total reserves at 31 March 2022 are £4,569,058, which are all unrestricted funds. After the deduction of tangible fixed assets, total free reserves are £4,103,622. The Charities Commission recommends having reserves equivalent to six months operating costs to ensure stability and security, and our reserves policy is to ensure we have reserves of six months or over. We estimate that we are now at this figure.

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 £4.5 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 £0.46 million in the shape of three fully paid-up offices.

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TRUSTEES' REPORT

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, 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**
In some areas 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. We have three ongoing new developments in this model. These three developments would support 16 people.
- **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. Following the announcement by Sajid Javid regarding the need for the digitalisation of social care, we are looking at new ways of digital working including piloting Nourish care planning software.
- **Cost of living**
We are looking at creative ways to support staff during the Cost of Living crisis. We are using our text messaging service to signpost staff to money saving advice or available offers and discounts. We have debuted Wagestream, a financial wellbeing app for staff. Our EAP also offers financial advice and information to staff. We continue via an active working group to come up with new ideas and ways to help staff.
- **Recruitment**
Recruitment continues to be a significant and challenging pressure. We are continuing to recruit staff using a variety of sources. As our use of agency has increased, we have created a working group of staff from different roles within the organisation to develop new ways and ideas of how to recruit. So far, examples of this are lowering the minimum age of our recruits to 16 and contacting schools directly to get information out to school leavers, and also offering a session of driving lessons to new recruits after 6 months of service.

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 04/11/2022 and signed on its behalf

Peter Alan Rowlinson

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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 2022, 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 2022, 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: 04/11/2022
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IMAGINE ACT AND SUCCEED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Income from					
Charitable activities:					
Supported tenancies		10,770,518	-	10,770,518	10,735,423
Community support team		454,475	-	454,475	377,685
Stepping Out		31,532	-	31,532	23,245
Investments:					
Interest receivable		4,132	-	4,132	4,653
Dividends receivable		19,513	-	19,513	14,050
Other income	2	7,786	307,647	315,433	221,336
Total income		11,287,956	307,647	11,595,603	11,376,392
Expenditure on					
Raising funds	3	18,385	-	18,385	12,429
Charitable activities	4	10,591,208	307,647	10,898,855	10,898,064
Total expenditure		10,609,593	307,647	10,917,240	10,910,493
Net income for the year before other recognised gains/(losses)		678,363	-	678,363	465,899
Investment gains/(losses)	11	63,378	-	63,378	236,049
Net income for the year		741,741	-	741,741	701,948
Transfer between funds		-	-	-	-
Net movement in funds		741,741	-	741,741	701,948
Reconciliation of funds:					
Fund balances brought forward		3,827,317	-	3,827,317	3,125,369
Fund balances carried forward		4,569,058	-	4,569,058	3,827,317

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 £678,363 (2021: surplus of £465,899).

IMAGINE ACT AND SUCCEED

BALANCE SHEET

AS AT 31 MARCH 2022

	Note	Designated funds £	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Fixed assets						
Tangible fixed assets	10	-	465,436	-	465,436	474,253
Investments	11	-	1,720,767	-	1,720,767	1,656,261
		-	2,186,203	-	2,186,203	2,130,514
Current assets						
Debtors	12	-	352,350	-	352,350	412,437
Cash at bank and in hand		-	2,787,900	-	2,787,900	2,033,054
		-	3,140,250	-	3,140,250	2,445,491
Creditors: Amounts falling due within one year	13	-	(757,395)	-	(757,395)	(748,688)
Net current assets		-	2,382,855	-	2,382,855	1,696,803
Net assets		-	4,569,058	-	4,569,058	3,827,317
Funds						
Designated funds		-	-	-	-	-
Unrestricted funds		-	4,569,058	-	4,569,058	3,827,317
Restricted funds		-	-	-	-	-
Total funds	15	-	4,569,058	-	4,569,058	3,827,317

These financial statements were approved by the trustees on 04/11/2022 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 2022

	2022	2021
	£	£
Net income for the year	741,741	701,948
<i>Adjustments for:</i>		
Investment income	(23,645)	(18,703)
(Gain) / loss on investments	(63,378)	(236,049)
Depreciation	18,772	31,611
(Profit) / loss on disposal of tangible fixed assets	(1,636)	637
Decrease / (increase) in debtors	60,087	(151,441)
Increase in creditors	8,707	202,306
Net cash provided by operating activities	740,648	530,309
Cash flows from investing activities:		
Investment income	23,645	18,703
Purchase of tangible fixed assets	(9,955)	(4,975)
Proceeds from the sale of tangible fixed assets	1,636	109,004
Purchase of investments	(305,851)	(696,177)
Proceeds from sale of investments	237,040	330,182
Movement in cash held as investments	67,683	(135,626)
Cash provided by / (used in) investing activities	14,198	(378,889)
Change in cash and cash equivalents in the year	754,846	151,420
Cash and cash equivalents at the beginning of the year	2,033,054	1,881,634
Cash and cash equivalents at the end of the year	2,787,900	2,033,054
Analysis of cash and cash equivalents		
Cash in hand	1,087	473
Cash at bank	2,786,813	2,032,581
	2,787,900	2,033,054

Total cash and cash equivalents includes a total of £nil (2021: £nil) relating to restricted funds.

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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 has had and will continue to have a significant impact on a number of organisations. The trustees are responding to the ongoing challenges being faced as a result of this pandemic and together with management have put in place risk management processes to minimise the impact of the virus on employees and service users. The management team continually review operational and staffing impacts arising from the pandemic.

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 2022

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 2022

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 2022

2 Other income

	Unrestricted funds £	Restricted funds £	2022 £
Coronavirus Job Retention Scheme income	7,786	-	7,786
Infection control funding	-	85,767	85,767
COVID-19 testing funding	-	110,708	110,708
Workforce capacity funding	-	111,172	111,172
	7,786	307,647	315,433

	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

3 Expenditure

	Direct costs £	Support costs £	2022 £	2021 £
Expenditure on raising funds:				
Investment management fees	18,385	-	18,385	12,429
Expenditure on charitable activities:				
Provision of high-quality residential care facilities and related consultancy services (note 4)	10,530,166	368,689	10,898,855	10,898,064
	10,548,551	368,689	10,917,240	10,910,493

Total expenditure includes £307,647 (2021: £101,622) of restricted expenditure.

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

4 Expenditure on charitable activities

	2022 £	2021 £
Salaries	10,073,523	10,049,011
Motor and travel	9,648	9,640
Computer support	37,911	36,694
Property costs	4,094	2,476
Repairs and maintenance	6,268	7,680
Other staff costs	140,475	177,308
Sundry	41,608	66,126
Depreciation	18,772	31,611
Heat and light	7,328	4,954
Printing, postage and stationery	22,033	23,843
Telephone	36,069	40,300
Insurance	101,213	83,619
Governance costs (note 5)	68,093	56,212
Support costs allocated - salaries	331,820	308,590
	<u>10,898,855</u>	<u>10,898,064</u>

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

5 Governance costs

	2022 £	2021 £
Audit	14,100	12,840
Legal and professional fees	17,124	9,084
Support costs allocated - salaries	36,869	34,288
	<u>68,093</u>	<u>56,212</u>

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

6 Net incoming resources

	2022 £	2021 £
The net incoming resources are stated after charging:		
Depreciation	18,772	31,611
Audit fee	11,750	10,700
	<hr/>	<hr/>

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

	2022 £	2021 £
Payroll costs were:		
Wages and salaries	9,450,485	9,440,995
Social security costs	708,532	665,541
Pension costs	283,195	285,353
	<hr/>	<hr/>
	10,442,212	10,391,889
	<hr/>	<hr/>

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

	2022 £	2021 £
£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 (2021: £nil). No out of pocket expenses were reimbursed to trustees during the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £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 £261,645 (2021: £252,345).

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

8 Staff numbers

The average number of employees during the year was:

	2022 No	2021 No
Full and part time	469	494
Full time equivalents	343	376

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 £283,195 (2021: £285,353). At the year-end £38,156 (2021: £41,471) 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 2021	531,781	14,305	127,502	673,588
Additions	-	3,585	6,370	9,955
Disposals	-	-	(18,902)	(18,902)
At 31 March 2022	531,781	17,890	114,970	664,641
Depreciation				
As at 1 April 2021	68,676	12,609	118,050	199,335
Charge for the year	10,636	1,708	6,428	18,772
Eliminated on disposals	-	-	(18,902)	(18,902)
At 31 March 2022	79,312	14,317	105,576	199,205
Net book value				
As at 31 March 2022	452,469	3,573	9,394	465,436
As at 31 March 2021	463,105	1,696	9,452	474,253

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

11 Investments

	2022 £	2021 £
Market value at 1 April 2021	1,656,261	918,591
Additions at cost	305,851	696,177
Disposal proceeds	(237,040)	(330,182)
Net investment gains/(losses)	63,378	236,049
Movement in cash held on deposit by investment agents	<u>(67,683)</u>	<u>135,626</u>
Market value at 31 March 2022	<u>1,720,767</u>	<u>1,656,261</u>

Listed investments are represented by:

	2022 £	2021 £
Fixed interest	114,023	112,647
Corporate bonds	84,371	113,934
Equities	676,638	594,953
Real assets	227,292	213,859
Commodities	82,809	73,065
Absolute return	150,555	61,532
Multi asset class	139,108	172,617
Liquidity	150,000	150,000
Cash held by investment managers on temporary deposit	<u>95,971</u>	<u>163,654</u>
Total investments	<u>1,720,767</u>	<u>1,656,261</u>

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

12 Debtors

	2022 £	2021 £
Trade debtors	125,692	102,628
Other debtors	8,447	7,515
Prepayments and accrued income	<u>218,211</u>	<u>302,294</u>
	<u>352,350</u>	<u>412,437</u>

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

13 Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	77,904	79,400
PAYE and social security	183,890	182,814
Other creditors	206,940	191,541
Accruals and deferred income	288,661	294,933
	757,395	748,688

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 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Carried forward at 31 March 2022 £
Infection control funding	-	85,767	(85,767)	-	-
COVID-19 testing funding	-	110,708	(110,708)	-	-
Workforce capacity funding	-	111,172	(111,172)	-	-
	-	307,647	(307,647)	-	-

Unrestricted funds

	Brought forward at 31 March 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Carried forward at 31 March 2022 £
Unrestricted funds	3,827,317	11,287,956	(10,609,593)	63,378	4,569,058
	3,827,317	11,287,956	(10,609,593)	63,378	4,569,058

IMAGINE ACT AND SUCCEED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

15 Funds – prior year

Restricted funds

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

Unrestricted funds

	<i>Brought forward at 31 March 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains, losses and transfers</i>	<i>Carried forward at 31 March 2021</i>
	£	£	£	£	£
<i>Unrestricted funds</i>	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

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 Wigan, 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, Oldham, Trafford and Salford Councils towards the costs of delivering additional staffing capacity. This was fully spent in the year.