

Charity registration number 1151711

SPECTRUM DAYS
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

SPECTRUM DAYS

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-----------------|--|--|
| Trustees | Derek Radcliffe Diane Hughes Stuart Kilmister Mark Taylor | (Appointed 18 January 2023) (Appointed 18 January 2023) |
|-----------------|--|--|

| | |
|-----------------------|---------|
| Charity number | 1151711 |
|-----------------------|---------|

| | |
|--------------------------|---|
| Principal address | Droitwich Youth House Old Coach Road Droitwich Worcestershire WR9 8BB |
|--------------------------|---|

| | |
|-----------------------------|--|
| Independent examiner | Joanne Baldwin The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY |
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| | |
|----------------|---|
| Bankers | CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ HSBC Bank Plc 6 Broad Street Worcester Worcestershire WR1 2EJ |
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SPECTRUM DAYS

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SPECTRUM DAYS

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2022

The Trustees present their annual report and financial statements for the year ended 30 April 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Our charity's purposes as set out in the objects contained in the company's memorandum of association are to:

1) promote and protect the physical and mental health of sufferers of PMLD (Profound and Multiple Learning Disabilities) in Worcestershire and surrounding areas through the provision of financial assistance, support, education and practical advice

(2) advance the education of the general public in all areas relating to PMLD to further or benefit the residents of Worcestershire and the surrounding areas, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation leisure time occupation with the objective of improving the conditions of life for the residents.

In furtherance of these objects but not otherwise, the trustees shall have power: to establish or secure the establishment of a community centre and to maintain or manage or co-operate with any statutory authority in the maintenance and management of such a centre for activities promoted by the charity in furtherance of the above objects, to promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society. For the purpose of this clause "socially excluded" means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment; financial hardship; youth or old age; ill health(physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards; crime(either as a victim of crime or as an offender rehabilitating into society).

Summary

Spectrum Days has been established to provide specialist support to people with PMLD and their families from birth, through life with: Short Breaks, Advisory service, Counselling, The PMLD Hub - Resources, Equipment and Additional Services. To provide people with PMLD with Purpose/Meaning/Living/Dignity.

Our building is based in Droitwich where members attend for daytime activities including accessing the community. We also provide domiciliary care providing support in the home. Our reach is across Worcestershire for all services and includes a specialist transport system and hot mid-day meals.

COVID

Once again, this year has been dominated by COVID. During 2020 and 2021 there was a significant amount of financial support and a high level of guidance. There was a period of adjustment when we found our own path. the organisation had to find a balance between service delivery and stringent infection control, when the two are not compatible. There were still the same challenges of income reduction and high levels of staff absence. A small but well defined management team has supported staff retention levels and the finance manager worked creatively to find funding options and maintain our income.

The Service Lead worked with the team to find a sound balance between vital service delivery with a measured response to infection control.

SPECTRUM DAYS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

Service Delivery

Transport

The transport system and trained staff are vital to service delivery. We pick our members up from all over Worcestershire to benefit from the wide range of activities we deliver in our building. Without transport the building-based service would not be accessible. The fleet became depleted over the years with aging vehicles. We took receipt of 4 of our 5 vehicles in 2020, but the largest and most important bus was delayed because of issues with the supply chain. It finally arrived in January 2022. This was a cause for celebration with a brand-new vehicle built to our own specification

This widened the scope of logistic options and provided a more comfortable experience for our members.



Clare's Kitchen

Mid-day meals had been on hold for 2 years while money was raised to re-furbish the kitchen. The work was also delayed by the pandemic.

The kitchen was finally completed in August 2021. It is satisfying in many ways to have hot midday meals being cooked again:

- the sensory aspects of the smell throughout the building
- the nutritious hot midday meal (where appropriate)
- taking the pressure off the families in the evening (where appropriate)
- the involvement of our members in the preparation of food (where appropriate)



The Cabin

The Cabin was also completed during this financial year. This room was developed as a Technology Centre. All our members have communication difficulties. RSH communicates pain or pleasure through facial expression. AT has a small vocabulary but good understanding. Everyone will benefit from the range of technology and software available. But the most exciting piece of equipment that finished the room off was the eye gaze computer and software. Magic Eye software has been designed to develop access and communication skills through creative play and gaming. The software supports eye gaze, speech, switching, touch, game controllers, mouse and keyboard inputs and offers 100s of thoughtfully designed activities.

SPECTRUM DAYS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

Communication

During this period, we also recruited a Communication Champion. Her role was to support the staff team with accessing the possibilities of implementing alternative, augmented communication. This had immediate impact especially with Signalong. Signalong is a key word sign-supported communication system based on British sign language and is used in spoken word order. It uses speech, sign, body language, facial expression and voice tone to reference the link between sign and word. The Communication Champion chooses words that are relevant to the members and to the celebrations/events that take place during the year and gives weekly lessons on the signs. These video clips are a popular addition to our Facebook page. This has lifted communication generally and there are many examples throughout the building of ways we support our membership to independently communicate in their preferred method.



The sign for Alpaca

Family Support and Guidance

- We support families in many ways:
- An open-door policy.
- Responding to urgent care needs. A family needed support so that they could attend a family event. The team responded positively to support the member over a 48-hour period.
- Signposting. We have built up a range of contacts with different skill sets who we can refer our families to when in need of advice.

Achievements and performance

Financial review

During the year to 30 April 2022, the charity received donations, gifts and client income amounting to £824,696 (2021: £721,908), out of which £827,693 (2021: £660,709) was spent in pursuit of the Charity's objects. Therefore, generating a deficit of £2,997 (2021: surplus of £61,199). As at 30 April 2022 £5,920 (2021: £39,792) was held as restricted funds and £96,284 (2021: £65,409) was held as unrestricted funds.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level appropriate to the charity's needs and ongoing obligations. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities on a temporary basis while consideration is given to ways in which additional funds may be raised. The charity wishes to work towards a reserve of 3 to 6 months worth of expenditure.

SPECTRUM DAYS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

Plans for future periods

The focus of the charity continues to support our beneficiaries through our main services. Our members had returned to full-service delivery by September 2021. Growth in membership had been static during COVID. It is estimated that we will see a return to normal levels of interest in the summer of 2022.

Compliance

We had support from the County Council on compliance and it is anticipated that this work will carry on into 2022. With an overhaul of risk assessment, policy/procedure and member paperwork. The charity is well placed with a strong management team to move the organisation forward in preparation for development.

COVID

No one can predict the future of the pandemic but it is likely we will have to continue with regular testing and manage staff absence. It is hoped that the more stringent approaches to infection control can be relaxed in the future.

Management Software

Our stakeholders require organisations to use technology to support management. Due to the blended nature of the service the solution for families is good but the management is challenging. A range of software has been investigated over the years but as the service grew so did the imperative to source a solution. The management team chose to focus on a software that could work with the complexity of the service covering all strands of delivery. The work began to migrate the whole organisations systems and processes onto the software in April 2022. This is a major piece of work and it is anticipated it will be developed during the rest of the year.

Charity Monitoring and Evaluation

Work on the Charity Excellence framework (CEF) Focusing initially on Governance, will be revisited next year. This is a digital trustee and management toolkit & COVID19 funder database to:

- Maximise our impact,
- Identify any areas that require improvement, and any gaps in compliance.
- Identify and implement good practice.
- Develop policies and procedures identified in the governance review.

Summary

Next year will be about

- Building up numbers of members using the service.
- As and when possible restoring community activities.
- Staff retention
- Developing software and management solutions.
- Auditing compliance to be robust for any related activities.

These elements contribute to the ultimate outcome of ensuring our members are:

- safe, comfortable and fulfilled
- part of the community and have the opportunity to build friendships
- able to partake of specialist activities bespoke to the individual

Structure, governance and management

Spectrum Days is a Charitable Incorporated Organisation (CIO) registered in England and Wales. The charity is governed by its constitution adopted on 1 April 2013.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Derek Radcliffe

Diane Hughes

Stuart Kilmister

Mark Taylor

(Appointed 18 January 2023)

(Appointed 18 January 2023)

SPECTRUM DAYS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

There is no formal method of advertising for new trustees; any prospective trustee is recruited via word of mouth. Prospective trustees are invited to meet with other trustees and senior management to discuss the role and the charity's aims and objectives.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Roles and Responsibilities:

Management

During a review of the management structure, on the challenges of a small team managing a large amount of compliance, it was identified that generally the teams experience from recruitment through to exit could be improved. A training manager was recruited, and this had an immediate impact towards our aims to provide:

- a happy environment where staff feel supported and valued
- training that is managed to maximise skills and experience
- a firm route through the employment experience

Staff

The staff team are central to service delivery and many resources are used in development of individuals. A good level of retention is of vital importance to providing a high-quality experience for our members. A retention strategy was developed, and a range of low-cost solutions were implemented. Now we are nearly through the uncertainties related to COVID this needs to be reviewed, agreed and implemented

Community events are still impacted by COVID with few opportunities to engage with others. Virtual meetings are still preferred which don't give the same opportunity for meaningful interaction.

Development Meetings

The Service Lead had been appointed towards the end of 2020 and the Training Manager joined in the Spring of 2021. This completed the senior management team and it was the right time to resume planning for the future. Regular development meetings took place and it was the first chance in a while to review policy and procedure. It was also good to put in place systems to support great service delivery.

Summary

The long-term effects of COVID 19 were not anticipated and every turn of events we adapted and developed. the vulnerability of our members made it vital that we developed stringent measures for infection control. The staff team were fantastic responding with a drive to maintain frontline service delivery, supporting our members with, bravery, tenacity and dedication.

SPECTRUM DAYS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

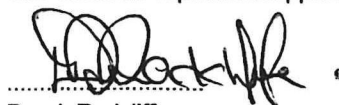
The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



Derek Radcliffe
Chair

Date: 27/02/2023

SPECTRUM DAYS

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SPECTRUM DAYS

I report to the Trustees on my examination of the financial statements of Spectrum Days (the charity) for the year ended 30 April 2022.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Joanne Baldwin FCCA ACA

The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

Dated: 28/2/2023

SPECTRUM DAYS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 APRIL 2022

| | | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total Unrestricted funds 2022 £ | Restricted funds 2021 £ | Total 2021 £ |
|---|-------|------------------------------------|----------------------------------|--|----------------------------------|--------------------|
| | Notes | | | | | |
| Income from: | | | | | | |
| Donations and legacies | 3 | 56,193 | 54,340 | 110,533 | 71,029 | 158,660 |
| Charitable activities | 4 | 714,163 | - | 714,163 | 563,165 | 563,165 |
| Other trading activities | 5 | - | - | - | 83 | 83 |
| Total income | | 770,356 | 54,340 | 824,696 | 634,277 | 721,908 |
| Expenditure on: | | | | | | |
| Raising funds | 6 | - | - | - | 138 | 138 |
| Charitable activities | 7 | 739,481 | 88,212 | 827,693 | 598,915 | 660,571 |
| Total expenditure | | 739,481 | 88,212 | 827,693 | 599,053 | 660,709 |
| Net income/(expenditure) for the year/ | | | | | | |
| Net movement in funds | | 30,875 | (33,872) | (2,997) | 35,224 | 61,199 |
| Fund balances at 1 May 2021 | | 65,409 | 39,792 | 105,201 | 30,185 | 44,002 |
| Fund balances at 30 April 2022 | | 96,284 | 5,920 | 102,204 | 39,792 | 105,201 |

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

All income and expenditure derive from continuing activities.

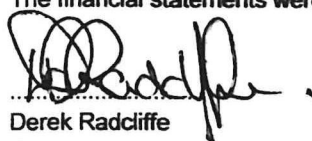
SPECTRUM DAYS

BALANCE SHEET

AS AT 30 APRIL 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|--|-------|-----------------|----------------|-----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 13 | | 95,123 | | 49,980 |
| Current assets | | | | | |
| Debtors | 14 | 114,078 | | 101,682 | |
| Cash at bank and in hand | | 107,408 | | 171,519 | |
| | | <u>221,486</u> | | <u>273,201</u> | |
| Creditors: amounts falling due within one year | 15 | <u>(62,943)</u> | | <u>(56,463)</u> | |
| Net current assets | | | <u>158,543</u> | | <u>216,738</u> |
| Total assets less current liabilities | | | 253,666 | | 266,718 |
| Creditors: amounts falling due after more than one year | 16 | | (151,462) | | (161,517) |
| Net assets | | | <u>102,204</u> | | <u>105,201</u> |
| Income funds | | | | | |
| Restricted funds | 17 | | 5,920 | | 39,792 |
| Unrestricted funds | | | 96,284 | | 65,409 |
| | | | <u>102,204</u> | | <u>105,201</u> |

The financial statements were approved by the Trustees on 27/02/2023


Derek Radcliffe
Trustee

SPECTRUM DAYS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|-----------|----------|-----------|----------|
| Cash flows from operating activities | | | | | |
| Cash (absorbed by)/generated from operations | 21 | | (6,687) | | 163,011 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (54,831) | | (46,800) | |
| Net cash used in investing activities | | | (54,831) | | (46,800) |
| Financing activities | | | | | |
| Payment of obligations under finance leases | | (2,593) | | 2,593 | |
| Net cash (used in)/generated from financing activities | | | (2,593) | | 2,593 |
| Net (decrease)/increase in cash and cash equivalents | | | (64,111) | | 118,804 |
| Cash and cash equivalents at beginning of year | | | 171,519 | | 52,715 |
| Cash and cash equivalents at end of year | | | 107,408 | | 171,519 |

SPECTRUM DAYS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

Charity information

Spectrum Days is a Charitable Incorporated Organisation (CIO), registered in England and Wales. The registered office is Droitwich Youth House, Old Coach Road, Droitwich, Worcestershire, WR9 8BB. The charity is governed by its constitution adopted on 1 April 2013.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

SPECTRUM DAYS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

1.5 Expenditure

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

"Cost of charitable activities" includes the costs of all employment, operating and property resources directly deployed to achieve the objectives of the charity. In addition, loan interest is shown separately. All costs are shown inclusive of VAT which is not recoverable.

1.6 Tangible fixed assets

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

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

| | |
|----------------|--------------------|
| Motor vehicles | 20%, 12.5% on cost |
|----------------|--------------------|

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

Basic financial assets

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

SPECTRUM DAYS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases. There are 3 operating leases. Firstly, in respect of rentals payable by the charity for the property in Droitwich for which the lease period is 15 years. Secondly, in respect of a mini bus leased over 5 years and thirdly, in respect of computer equipment over 3 years.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Critical accounting estimates and judgements

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

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

SPECTRUM DAYS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

3 Donations and legacies

| | Unrestricted funds | Restricted funds | Total | Unrestricted funds | Restricted funds | Total |
|---------------------|-----------------------|---------------------|-----------|-----------------------|---------------------|-----------|
| | 2022 £ | 2022 £ | 2022 £ | 2021 £ | 2021 £ | 2021 £ |
| Donations and gifts | 56,193 | 54,340 | 110,533 | 71,029 | 87,631 | 158,660 |

4 Charitable activities

| | 2022 £ | 2021 £ |
|---------------|-----------|-----------|
| Client income | 714,163 | 563,165 |

5 Other trading activities

| | Total | Unrestricted funds |
|--------------------|-----------|-----------------------|
| | 2022 £ | 2021 £ |
| Hire of facilities | - | 83 |

6 Raising funds

| | Total | Unrestricted funds |
|----------------------------------|-----------|-----------------------|
| | 2022 £ | 2021 £ |
| <u>Fundraising and publicity</u> | | |
| Sundry costs | - | 138 |
| | - | 138 |

SPECTRUM DAYS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

7 Charitable activities

| | 2022 £ | 2021 £ |
|--|----------------|----------------|
| Staff costs | 560,257 | 464,462 |
| Depreciation and impairment | 9,688 | 5,453 |
| Operating costs | 123,089 | 76,755 |
| Property costs | 32,347 | 34,668 |
| Loan interest | 7,008 | 5,047 |
| Development costs | 94,614 | 74,186 |
| | <u>827,003</u> | <u>660,571</u> |
| Share of governance costs (see note 8) | 690 | - |
| | <u>827,693</u> | <u>660,571</u> |
| Analysis by fund | | |
| Unrestricted funds | 739,481 | 598,915 |
| Restricted funds | 88,212 | 61,656 |
| | <u>827,693</u> | <u>660,571</u> |

8 Support costs

| | Support costs £ | Governance costs £ | 2022 £ |
|------------------------------|--------------------|-----------------------|------------|
| Independent examination fees | - | 660 | 660 |
| Meeting costs | - | 30 | 30 |
| | <u>-</u> | <u>690</u> | <u>690</u> |
| Analysed between | | | |
| Charitable activities | - | 690 | 690 |
| | <u>-</u> | <u>690</u> | <u>690</u> |

Governance costs includes expenditure relating to the independent examination of £660.

9 Net movement in funds

| | 2022 £ | 2021 £ |
|--|-----------|-----------|
| Net movement in funds is stated after charging/(crediting) | | |
| Depreciation of owned tangible fixed assets | 9,688 | 5,453 |
| Operating lease charges | 7,850 | 7,030 |
| Independent examiners fees | 660 | 660 |
| | <u></u> | <u></u> |

SPECTRUM DAYS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

| | 2022 Number | 2021 Number |
|---------------------------------|----------------|----------------|
| | 32 | 30 |
| | <u>32</u> | <u>30</u> |
| Employment costs | 2022 | 2021 |
| | £ | £ |
| Wages and salaries | 492,012 | 436,671 |
| Social security costs | 32,775 | 17,724 |
| Employers pension costs | 11,291 | 9,448 |
| Other staff costs (non-payroll) | 24,179 | 21,411 |
| | <u>560,257</u> | <u>485,254</u> |

There were no employees whose annual remuneration was more than £60,000.

12 Key management personnel

Key management personnel of the charity are deemed to be the Chief Executive and Service Lead. Total key management remuneration was £83,843 (2021: £57,469).

13 Tangible fixed assets

| | Motor vehicles £ |
|------------------------------------|---------------------|
| Cost | |
| At 1 May 2021 | 78,798 |
| Additions | 54,831 |
| | <u>133,629</u> |
| At 30 April 2022 | 133,629 |
| Depreciation and impairment | |
| At 1 May 2021 | 28,818 |
| Depreciation charged in the year | 9,688 |
| | <u>38,506</u> |
| At 30 April 2022 | 38,506 |
| Carrying amount | |
| At 30 April 2022 | <u>95,123</u> |
| At 30 April 2021 | <u>49,980</u> |

SPECTRUM DAYS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

14 Debtors

| | 2022 £ | 2021 £ |
|---|----------------|----------------|
| Amounts falling due within one year: | | |
| Trade debtors | 100,342 | 85,692 |
| Other debtors | 10,772 | 842 |
| Prepayments and accrued income | 2,964 | 15,148 |
| | <u>114,078</u> | <u>101,682</u> |

15 Creditors: amounts falling due within one year

| | Notes | 2022 £ | 2021 £ |
|------------------------------------|-------|---------------|---------------|
| Obligations under finance leases | | - | 2,593 |
| Other taxation and social security | | 7,526 | - |
| Trade creditors | | 1,909 | 10,601 |
| Other creditors | | 41,183 | 43,269 |
| Accruals and deferred income | | 12,325 | - |
| | | <u>62,943</u> | <u>56,463</u> |

16 Creditors: amounts falling due after more than one year

| | 2022 £ | 2021 £ |
|-----------------|----------------|----------------|
| External loan | 100,000 | 100,000 |
| Other creditors | 51,462 | 61,517 |
| | <u>151,462</u> | <u>161,517</u> |

SPECTRUM DAYS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | Movement in funds | | Movement in funds | | Balance at |
|---------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------|
| | Incoming resources | Resources expended | Incoming resources | Resources expended | Incoming resources | Resources expended | 1 May 2020 |
| | £ | £ | £ | £ | £ | £ | £ |
| Business Development | 1,084 | - | 465 | - | 465 | - | 100 |
| Kitchen | - | (6,138) | - | (7,033) | - | (7,033) | 13,419 |
| Resonance | 25,037 | - | - | (25,037) | - | (25,037) | - |
| Cabin | 5,991 | - | - | (2,880) | - | (2,880) | 298 |
| Awards for All - cleaning | - | - | 9,256 | (9,256) | 9,256 | (9,256) | - |
| Eye Gaze software | - | - | 2,994 | (2,994) | 2,994 | (2,994) | - |
| Infection Control | - | - | 32,045 | (32,045) | 32,045 | (32,045) | - |
| Online activities grant | - | - | 4,900 | (4,900) | 4,900 | (4,900) | - |
| Printer settlement costs | - | - | 1,449 | (1,449) | 1,449 | (1,449) | - |
| Raffle 2021 | - | - | 613 | - | 613 | - | - |
| Winter Payments grant | - | - | 2,378 | (2,378) | 2,378 | (2,378) | - |
| Uniforms | - | - | 240 | (240) | 240 | (240) | - |
| | 32,112 | (6,138) | 54,340 | (88,212) | 54,340 | (88,212) | 13,817 |
| | | | | | | | 5,920 |

SPECTRUM DAYS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

17 Restricted funds

(Continued)

Business Development

Funds received to be used to create a financial business plan and projected business model, and for the purpose of recruitment and training costs.

Kitchen

Funds to improve/upgrade our new kitchen and it's equipment. These funds were received via a donation.

Cabin

Funds to purchase equipment for the members in our third activity room. This was received via a grant from Resonance.

Raffle

Funds raised by 2 members of staff from an external raffle. The staff have purchased TV's and other supporting equipment for the members in 2022/23 financial year.

SPECTRUM DAYS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

18 Analysis of net assets between funds

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ |
|--|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Fund balances at 30 April 2022 are represented by: | | | | | | |
| Tangible assets | 95,123 | - | 95,123 | 49,980 | - | 49,980 |
| Current assets/(liabilities) | 152,623 | 5,920 | 158,543 | 176,946 | 39,792 | 216,738 |
| Long term liabilities | (151,462) | - | (151,462) | (161,517) | - | (161,517) |
| | <u>96,284</u> | <u>5,920</u> | <u>102,204</u> | <u>65,409</u> | <u>39,792</u> | <u>105,201</u> |

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2022 £ | 2021 £ |
|----------------------------|----------------|----------------|
| Within one year | 20,000 | 26,088 |
| Between two and five years | 80,000 | 80,000 |
| In over five years | 20,000 | 40,000 |
| | <u>120,000</u> | <u>146,088</u> |

20 Related party transactions

Maggie Allen, the Chief Executive of the charity and her husband, Keith Allen, a former Trustee, have made personal loans to the charity. The value outstanding as at 30 April 2022 was £55,739 (2021: £65,125). Interest on these loans has been paid up to the date of the accounts totaling £3,690 (2021: £2,428) for the year.

A personal loan, advanced in 2014, of £10,000 was made by the now deceased Stephen Carter, a former Trustee and brother of Maggie Allen. This 15 year loan is being repaid to his estate at £91 per month and as at 30 April 2022, £5,765 (2021: £6,420) principal was outstanding.

SPECTRUM DAYS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

| | | | | |
|----|--|--------------------|-----------------|-----------------------|
| 21 | Cash generated from operations | 2022 £ | 2021 £ | |
| | (Deficit)/surplus for the year | (2,997) | 61,199 | |
| | Adjustments for: | | | |
| | Depreciation and impairment of tangible fixed assets | 9,688 | 5,453 | |
| | Movements in working capital: | | | |
| | (Increase)/decrease in debtors | (12,396) | 4,311 | |
| | (Decrease)/increase in creditors | (982) | 92,048 | |
| | Cash (absorbed by)/generated from operations | (6,687) | 163,011 | |
| 22 | Analysis of changes in net funds | | | |
| | | At 1 May 2021 £ | Cash flows £ | At 30 April 2022 £ |
| | Cash at bank and in hand | 171,519 | (64,111) | 107,408 |
| | Obligations under finance leases | (2,593) | 2,593 | - |
| | | 168,926 | (61,518) | 107,408 |