

REAL LIFE OPTIONS

England & Wales · Charity number 1156258

Details

Status Registered

Legal form Charitable company

Company number [02699638](#)

Registered 2014-03-19

Register [View on the Charity Commission register](#)

Contact

Address Real Life Options
David Wandless House
A1 Business Park
Knottingley Road
Knottingley
WF11 0BU

Phone 01977525635

Email info@reallifeoptions.org

Website www.reallifeoptions.org

Activities

Objects: THE CHARITY'S OBJECTS ARE THE RELIEF OF THOSE IN THE UNITED KINGDOM WHO ARE IN NEED BY REASON OF YOUTH, AGE, ILL-HEALTH, DISABILITY, FINANCIAL HARDSHIP OR OTHER DISADVANTAGE.

Activities: Real Life Options provides support and care to people in the United Kingdom who have disabilities. In particular, the organisation provides and manages services on a peripatetic and domiciliary basis, and provides care and support through the provision of residential housing, both directly and in conjunction with other voluntary agencies, charities and housing associations.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability, Accommodation/housing, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities

Geography

- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£55,566,852	£53,262,170	£13,102,082	1949
2024-03-31	£52,719,519	£50,569,297	£10,798,249	1952
2023-03-31	£48,558,317	£47,695,801	£8,644,602	1824
2022-03-31	£45,078,000	£44,739,000	£7,781,000	1853
2021-03-31	£44,627,000	£44,581,000	£7,449,000	1868

Trustees

Name	Role	Appointed
Andrew Graham Pope		2025-09-08
Anna Elzbieta Rymarczyk		2025-09-08
Charles Andrew Maltby		2020-10-19
Colin Ronald McCorkindale		2020-10-19
David Wilkin		2013-12-06
Emma Louise Springer		2025-09-08
Jean Trench		2025-09-08

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England & Wales - Charity number 1156258

Accounts

Company Registered Number 02699638
Registered Charity Number in England and Wales 1156258
Registered Charity Number in Scotland SC045939

REAL LIFE OPTIONS

(A company limited by guarantee)

**Annual Report and Financial Statements
For the year ended 31 March 2025**

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REFERENCE AND ADMINISTRATION DETAILS
FOR THE YEAR ENDED 31 MARCH 2025

Organisation's Name	Real Life Options
Status	Real Life Options is a charitable company limited by guarantee. Real Life Options' governing documents are its Memorandum and Articles of Association.
Company Registration Number	02699638
Charity Registration Number	1156258
Office of the Scottish Charity Regulator Number	SCO45939
Principal Office and Registered Address	David Wandless House A1 Business Park Knottingley Road Knottingley West Yorkshire WF11 0BU
Trustees	D Wilkin C A Maltby C R McCorkindale J Trench L Cutkelvin A G Pope A E Rymarczyk E L Springer R A Hendry (resigned 8 September 2025)
Members	D Heels P Morris C Moore R Maclellan S Clamp (from 8 May 2024) K Redmond (from 18 July 2024) R A Hendry (from 13 October 2025) R Grasby (up to 10 September 2025) E Jackson (up to 8 September 2025)
Officers: Company Secretary Group Chief Executive	 R Milner J Trench
Advisers:	
Independent Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	NatWest 135 Bishopsgate London EC2M 3UR
Legal	Weightmans No1 Whitehall Riverside Whitehall Road Leeds LS1 4BN

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ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their report with the audited financial statements of the charitable company and the Group for the year ended 31 March 2025.

I. STATUS

Real Life Options is a company limited by guarantee. Our governing documents are the Memorandum and Articles of Association.

Principal Activities

The principal activities of the Group are a provider of homecare services. The Group continues to deliver public services.

Governing Body and Structure

Our governing body is a Board of Directors who are also the Trustees of the Charity. As of 31st March 2025, there were five Trustees.

The Real Life Option's constitution also facilitates a membership Group which is distinct from the Board and appointed through a separate process to ensure impartiality. The current seven members hold the Board to account in terms of ensuring that the organisation operates in accordance with its values.

Real Life Options has, over the years, evolved the organisation's structure to cope with increasing regulation, legislation, and complexity. The Board meets regularly in accordance with the constitutional requirements. The Board also benefits from an audit committee, remuneration committee and other working groups.

Real Life Options has a well-established annual planning and budgeting process.

Decision making

The Board meets quarterly in accordance with an annual work programme agreed annually in advance. In addition, it meets annually for an average of two days during which time it works with the Leadership team to set the strategic agenda and review previous performance.

Operational responsibility is delegated to the Group Chief Executive Officer. The Board is supported by a Company Secretary. At its meetings, the Board receives strategic and operational reports as well as a financial report.

II. OBJECTIVES AND ACTIVITIES

Real Life Options Group is founded on the values of **Respect, Responsibility, Honesty and Excellence**, which underpin our purpose of enabling every person to achieve their potential and live a fulfilling life.

The Group's charitable objective is:

"The relief of those in the United Kingdom who are in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage."

As a leading provider of social care and support across England and Scotland, the Group delivers person-centred care that empowers individuals to make meaningful choices, develop lifelong connections, and be active members of their local communities.

We provide a wide range of support models, including:

- Supported Living and Outreach Services
- Residential Care Homes
- Respite and Short Breaks
- Day and Vocational Opportunities
- Palliative and End of Life Care
- Home Care and Companionship Services

ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
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II. OBJECTIVES AND ACTIVITIES (continued)

Our work is guided by a deep commitment to quality, accountability, and community engagement. We operate in partnership with over 45 local authorities, providing more than 50,000 hours of care and support each week to people with learning disabilities, autism, complex needs, physical and sensory disabilities, and age-related conditions.

The Group continues to build a workforce of skilled and compassionate people, supported through a strong learning and development framework and fair pay principles. Our commitment to equality, inclusion and wellbeing remains central to our organisational culture.

OUR PURPOSE, VALUES AND MODEL OF SUPPORT

At the heart of everything we do is our **Purpose**, *to provide excellent social care and support that enables people to achieve their potential, make their own choices, and live fulfilling lives within their communities.*

Our **values** define how we work:

- **Respect** means valuing each person's unique contributions, treating everyone with dignity, and fostering an inclusive environment where employees and the people we support feel heard and valued.
 - *Voice*: Ensuring individuals feel heard and able to express their needs and opinions.
 - *Relationships*: Building mutual respect as the foundation of strong, trusting connections.
- **Responsibility** is about taking ownership of our actions and decisions, being accountable to each other, and delivering on our commitments to the people we support and our teams.
 - *Home*: Ensuring a safe, secure and well-supported environment.
 - *Wellbeing*: Promoting accountability for the physical, emotional and mental wellbeing of those we support.
- **Honesty** builds trust through transparent communication, integrity and openness.
 - *Choice*: Ensuring people have clear, honest information to make informed and meaningful decisions.
- **Excellence** reflects our commitment to continuous improvement, achieving high standards and delivering outstanding outcomes.
 - *Community*: Encouraging active participation and contribution to thriving, inclusive communities.

Our **Circle of Support** connects these values in action. It shapes our culture, informs our decision-making, and ensures we remain a purpose-led organisation. Every interaction—between colleagues, people we support, and our wider communities—reflects our belief that *purpose drives connection and connection creates positive impact.*



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ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
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III. STRUCTURE



IV. VOLUNTEERS AND COMMUNITY

The 2024/25 period was one of review and renewal for the Volunteering, Community and Social Impact function, with a strong focus on refreshing and modernising the volunteering strategy as well as strengthening our grants and fundraising governance and processes. Additionally, the focus was also on refreshing our approach to community engagement, ensuring that our systems and structures remain effective, inclusive, and sustainable.

During the year, a decision was made to transition to a broader Community Strategy. As part of this transition, delivery of the Community Connections Fund concluded, making way for a more integrated and coordinated approach to investment in community development.

The new Community Strategy encompasses the following workstreams:

- Volunteering
- Fundraising
- Grants (small and major opportunities)
- Employability
- Community Development
- Social Value & Impact

Throughout the year, volunteers played an invaluable role across a wide range of activities. Opportunities included volunteer drivers who helped the people we support access their local communities, volunteer gardeners who assisted in maintaining homes and shared spaces, and volunteers who supported various leisure and recreational activities.

We also continue to support many of the people we work with to take up volunteering roles within their own communities, including in charity shops, community centres, and local initiatives—helping to build confidence, connection, and inclusion.

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ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
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IV. VOLUNTEERS AND COMMUNITY (continued)

The review and refinement of our fundraising procedures this year have strengthened governance, improved oversight, increased compliance and reduced risk of all fundraising initiatives. A streamlined process now supports employees, the people we support, and community groups to raise funds more effectively and transparently. These improvements have fostered greater collaboration and enhanced our capacity to deliver activities that enrich community life.

Highlights from the year included a series of successful fundraising events such as summer celebrations for families and friends, a Hollywood-themed ball, and enthusiastic participation in the Kilt Walks—all contributing to the continued growth and vibrancy of our community connections.

V. PUBLIC BENEFIT

The Trustees confirm that they have complied with section 4 of the Charities Act 2006 to have due regard to the Charity Commission's guidance on public benefit. This Trustees' report clearly sets out our charitable objectives and how they benefit the public. The organisation is set up to benefit people who are in need because they have disabilities or require support at home. It also works with people who have severe learning difficulties. The organisation works to achieve its vision of a society in which disabilities are not a barrier to people taking control of their lives. We deliver professional, innovative and effective customer-focused services with the aim of improving the quality of life of people by:

- promoting choice and control
- enabling people to make a positive contribution
- increasing dignity and respect
- providing freedom from discrimination and harassment
- furthering health and emotional well-being
- enhancing economic well-being

VI. SECTION 172 STATEMENT

As required under Section 172(1) of the Companies Act 2006, the Trustees of Real Life Options Group confirm that they have acted in good faith to promote the success of the charity for the benefit of its stakeholders. This section is to be read in the context of the whole annual report as evidence of the Directors' compliance with Section 172 of the Companies Act which requires Directors to take into consideration the interests of stakeholders in their decision making. The Directors continue to consider the Group's employees and other stakeholders, including the impact of its activities on the various communities we serve, the environment and the Group's reputation, when making decisions.

In doing so, they have had regard to the following matters:

Promoting Long-Term Success

The Trustees are committed to the long-term sustainability of Real Life Options Group and its mission to support individuals with learning disabilities. Strategic decisions are guided by our core values and are made to ensure continued impact, financial resilience, and service excellence.

ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

VI. SECTION 172 STATEMENT (continued)

Stakeholder Engagement

We recognise the importance of engaging with our stakeholders, including the people we support, their families, our employees, volunteers, donors, and the parties who engage our services. Feedback is gathered through regular consultations, surveys, and collaborative forums, and is used to inform decision-making and service development.

Supporting Our People

Our employees and volunteers are central to delivering high-quality support. The Trustees ensure that Real Life Options Group maintains fair employment practices, invests in training and development, and promotes wellbeing and inclusion across all teams.

Community and Environmental Responsibility

We are mindful of our role within the wider community and our environmental impact. The Trustees support initiatives that promote sustainability, accessibility, and inclusive community partnerships.

Governance and Conduct

The charity operates with integrity, transparency, and accountability. Trustees uphold strong governance practices and ensure compliance with all legal and regulatory obligations, maintaining high standards of ethical conduct.

Fairness and Equality

Trustees are committed to fairness and equality in all aspects of decision-making. We strive to ensure that our services are inclusive and accessible, and that all individuals are treated with dignity and respect.

Real Life Options Group remains deeply committed to fostering meaningful engagement across all levels of our workforce. Central to this commitment is our Employee Journey Model, which continues to serve as a robust framework for supporting employees throughout their lifecycle with the organisation. Designed with intentionality and care, the model incorporates multiple, strategically placed engagement touchpoints - from recruitment and onboarding through to career development, performance management, and eventual transition. This approach ensures that every stage of the employee experience is marked by purposeful interaction, support, and recognition, reinforcing our values and cultivating a culture of inclusion, growth, and shared purpose.



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VI. SECTION 172 STATEMENT (continued)

We have streamlined our seven operational areas into six, with three in Scotland and three in England. This allows us to deliver support more effectively and strengthen our focus on local communities. The structure of the senior leadership team has been realigned to reflect this and to support both sustainability and growth.

Following this we have also restructured and repositioned our Business Support functions to ensure fairness and balanced support across Scotland and England, with certain key roles in Business Support being redeployed to Scotland.

Real Life Options Group is committed to acting ethically and with integrity in all our business relationships. We strive to ensure that modern slavery and human trafficking are not taking place in any part of our operations or supply chains.

We work responsibly with our suppliers and partners, requiring them to uphold the same high standards. Our procurement processes include due diligence checks and contractual obligations that reflect our commitment to human rights and fair labour practices.

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR)

This report summarises the energy usage, associated emissions, energy efficiency actions and energy performance for Real Life Options, under the government policy Streamlined Energy & Carbon Reporting (SECR), as implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Real Life Options is a UK incorporated Charity. Under the new SECR legislation we are mandated to include energy consumption, emissions, intensity metrics and all energy efficiency improvements implemented in our most recent financial year.

Real Life Options is the parent company out of four trading companies (Real Life Options, 1st Home Care Ltd, Montana Home Care Ltd and Affinity Homecare Shrewsbury Ltd). Only Real Life Options is required to comply with SECR as a Group, as it exceeds the qualification threshold of two of the three criteria.

The total consumption (kWh) figures for energy supplies reportable by Real Life Options are as follows:

Utility and Scope	FY 2024/25 Consumption (kWh)	FY 2023/24 Consumption (kWh) as restated
Scope 1 Total	1,538,758	1,428,206
Gaseous and other fuels (Scope 1)	1,140,615	1,230,423
Transportation (Scope 1)	398,143	197,783
Scope 2 Total	426,676	567,326
Grid-Supplied Electricity (Scope 2)	426,676	567,326
Scope 3 Total	303,149	791,648
Transportation (Scope 3)	303,149	791,648
Total	2,268,584	2,787,180

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FOR THE YEAR ENDED 31 MARCH 2025

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR) (continued)

The total emission (tCO₂e) figures for energy supplies reportable by Real Life Options are as follows. Conversion factors utilised in these calculations are detailed in Real Life Options 's Streamlined Energy & Carbon Reporting (SECR) available on request:

Utility and Scope	FY 2024/25 Consumption (tCO ₂ e)	FY 2023/24 Consumption (tCO ₂ e) As restated
	Location-based	Location-based
Scope 1 Total	303.67	271.76
Gaseous and other fuels (Scope 1)	208.62	225.08
Transportation (Scope 1)	95.05	46.68
Scope 2 Total	88.34	117.48
Grid-Supplied Electricity (Scope 2)	88.34	117.48
Scope 3 Total	68.56	179.71
Transportation (Scope 3)	68.56	179.71
Total	460.57	568.94

An intensity metric of tCO₂e per £m turnover has been applied for the annual total emissions of Real Life Options. The methodology of the intensity metric calculations detailed in Real Life Options 's Streamlined Energy & Carbon Reporting (SECR) are available on request, and the results of this analysis are as follows:

Intensity Metrics	Location-based tCO ₂ e	
	FY 2024/25	% change
All Scopes tCO₂e per Turnover (£m)	8.74	-19.05%

Reporting Methodology

This report (including the Scope 1, 2 and 3 consumption and CO₂e emissions data) has been developed and calculated using the GHG Protocol – A Corporate Accounting and Reporting Standard (World Resources Institute and World Business Council for Sustainable Development, 2004); Greenhouse Gas Protocol – Scope 2 Guidance (World Resources Institute, 2015); ISO 14064-1 and ISO 14064-2 (ISO, 2018; ISO, 2019); Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance (HM Government, 2019).

Government Emissions Factor Database 2024 version 1.1 has been used, utilising the published kWh gross calorific value (CV) and kgCO₂e emissions factors relevant for the reporting period 01/04/2024 – 31/03/2025.

Estimations were undertaken to cover missing billing periods for properties directly invoiced to Real Life Options. These were calculated at the meter level on a kWh/day pro-rata basis for four gas and three electricity supplies. For properties where Real Life Options is indirectly responsible for utilities (i.e. via landlord or service charge) or no data is available for the meter, an average kWh consumption was calculated at meter level and was applied to the properties with similar operations with no available data.

These full-year estimations were applied to one gas supply. All estimations equated to 1.37% of reported consumption.

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VII. STREAMLINED ENERGY & CARBON REPORTING (SECR) (continued)

Reporting Methodology (continued)

Real Life Options reports its emissions using a market-based method. Market-based emissions were calculated by applying fuel mix factors specific to the suppliers from which Real Life Options procures its energy (Corona Energy) to overall electricity consumption.

An intensity metric has been calculated using total tCO₂e figures and the selected performance indicator(s) agreed with Real Life Options for the relevant report period:

Total turnover (£m)	FY2024/25 £55.60m	FY2023/24 £52.70m

Energy Efficiency Improvements

Real Life Options are ESOS compliant and ISO14001 accredited. As an organisation we are committed to operating a sustainable environmentally conscious business, as much as is reasonably practicable, whilst also mindful of our obligations as a Charity to the people we support.

Real Life Options are committed to year-on-year improvements to their operational energy efficiency. A register of energy efficiency measures has been compiled, with a view to implementing these measures in the next five years.

Measures ongoing and undertaken through 2024/25

Stockton LED Installation

In FY2024/25, Real Life Options implemented an LED lighting upgrade at their Stockton facility, making the office fully LED. This will increase energy efficiency in their office space and reduce Scope 2 emissions.

Dumfries Solar Panel Installation

In FY2024/25, Real Life Options completed the installation of a solar energy system at their Dumfries site. The solar installation is estimated to generate 27,407 kWh of renewable electricity annually, reducing reliance on grid-supplied power and supporting the use of clean energy sources. The self-generated electricity will be utilized and reported on in FY2026.

Employee Electric Vehicle (EV) Incentives

As part of their commitment to reducing carbon emissions and promoting sustainable transport, Real Life Options has taken steps to encourage the transition from petrol to diesel vehicles to electric vehicles (EVs) within their employee fleet.

ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
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VII. STREAMLINED ENERGY & CARBON REPORTING (SECR) (continued)

Measures prioritised for implementation in 2025/26

Improving Employee Energy Efficiency Awareness

Real Life Options is strengthening its focus on energy efficiency through behaviour change initiatives, such as using posters to encourage switching off unused equipment and lighting. These efforts have the potential to save up to 209,249 kWh across part of the estate.

MacDuff Office Boiler Replacement

In FY2025/26, Real Life Options will undertake a boiler replacement at their office in MacDuff. The new energy efficient boiler is expected to deliver an estimated annual energy saving of 4,445 kWh.

VIII. PRINCIPAL RISKS AND UNCERTAINTIES

Real Life Options operate a dynamic risk programme which mirrors best practice as per The Charity Commissions Governance guidance.

The use of a traditional risk register is vigorously supported by two risk mitigation subgroups and a robust risk governance programme, which adopts 'a three lines of defence' structure and underpins effectiveness, transparency and targeted risk mitigation.

Subgroup details

Leadership Risk Action Group whose purpose is to ensure that the Real Life Options leadership Group:

- Are kept abreast of any current or emerging areas of risk.
- Are actively involved in any risk mitigation decisions and/or activities.
- Are clear on their individual and collective responsibilities in relation to risk management.
- Work collectively together to support the achievement of organisation objectives and continuous improvement.

Corporate Safeguarding Group whose purpose is to ensure:

- That there is a collective and transparent leadership approach to safeguarding.
- That each person we support has the ability to live the life they choose, free from abuse and harm, in accordance with their own personal preferences, aspirations and diversities.
- That the organisation remains focused on the reduction of safeguarding concerns including restrictive practice and actively participates in agreed restraint reduction plans.

Serious Incident Panel

Where required, our Serious Incident Panel Process will also support risk mitigation and ensure we comply with our corporate reporting responsibilities in line with regulatory requirement.

The purpose of the panel is to formally and robustly review any incident that has the potential to seriously impact on and/or cause harm to supported individuals, our employees, members of the public and the reputation of the organisation as a whole.

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ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

VIII. PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Principal Risks

As a charitable organisation, Real Life Options faces a range of financial and operational risks that could impact its ability to deliver services and achieve its objective. The key risks include:

Price Risk

Although Real Life Options is less exposed to commodity price fluctuations than a commercial entity, cost increases in essential goods and services (e.g., utilities, care supplies, transport) can affect budgets. To mitigate this, contracts are reviewed regularly and efforts are expended to source quality goods and services at a competitive price. Increases in the Real Living Wage present a price risk as they lead to higher salary costs which increase overall operating expenses. This results in upward pressure on service prices at a time when many local authorities are struggling financially. Real Life Options engages with commissioners throughout the year to in an open and transparent way regarding the necessity for fee uplifts.

Credit Risk

The risk of financial loss if local authorities fail to meet their commitments in terms of delayed payments or funding cuts could create cash flow challenges.

Liquidity Risk

Delays in contract payments can affect the ability to meet payroll and service delivery obligations. Maintaining adequate reserves and monitoring outgoings carefully permits Real Life Options to maintain a healthy cash balance supported by the timely pursuance of payments.

Cash Flow Risk

Variability in income from commissioned services can lead to unpredictable cash flows. Dependency on a small number of funding sources increases vulnerability; Real Life Options has a broad portfolio of local authorities to avoid such a situation. Robust budgeting, scenario planning, and active working capital management are also key mitigations in place.

Regulatory and Compliance Risk

Real Life Options must comply with charity law, safeguarding requirements, and funder conditions. Non-compliance can lead to reputational damage and loss of funding. Regular audits, employee training, and governance oversight are measures in place to reduce this risk.

Reputational Risk

Public trust is vital for fundraising and service delivery. Negative publicity, safeguarding incidents, or governance failures can severely impact income and stakeholder confidence. Proactive communication and strong ethical standards are in place and reviewed regularly.

Cyber Security Risk

All charities face growing cybersecurity risks, including phishing attacks, ransomware, and data breaches that can compromise sensitive donor and client information. Social engineering and insider threats exploit human vulnerabilities, while increasing reliance on cloud services and connected devices introduces new entry points. Emerging AI-driven attacks make threats more sophisticated and harder to detect, underscoring the need for strong security measures and employee awareness.

Real Life Options endeavours to minimise such risks via a robust technical environment including firewalls, proxy and anti-virus protection, vulnerability monitoring, penetration testing, installation restrictions, patch management and end of life monitoring. A programme of mandatory training and supporting communications to ensure all our colleagues and volunteers maintain a high level of security awareness.

ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

IX. ACHIEVEMENTS AND PERFORMANCE

The Group has made significant progress in aligning its activities and operations to the 2025–2030 Strategic Direction, ensuring that our purpose and values remain central to everything we do.

During the reporting year, we advanced our strategy through seven key priorities:

1. **Operational Excellence** – strengthening governance, quality, and compliance across all services.
2. **Growth and Sustainability** – aligning resources to ensure financial resilience and long-term viability.
3. **People and Culture** – investing in workforce wellbeing, recruitment, and development to attract and retain values-driven colleagues.
4. **Community Impact** – enhancing volunteering, social value, and local engagement initiatives.
5. **Infrastructure and Estates** – improving digital systems, processes, and environments to support modern care delivery.
6. **Financial Integrity** – ensuring robust planning and stewardship of charitable funds.
7. **Marketing and Communications** – building brand awareness and stakeholder trust through clear, consistent engagement.

The **creation of distinct England and Scotland divisions** has positioned Real Life Options Group to deliver with greater local focus and responsiveness to community needs. This devolved structure strengthens leadership accountability and supports delivery aligned with national priorities in both countries.

The Group's **Social Impact reporting framework** now provides a clear, evidence-based view of outcomes achieved across our services. Feedback from people we support continues to inform improvements, demonstrating our commitment to listening, learning and acting.

Key Performance Indicators

- Year on year improvement in Group cash balance of 46%.
- Year on year Group turnover increase of 5.5% and Group net assets increase of 21%.
- Net surplus to income for the Group is 4% which meets the budgeted target.
- The Real Life Options Group is commissioned to 46 different local authorities in England and Scotland.
- The Real Life Options Group delivers in excess of 50,300 hours of support each week and provides support to over 1,340 people.

Social Impact

Real Life Options Group continued to strengthen its approach to measuring and evidencing social impact in line with the 2025–2030 Strategic Direction. Quarterly reports to the Board capture outcomes and insights across the England and Scotland divisions, showing how our work creates meaningful change in people's lives. Our refined Social Impact Framework, shaped by the Proud of Our Purpose model and our values of Respect, Responsibility, Honesty and Excellence, demonstrates how our services promote voice, choice, wellbeing, home, relationships and community. Central to this is the MyVoice Initiative, which enables people we support to share experiences, influence decision-making and celebrate success through regular surveys and MyVoice conferences. These forums, along with our Real Heroes celebrations, bring to life the positive outcomes of person-centred care and the difference made through volunteering, community engagement and continuous improvement, reinforcing our purpose to provide excellent care and support that enables people to achieve their potential and live fulfilling lives.

ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
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IX. ACHIEVEMENTS AND PERFORMANCE (continued)

MyVoice Initiative

The MyVoice initiative provides a dedicated platform for the people we support to actively shape their experience with Real Life Options. Through regular surveys and MyVoice conferences, individuals have the opportunity to share their views, influence organisational decision-making, and celebrate achievements.

The initiative ensures that the voices of those we support are not only heard but acted upon, reinforcing our values of inclusion and empowerment. Feedback gathered through MyVoice has informed service improvements, highlighted areas for innovation, and strengthened our culture of collaboration. By embedding this approach into our organisational framework, we continue to promote transparency, accountability, and meaningful engagement at every level.

How Real Life Options Makes a Difference

Matt's Story – Learning to Balance in a Wobbly World

When Matt Humphries, who lives with dyslexia and a brain injury, was encouraged by his Real Life Options support worker to write down his story, he didn't expect it to lead to publishing a book. What began as a therapeutic exercise during a difficult period became *Learning to Balance in a Wobbly World*, a powerful account of resilience and determination.

Matt's journey shows how the right support can unlock potential. With encouragement from his support worker, and help from his family and The Book Writers Resource team, Matt found his voice and a renewed sense of purpose. His book now inspires others facing similar challenges to believe that "nothing is impossible if you put your mind to it."

From completing the Rickshaw Challenge for Children in Need to holding book signings and giving talks about his experiences, Matt embodies what Real Life Options stands for, empowering people to achieve their ambitions and live fulfilling lives.

Anonymised Real-life Stories

Confidence Through Understanding

This year, we witnessed remarkable personal growth among the people we support. One individual's journey stands out as a testament to the power of understanding and encouragement.

After gaining deeper insight into their autism, they embraced their individuality and built confidence with the help of consistent support. Once hesitant to speak in public, they now share their story proudly to inspire others.

Their transformation demonstrates how self-awareness, combined with the right support, can turn difference into strength and confidence into independence - reflecting our commitment to enabling people to live life to the fullest.

Finding Balance Through Creativity

A man supported by Real Life Options has successfully rediscovered his confidence and sense of purpose through music. After experiencing a period of low mood and emotional challenges, he embraced guitar playing as a creative outlet to manage his emotions and introduce structure into his daily life.

With gentle guidance and encouragement from Real Life Options staff, he built resilience and a positive mindset, leading to measurable improvements in wellbeing.

This case illustrates the transformative power of creativity in promoting mental wellbeing and self-belief, reinforcing Real Life Options' commitment to person-centred approaches that foster independence, confidence, and holistic support.

ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

IX. ACHIEVEMENTS AND PERFORMANCE (continued)

Empowerment Through Community and Work

With the right support, independence and meaningful contribution can go hand in hand. A woman supported by Real Life Options has created a life that balances her own home with a fulfilling role in advocacy for people with learning disabilities.

Through regular outreach, she maintains her home, stays connected to her community, and continues her long-standing commitment to championing the rights of others. Her story is a powerful example of how flexible, person-centred support enables people to live independently while making a real difference.

Confidence and Choice in Everyday Life

With encouragement and understanding, another woman supported by Real Life Options has discovered the confidence to express herself freely and make her own decisions. From home improvements to personal style, she's embraced changes that reflect her personality and enhance her independence.

Her journey shows the power of person-centred support - when people are empowered to make their own choices, they gain self-esteem, dignity, and joy.

Freedom and Respect Through Empowerment

After years of living under restrictive rules, one person's life changed dramatically when Real Life Options began providing support. The focus shifted to trust, respect, and independence - values that truly matter. Step by step, they regained control over their daily life, from managing their own finances to choosing how to spend their time. Today, they feel confident and free, a powerful example that real support means empowering people to make their own choices.

Communication Beyond Words

One man supported by Real Life Options shows us that a voice can be expressed in many ways. Through gestures, facial expressions, and actions, he shares his preferences and feelings with clarity and confidence.

With patient, consistent support, he has discovered new opportunities, explored activities he once thought were out of reach, and taken control of his daily choices. Every step forward has been a testament to the power of understanding and respect.

His story reminds us that when we listen beyond words, we unlock potential. Every person deserves to be heard, and every voice - spoken or unspoken - matters.

Employee Learning and Development

The Learning and Development team have introduced a new Learning Management System which gives us more autonomy and control over the training. The team can now design, develop and customise all e-learning courses with all existing courses now reviewed and redesigned to fit the needs of the different learning styles and accessibility needs within the organisation. Managers have real time access to both e-learning training records and classroom/face to face course records. Having greater control and visibility has increased compliance and reduced issues such as non-attendance.

Code of Conduct

We implemented our new Code of Conduct which is integral to upholding the standards and values that define our organisation. The Code sets out clear expectations regarding ethical behaviour, legal compliance, and professional conduct. It applies to all employees across the Group and serves as a guide to ensure our actions consistently reflect our commitment to integrity, respect, and accountability. In addition, a separate Code of Conduct for Board Members has been introduced, tailored to the specific responsibilities and governance roles they hold.

REAL LIFE OPTIONS
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ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

IX. ACHIEVEMENTS AND PERFORMANCE (continued)

Employee engagement

Over the past year, Real Life Options has undertaken a comprehensive employee engagement initiative to better understand the experiences, perspectives, and ideas of our workforce. This process involved a series of structured surveys and employee forums, with participation from over 500 colleagues across the organisation.

The purpose of this engagement was to gain meaningful insight into what it is like to work at Real Life Options, to identify areas of strength, and to explore opportunities for improvement. The feedback gathered has provided valuable direction for shaping our organisational culture and informing future strategic decisions.

X. CONSTITUTION

The organisation is a company limited by Guarantee. The organisation's governing documents are its Articles of Association. The liability of each member of Real Life Options is £1. There are a minimum of six members and a maximum of twelve individual members. Additionally, one non-executive director and one senior manager of the Company can be a member at any time.

The Articles require a minimum of three non-executive directors (who are also Trustees) and a maximum of eight non-executive directors. The articles allow for the appointment of up to two executive directors as Trustees, with no minimum number.

The Board conducts an annual review of its own operational effectiveness and governance arrangements to ensure they meet the needs of the organisation, comply with all applicable regulations, and remain aligned with the seven principles of the Charity Governance Code.

Real Life Options Group's governance policy and structure complies with the following regulators:

- The Charity Commission
- Office of the Scottish Charities Regulator
- Care Quality Commission
- The Care Inspectorate

Under the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014: Regulation 17, providers must have effective governance, including assurance and auditing systems or processes. These must assess, monitor, and drive improvement in the quality and safety of the services provided, including the quality of the experience for people using the service. The systems and processes must also assess, monitor, and mitigate any risks relating to the health, safety and welfare of people using services and others. Providers must continually evaluate and seek to improve their governance and auditing practice. Real Life Options Group's governance approach drives performance in compliance with this.

Operation of the Board of Trustees

The Board of Trustees meets quarterly during the year to monitor performance against agreed strategic goals and review the organisation's and leadership team's work and services. An Audit Committee, comprised of non-executive Trustees, has responsibility for reviewing the organisation's accounting policies and financial accounts. It meets at least annually, with the Group Chief Executive Officer and National Head of Finance in attendance.

A Remuneration Committee, comprising non-executive Trustees, has specific responsibility to review and determine the remuneration of the Group Chief Executive Officer and review the remuneration of the Senior Leadership Team based on external benchmarking and, where appropriate, recommendation and discussion with the Group Chief Executive Officer. Oversight is also provided to the Remuneration Committee on levels of remuneration/rewards throughout the whole organisation.

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ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

X. CONSTITUTION (continued)

Recruitment and appointment of new Trustees

Under the leadership of the Chair, the recruitment needs of the Board of Trustees is monitored. This includes a review of the current knowledge, experience, skills and abilities, and how these will be affected by any planned Trustee departures in the future. Trustee vacancies are advertised externally. Applicants are shortlisted against the criteria in the person specification for the role, including any specific matters highlighted during the above review. Shortlisted applicants are recruited through a robust and transparent process which includes being interviewed by at least two non-executive Trustees (one of whom will be the Chair) and meeting a panel comprising people we support and their support workers. Shortlisted applicants are appointed only where they have the necessary skills and qualities to contribute effectively to the organisation's management and development.

New Trustees are inducted in two main ways:

- Through the provision of information on the organisation's policies and procedures and on its employees, financial and organisational management and development.
- Trustees are briefed by the leadership team and key employees of functional aspects of the organisation's operations.

During the year, no new Trustees were appointed.

The Trustees who served during the year, and up to the date of this report, were:

D Wilkin
C A Maltby
C R McCorkindale
D I Sargent (resigned 8 September 2025)
R A Hendry (resigned 8 September 2025)

The following Trustees were appointed after the year end on 8 September 2025:

J Trench
L Cutkelvin
A G Pope
A E Rymarczyk
E L Springer

Qualifying indemnity insurance

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1,222 (2024 - £1,470).

Related parties

The only related parties are the Trustees. Except for the transaction below, transactions have been only those in the normal course of their employment and through standard delivery of services.

During the year, Real Life Options purchased services and assets amounting to £10,000 from Enable Unity CIC, a company in which D I Sargent is a Trustee (2024 - £6,991). These services and assets were purchased on an arm's length basis. Real Life Options had no amounts owed to or due from Enable Unity CIC at 31 March 2025.

REAL LIFE OPTIONS
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ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

X. CONSTITUTION (continued)

Subsidiaries

At the balance sheet date, Real Life Options had three wholly owned trading subsidiaries and five wholly owned dormant subsidiaries (see note 14).

- Affinity Homecare Shrewsbury Limited is a Shrewsbury based domiciliary homecare company. This strategic investment expands upon the market share of traditional LA funded clients as well as private and continuing health care clients.
- Montana Home Care Ltd is a company based in Falkirk, Scotland. The company provides domiciliary care to people who require support. It is a strategic investment in domiciliary care provision and has a well-earned reputation for excellent quality services.
- 1st Home Care Ltd is a company with offices located throughout Scotland. The company provides domiciliary care to people who require support. It is a strategic investment in domiciliary care provision and, with previous acquisitions, has created a significant provider within Scotland.
- Orchard Care Services Limited is a dormant trading company that previously provided domiciliary care to elderly people. The trading was transferred to Real Life Options Orchard Care Limited in a prior year.
- Real Life Options Orchard Care Limited is a dormant trading company that previously provided domiciliary care to elderly services users in Warwickshire and Coventry.
- Alpha Homecare (Scotland) Limited, Lowland Care Services Limited, and Lowland's subsidiary Senior Service (Edinburgh) Limited are dormant trading companies which ceased trading on 31 March 2016 and transferred their activities to 1st Home Care Ltd.
- Real Life Options (Cymru) Limited was dissolved in the year on 1 October 2024.

Employee Management

During the year under review the Leadership Team had the following employee structure:

- Group Chief Executive Officer
- Group Deputy Chief Executive Officer

The Group Chief Executive Officer has overall responsibility for all operational matters and reports directly to the Board of Trustees on a regular basis.

Local arrangements have been maintained to ensure regular dialogue between managers, employees, and their representatives. These meetings provide a structured forum for discussing matters of mutual interest and concern, fostering transparency and collaboration across the organisation. Through these sessions, relevant information is shared promptly, enabling employees to stay informed about operational updates, organisational changes, and initiatives that may impact their roles. This approach supports a culture of openness, strengthens employee relations, and encourages constructive feedback, contributing to continuous improvement and alignment with organisational objectives.

Over the past year, Real Life Options engaged over 500 colleagues through surveys and forums to better understand their experiences and ideas. This initiative aimed to identify strengths, highlight improvement opportunities, and shape our organisational culture. The insights gathered will guide future strategic decisions and enhance the working experience across the organisation.

ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

X. CONSTITUTION (continued)

Employment of the disabled

We recognise our responsibility to create an inclusive workplace where everyone has the opportunity to thrive. Our approach to employment, training, career development, and promotion is designed to ensure equal opportunities for all, including disabled persons.

- **Recruitment and Selection**

We give full and fair consideration to all applications, regardless of an individual's background or circumstances. Our recruitment processes are structured to remove barriers and promote diversity.

- **Support for Employees**

If an employee becomes disabled during their employment, we make every effort to provide continued employment and the necessary adjustments to enable them to perform their role effectively. This includes workplace adaptations, flexible working arrangements, and access to specialist support.

- **Training and Development**

We invest in training and career development opportunities for all employees, ensuring that disabled colleagues have equal access to resources and progression pathways.

- **Monitoring and Continuous Improvement**

We regularly review our policies and practices to ensure they reflect best practice and comply with all relevant legislation. Feedback from employees helps us improve and maintain an inclusive culture.

Our commitment goes beyond compliance - it is embedded in our values and reflected in the way we work every day.

Environmental Policy

We recognise our responsibility to help protect the planet. We are committed to minimizing our impact on the environment and supporting those who are working to improve global environmental sustainability. We are committed to operating our business responsibly in compliance with all legal requirements relating to the provision of bespoke support services for those with learning disabilities, complex behavioural issues, autistic spectrum disorders, profound multiple disabilities and people with enduring mental ill health and older people.

We are mindful of The Climate Change Act 2008 and The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, and our policy is to operate with and to maintain good relations with all regulatory bodies. We carry out all measures reasonably practicable to meet, exceed or develop all necessary or desirable requirements and to continually improve environmental performance through the implementation of the following:

- Assess and regularly re-assess the environmental effects of the organisation's activities.
- Training of employees in environmental issues.
- We aim to reduce waste generation at the source and endeavour to minimise the waste we send to landfill.
- We promote reuse and recycling, as well as the use of supplies that are recycled and recyclable whose production and use minimise the consumption of natural resources. Specifically, we aim to reduce our consumption of single-use plastics, use environmentally friendly paper, and recycle where possible including plastics and large electronic equipment.
- We encourage our offices to drive initiatives to reduce waste, including sorting and recycling materials, donating used technology equipment, putting drinking water taps in place, reducing food waste, and running recycling campaigns.
- Control noise emissions from operations.
- Minimise the risk to the general public and employees from operations and activities undertaken by the organisation.
- Hold meetings and training, as much as reasonably practicable, via digital technology and thereby reduce the level of travel required across the organisation.
- We use the ISO 14001 environmental management system to support our SECR and ESOS compliance, and this, coupled with the above approach, reduces both energy and travel costs thus supporting our ongoing sustainability.

ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

X. CONSTITUTION (continued)

Modern Slavery Act 2015 - Modern Slavery and Human Trafficking Statement

The Real Life Options Group will always work to the highest ethical standards and comply with all laws, regulations and rules relevant to our business. Our reputation is paramount and we take our Corporate and Social Responsibilities very seriously. We realise that our relationships with those we deal with, be they people we support, employees, stakeholders, suppliers or the local community, are key to our success and consequently we take our obligations very seriously.

This statement which covers the financial period 1st April 2024 to 31st March 2025, is made on behalf of the Board at Real Life Options Group with regards to the Modern Slavery Act 2015, which requires large employers to be transparent about their efforts to eradicate Slavery and Human Trafficking in their supply chains. This statement describes how we recognise and prevent human trafficking and slavery in our supply chains.

Since 1992, Real Life Options has been delivering high quality, ethically managed social care for people with learning disabilities and autism. We have a national reputation for providing person-centred care and services to support people to live their lives. We provide self- directed support to ensure people have equal rights as citizens, to maximise their independence and social inclusion and to exercise choice about their own lives.

Our supply chains include procurement of agency staff, facilities maintenance and utilities.

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. We are committed to acting ethically and with integrity in all our business relationships and to implement and enforce effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. We expect our supply chains to comply with all relevant regulations including pre-employment checks and verification of certification and eligibility.

We have various checks that enable us to identify and mitigate risk in relation to slavery and human trafficking. We ensure that we work with suppliers who treat their obligations towards modern slavery with the same importance that we do. We maintain systems that:

- Identify and assess potential risk areas in our supply chains through active risk management.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains through ethical procurement.
- Monitor potential risk areas in our supply chains through close working relationships with suppliers.
- Protect whistle blowers through our whistle blowing policy.

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, employees are made aware through our safeguarding learning module. Our employees are encouraged to identify any potential anti- slavery concerns and receive regular communications regarding what to do if they suspect this, and we have protection in place for whistle blowers.

ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

X. CONSTITUTION (continued)

Gender Pay Reporting

As a provider in the social care sector, our workforce reflects the demographics of the industry, with 72.6% (2024 – 72.9%) of our employees identifying as female. We are committed to building a diverse and inclusive workforce, ensuring that all employees are treated fairly, respectfully, and equitably.

We operate with transparent pay and reward structures, and all employees are given equal opportunities to progress within the organisation. Our approach is rooted in fairness and consistency, and we continue to monitor and review our practices to uphold these values.

For the reporting year ending 31 March 2025, our gender pay gap analysis showed:

- Median hourly pay gap: 0.7% in favour of male employees (2024 – 3.3%)
- Mean hourly pay gap: 2.2% in favour of male employees (2024 – 1.2%)

While these figures are modest, we acknowledge the importance of continued progress. All new recruits are paid at standard rates, supporting our goal of achieving pay parity across all roles and levels.

We remain committed to:

- Regularly reviewing pay gaps at both mean and quartile levels
- Taking action to address any disparities
- Ensuring that our pay practices promote equality and transparency

Our full gender pay gap report is available on the UK Government's website.

Fundraising

In accordance with Section 162a of the Charities Act 2011, charities are required to provide a statement on fundraising activities. While we do not engage in widespread public fundraising, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." All such income is reported as voluntary income and includes grants and legacies received during the year.

All fundraising activities undertaken by the organisation are managed exclusively through internal resources. No commercial participators, professional fundraisers, or third-party agencies are engaged in the solicitation or administration of charitable income.

Responsibility for the operational oversight of income generation is delegated to the leadership team, who act under the authority of, and remain fully accountable to, the Board of Trustees. This governance structure ensures transparency, ethical practice, and alignment with the organisation's charitable objectives.

REAL LIFE OPTIONS
(A company limited by guarantee)

ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

XI. FINANCIAL REVIEW

For the year ended 31 March 2025, Real Life Options Group delivered a strong financial performance, achieving a turnover of £55.6 million, an increase of 5.5% compared to £52.7 million in the previous year. This growth reflects our continued commitment to expanding and enhancing services across the Group.

- **Charity Operations – Real Life Options**

Turnover increased by 5.7%, rising from £48.9 million to £51.7 million, driven by sustained demand for high-quality support services and strategic investment in service delivery.

- **Subsidiary Performance**

Income from subsidiaries grew by 8.0%, from £4.1 million to £4.4 million, underlining the strength and resilience of our diversified service portfolio.

This positive trajectory demonstrates our ability to respond to evolving needs while maintaining financial stability, ensuring we can continue to invest in people and infrastructure to support individuals with learning disabilities.

Net movement in funds for the Group increased by 7% from £2.2 million to £2.3 million reflecting the increase in activity throughout England and Scotland. Fee levels increased largely in response to the increase in the National Minimum Wage and Scottish Living Wage, although not all local authorities responded promptly or comprehensively to the increase in the rates that we are obliged to pay. We continue to engage with commissioners across England and Scotland to ensure we remain well-positioned to deliver services that are both effective and economically sustainable.

We make every effort to procure fee rates which ensure quality provision and sustainable services for the people we support. The most significant challenge during this and also previous years has been the recruitment and retention of employees primarily due to competition for employees from the hospitality and retail sectors. This has been particularly challenging in the homecare business due to the potential impact on growth plans. We recognise that the recruitment and retention of skilled, motivated, and engaged employees is critical to the long-term sustainability and success of our business. We are committed to fostering a workplace culture that attracts top talent, supports career development, and promotes employee wellbeing.

Over the past year, we have continued to expand our Outreach services organically, reflecting our commitment to sustainable growth, community engagement, and operational excellence.

The Group surplus for the year, after taxation amounted to £2,304k (2024 - £2,152k).

Statement of Financial Position

Debt collection continues to be a key operational focus, supported by strong partnerships with local authorities who commission our services. These relationships underpin a healthy and consistent cashflow. Our engagement with long-term lenders remains robust, and throughout the year, loan repayments have adhered to the agreed schedules, reflecting disciplined financial management and sustained lender confidence.

There has been no material investment in property assets during the year.

Taxation

The activities of the Charity fall within the exemptions conferred by sections 505 and 506 of the Income and Corporation Taxes Act 1988. Consequently, no corporation tax is provided for in the financial statements for the Charity in this year.

The Group's trading subsidiaries are subject to corporation tax where retained reserves are insufficient for all surpluses to be paid to the Charity by way of Gift Aid. In the current year, there has not been a declaration of any donations that will qualify for Gift Aid relief to the parent Charity, but the accounts have been prepared on the assumption that the gift will be made and corporation tax relief granted.

ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

XI. FINANCIAL REVIEW (continued)

Reserves Policy

At the end of the year the Group held total reserves of £13.1m (2024 - £10.8m).

The Group's funds are held for a variety of purposes; to ensure that the organisation can operate as a going concern in the future and also to fulfil its legal obligations. The funds are summarised as follows:

- **Restricted funds (£65k)** - Certain donations received by the organisation are held under trust law, meaning they are legally restricted and can only be applied to specific purposes as agreed with the donor. These funds are not available for general use and must be managed in strict compliance with the donor's instructions and applicable legislation.
- **Designated funds (£177k)** – The charity has designated a portion of its unrestricted reserves to support strategic priorities that will strengthen organisational capacity and improve service delivery. These designated funds are not restricted by donors but have been earmarked by the trustees for the following purposes:
 1. **Development of the Senior Leadership Team (SLT):**
Investment in leadership capability is essential to ensure the organisation continues to deliver high-quality services and adapt to future challenges. This includes leadership training, succession planning, and initiatives to enhance governance and strategic decision-making.
 2. **Development of Hubs Across the Country:**
The charity is committed to expanding and improving its regional presence through the development of hubs. These hubs will enable better local engagement, improved accessibility for the people we support, and more efficient delivery of services.

The trustees expect these designated funds to be utilised within the next three years, aligning with the organisation's strategic plan. The designation reflects the trustees' commitment to long-term sustainability and growth, while maintaining flexibility to respond to emerging needs.

- **General funds (£8.0m)** – these are strategically held at a level designed to withstand short-term financial risks, ensuring operational stability and continuity. By maintaining this buffer, the organisation can absorb unexpected fluctuations in income or expenditure without compromising service delivery or long-term objectives.
- **Intangible and tangible fixed asset funds (£4.9m)** – these funds represent the operational assets essential for the organisation's activities. Without these assets, we could not deliver our services. The majority of these assets relate to freehold property.

The Board of Trustees recognises the importance of maintaining adequate free reserves to mitigate short-term financial risks. It is considered prudent that unrestricted reserves are sufficient to absorb potential fluctuations in funding, particularly those arising from changes in fee rates or the loss of contracts with local authorities.

The Board reviews the reserves policy annually in light of evolving risks and assesses both the policy and the level of reserves held. The agreed policy is that unrestricted reserves should be maintained at a minimum of 10% of Group turnover or £5 million, whichever is higher. Based on the actual Group turnover at 31 March 2025, this equates to a minimum reserve requirement of £5.6 million.

As at 31 March 2025, the organisation's unrestricted reserves totalled £13.1 million, of which £8.0 million are classified as free reserves. This strong financial position reflects prudent management and ensures compliance with the organisation's reserves policy.

ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

XI. FINANCIAL REVIEW (continued)

Reserves Policy (continued)

The current level of reserves:

- Exceeds the minimum requirement set by the Board to safeguard operational continuity.
- Meets the strategic objective of maintaining reserves equivalent to three months of operating costs, providing a robust buffer against unforeseen financial pressures.
- Enables timely investment in services, infrastructure, and innovation to meet the evolving needs of the people supported by Real Life Options.

Maintaining this level of reserves is integral to our long-term sustainability strategy. It allows the organisation to:

- Respond effectively to changes in funding or demand.
- Invest in quality improvements and service development without compromising financial stability.
- Support risk management by ensuring liquidity during periods of uncertainty.

The Board regularly reviews the reserves policy to ensure it remains appropriate in the context of organisational growth, sector challenges, and future commitments.

Going concern

The Trustees have undertaken a comprehensive assessment of the Charity's reserves and projected cash flows, including those of its subsidiaries, through to 31 March 2027. Based on this assessment, the Trustees are satisfied that the Charity will have sufficient resources to meet all existing obligations throughout the forecast period.

The Trustees have also reviewed detailed profit and loss and balance sheet forecasts to 31 March 2027. These forecasts have been prepared on a prudent basis, incorporating anticipated increases in the National Minimum Wage effective from 1 April 2026, prevailing inflation rates as at August 2025, and modest fee uplifts from Local Authorities. No assumptions have been made regarding additional business volumes.

As part of this review, sensitivity analyses have been performed to assess the potential impact of adverse scenarios, including the inability to secure fee uplifts and a significant reduction in the volume of care provided. In addition, reverse stress testing has been undertaken to further evaluate the Charity's resilience under extreme conditions.

Having considered these factors, and following a review of cash flow forecasts covering a period of at least twelve months from the date of approval of these financial statements, the Trustees have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees have adopted the going concern basis in preparing these financial statements.

These financial statements do not include any adjustments that might be necessary should the going concern basis of preparation be deemed inappropriate. The Trustees confirm that, at the date of approval of these financial statements, there are no material uncertainties that cast significant doubt on the Charity's ability to continue as a going concern.

ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

XII. PLANS FOR THE FUTURE

Looking ahead, Real Life Options Group will continue to build on the foundations of purpose-led growth and regional strength, with people at the heart of all we do. The 2025–2030 Strategic Plan sets out a clear vision for delivering sustainable, high-quality care that is responsive to the changing needs of individuals and communities across the UK.

Key priorities include:

- Embedding regional leadership across the England and Scotland divisions to enhance service quality and local accountability.
- Expanding home care and supported living services, including mixed models of partnership delivery, to meet increasing demand.
- Strengthening workforce capability through continuous learning, wellbeing initiatives, and leadership development.
- Enhancing data, digital, and reporting systems to improve insight, quality assurance, and service outcomes.
- Building stronger community connections through volunteering, fundraising, and partnership initiatives that increase inclusion and independence.
- Evolving the organisation's brand and communications to reflect our purpose and amplify the voice of those we support.

Real Life Options Group remains dedicated to delivering care that changes lives, care that is person-centred, purpose-driven and grounded in our belief that everyone deserves the opportunity to live a meaningful and fulfilling life.

Events after the reporting period

No significant post year end events have been identified.

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ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

XIII. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are the directors of Real Life Options for the purposes of Company Law) are responsible for preparing the Group Strategic Report, the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group 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 set out in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. The Trustees are also responsible for safeguarding the assets of the charitable company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditor

The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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ANNUAL TRUSTEES' AND GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

Auditor

The auditor, Crowe U.K. LLP was appointed during the year and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

ON BEHALF OF THE BOARD



D Wilkin

Director and Chair of the Trustees

16/12/2025

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REAL LIFE OPTIONS
(A company limited by guarantee)
REAL LIFE OPTIONS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of Real Life Options (the "charitable company") and its subsidiaries (the "group") for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, Charity Statement of Financial Activities, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's 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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

REAL LIFE OPTIONS
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2025

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

Matter on which we are required to report under the Companies Act 2006

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' 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:

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 25, 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2025

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, the Companies Act 2006 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context were the Care Quality Commission and Care Inspectorate regulations for service providers and managers, General Data Protection Regulation (GDPR), Health and Safety legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We also considered the opportunities and incentives that may exist within the group for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of contract income and management override of controls. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing regulatory correspondence with the Charity Commission, sample testing of contract income, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2025

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 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 and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Dipesh Chhatralia
Senior Statutory Auditor
for and on behalf of Crowe U.K. LLP
Statutory Auditor
London

Date: 18 December 2025

Crowe U.K. LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

REAL LIFE OPTIONS
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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Designated Funds £'000	2025 Total £'000	2024 Total £'000
Incoming resources						
Charitable activities	4	51,132	-	-	51,132	48,377
Donations	4	-	23	-	23	14
Trading activities:						
Trading subsidiaries income	14	4,402	-	-	4,402	4,076
Other income		11	-	-	11	250
Total incoming resources		<u>55,545</u>	<u>23</u>	<u>-</u>	<u>55,568</u>	<u>52,717</u>
Expenditure on:						
Raising funds:						
Trading subsidiaries expenditure		3,659	-	-	3,659	3,519
Charitable activities		<u>49,584</u>	<u>23</u>	<u>-</u>	<u>49,607</u>	<u>47,049</u>
Total resources expended	5	<u>53,243</u>	<u>23</u>	<u>-</u>	<u>53,266</u>	<u>50,568</u>
Net income before transfers and tax		<u>2,302</u>	<u>-</u>	<u>-</u>	<u>2,302</u>	<u>2,149</u>
UK corporation tax	11	2	-	-	2	3
Net movement in funds		<u>2,304</u>	<u>-</u>	<u>-</u>	<u>2,304</u>	<u>2,152</u>
Fund balances at 1 April 2024	27	<u>10,554</u>	<u>65</u>	<u>177</u>	<u>10,796</u>	<u>8,644</u>
Total fund balances at 31 March 2025	27	<u>12,858</u>	<u>65</u>	<u>177</u>	<u>13,100</u>	<u>10,796</u>

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 35 to 60 form part of these financial statements.

REAL LIFE OPTIONS
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CHARITY STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Designated Funds £'000	2025 Total £'000	2024 Total £'000
Incoming resources						
Charitable activities	4	51,132	-	-	51,132	48,379
Donations		-	23	-	23	14
Other income		11	-	-	11	250
Investment income		526	-	-	526	240
Total incoming resources		51,669	23	-	51,692	48,883
Resources expended						
Charitable activities		49,243	23	-	49,266	46,713
Total resources expended	5	49,243	23	-	49,266	46,713
Net movement in funds		2,426	-	-	2,426	2,170
Fund balances at 1 April 2024	27	12,966	65	177	13,208	11,038
Total fund balances at 31 March 2025	27	15,392	65	177	15,634	13,208

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 35 to 60 form part of these financial statements.

REAL LIFE OPTIONS
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

		Group		Charity	
	Note	2025	2024	2025	2024
		£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	12	981	1,320	-	-
Tangible assets	13	3,933	3,896	3,932	3,894
Investments in subsidiaries	14	-	-	4,919	4,919
		<u>4,914</u>	<u>5,216</u>	<u>8,851</u>	<u>8,813</u>
Current assets					
Debtors: amounts recoverable within one year	15	5,296	4,881	5,775	5,136
Cash at bank and in hand	25	7,676	5,251	5,819	4,630
		<u>12,972</u>	<u>10,132</u>	<u>11,594</u>	<u>9,766</u>
Creditors:					
Amounts falling due within one year	16	(4,505)	(4,111)	(4,532)	(4,932)
		<u>8,467</u>	<u>6,021</u>	<u>7,062</u>	<u>4,834</u>
Net current assets					
		<u>13,381</u>	<u>11,237</u>	<u>15,913</u>	<u>13,647</u>
Total assets less current liabilities					
Creditors:					
Amounts falling due after more than one year	18	(279)	(439)	(279)	(439)
Provisions:					
Deferred taxation	21	(2)	(2)	-	-
		<u>13,100</u>	<u>10,796</u>	<u>15,634</u>	<u>13,208</u>
Net assets	28				
Reserves					
Unrestricted Funds		12,858	10,554	15,392	12,966
Restricted Funds		65	65	65	65
Designated Funds		177	177	177	177
		<u>13,100</u>	<u>10,796</u>	<u>15,634</u>	<u>13,208</u>
Total Funds	27				

The financial statements were approved and authorised for issue by the Trustees on 16/12/2025 and signed on their behalf by:



D Wilkin
Chair of the Board

The notes on pages 35 to 60 form part of these financial statements.

REAL LIFE OPTIONS
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CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2025

		2025 £'000	2024 £'000
Cash flows from operating activities			
Surplus for the financial year		2,304	2,152
Adjustments for:			
Amortisation of intangible assets	12	339	343
Depreciation of tangible fixed assets	13	139	132
Net interest payable		38	63
Taxation receivable	11	(2)	(3)
(Increase)/decrease in debtors	15	(414)	2,593
Increase/(decrease) in creditors	16	512	(1,540)
Interest paid		(38)	(63)
Taxation credit received		1	-
Net cash from operating activities		2,879	3,677
Cash flows from investing activities			
Purchase of tangible fixed assets	13	(176)	(49)
Net cash used in investing activities		(176)	(49)
Cash flows from financing activities			
Bank loans repaid		(278)	(330)
Net cash used in financing activities		(278)	(330)
Net increase in cash and cash equivalents		2,425	3,298
Cash and cash equivalents at beginning of year		5,251	1,953
Cash and cash equivalents at end of year	25	7,676	5,251
Cash and cash equivalents comprise:			
Cash at bank and in hand	25, 26	7,676	5,251

Analysis of net debt is given in note 26.

The notes on pages 35 to 60 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1 General information

The Charity is a private charitable company limited by guarantee incorporated in England and Wales and has no share capital. The address of the registered office is given on the company information page and the nature of the Group's operations and its principal activities are set out in the Group Strategic Report.

2 Accounting policies

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) (effective 1 January 2019) - Charities Statement of Recommended Practice (FRS 102), UK Generally Accepted Accounting Practice (UK GAAP) including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charity Act and the Charities (Regulation and Administration) (Scotland) Act 2023 and the Companies Act 2006. Assets and Liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Charity meets the definition of a public benefit entity under FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The financial statements have been prepared in pounds sterling and rounded to the nearest thousand pounds.

Parent company disclosure exemptions

In preparing the separate financial statements of the Charity, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the Charity;
- Disclosures in respect of the Charity's financial instruments have not been presented as equivalent disclosures have been provided for the Group as a whole.

The following principal accounting policies have been applied:

2.1. Basis of Consolidation

The consolidated financial statements present the results of Real Life Options and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of financial affairs from the date on which control is obtained. They are deconsolidated from the date control ceases.

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies (continued)

2.2. Going Concern

The Trustees have undertaken a comprehensive assessment of the Charity's reserves and projected cash flows, including those of its subsidiaries, through to 31 March 2027. Based on this assessment, the Trustees are satisfied that the Charity will have sufficient resources to meet all existing obligations throughout the forecast period.

The Trustees have also reviewed detailed profit and loss and balance sheet forecasts to 31 March 2027. These forecasts have been prepared on a prudent basis, incorporating anticipated increases in the National Minimum Wage effective from 1 April 2026, prevailing inflation rates as at August 2025, and modest fee uplifts from Local Authorities. No assumptions have been made regarding additional business volumes.

As part of this review, sensitivity analyses have been performed to assess the potential impact of adverse scenarios, including the inability to secure fee uplifts and a significant reduction in the volume of care provided. In addition, reverse stress testing has been undertaken to further evaluate the Charity's resilience under extreme conditions.

Having considered these factors, and following a review of cash flow forecasts covering a period of at least twelve months from the date of approval of these financial statements, the Trustees have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees have adopted the going concern basis in preparing these financial statements.

These financial statements do not include any adjustments that might be necessary should the going concern basis of preparation be deemed inappropriate. The Trustees confirm that, at the date of approval of these financial statements, there are no material uncertainties that cast significant doubt on the Charity's ability to continue as a going concern.

2.3. Income

All income is included in the Statement of Financial Activities ('SOFA') when:

- the entity is legally entitled to the income, and
- any performance conditions attaching to the income have been met, and
- the amount can be quantified with reasonable accuracy, and
- the amount is likely to be received.

Income may be accrued if the work has been completed and the service under the contract delivered. Income may be deferred if the service has not been provided even if the value has been invoiced and payment received.

Grants are received from bodies within Local Government and the National Health Service and are specific to the charitable activities.

All grants, donations, rental income and contractual payments are included on a receivable basis.

For legacies, income will be recognised if the amount can be measured and there is a clear indication that a distribution will be made from the estate.

In accordance with the Charities SORP (FRS 102), the contribution of volunteers' general time to the Charity will not be recognised in the financial reports but will be referred to in the Trustees' annual report.

Grants are recognised as and when conditions for their release are fulfilled

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies (continued)

2.4. Expenditure

Expenditure is included in the statement of financial activities on an accruals basis inclusive of any VAT which cannot be recovered.

Charitable expenditure and support costs comprise direct expenditure including direct staff costs attributable to the activity. The Charity has one type of activity – support services. All support costs are allocated to this activity. Governance costs are those incurred in connection with the management of the Charity's assets, organisational administration and costs regarding compliance with constitutional and statutory requirements.

Trading expenditure comprises the costs of the trading subsidiaries and is recognised on an accruals basis.

2.5. Fund Accounting

Unrestricted funds, which have not been designated for other purposes, are available for use at the discretion of the Trustees, in furtherance of the general objectives of the Charity.

Designated funds are transferred from general unrestricted funds for specific purposes, based on available cost information. These amounts are monitored annually and may be amended or re-designated by the Board.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by conditions relating to the arrangements leading to the receipt of the money; conditions under which money has been donated; or which have been raised by the Charity for particular purposes. If there is an obligation to use resources generated for a specific purpose, the income will be accounted for in a restricted fund. The costs of raising and administering such funds will be charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.6. Intangible assets

Goodwill

At the date of acquisition, goodwill will initially be measured as the excess of the cost of the business combination over the fair value of the net amount of the identifiable assets, liabilities and contingent liabilities.

After initial recognition, the goodwill shall be measured as cost less accumulated amortisation and accumulated impairment losses. An estimate of the useful life of the goodwill will be made at the time of acquisition and the goodwill be amortised on a systematic basis over that life. The useful life of the goodwill will not normally be more than 10 years.

Using the definitions in FRS 102, as part of the annual impairment review process, the value of goodwill will be compared with the recoverable amount of the asset. In the event that the value of the goodwill is found to be less than the recoverable amount, the value of the impairment will be recognised in the accounts.

Software

At each reporting date, the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years. Software is amortised over a period of 3 years.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies (continued)

2.7. Tangible Assets

Tangible fixed assets costing more than £1,000 are capitalised and valued at historical cost along with any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value on a straight line or reducing balance basis over the following ranges of expected useful economic lives:

Freehold land & buildings	-	50 years straight line
Leasehold improvements	-	10 years straight line or the length of the lease if shorter
Fixtures and fittings	-	3-10 years straight line
Computer equipment	-	2-4 years straight line
Motor vehicles	-	25% reducing balance
Office equipment	-	3-4 years straight line

Freehold land will not be depreciated.

2.8. Accounting for Investments in Subsidiaries

Investments in subsidiaries are stated at cost less any assessed impairment in the asset.

2.9. Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10. Financial Instruments

Real Life Options and its Group entities only enter into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables are measured, initially and subsequently, at the undiscounted amounts of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently amortised at cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies (continued)

2.10. Financial Instruments (continued)

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

2.11. Current and Deferred Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of financial activities.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the UK.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or future profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the Group can control their reversal and such reversal is not considered probable in the near future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of the liabilities acquired and the amount that will be assessed for tax.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.12. Pension

Retirement benefits to the majority of employees are provided by the Group's defined contribution scheme. Contributions payable to the Group's pension scheme are charged to the profit and loss account in the period to which they relate.

A small, and reducing, number of employees are members of the NHS pension scheme. This is a defined benefit scheme and the assets are held separately from those of the Group. The NHS Pension scheme is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. The NHS pension scheme is a multi-employer scheme.

The Group will recognise in the accounts its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis if it is possible and economical to identify its share of the cost. As it is not possible or economical to identify the Group's share of the underlying assets and liabilities, the NHS pension scheme is treated as a defined contribution scheme and the Group's contributions are recognised as they are paid each year.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies (continued)

2.13. Operating Leases

Income and costs associated with operating leases are either credited or charged to the SOFA on an accruals basis in accordance with the contracts in force during the year.

The cost of the lease payments over the contracted period, after allowing for any lease incentives, will be apportioned equally over the life of the lease.

2.14. Gift Aid distribution

The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the Charity.

Gift Aid is recognised on the accruals basis.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following estimations and judgements:

The Directors have reviewed the carrying value of the Group's assets, including goodwill, to determine whether there are any indicators of impairment. Factors taken into account include the economic viability and expected future financial performance of the assets.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of assets and residual values are assessed on acquisition and may be revised if operating circumstances change significantly.

The Directors have made assumptions about the potential value and likelihood of success of claims against the company for unpaid wages from current and former employees.

4 Analysis of Income from Charitable Activities

All activity relates to the provision of care services in the UK.

All income is unrestricted other than restricted donations of £23k (2024 - £14k).

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5 Analysis of resources expended

Support costs represent expenditure incurred in the provision of human resources, training, governance, property, finance, and administrative functions that enable the charity and its subsidiaries to operate effectively. In accordance with the Charities SORP (FRS 102), these costs are normally apportioned across activities on a reasonable and consistent basis.

Support costs have not been allocated to trading subsidiaries as the amounts attributable to these entities are considered immaterial to the consolidated financial statements. The trustees have reviewed the basis of allocation and determined that inclusion would not have a material impact on the presentation or understanding of the financial position. This approach is consistent with the Charity's accounting policies and the principles of materiality set out in the SORP.

GROUP 2025

	Direct costs	Support costs	Total
	£'000	£'000	£'000
Trading subsidiaries expenditure	3,659	-	3,659
Charitable activities:			
Provision of care and support	43,620	5,987	49,607
	<u>47,279</u>	<u>5,987</u>	<u>53,266</u>

GROUP 2024

	Direct costs	Support costs	Total
	£'000	£'000	£'000
Trading subsidiaries expenditure	3,519	-	3,519
Charitable activities:			
Provision of care and support	40,768	6,281	47,049
	<u>44,287</u>	<u>6,281</u>	<u>50,568</u>

CHARITY 2025

	Direct costs	Support costs	Total
	£'000	£'000	£'000
Charitable activities:			
Provision of care and support	43,620	5,646	49,266

CHARITY 2024

	Direct costs	Support costs	Total
	£'000	£'000	£'000
Charitable activities:			
Provision of care and support	40,768	5,945	46,713

Total expenditure for the year for the Group was £53,266k (2024 - £50,568k) of which £23k (2024 - £10k) was restricted, £nil (2024 - £18k) was designated and £53,243k (2024 - £50,540k) was unrestricted.

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5 Analysis of resources expended (continued)

Total expenditure for the year for the Charity was £49,266k (2024 - £46,713k) of which £23k (2024 - £10k) was restricted, £nil (2024 - £18k) was designated and £49,243k (2024 - £46,685k) was unrestricted.

Support costs

	GROUP		CHARITY	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Provision of Care and Support:				
Human resources and training costs	1,430	1,488	1,430	1,488
Governance costs	121	185	121	185
Finance and administration costs	4,023	4,222	3,682	3,886
Property costs	413	386	413	386
	<u>5,987</u>	<u>6,281</u>	<u>5,646</u>	<u>5,945</u>

6 Analysis of governance costs

	GROUP		CHARITY	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Analysis of governance costs				
Audit fees	92	131	92	131
Other financial services including accountancy services	29	54	29	54
	<u>121</u>	<u>185</u>	<u>121</u>	<u>185</u>

	GROUP		CHARITY	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Audit and non-audit services				
Statutory audit of parent and consolidated accounts	92	131	92	131
Tax services	11	26	11	26
Other services	18	28	18	28
	<u>121</u>	<u>185</u>	<u>121</u>	<u>185</u>

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7 Net income

Net income is stated after charging:

	GROUP		CHARITY	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Operating lease rentals:				
- land & buildings	191	750	185	665
- equipment	649	210	555	205
Depreciation - owned assets	139	132	138	135
Loan interest	38	63	38	63
Amortisation of goodwill	336	337	-	-
Amortisation of software	3	6	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

8 Staff costs

	GROUP		CHARITY	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Wages and salaries	41,821	38,664	38,895	35,924
Social security costs	3,661	3,363	3,452	3,151
Other pension costs - contributions to defined contribution schemes	838	747	791	702
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	46,320	42,774	43,138	39,777
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The figures shown above represent all staff costs for the Group and Company including operational staff costs, as shown in Note 5, together with costs relating to staff who work in support services and regional offices, which are incorporated within the support cost figures in note 5.

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	GROUP		CHARITY	
	2025	2024	2025	2024
	Number	Number	Number	Number
£60,001 - £70,000	4	4	4	4
£70,001 - £80,000	5	4	4	3
£80,001 - £90,000	1	-	1	-
£110,001-£120,000	-	1	-	1
£120,001-£130,000	-	1	-	1
£130,001-£140,000	-	1	-	1
£160,001-£170,000	1	-	1	-
£180,001-£190,000	-	1	-	1
£190,001-£200,000	1	-	1	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	12	12	11	11
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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8 Staff costs (continued)

All employees earning more than £60,000 contributed to a personal pension scheme. The Charity contributed £43k (2024 - £40k) on their behalf.

The number of full and part-time employees, calculated on a monthly average basis, was:

	GROUP		CHARITY	
	2025	2024	2025	2024
	Number	Number	Number	Number
Staff	1,949	1,952	1,722	1,717

Redundancy costs of £100k (as restated 2024 - £69k) were payable of which £nil (2024 - £nil) was unpaid at the year end. This related to compensation for loss of office for 21 (2024 - 7) individuals.

9 Directors' Remuneration

	GROUP AND CHARITY	
	2025	2024
	£'000	£'000
Directors' emoluments	351	371
Company contributions to defined contribution pension scheme	9	50
	360	421

There were 2 directors in the Group's defined contribution pension scheme (2024 - 4). None of the directors accrued benefits under a defined benefit pension scheme during the year (2024 - none).

Other than the directors, there are not considered to be any other employees who are key management personnel.

Emoluments of the highest paid director were £195k (2024 - £187k). Company pension contributions of £4k (2024 - £4k) were made to a defined contribution pension scheme on their behalf.

Under the Articles of Association, the Charity is allowed to remunerate non-executive Trustees for their duties.

In the year ended 31 March 2025 and the year ended 31 March 2024, non-executive Trustees did not receive any remuneration.

Trustees are reimbursed for expenditure incurred in attending Trustee meetings or visiting the Group's location and facilities in their roles as Trustees. In the year to 31 March 2025, costs totalling £1k (2024 - £0.6k) were reimbursed to 3 (2024 - 2) non-executive Trustees.

10 Indemnity insurance

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1k (2024 - £1k).

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11 Taxation

	GROUP	
	2025 £'000	2024 £'000
Corporation Tax		
Charge for year	-	-
Total	-	-
Deferred Tax		
Origination and reversal of timing differences	(2)	(1)
Adjustments in respect of prior periods	-	(2)
Change to tax rates	-	-
	(2)	(3)
Total tax credit for the year	(2)	(3)
Net incoming resources before other recognised gains, losses and transfers	2,302	2,149
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25% (2024 - 25%)	576	537
Income not subject to tax	(12,791)	(12,301)
Expenses not deductible for tax purposes	12,402	11,763
Adjustments in respect of prior periods	-	(2)
Other differences leading to a decrease in the tax charge	(189)	
Total tax credit for the year	(2)	(3)

Factors that may affect future tax credits

There are no factors affecting future tax credits.

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12 Intangible assets

Group	Goodwill £'000	Software £'000	Total £'000
Cost			
At 1 April 2024	5,925	38	5,963
At 31 March 2025	5,925	38	5,963
Amortisation			
At 1 April 2024	4,620	23	4,643
Amortisation in the year	336	3	339
At 31 March 2025	4,956	26	4,982
Net book value			
At 31 March 2025	969	12	981
At 1 April 2024	1,305	15	1,320
Charity			
			Goodwill £'000
Cost			
At 1 April 2024 and 31 March 2025			474
Amortisation			
At 1 April 2024 and 31 March 2025			474
Net book value			
At 1 April 2024 and 31 March 2025			-

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13 Tangible fixed assets

GROUP	Freehold land and buildings £'000	Leasehold improvements £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
Cost						
At 1 April 2024	4,275	407	206	82	1,372	6,342
Additions	-	85	21	-	70	176
At 31 March 2025	4,275	492	227	82	1,442	6,518
Depreciation						
At 1 April 2024	624	234	206	40	1,342	2,446
Provided during the year	60	45	3	12	19	139
At 31 March 2025	684	279	209	52	1,361	2,585
Net Book Value						
At 31 March 2025	3,591	213	18	30	81	3,933
At 31 March 2024	3,651	173	-	42	30	3,896

There are fixed and floating charges on freehold land and buildings.

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13 Tangible fixed assets (continued)

	Freehold land and buildings £'000	Leasehold improvements £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer £'000	Total £'000
CHARITY						
At 1 April 2024	4,275	407	235	82	1,324	6,323
Additions	-	85	21	-	70	176
At 31 March 2025	4,275	492	256	82	1,394	6,499
Depreciation						
At 1 April 2024	624	234	231	40	1,300	2,429
Provided during the year	60	44	7	10	17	138
At 31 March 2025	684	278	238	50	1,317	2,567
Net book value						
At 31 March 2025	3,591	214	18	32	77	3,932
At 31 March 2024	3,651	173	4	42	24	3,894

There are fixed and floating charges on freehold land and buildings.

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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
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14 Investments

	CHARITY	
	2025	2024
	£'000	£'000
Cost and net book value as at 1 April 2024	4,919	4,919
Cost and net book value as at 31 March 2025	4,919	4,919

Impairment reviews have been conducted for the following subsidiaries: Montana Home Care Ltd, 1st Home Care Ltd, and Affinity Homecare Shrewsbury Limited. These reviews were carried out in accordance with the principles outlined in Section 27 of FRS 102. Based on the assessments performed, no indicators of impairment were identified. Consequently, the investments in these entities continue to be held at cost.

Subsidiary	Control %	Co. Number	Registered Office
1st Home Care Ltd	100	SC272838	Suite 1, Ground Floor Academy House, 1346 Shettleston Road, Glasgow, G32 9AT
Orchard Care Services Limited	100	05767436	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Lowland Care Services Limited	100	SC236443	Suite 1, Ground Floor Academy House, 1346 Shettleston Road, Glasgow, G32 9AT
Alpha Homecare (Scotland) Limited	100	SC263919	Suite 1, Ground Floor Academy House, 1346 Shettleston Road, Glasgow, G32 9AT
RLO Orchard Care Limited	100	08164674	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Senior Service (Edinburgh) Limited*	100	SC312050	Suite 1, Ground Floor Academy House, 1346 Shettleston Road, Glasgow, G32 9AT
Montana Home Care Ltd.	100	SC267110	88 Grahams Road, Falkirk, Stirlingshire, FK2 7DL
Affinity Homecare Shrewsbury Limited	100	09508514	Suite D, Global House Sitka Drive, Shrewsbury Business Park, Shrewsbury, SY2 6LG

All subsidiaries are involved in the provision of care services.

* Denotes that the 100% control is indirect via Lowland Care Services Limited.

Subsidiary Real Life Options (Cymru) Limited (company no. 08165205) was dissolved on 1 October 2024.

Of the above named subsidiaries, only Affinity Homecare Shrewsbury Limited, 1st Home Care Ltd and Montana Home Care Ltd are considered to be material to the operations of the Group.

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14 Investments (continued)

The following subsidiary Companies were incorporated during a previous financial year but were dormant. Each Company has 2 shares with an aggregate nominal values of £2.

They have been excluded from consolidation by virtue of s394A of Companies Act 2006.

Subsidiary	Control %	Co. Number	Registered Office
Real Life Options West Yorkshire Limited [^]	100	13082099	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Warwickshire Limited [^]	100	13082242	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Tyne & Wear Limited [^]	100	13082119	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Staffordshire Limited [^]	100	13082096	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Derbyshire Limited [^]	100	13082113	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options County Durham Limited [^]	100	13082447	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Cheshire Limited [^]	100	13082164	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Angus Limited [^]	100	13082200	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Aberdeenshire Limited [^]	100	13082153	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Enterprise Limited [^]	100	13071404	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Innovation Limited [^]	100	13055357	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Services Limited	100	13055350	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU

[^] Denotes that the company was dissolved in the year on 1 October 2024.

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14 Investments (continued)

The income and expenditure for the year ended 31 March 2025 was as follows:-

	1st Home Care		Montana Home Care		Affinity Home Care	
	Year ended 31 March 2025 £'000	Year ended 31 March 2024 £'000	Year ended 31 March 2025 £'000	Year ended 31 March 2024 £'000	Year ended 31 March 2025 £'000	Year ended 31 March 2024 £'000
Turnover	2,706	3,006	930	442	766	595
Cost of sales	(2,005)	(2,262)	(615)	(344)	-	-
Gross profit	701	744	315	98	766	595
Administrative expenses	(263)	(330)	(141)	(116)	(630)	(467)
Operating profit	438	414	174	(18)	136	128
Interest receivable and similar income	-	-	(4)	-	-	-
Profit on ordinary activities before tax	438	414	170	(18)	136	128
Taxation	-	3	1	-	-	-
Profit after tax	438	417	171	(18)	136	128

The aggregate of the assets liabilities and funds was:

	As at 2025 £'000	As at 2024 £'000	As at 2025 £'000	As at 2024 £'000	As at 2025 £'000	As at 2024 £'000
Assets	1,948	1,886	246	39	257	235
Liabilities	(210)	(188)	(81)	(44)	(48)	(35)
Reserves	1,738	1,698	165	(5)	209	200

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15 Debtors: amounts due within one year

	GROUP		CHARITY	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade debtors	4,058	3,311	3,727	3,019
Amounts due from subsidiary undertakings	-	-	913	960
Other debtors	69	58	66	58
Prepayments and accrued income	1,167	1,511	1,069	1,099
Deferred tax asset	2	1	-	-
Total	5,296	4,881	5,775	5,136

The impairment recognised in the Group's Statement of Financial Activities for the period in respect of bad and doubtful trade debtors was a credit reversal to the provision of £7k (2024 - £655k). The impairment recognised in the Charity's Statement of Financial Activities for the period in respect of bad and doubtful trade debtors was a credit reversal to the provision of £26k (2024 - loss of £655k).

In 2024, an arm's length loan agreement was created between Real Life Options, the parent, and Montana Home Care Ltd. The loan balance at 31 March 2025 was £52k (2024 - £27k) with an interest rate of 8%. All other amounts due from subsidiary undertakings are interest free and due on demand.

16 Creditors: amounts falling due within one year

	GROUP		CHARITY	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	135	253	135	253
Trade creditors	591	555	581	541
Other taxes and social security	718	699	683	664
Accruals and deferred income	711	704	620	612
Other creditors	2,350	1,900	2,436	1,985
Amounts due to subsidiary undertakings	-	-	77	877
	4,505	4,111	4,532	4,932

Amounts due to subsidiary undertakings are interest free and due on demand.

For a number of service users, the Charity is an appointee for the purposes of benefit claims with the Department for Work and Pensions. The Charity claims benefits on behalf of the service users and manages bank accounts opened specifically for this purpose on behalf of the claimant. In addition, the Charity works with service users in supported living by managing shared resources in bank accounts. The total amount of money controlled by the company under these arrangements is £1,985k (2024 - £2,215k). These are not included within the funds of the Group.

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17 Deferred income

	GROUP		CHARITY	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Balance at 1 April	402	703	401	704
Amount released to income	(392)	(703)	(391)	(704)
Amount deferred in the period	347	402	347	401
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance at 31 March	357	402	357	401
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Deferred income relates to the provision of care services invoiced in advance.

18 Creditors: amounts falling due in more than one year

	GROUP		CHARITY	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank loans	279	439	279	439
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

19 Bank loans

	GROUP		CHARITY	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Repayments fall due as follows:				
Within one year	135	253	135	253
In the second to fifth year inclusive	204	235	204	235
After 5 years	75	204	75	204
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total loans and overdrafts	414	692	414	692
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The bank loans are secured by charges over the Group's properties and are repayable at varying rates of interest, varying between base rate +2.2% and base rate +2.5%.

20 Financial instruments

	GROUP	
	2025	2024
	£'000	£'000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	12,663	9,499
	<u> </u>	<u> </u>
Financial liabilities		
Financial liabilities measured at amortised cost	3,709	3,449
	<u> </u>	<u> </u>

Financial assets measured at amortised cost comprise cash, trade and other debtors and accrued income.

Financial liabilities measured at amortised cost comprise bank loans, trade and other creditors and accruals.

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21 Deferred taxation

	GROUP	
	2025 £'000	2024 £'000
At 1 April 2024	(2)	(5)
Charged in the year	-	3
At 31 March 2025	(2)	(2)

The deferred taxation creditor is made up as follows:

	GROUP	
	2025 £'000	2024 £'000
Short term timing differences	(2)	(2)

22 Other financial commitments

At 31 March 2025, the Group had commitments under non-cancellable operating leases as follows:

	GROUP Land and Buildings		GROUP Equipment	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Expiry date:				
Within one year	824	963	65	66
Between two and five years	1,493	1,584	142	116
In more than 5 years	460	798	6	26
	2,777	3,345	213	208
	CHARITY Land and Buildings		CHARITY Equipment	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Expiry date:				
Within one year	776	924	65	66
Between two and five years	1,450	1,538	142	116
In more than 5 years	460	798	6	26
	2,686	3,260	213	208

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23 Pension scheme obligations - Defined Contribution Schemes

Past and present employees are covered by the provisions of the two NHS pension schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

These schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State in England and Wales. The schemes are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities.

Therefore, the schemes are accounted for as though they were defined contribution schemes: the cost to the clinical commissioning Group of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2025, is based on valuation data as 31 March 2024, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2016. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

The next actuarial valuation was due to take place with an effective date of 31 March 2020, however the COVID pandemic meant this was not possible. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

For 2024/25, employers' contributions of £34k (2023/24 - £33k) were payable to the NHS Pension Scheme at the rate of 14.38% of pensionable pay. The scheme's actuary reviews employer contributions, usually every four years and now based on HMT Valuation Directions, following a full scheme valuation. The latest review used data from 31 March 2016.

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24 Related party transactions

During the year, there were no sales or direct purchases between Group companies (see note 14). Recharges between Group companies have been made for expenses and other costs on behalf of related parties:

Cost incurred by	On behalf of	2025 £'000	2024 £'000
Real Life Options	1st Home Care Ltd	71	97
Real Life Options	Affinity Homecare Shrewsbury Limited	10	8
Real Life Options	Montana Home Care Ltd	12	45
Montana Home Care Ltd	Real Life Options	1	-
1st Home Care Ltd	Real Life Options	-	1

The intercompany debtor/(creditor) at year end comprised:

	2025 £'000	2024 £'000
1st Home Care Ltd	(4)	680
Affinity Homecare Shrewsbury Limited	(1)	122
Montana Home Care Ltd	(58)	(37)
Alpha Homecare (Scotland) Limited	(22)	(32)
Senior Service (Edinburgh) Limited	(92)	(102)
Real Life Options (Cymru) Limited	(216)	(270)
Lowland Care Services Limited	77	75
RLO Orchard Care Limited	(441)	(441)
Orchard Care Services Limited	(79)	(79)

During the year, Real Life Options purchased services and assets amounting to £10k (2024 - £7k) from Enable Unity CIC, a company in which resigned Director D I Sargent is a Trustee. These services and assets were purchased on an arm's length basis. Real Life Options had no amounts outstanding to or due from Enable Unity CIC at the 31 March 2025 (2024 - £nil).

Transactions with Trustees are detailed in note 9.

25 Analysis of cash and cash equivalents

	GROUP		CHARITY	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Short term deposits held	7,676	5,251	5,819	4,630

All cash at bank is held in deposit accounts and is immediately liquid. The Group holds no investments other than the shareholding of subsidiaries.

26 Analysis of net debt

	At 1 April 2024 £'000	Cash flows £'000	Interest £'000	At 31 March 2025 £'000
Short term deposits held	5,251	2,425	-	7,676
Bank loans	(692)	316	(38)	(414)
	4,559	2,741	(38)	7,262

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

27 Funds

Group	At 1 April 2024 £'000	Income £'000	Expenditure £'000	Gains, Losses and Tax £'000	At 31 March 2025 £'000
Restricted funds					
Services fund	65	23	(23)	-	65
Total restricted funds	65	23	(23)	-	65
Unrestricted funds					
Designated	177	-	-	-	177
General fund	10,554	55,545	(53,243)	2	12,858
Total unrestricted funds	10,731	55,545	(53,243)	2	13,035
Total funds	10,796	55,568	(53,266)	2	13,100

Charity	At 1 April 2024 £'000	Income £'000	Expenditure £'000	Gains and Losses £'000	At 31 March 2025 £'000
Restricted funds					
Services fund	65	23	(23)	-	65
Total restricted funds	65	23	(23)	-	65
Unrestricted funds					
Designated fund	177	-	-	-	177
General fund	12,966	51,669	(49,243)	-	15,392
Total unrestricted funds	13,143	51,669	(49,243)	-	15,569
Total funds	13,208	51,692	(49,266)	-	15,634

An amount of £177k (2024 - £177k) has been designated from unrestricted reserves to fund strategic initiatives, including the ongoing development of the senior leadership team and the expansion of regional hubs nationwide, aimed at enhancing organisational capacity and local impact.

Restricted funds are donations or income received for specific services or purposes, which are legally or contractually ring-fenced. These funds must be used solely for the projects or activities for which they were originally collected, ensuring compliance with donor intent and regulatory requirements.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

27 Funds (continued)

Group	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Gains, Losses and Tax £'000	At 31 March 2024 £'000
Restricted funds					
Services fund	61	14	(10)	-	65
Total restricted funds	61	14	(10)	-	65
Unrestricted funds					
Designated	195	-	(18)	-	177
General fund	8,388	52,703	(50,540)	3	10,554
Total unrestricted funds	8,583	52,703	(50,558)	3	10,731
Total funds	8,644	52,717	(50,568)	3	10,796

Charity	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Gains and Losses £'000	At 31 March 2024 £'000
Restricted funds					
Services fund	61	14	(10)	-	65
Total restricted funds	61	14	(10)	-	65
Unrestricted funds					
Designated fund	195	-	(18)	-	177
General fund	10,782	48,869	(46,685)	-	12,966
Total unrestricted funds	10,977	48,869	(46,703)	-	13,143
Total funds	11,038	48,883	(46,713)	-	13,208

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

28 Analysis of net assets

Group – current year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Intangible assets	981	-	-	981
Tangible assets	3,933	-	-	3,933
Current assets	12,730	177	65	12,972
Current liabilities	(4,505)	-	-	(4,505)
Non-current liabilities and provisions	(281)	-	-	(281)
	12,858	177	65	13,100

Group – prior year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Intangible assets	1,320	-	-	1,320
Tangible assets	3,896	-	-	3,896
Current assets	9,890	177	65	10,132
Current liabilities	(4,111)	-	-	(4,111)
Non-current liabilities	(441)	-	-	(441)
	10,554	177	65	10,796

Charity – current year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Tangible assets	3,932	-	-	3,932
Investments in subsidiaries	4,919	-	-	4,919
Current assets	11,352	177	65	11,594
Current liabilities	(4,532)	-	-	(4,532)
Non-current liabilities	(279)	-	-	(279)
	15,392	177	65	15,634

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

28 Analysis of net assets (continued)

Charity – prior year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Tangible assets	3,894	-	-	3,894
Investments in subsidiaries	4,919	-	-	4,919
Current assets	9,524	177	65	9,766
Current liabilities	(4,932)	-	-	(4,932)
Non-current liabilities	(439)	-	-	(439)
	12,966	177	65	13,208

29 Capital commitments

The company has the following capital expenditure contracted for at the year end:

	GROUP & COMPANY 2025 £'000	2024 £'000
Expenditure contracted for but not included in liabilities	-	13

REAL LIFE OPTIONS

England & Wales - Charity number 1156258

Accounts

Company Registered Number 02699638
Registered Charity Number in England and Wales 1156258
Registered Charity Number in Scotland SC045939

REAL LIFE OPTIONS

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Annual Report and Financial Statements
For the year ended 31 March 2024

REAL LIFE OPTIONS
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REAL LIFE OPTIONS
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REFERENCE AND ADMINISTRATION DETAILS
FOR THE YEAR ENDED 31 MARCH 2024

Organisation's Name	Real Life Options ("RLO")
Status	Real Life Options is a charitable company limited by guarantee. Real Life Options' governing documents are its Memorandum and Articles of Association.
Company Registration Number	02699638
Charity Registration Number	1156258
Office of the Scottish Charity Regulator Number	SCO45939
Principal Office and Registered Address	David Wandless House A1 Business Park Knottingley Road Knottingley West Yorkshire WF11 0BU
Trustees	D Wilkin R A Hendry D I Sargent C A Maltby C R McCorkindale
Officers:	
Company secretary	R Milner
Chief Executive	D I Sargent
Deputy Chief Executive	J Trench
Managing Director Real Life Options Enterprise	V Simons (resigned 21 June 2023)
Director of Finance and Resources	K E Platts (resigned 31 January 2024)
Advisers:	
Independent Auditor	Grant Thornton UK LLP 30 Finsbury Square London EC2A 1AG
Bankers	Natwest 135 Bishopsgate London EC2M 3UR
Legal	Weightmans No1 Whitehall Riverside Whitehall Road Leeds LS1 4BN

REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

I. STATUS

Real Life Options ("RLO") is a company limited by guarantee. Our governing documents are the Memorandum and Articles of Association.

Governing Body and Structure

Our governing body is a Board of Directors who are also the Trustees of the Charity. As of 31st March 2024, there were five Trustees.

The RLO constitution also facilitates a membership Group which is distinct from the Board and appointed through a separate process to ensure impartiality. The current seven members hold the Board to account in terms of ensuring that the organisation operates in accordance with its values.

Real Life Options has, over the years, evolved the organisation's structure to cope with increasing regulation, legislation, and complexity. The Board meets regularly in accordance with the constitutional requirements. The Board also benefits from an audit committee, remuneration committee and other working groups.

Real Life Options has a well-established annual planning and budgeting process.

Decision making

The Board meets quarterly in accordance with an annual work programme agreed annually in advance. In addition, it meets annually for an average of two days during which time it works with the Leadership team to set the strategic agenda and review previous performance.

Operational responsibility is delegated to the Chief Executive Officer. The Board is supported by a Company Secretary. At its meetings, the Board receives strategic and operational reports as well as a financial report.

II. OBJECTIVES AND ACTIVITIES

Real Life Options is founded on the values of respect, honesty, responsibility and excellence. These underpin our person-centred approach and help us work towards our vision of enabling every person to achieve their potential – whether they are someone we support or a member of staff.

The objects of the Charity are:

"The Charity's objects are the relief of those in the United Kingdom who are in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage."

RLO Group improved workforce planning taking into account changing legislation regarding recruitment through a complete review of the People Journey programme and a reformed People team. This resulted in improved induction, training and skills development aligned to roles across the Group. Updated policies recognise the importance of workforce health and well-being and staff being paid at least the National Minimum Wage.

RLO Group business resources have been better aligned to organisational and operational requirements to further develop our analytical ability to drive continuous improvements and quality service delivery at all levels. The referral process was reviewed resulting in a more efficient system supporting appropriate new growth.

Once again, RLO Group worked hard to achieve full compliance with internal and external reporting requirements, utilising regulatory and legislative frameworks to benchmark and embed best practice. Decision making is making more effective use of data to monitor and manage areas of pressure and non-conformance.

REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

II. OBJECTIVES AND ACTIVITIES (continued)

Real Life Options supports people to achieve their potential. We focus particularly on supporting people with learning disabilities and autism.

The Charity's main activities in relation to its objects and for the public benefit are the provision of tailored, person-centred care and support to people who have been identified by local authorities as qualifying for publicly funded services.

The Trustees have due regard to the guidance published by the Charity Commission on public benefit in directing the Charity's activities.

Our Vision

To be recognised as leaders in enabling people to achieve their potential.

Our Purpose

To provide excellent social care and support.

Our Values

To focus on respect, honesty, responsibility and excellence.

Our purpose is to provide relief to those that are in need through the provision of excellent care and support. We provide over 50,000 hours of care each week, working with circa 45 different local authorities throughout England and Scotland.

We support:

- People with learning disabilities or autism
- People with complex needs
- People with challenging behaviours
- People with physical disabilities
- People with sensory disabilities
- People with dementia
- Older people needing support
- People requiring palliative care
- People with a history or risk of offending

Real Life Options is an innovative provider of a range of service models which allow for individualised support packages including:

- Individual and multi occupancy tenancies with 24 hour support
- Supported living models
- Personalised 1:1 outreach
- Residential care homes
- Vocational day opportunities
- Short breaks
- Respite support
- End of life care

The focus of the Charity's effort will continue to be care and support for those who need it, particularly people with a learning or other disability.

During 2023/24, RLO continued to develop the strategy further using a purpose led approach. The external environment changed significantly over the year including increased payroll costs, challenges in recruitment and energy insecurity. In response, the RLO Board implemented a more efficient leadership structure with a greater focus on purpose led growth and less on new service development.

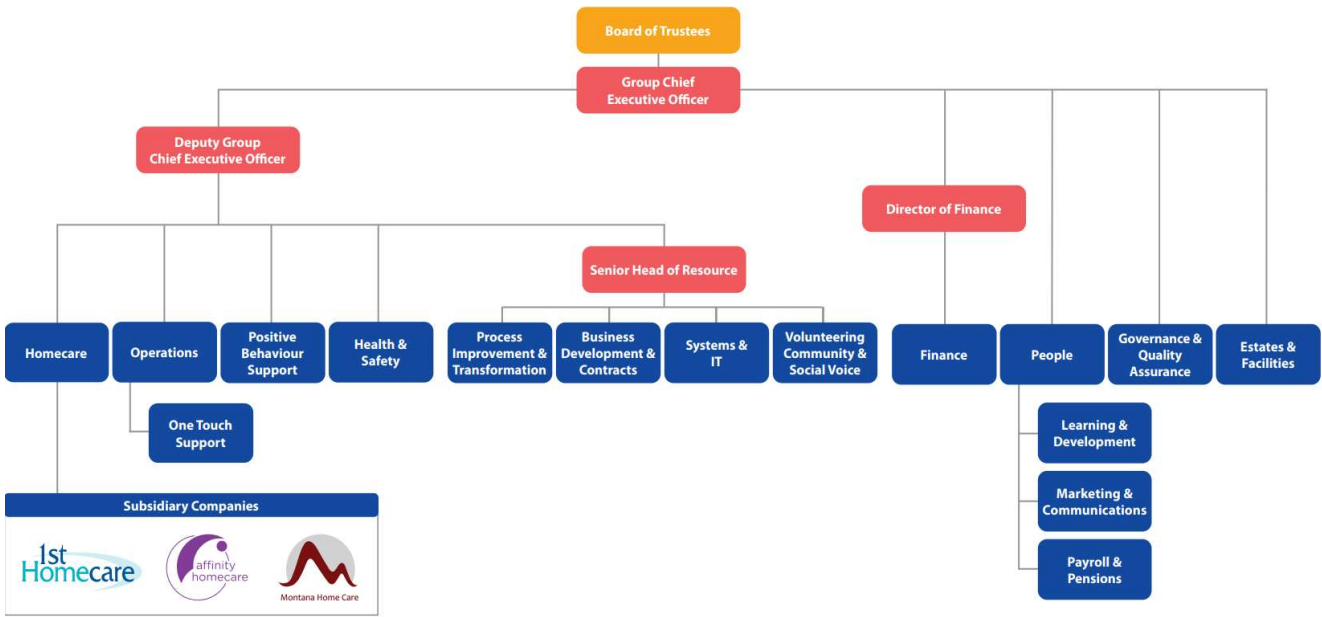
REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

III. STRUCTURE

Real Life Options’ structure:

Group Organisational Chart



IV. VOLUNTEERS

Real Life Options’ volunteer strategy initiative has grown considerably since it was implemented in 2019. We reviewed our management of the initiative in 2022/23 and made the decision to continue with one Strategic Volunteer and Social Value Lead for the Group rather than two Volunteer and Social Value Managers operating out of England and Scotland. The organisation has just over 240 volunteers and although the numbers are continuing to grow this remains stable due to the economic climate and people returning to paid employment. The volunteer strategy is undergoing a refresh in line with other modernisation and transformation plans being implemented across the organisation during 2024/25.

The volunteers support people we support with leisure activities, and they also raise funds for local projects. Many of the people we support also volunteer in their own communities in charity shops and community centres.

Alongside the volunteer strategy, we continue to have a robust fundraising initiative that enables staff, people we support and groups across the communities to formally raise funding and contribute to the future development of our community connections to enhance existing services and activities.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

V. PUBLIC BENEFIT

The Trustees confirm that they have complied with section 4 of the Charities Act 2006 to have due regard to the Charity Commission's guidance on public benefit. This Trustees' report clearly sets out our charitable objectives and how they benefit the public. The organisation is set up to benefit people who are in need because they have disabilities or require support at home. It also works with people who have severe learning difficulties. The organisation works to achieve its vision of a society in which disabilities are not a barrier to people taking control of their lives. We deliver professional, innovative and effective customer-focused services with the aim of improving the quality of life of people by:

- promoting choice and control
- enabling people to make a positive contribution
- increasing dignity and respect
- providing freedom from discrimination and harassment
- furthering health and emotional well-being
- enhancing economic well-being

VI. SECTION 172 STATEMENT

This section provides the RLO Group's section 172 statement. It needs to be read in the context of the whole annual report as evidence of the Directors' compliance with Section 172 of the Companies Act which requires Directors to take into consideration the interests of stakeholders in their decision making. The Directors continue to consider the Group's employees and other stakeholders, including the impact of its activities on the various communities we serve, the environment and the Group's reputation, when making decisions.

Acting in good faith and fairly between stakeholders, the Directors consider what is most likely to promote the success of the Group for its stakeholders in the long term. Whilst the importance of giving due consideration to our stakeholders is not new, we are continuing to explain in detail how the Board engages with our stakeholders, thus aiming to comply with the requirement to include a statement setting out how our Directors have discharged this duty.

The Board regularly reviews our principal stakeholders and how we engage with them. This is achieved through a number of channels including our independent membership which is in regular receipt of information concerning the organisation's activities. The Board has also invested in our Support and Enablement programme which is primarily concerned with ensuring that services provided are designed and delivered in accordance with the wishes and expectations of people we support and their families. Thus, the stakeholder voice is brought into the boardroom throughout the annual cycle through information provided by the leadership team and also by direct engagement with stakeholders themselves.

The relevance of each stakeholder group may increase or decrease depending on the matter or issue in question, so the Board seeks to consider the needs and priorities of each stakeholder group during its discussions and as part of its decision making.

REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

VI. SECTION 172 STATEMENT (continued)

The RLO Group's principal stakeholders are defined as:

Prime	Base	Partner
People we support	Local Authorities	Researchers
Families	Commissioners	Technical informers
Staff	Banks	Civil leaders
Volunteers	Regulators	Strategic partners
	Suppliers	Media
	Local communities	Donors

The Board continues to enhance its methods of engagement with the workforce. The RLO employee journey was designed to provide multiple points of engagement:



We aim to work responsibly with our suppliers. RLO remains committed to ensuring that there is no Modern Slavery or Human Trafficking in our supply chains or in any part of our business.

The Chief Executive Officer has continued to enhance the skills and expertise of the leadership team to support him in his duties and decision making. This includes recognition of the senior leadership group which comprises the senior functional management roles with those with responsibility for interacting with the Group's principal stakeholders.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR)

This report summarises the energy usage, associated emissions, energy efficiency actions and energy performance for Real Life Options, under the government policy Streamlined Energy & Carbon Reporting (SECR), as implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Real Life Options is a UK incorporated Charity. Under the new SECR legislation we are mandated to include energy consumption, emissions, intensity metrics and all energy efficiency improvements implemented in our most recent financial year.

Real Life Options' Scope 1 direct emissions (combustion of natural gas and transportation fuels) for this fourth year of reporting are 281.24 tCO₂e (prior year 263.80 tCO₂e), resulting from the direct combustion of 1,467,873 kWh of fuel (prior year 1,422,791 kWh). Scope 2 indirect emissions (purchased electricity) for this fourth year of reporting are 100.96 tCO₂e (prior year 107.67 tCO₂e), resulting from the consumption of 487,547 kWh of electricity (prior year 556,767 kWh) purchased and consumed in day-to-day business operations. Scope 3 emissions (resulting from sources not directly owned by Real Life Options Group i.e., business travel undertaken in employee-owned vehicles) has been reported this year for the first time and is 179.71 tCO₂e (prior year 133.10 tCO₂e) resulting from the consumption of 791,648 kWh of energy (prior year 575,431 kWh).

Real Life Options' operations have an intensity metric of 10.66 tCO₂e/£m (prior year 10.39 tCO₂e/£m) turnover for this reporting year.

Real Life Options is the parent company out of four trading companies (Real Life Options, 1st Home Care Ltd, Montana Home Care Ltd and Affinity Homecare Shrewsbury Ltd). Only Real Life Options is required to comply with SECR as a Group, as it exceeds the qualification threshold of two of the three criteria.

The total consumption (kWh) figures for energy supplies reportable by Real Life Options are as follows:

Utility and Scope	FY 2023/24 Consumption (kWh)	FY 2022/23 Consumption (kWh)
Scope 1 Total	1,467,873	1,422,792
Gaseous and other fuels (Scope 1)	1,230,423	1,338,039
Transportation (Scope 1)	237,450	84,753
Scope 2 Total	487,547	556,767
Grid-Supplied Electricity (Scope 2)	487,547	556,767
Scope 3 Total	791,648	575,431
Transportation (Scope 3)	791,648	575,431
Total	2,747,067	2,554,990

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR) (continued)

The total emission (tCO₂e) figures for energy supplies reportable by Real Life Options are as follows. Conversion factors utilised in these calculations are detailed in Real Life Options 's Streamlined Energy & Carbon Reporting (SECR) available on request:

	FY 2023/24 Consumption (tCO₂e)	FY 2022/23 Consumption (tCO₂e)
Utility and Scope	Location-based	Location-based
Scope 1 Total	281.24	263.80
Gaseous and other fuels (Scope 1)	225.08	244.25
Transportation (Scope 1)	56.16	19.55
Scope 2 Total	100.96	107.67
Grid-Supplied Electricity (Scope 2)	100.96	107.67
Scope 3 Total	179.71	133.10
Transportation (Scope 3)	179.71	133.10
Total	561.91	504.57

An intensity metric of tCO₂e per £m turnover has been applied for the annual total emissions of Real Life Options. The methodology of the intensity metric calculations detailed in Real Life Options 's Streamlined Energy & Carbon Reporting (SECR) are available on request, and the results of this analysis are as follows:

Intensity Metrics	Location-based tCO₂e	
	FY 2023/24	% change
All Scopes tCO₂e per Turnover (£m)	10.66	+2.60%

Reporting Methodology

This report (including the Scope 1, 2 and 3 consumption and CO₂e emissions data) has been developed and calculated using the GHG Protocol – A Corporate Accounting and Reporting Standard (World Resources Institute and World Business Council for Sustainable Development, 2004); Greenhouse Gas Protocol – Scope 2 Guidance (World Resources Institute, 2015); ISO 14064-1 and ISO 14064-2 (ISO, 2018; ISO, 2019); Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance (HM Government, 2019).

Government Emissions Factor Database FY2023 version 1.1 has been used, utilising the published kWh gross calorific value (CV) and kgCO₂e emissions factors relevant for the reporting period 01/04/2023 – 31/03/2024.

Estimations were undertaken to cover missing billing periods for properties directly invoiced to Real Life Options. These were calculated at the meter level on a kWh/day pro-rata basis. For properties where Real Life Options is indirectly responsible for utilities (i.e. via landlord or service charge) or no data is available for the meter, an average kWh consumption was calculated at meter level and was applied to the properties with similar operations with no available data.

These full-year estimations were applied to one gas supply. All estimations equated to 3.88% of reported consumption.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR) (continued)

Real Life Options reports its emissions using a market-based method. Market-based emissions were calculated by applying fuel mix factors specific to the suppliers from which Real Life Options procures its energy (Ovo Energy and Corona Energy) to overall electricity consumption.

An intensity metric has been calculated using total tCO₂e figures and the selected performance indicator(s) agreed with Real Life Options for the relevant report period:

Total turnover (£m) **FY2023/24** £52.70m **FY2022/23** £48.56m

Energy Efficiency Improvements

Real Life Options are ESOS compliant and ISO14001 accredited. As an organisation we are committed to operating a sustainable environmentally conscious business, as much as is reasonably practicable, whilst also mindful of our obligations as a Charity to the people we support.

Real Life Options are committed to year-on-year improvements to their operational energy efficiency. A register of energy efficiency measures has been compiled, with a view to implementing these measures in the next five years.

Measures ongoing and undertaken through 2023/24

Head Office LED Installation

In FY2023/24, RLO decided to replace their older, inefficient halogen bulbs and install LED lighting at the Head Office, making the office fully LED. This will increase energy efficiency in their office space and reduce Scope 2 emissions.

Falkirk Office Boiler Replacement

During FY2023/24 RLO undertook a boiler replacement at their office in Falkirk. As the previous boiler had been malfunctioning, the replacement will increase efficiency and assist in reducing Scope 1 Natural Gas emissions.

Supply Chain Changes

RLO has decided to minimise business travel by using local contractors in their service area where possible. This project will reduce travel and, by extension, transport emissions.

Measures prioritised for implementation in 2024/25

LED Lighting Installation

Beginning in FY2024/25, RLO plans to begin replacing older lighting units that are failing with efficient LED lighting. This project will allow RLO to gradually transition to lower-emitting light sources and lower emissions from lighting across the board.

Energy Efficient Appliances

In FY2024/25, RLO will begin to ensure that any purchased appliances are highly energy efficient. Once implemented, this will reduce Scope 2 emissions.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

VIII. PRINCIPAL RISKS AND UNCERTAINTIES

Real Life Options operate a dynamic risk programme which mirrors best practice as per The Charity Commissions Governance guidance.

The use of a traditional risk register is vigorously supported by two risk mitigation subgroups and a robust risk governance programme, which adopts 'a three lines of defence' structure and underpins effectiveness, transparency and targeted risk mitigation.

Subgroup details

Leadership Risk Action Group whose purpose is to ensure that the Real Life Options leadership Group:

- Are kept abreast of any current or emerging areas of risk.
- Are actively involved in any risk mitigation decisions and/or activities.
- Are clear on their individual and collective responsibilities in relation to risk management.
- Work collectively together to support the achievement of organisation objectives and continuous improvement.

Corporate Safeguarding Group whose purpose is to ensure:

- That there is a collective and transparent leadership approach to safeguarding.
- That each person we support has the ability to live the life they choose, free from abuse and harm, in accordance with their own personal preferences, aspirations and diversities.
- That the organisation remains focused on the reduction of safeguarding concerns including restrictive practice and actively participates in agreed restraint reduction plans.

Serious Incident Panel

Where required, our Serious Incident Panel Process will also support risk mitigation and ensure we comply with our corporate reporting responsibilities in line with regulatory requirement.

The purpose of the panel is to:

Formally and robustly review any incident that has the potential to seriously impact on and/or cause harm to supported individuals, our staff, members of the public and the reputation of the organisation as a whole.

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**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

IX. ACHIEVEMENTS AND PERFORMANCE

During this year, the Board has continued to oversee the next implementation stages of the strategic plan with a strong focus on leadership, collaboration and accountability. The organisation's strategic plan known as 'Our Plan' - a five year blueprint and direction of travel towards 2022 was built upon and extended to 2025. Built on seven core themes underpinned by an ethos of safeguarding, it provides a framework for innovation and agile working



A key priority for our strategic plans is to have the right people, in the right place, at the right time to create and deliver excellent frontline support. Our Plan is a live working document that utilises Innovation Groups as the forum for co-production and collaboration with individuals, families, professional services and staff teams.

Our strategic aims are to:

- Provide a gold standard and personalised experience for every person we support.
- Create a process for attracting and retaining the best possible values-driven workforce.
- Continually build on our credentials as a socially responsible member within our sector, our markets and localities.
- Provide opportunities that enable the people we support to be active and valued members within their local communities.
- Support agile working practices in our drive for organisational excellence.
- Create an efficient and effective infrastructure for delivering frontline support.
- Build an organisation that anticipates customer needs, is resilient to change and well-led.

During 2023/24, RLO continued to develop the strategy further using a purpose led approach. The leadership team worked on interpreting these themes into an updated Group strategy linked to 'Our Purpose – Always With a Lasting Connection'. The six pathways were: Choice and Inclusion, Achieving Potential, Lifelong connections, Independence at Home, Community Connected and Investment for Impact.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

IX. ACHIEVEMENTS AND PERFORMANCE (continued)

Person Centred Support and Enablement

Real life Options continue to invest in the Person Centred Support and Enablement (PCSE) strategy. The primary focus of this strategy is to ensure all supported people have the opportunity to engage in an ordinary life within their local communities. The Specialist Support Team have developed a PCSE Framework which highlights the skills, experience and knowledge all employees require to provide person centred support. In addition to this, the organisation has invested in raising awareness on restrictive practices by ensuring webinars and coaching sessions are available to support operational and business support teams to identify restrictive practices, provide support to reduce any such practices and explore the least restrictive options where required.

Two years prior, a substantial investment was made by the organisation to develop bespoke PCSE training based on real life experiences of supported people. eLearning and face to face academies continue to take place to ensure all those providing direct and non-direct support have the skills, knowledge and experience to provide person centred support.

A bespoke electronic outcomes tool has also been developed to support individuals to identify personal outcomes broken down into achievable goals and provide information regarding progress.

Investment in building skills and capabilities within the Specialist Support team remains a key focus. Learning acquired by the team will be disseminated throughout the organisation to support a positive behaviour support culture across the organisation.

Social Impact

During 2023/24, we reported quarterly to the Board on the social impact measures, outputs and outcomes which dovetailed into the wider Group strategy, "Our Purpose". The approach has captured and evidenced our social impact in a user-friendly format introducing interactive case studies and links to wider Group reports.

The year-end report will be used as a strong baseline to measure 2024/25 against. We can already see the impact that volunteer input is having across many of our services. In addition, feedback from people we support is now shaping new pieces of work and further development of services across the wider Group as well as for individuals we support.

The social impact report continues to be broken down into the six pathways of the Our Purpose with a lasting connection Group strategy and involves feedback from across the Real Life Options Group as well as external partners and people we support.

Community Connection Fund

In 2023/24, RLO Group continued to deliver against the Community Connection Fund, our small grants programme designed to empower both the people we support and the staff in local services to invest in their communities by submitting funding applications for activities that make a difference locally. Throughout the year, we have seen the impact that funding raised by teams/families and guardians has had in many of our services and community events. New Community Hubs have been introduced in several areas across our service portfolio, not only widening the service model for people we support but also opening up new opportunities for volunteers from within the communities.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

IX. ACHIEVEMENTS AND PERFORMANCE (continued)

Staff Health and Wellbeing

Real Life Options Group are committed to supporting our staff with their health and well-being. During the year, the Health and Well-being Core Group met to further develop the plan for the future health and well-being strategy. The plan confirms the organisation's commitment to the following objectives:

1. Producing, implementing, and communicating a mental health at work plan that encourages and promotes good mental health in the workplace.
2. Communicating of health and well-being.
3. Providing a specific focus on mental health awareness.
4. Providing health and well-being/mental health representatives and support networks.
5. Encouraging open conversations about mental health.
6. Providing good working conditions and ensuring staff have a healthy work life balance.
7. Providing good career and role development opportunities.
8. Promoting an effective people management environment.
9. Routinely monitoring employee mental health and well-being.

The Group Health and Well-being lead oversees the organisation on all well-being related matters and is a key driver of the Action Plan.

Staff Learning and Development

The learning and development team is made up of three people who analyse existing structures and processes and plan new ways of working to better support the organisations training needs going forward. This proactive approach is to ensure people's training needs are met in advance. The team also support the business with the standard day to day training needs, ad hoc training requests and assisted with the implementation of the EDI framework.

We have recently introduced a new Learning Management System which gives us more autonomy and control over the training data. Managers now have access to their team's training, and all existing courses have been reviewed and redesigned to fit the needs of the different learning styles within the organisation. Having greater control of training will reduce non-attendance thus creating greater savings within the learning and development budget.

The People Team has recently been restructured; we now have People Partners with designated areas who are supporting managers with their workforce data linked to the Employee Journey Model. The main aim is to reduce staff turnover, staff absence and case work. Support, training and coaching is now provided to all managers when there is a change in policy/process which upskills the knowledge of managers within the organisation.

We continue to provide funding through the Memorial Learning Fund which was created to remind us of those people whom we lost through COVID. Any employee can apply for this funding and go through a fair shortlisting process; whoever is successful has the opportunity to study the qualification of their choice in line with their role and the Organisation will fund this.

Staff engagement

In the last year, we have engaged with staff to hear opinions, ideas and gain an insight into what it is like to work for Real Life Options. We did this through surveys and staff forums with more than 500 people taking part across the organisation.

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GROUP STRATEGIC REPORT
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IX. ACHIEVEMENTS AND PERFORMANCE (continued)

Staff engagement (continued)

We have increased the range of surveys that we undertake to hear from our staff; surveys conducted since April 2023 include:

- Learning and development survey
- Onboarding surveys

Equality, Diversity, and Inclusion

The Real Life Options Group is committed to ensuring that all our diverse Groups of staff experience job satisfaction and well-being at work. The Equality, Diversity, and Inclusion framework was further developed in 2023/24 and EDI training was taken organisation wide in 2023/24. This gives our staff the knowledge and skills to ensure that our values are upheld, and culture and generational differences in the workplace are recognised.

X. CONSTITUTION

The organisation is a company limited by Guarantee. The organisation's governing documents are its Articles of Association. The liability of each member of Real Life Options is £1. There are a minimum of six members and a maximum of twelve members. Only one Non-Executive and one senior manager of the company can be a member at any time.

The Articles require a minimum of three Non-Executive Directors (who are also Trustees) and a maximum of eight non-executive Directors. The articles allow for the appointment of up to two Executive Directors as Trustees, with no minimum number.

The Board reviews its own operational effectiveness and governance annually to ensure that it is meeting the needs of the organisation and complying with all applicable regulations.

RLO Group's governance policy and structure complies with the following regulators:

- Charities Commission
- Scottish Charities Regulator
- Care Quality Commission
- The Care Inspectorate

Under the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014: Regulation 17, providers must have effective governance, including assurance and auditing systems or processes. These must assess, monitor, and drive improvement in the quality and safety of the services provided, including the quality of the experience for people using the service. The systems and processes must also assess, monitor, and mitigate any risks relating the health, safety and welfare of people using services and others. Providers must continually evaluate and seek to improve their governance and auditing practice. RLO Group's governance approach drives performance in compliance with this.

Operation of the Board of Trustees

The Board of Trustees meets quarterly during the year to monitor performance against agreed strategic goals and review the organisation's and leadership team's work and services. An Audit Committee, comprised of Non-Executive Trustees, has responsibility for reviewing the organisation's accounting policies and financial accounts. It meets at least annually, with the Chief Executive and Group Head of Finance in attendance.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

X. CONSTITUTION (continued)

Operation of the Board of Trustees (continued)

A Remuneration Committee, comprising Non-Executive Trustees, has specific responsibility to review and determine the remuneration of the CEO and review the remuneration of the Leadership Team based on external benchmarking and, where appropriate, recommendation and discussion with the Chief Executive. Oversight is also provided to the Remuneration Committee on levels of remuneration/rewards throughout the whole organisation.

Recruitment and appointment of new Trustees

Under the leadership of the Chair, the recruitment needs of the Board of Trustees is monitored. This includes a review of the current knowledge, experience, skills and abilities, and how these will be affected by any planned Trustee departures in the future. Trustee vacancies are advertised externally. Applicants are shortlisted against the criteria in the person specification for the role, including any specific matters highlighted during the above review. Shortlisted applicants are recruited through a process which includes being interviewed by at least two Non-Executive Trustees (one of whom will be the Chair) and meeting a panel comprising people we support and their support workers. Shortlisted applicants are appointed only where they have the necessary skills and qualities to contribute effectively to the organisation's management and development.

New Trustees are inducted in two main ways:

- Through the provision of information on the organisation's policies and procedures and on its staff, financial and organisational management and development.
- Trustees are briefed by the leadership team and key staff of functional aspects of the organisation's operations.

During the year, no new Trustees were appointed.

Related parties

The only related parties are the Trustees. Except for the transaction below, transactions have been only those in the normal course of their employment and through standard delivery of services.

During the year, Real Life Options purchased services and assets amounting to £6,991 from Enable Unity CIC, a company in which D I Sargent is a trustee. These services and assets were purchased on an arm's length basis. Real Life Options had no amounts outstanding to or due from Enable Unity CIC at the 31 March 2024.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

X. CONSTITUTION (continued)

Subsidiaries

At the balance sheet date, Real Life Options had nine wholly owned subsidiaries and twelve wholly owned dormant subsidiaries (see note 14).

- Affinity Homecare Shrewsbury Limited is a Shrewsbury based domiciliary homecare company. This strategic investment expands upon the market share of traditional LA funded clients as well as private and continuing health care clients.
- Montana Home Care Ltd is a company based in Falkirk, Scotland. The company provides domiciliary care to service users who require support. It is a strategic investment in domiciliary care provision and has a well-earned reputation for excellent quality services.
- 1st Home Care Ltd is a company with offices located throughout Scotland. The company provides domiciliary care to service users who require support. It is a strategic investment in domiciliary care provision and, with previous acquisitions, has created a significant provider within Scotland.
- Orchard Care Services Limited is a dormant trading company that previously provided domiciliary care to elderly service users. The trading was transferred to RLO Orchard Care Limited in a prior year.
- RLO Orchard Care Limited is a dormant trading company that previously provided domiciliary care to elderly services users in Warwickshire and Coventry.
- Alpha Homecare (Scotland) Limited, Real Life Options (Cymru) Limited, Lowland Care Services Limited, and Lowland's subsidiary Senior Service (Edinburgh) Limited are dormant trading companies which ceased trading on 31 March 2016 and transferred their activities to 1st Home Care Ltd.

Staff Management

During the year under review the Leadership Team (LT) had the following staff structure:

- Chief Executive
- Deputy Chief Executive
- Managing Director – Enterprise (resigned 21 June 2023)
- Director of Finance and Resources (resigned 31 January 2024)

The Chief Executive has overall responsibility for all operational matters and reports directly to the Board of Trustees on a regular basis.

Environmental Policy

We recognise our responsibility to help protect the planet. We are committed to minimizing our impact on the environment and supporting those who are working to improve global environmental sustainability. We are committed to operating our business responsibly in compliance with all legal requirements relating to the provision of bespoke support services for those with learning disabilities, complex behavioural issues, autistic spectrum disorders, profound multiple disabilities and people with enduring mental ill health and older people.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

X. CONSTITUTION (continued)

Environmental Policy (continued)

We are mindful of The Climate Change Act 2008 and The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, and our policy is to operate with and to maintain good relations with all regulatory bodies. We carry out all measures reasonably practicable to meet, exceed or develop all necessary or desirable requirements and to continually improve environmental performance through the implementation of the following:

- Assess and regularly re-assess the environmental effects of the organisation's activities.
- Training of employees in environmental issues.
- We aim to reduce waste generation at the source and endeavour to minimise the waste we send to landfill.
- We promote reuse and recycling, as well as the use of supplies that are recycled and recyclable whose production and use minimise the consumption of natural resources. Specifically, we aim to reduce our consumption of single-use plastics, use environmentally friendly paper, and recycle where possible including plastics and large electronic equipment.
- We encourage our offices to drive initiatives to reduce waste, including sorting and recycling materials, donating used technology equipment, putting drinking water taps in place, reducing food waste, and running recycling campaigns.
- Control noise emissions from operations.
- Minimise the risk to the general public and employees from operations and activities undertaken by the organisation.
- Hold meetings and training, as much as reasonably practicable, via digital technology and thereby reduce the level of travel required across the organisation.
- We use the ISO 14001 environmental management system to support our SECR and ESOS compliance, and this, coupled with the above approach, reduces both energy and travel costs thus supporting our ongoing sustainability.

Modern Slavery Act 2015 - Modern Slavery and Human Trafficking Statement

The Real Life Options Group will always work to the highest ethical standards and comply with all laws, regulations and rules relevant to our business. Our reputation is paramount and we take our Corporate and Social Responsibilities very seriously. We realise that our relationships with those we deal with, be they service users, employees, stakeholders, suppliers or the local community, are key to our success and consequently we take our obligations very seriously.

This statement which covers the financial period 1st April 2023 to 31st March 2024, is made on behalf of the Board at Real Life Options Group with regards to the Modern Slavery Act 2015, which requires large employers to be transparent about their efforts to eradicate Slavery and Human Trafficking in their supply chains. This statement describes how we recognise and prevent human trafficking and slavery in our supply chains.

Since 1992, Real Life Options has been delivering high quality, ethically managed social care for people with learning disabilities and autism. We have a national reputation for providing person-centred care and services to support people to live their lives. We provide self-directed support to ensure people have equal rights as citizens, to maximise their independence and social inclusion and to exercise choice about their own lives.

Our supply chains include procurement of agency staff, facilities maintenance and utilities.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

X. CONSTITUTION (continued)

Modern Slavery Act 2015 - Modern Slavery and Human Trafficking Statement (continued)

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. We are committed to acting ethically and with integrity in all our business relationships and to implement and enforce effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. We expect our supply chains to comply with all relevant regulations including pre-employment checks and verification of certification and eligibility.

We have various checks that enable us to identify and mitigate risk in relation to slavery and human trafficking. We ensure that we work with suppliers who treat their obligations towards modern slavery with the same importance that we do. We maintain systems that:

- Identify and assess potential risk areas in our supply chains through active risk management.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains through ethical procurement.
- Monitor potential risk areas in our supply chains through close working relationships with suppliers.
- Protect whistle blowers through our whistle blowing policy.

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, staff are made aware through our safeguarding learning module. Our employees are encouraged to identify any potential anti-slavery concerns and receive regular communications regarding what to do if they suspect this, and we have protection in place for whistle blowers.

Gender Pay Reporting

Our gender pay report can be found on the government website.

Operating in the social care sector, we employ a high percentage of female employees (72.9%) in common with sector norms. Our strategy is to build a diverse workforce ensuring that all employees are treated fairly and with respect. We ensure that all our pay and reward scales are transparent and ensure that all employees have equal opportunity to progress within the organisation.

We acknowledge that there was a 3.3% pay differential in our median hourly wage rates and a 1.2% differential towards males in our mean hourly wages in the year ended 31 March 2024. We continue to strive towards parity among all employees and all new recruits are paid at standard rates to help us achieve this.

The organisation will continue to review any evident pay gaps both at mean and quartile levels, with an aspiration to close any gaps and ensure pay parity for all employees.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

X. CONSTITUTION (continued)

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes”. Such amounts received are presented in our accounts as ‘voluntary income’ and include legacies and grants when they are received.

In relation to the above, we can confirm that all solicitations are managed internally without the involvement of commercial participators, professional fundraisers or third parties. The day-to-day management of all income generation is delegated to the leadership team who are accountable to the Board of Trustees.

Our fundraising and grant funding activities are beginning to grow across the organisation, and we are seeing an increase in donations through a range of events and sponsored activities. In response, the grants and fundraising strategy is undertaking a refresh and re-launch across 2024/25.

XI. FINANCIAL REVIEW

In the year to 31 March 2024, Real Life Options Group turnover increased by 8.4% from £48.6 million to £52.7 million. This upturn reflects an increase in services across Real Life Options with a decrease in subsidiary income. Real Life Options turnover increased by 9.2% from £44.5 million to £48.6 million and its subsidiaries decreased from £4.1 million to £4 million.

Net movement in funds for the Group increased by 149% from £863,000 to £2,152,000 reflecting the increase in activity throughout England and Scotland. Fee levels have increased largely in response to the increase in the National Minimum Wage and Scottish Living Wage, although not all local authorities responded promptly or comprehensively to the increase in the rates that we are obliged to pay.

We continue to discuss the need for fee rates that ensure quality provision and sustainable services for the people we support. The most significant challenge during the year has been to recruit and retain staff primarily due to competition for staff from the hospitality and retail sectors. This has been particularly challenging in the homecare business which hampered growth plans. Recruitment and retention of staff is a key focus currently and staff remuneration is being managed to ensure staff are attracted and retained so that the business is sustainable into the future. We continue to work with commissioners in both England and Scotland to ensure that we are in a position to continue to provide effective and economic services.

We continue to grow Outreach services organically.

Statement of Financial Position

Debt collection remains a key focus and the relationship with local authorities that commission our services ensures a healthy cashflow. Our relationship with our long term lenders remains strong and through the year, debt has predominantly been repaid in accordance with the agreed schedules.

There has been no substantial investment in property.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

XI. FINANCIAL REVIEW (continued)

Taxation

The activities of the Charity fall within the exemptions conferred by sections 505 and 506 of the Income and Corporation Taxes Act 1988. Consequently, no corporation tax will be provided for in the financial statements for the Charity in this or future years.

The Group's trading subsidiaries are subject to corporation tax where retained reserves are insufficient for all surpluses to be paid to the Charity by way of Gift Aid. In the current year, there has not been a declaration of any donations that will qualify for Gift Aid relief to the parent Charity, but the accounts have been prepared on the assumption that the gift will be made and corporation tax relief granted.

Fund Accounting

At the end of the year the Group held total reserves of £10.8m (2023 - £8.6m).

The Group's funds are held for a variety of purposes; to ensure that the organisation can operate as a going concern in the future and also to fulfil its legal obligations. The funds are summarised as follows:

- Restricted funds (£65,000) - these are held under trust law and can only be used for particular purposes as specified or agreed with the donor.
- Designated funds (£177,000) - have been designated within the unrestricted reserves for the community connection fund.
- General funds (£6.6m) – these are sums that are freely available for general use. They are held at a level to withstand any short-term financial risks.
- Fixed asset funds (£3.9m) – these funds form part of the general funds. These continue to make up the bulk of assets held, representing the operational assets of the organisation without which we could not operate. The vast majority of these are freehold property or computer equipment.

The funds policy review still recognises the need for free reserves to cover short-term risk. The Board of Trustees considers it prudent that unrestricted reserves should be sufficient to manage and changes in the funding from local authorities in respect of fee rates or losses of contracts. RLO has many contracts with a large number of local authorities which protects the organisation from any significant pressure of the loss of contract from one or two local authorities.

The Board have agreed that unrestricted reserves should be kept at a minimum of 10% of turnover or £5m. At 31 March 2024, this would equate to minimum reserves of £5m.

Unrestricted Group reserves as at 31 March 2024 were £10,731,000 which is higher than the minimum required reserve level. The Board are comfortable with the level of reserves which meet the strategic plan operating cost cover period of three months. In addition, the excess over the minimum level permits timely investment in areas to continue to meet the needs of the people RLO support.

The Board of Trustees has reviewed the reserves policy in light of changing risks presented to the organisation and will formally review the reserves policy and levels maintained on an annual basis. The Trustees recognise that investment in trading subsidiaries and operational assets ties up funds that would otherwise be available for spending but have concluded that funds do not need to be set aside for a specific purpose at this time and that additional funds are not required to meet future commitments.

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1,470 (2023: £1,400).

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

XI. FINANCIAL REVIEW (continued)

Going concern

The Trustees have determined that the expected level of reserves held, and the expected cash available to the Charity and its subsidiaries to 31 March 2026, will provide sufficient funding to support all existing commitments.

In addition, the Trustees have reviewed profit and loss and balance sheet forecasts to 31 March 2026, and concluded that the Charity and its subsidiaries will be able to meet its liabilities as they fall due over this period.

The Charity and subsidiaries' forecasts prepared for the purposes of the going concern analysis were constructed on a prudent basis and reflect the expected minimum wage increases from 1 April 2025, the August 2024 rate of inflation and modest fee increases from local authorities. No additional business volume was included in the forecasts.

Sensitivity analysis has been undertaken for a number of different albeit highly unlikely scenarios including the impact of being unable to secure fee uplifts from Local Authorities and a significant reduction in the volume of care provided. In addition, reverse stress testing was carried out as part of the going concern analysis.

The Trustees expect that Real Life Options has sufficient resources to enable it to continue to adopt the going concern basis in preparing the financial statements. These financial statements do not include any adjustments that would arise if the going concern basis of preparation was not considered appropriate.

As a result of the above, the Trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties which cast significant doubt on the ability of the Trust to continue as a going concern.

XII. PLANS FOR THE FUTURE

During the year ended 31 March 2024, Real Life Options worked on interpreting the strategic plan to ensure that it focused on supporting people throughout their lives and ensuring that the RLO Group focused on local communities across the UK to build on the organisation's ability to deliver charitable outcomes.

In future, Real Life Options will consider the development of services in home care, supported living and mixed models of partnership delivery.

Supported Living for People with Learning Disabilities is a core segment of Real Life Options' portfolio and provides opportunities for innovation and viability.

RLO Group is undergoing a year-long strategic review utilising external expertise to support the Board and Executive team in building the next five-year strategy, the details of which will be announced in due course. This will reflect the significant changes anticipated in social care over the next decade.

Real Life Options is aware that place-based commissioning is likely to generate other forms of support going forwards and that whole life planning where care and support is delivered through collaboration is part of the journey going forwards.

The forward plan is influenced by changes resulting from external policies, in particular those which will be implemented in April 2025 following the October 2024 Government budget announcements.

ON BEHALF OF THE BOARD

David Wilkin

D Wilkin
 Director and Chair of the Trustees

REAL LIFE OPTIONS
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their report with the audited financial statements of the charitable company and the Group for the year ended 31 March 2024.

Principal Activities and Future Developments

The principal activities of the Group are set out in the Group Strategic Report. The Group continues to deliver public services.

Results

The Group surplus for the year, after taxation amounted to £2,152,000 (2023: £863,000).

Directors

The Directors who served during the year were:

D I Sargent
D Wilkin
R A Hendry
C A Maltby
C R McCorkindale

Employees

Local arrangements have continued for managers to meet employees and their representatives to discuss matters of mutual interest and concern including the provision of relevant information.

Employment of the disabled

The company recognises its responsibility for the employment, training, career development and promotion of disabled persons and gives full consideration of applications irrespective of an individual's background. Every effort is made to continue to employ those who become disabled while working for the company.

Qualifying indemnity insurance

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1,470 (2023 - £1,400).

Events after the reporting period

No significant post year end events have been identified

Disclosures included in the strategic report

Disclosures required under S416(4) of the Companies Act 2006 are commented upon in the Strategic Report in accordance with S414C(11) as the Directors consider them to be of strategic importance to the company.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Statement as to disclosure of information to auditor

The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

ON BEHALF OF THE BOARD

David Wilkin

D Wilkin

Director and Chair of the Trustees

9 December 2024

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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees (who are the directors of Real Life Options for the purposes of Company Law) are responsible for preparing the Group Strategic Report, the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group 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 set out in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. The Trustees are also responsible for safeguarding the assets of the charitable company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

David Sargent

D I Sargent

Director

9 December 2024

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Real Life Options (the 'parent charitable company') and its subsidiaries (the 'Group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Financial Activities, the Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and parent charitable company's affairs as at 31 March 2024 and of the Group's and the parent charitable company's incoming resources and application of resources, including the Group's and the parent income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice: Accounting and Reporting by Charities, 2019 Edition; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. 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 Group and parent 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

We are responsible for concluding on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent charitable company and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the parent charitable company or Group to cease to continue as a going concern.

In our evaluation of the Trustees' conclusions, we considered the inherent risks associated with the parent charitable company's and Group's business model including effects arising from macro-economic uncertainties such as inflation, we assessed and challenged the reasonableness of estimates made by the Trustees and the related disclosures and analysed how those risks might affect the Group's and parent charitable company's financial resources or ability to continue operations over the going concern period.

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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2024

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

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

Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Annual Report and Financial Statements. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

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 Strategic Report and the Directors' Report, prepared for the purposes of company law, included in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report included in the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and parent charitable company and their environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report included in the Trustees' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

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FOR THE YEAR ENDED 31 MARCH 2024

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 24, 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 Group and the parent 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 Group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- The Group and parent charitable company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur: FRS 102 and Data Protection Act 2018
- We communicate relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit
- We understood how the Group and parent charitable company is complying with legal and regulatory framework by making enquiries of management. We corroborate our enquiries through our review of board minutes and legal expenses
- We assessed the susceptibility of the Group and parent charitable company's financial statement to material misstatement, including how fraud might occur by discussion with management to understand where management considering there is a susceptibility to fraud
- Audit procedures performed by the engagement team included:
 - Evaluation of the controls established to address the risks related to irregularities and fraud
 - Testing manual journal entries, in particular journal determined to be large or relating to unusual transactions based on our understanding of the business
 - Identifying and testing related party transactions
 - Completion of audit procedures to conclude on the compliance of disclosures in the annual report and accounts with the applicable financial reporting requirement

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- Assessment of the appropriateness of the collective competence and capabilities of the engagement team, included consideration of the engagement team's:
 - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - Knowledge of the industry in which the client operates
 - Understanding of the legal and regulatory requirements specific to the entity
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it
- In assessing the potential risks of material misstatement, we obtained and understanding of:
 - The Group and parent charitable company's operations, including the nature of its revenue sources, products and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement
 - The applicable statutory provisions
 - The Group and parent charitable company's control environment, including the policies and procedures implemented to comply with the requirements of its regulator.

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 our report

This report is made solely to the charitable company's members and Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006, Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 and Trustees 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 its members and Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

James Bird

James Bird
 Senior Statutory Auditor
 for and on behalf of Grant Thornton UK LLP
 Statutory Auditor, Chartered Accountants
 Sheffield

Date: 10/12/2024

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Designated Funds £'000	2024 Total £'000	2023 Total £'000
Incoming resources						
Charitable activities	4	48,377	-	-	48,377	44,141
Donations		-	14	-	14	52
Trading activities:						
Trading subsidiaries income		4,076	-	-	4,076	4,091
Other income		250	-	-	250	274
Total incoming resources		<u>52,703</u>	<u>14</u>	<u>-</u>	<u>52,717</u>	<u>48,558</u>
Resources expended						
Trading expenditure:						
Trading subsidiaries expenditure		3,519	-	-	3,519	3,875
Charitable activities		47,021	10	18	47,049	43,820
Total resources expended	5	<u>50,540</u>	<u>10</u>	<u>18</u>	<u>50,568</u>	<u>47,695</u>
Net income before transfers and tax		<u>2,163</u>	<u>4</u>	<u>(18)</u>	<u>2,149</u>	<u>863</u>
UK corporation tax	11	3	-	-	3	-
Net movement in funds		<u>2,166</u>	<u>4</u>	<u>(18)</u>	<u>2,152</u>	<u>863</u>
Fund balances at 1 April 2023	27	<u>8,388</u>	<u>61</u>	<u>195</u>	<u>8,644</u>	<u>7,781</u>
Total fund balances at 31 March 2024	27	<u>10,554</u>	<u>65</u>	<u>177</u>	<u>10,796</u>	<u>8,644</u>

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 33 to 58 form part of these financial statements.

REAL LIFE OPTIONS
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STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Designated Funds £'000	2024 Total £'000	Restated 2023 Total £'000
Incoming resources						
Charitable activities	4	48,379	-	-	48,379	44,142
Donations		-	14	-	14	52
Other income		250	-	-	250	274
Investment income		240	-	-	240	685
Total incoming resources		48,869	14	-	48,883	45,153
Resources expended						
Charitable activities		46,685	10	18	46,713	43,510
Total resources expended	5	46,685	10	18	46,713	43,510
Net movement in funds		2,184	4	(18)	2,170	1,643
Fund balances at 1 April 2023	27	10,782	61	195	11,038	9,395
Total fund balances at 31 March 2024	27	12,966	65	177	13,208	11,038

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

Restatement of the prior year figures relates to reclassifying Investment income to Incoming resources that had previously been included separately from income. The whole balance relates to Gift Aid from subsidiaries. Incoming resources has increased by £685k to £45,153k. There is no effect on net movement in funds, or the prior year figures in note 27.

The notes on pages 33 to 58 form part of these financial statements.

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CONSOLIDATED AND CHARITY BALANCE SHEETS
Registered No 02699638

AS AT 31 MARCH 2024

		Group		Charity	
	Note	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Fixed assets					
Intangible assets	12	1,320	1,663	-	-
Tangible assets	13	3,896	3,979	3,894	3,980
Investments in Subsidiaries	14	-	-	4,919	4,919
		<u>5,216</u>	<u>5,642</u>	<u>8,813</u>	<u>8,899</u>
Current assets					
Debtors: amounts recoverable within one year	15	4,881	7,474	5,136	7,965
Cash at bank and in hand	25	5,251	1,953	4,630	1,507
		<u>10,132</u>	<u>9,427</u>	<u>9,766</u>	<u>9,472</u>
Creditors:					
Amounts falling due within one year	16	(4,111)	(5,789)	(4,932)	(6,701)
		<u>6,021</u>	<u>3,638</u>	<u>4,834</u>	<u>2,771</u>
Net current assets					
		<u>11,237</u>	<u>9,280</u>	<u>13,647</u>	<u>11,670</u>
Total assets less current liabilities					
		<u>11,237</u>	<u>9,280</u>	<u>13,647</u>	<u>11,670</u>
Creditors:					
Amounts falling due after more than one year	18	(439)	(631)	(439)	(632)
Provisions:					
Deferred taxation	21	(2)	(5)	-	-
		<u>10,796</u>	<u>8,644</u>	<u>13,208</u>	<u>11,038</u>
Net assets	28				
		<u>10,796</u>	<u>8,644</u>	<u>13,208</u>	<u>11,038</u>
Reserves					
Unrestricted Funds		10,554	8,388	12,966	10,782
Restricted Funds		65	61	65	61
Designated Funds		177	195	177	195
		<u>10,796</u>	<u>8,644</u>	<u>13,208</u>	<u>11,038</u>
Total Funds	27				
		<u>10,796</u>	<u>8,644</u>	<u>13,208</u>	<u>11,038</u>

The financial statements were approved and authorised for issue by the Trustees on 9/12/2024 and signed on their behalf by:

David Wilkin

D Wilkin
Chair of the Board

The notes on pages 33 to 58 form part of these financial statements.

REAL LIFE OPTIONS
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CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2024

		2024	2023
		£'000	£'000
Cash flows from operating activities			
Surplus for the financial year		2,152	863
Adjustments for:			
Amortisation of intangible assets	12	343	324
Depreciation of fixed assets	13	132	159
Net interest payable		63	54
Taxation	11	(3)	-
Decrease in stock		-	26
Decrease/(increase) in debtors	15	2,593	(3,672)
(Decrease)/increase in creditors	16	(1,540)	1,706
Interest paid		(63)	(52)
Net cash from/(used in) operating activities		3,677	(592)
Cash flows from investing activities			
Purchases of tangible fixed assets	13	(49)	(30)
Purchase of intangible fixed assets	12	-	(9)
Disposal of fixed assets		-	9
Net cash used in investing activities		(49)	(30)
Cash flows from financing activities			
Bank loans repaid		(330)	(335)
Net cash used in financing activities		(330)	(335)
Net increase/(decrease) in cash and cash equivalents		3,298	(957)
Cash and cash equivalents at beginning of year		1,953	2,910
Cash and cash equivalents at end of year	25	5,251	1,953
Cash and cash equivalents comprise:			
Cash at bank and in hand	25, 26	5,251	1,953

The notes on pages 33 to 58 form part of these financial statements.

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1 General information

The Charity is a private charitable company limited by guarantee incorporated in England and Wales and has no share capital. The address of the registered office is given on the company information page and the nature of the Group's operations and its principal activities are set out in the Trustees' Report.

2 Accounting policies

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) (effective 1 January 2019) - Charities Statement of Recommended Practice (FRS 102), UK Generally Accepted Accounting Practice (UK GAAP) including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charity Act and the Charities (Regulation and Administration) (Scotland) Act 2023 and the Companies Act 2006. Assets and Liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Charity meets the definition of a public benefit entity under FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The financial statements have been prepared in pounds sterling and rounded to the nearest thousand pounds.

Parent company disclosure exemptions

In preparing the separate financial statements of the Charity, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the Charity;
- Disclosures in respect of the Charity's financial instruments have not been presented as equivalent disclosures have been provided for the Group as a whole.

The following principal accounting policies have been applied:

2.1. Basis of Consolidation

The consolidated financial statements present the results of Real Life Options and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of financial affairs from the date on which control is obtained. They are deconsolidated from the date control ceases.

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2 Accounting policies (continued)

2.2. Going Concern

The Trustees have determined that the expected level of reserves held, and the expected cash available to the Charity and its subsidiaries to 31 March 2026, will provide sufficient funding to support all existing commitments.

In addition, the Trustees have reviewed profit and loss and balance sheet forecasts to 31 March 2026, and concluded that the Charity and its subsidiaries will be able to meet its liabilities as they fall due over this period.

The Charity and subsidiaries' forecasts prepared for the purposes of the going concern analysis were constructed on a prudent basis and reflect the expected minimum wage increases from 1 April 2025, the August 24 rate of inflation and modest fee increases from local authorities. No additional business volume was included in the forecasts.

Sensitivity analysis has been undertaken for a number of different albeit highly unlikely scenarios including the impact of being unable to secure fee uplifts from Local Authorities and a significant reduction in the volume of care provided. In addition, reverse stress testing was carried out as part of the going concern analysis.

The Trustees expect that Real Life Options has sufficient resources to enable it to continue to adopt the going concern basis in preparing the financial statements. These financial statements do not include any adjustments that would arise if the going concern basis of preparation was not considered appropriate.

As a result of the above, the Trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties which cast significant doubt on the ability of the Trust to continue as a going concern.

2.3. Income

All income is included in the Statement of Financial Activities ('SOFA') when:

- the entity is legally entitled to the income, and
- any performance conditions attaching to the income have been met, and
- the amount can be quantified with reasonable accuracy, and
- the amount is likely to be received.

Income may be accrued if the work has been completed and the service under the contract delivered. Income may be deferred if the service has not been provided even if the value has been invoiced and payment received.

Grants are received from bodies within Local Government and the National Health Service and are specific to the charitable activities.

All grants, donations, rental income and contractual payments are included on a receivable basis.

For legacies, income will be recognised if the amount can be measured and there is a clear indication that a distribution will be made from the estate.

Donated professional services and donated facilities will be recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. The economic benefit will be the amount the Charity would have been willing to pay to obtain those services or facilities on the open market; a corresponding amount will be recognised in expenditure in the period of receipt.

In accordance with the Charities SORP (FRS 102), the contribution of volunteers' general time to the Charity will not be recognised in the financial reports but will be referred to in the Trustees' annual report.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2 Accounting policies (continued)

2.3. Income (continued)

Deferred capital grants are treated as deferred income in compliance current GAAP and are credited to the income and expenditure account over the expected useful economic life of the relevant fixed asset on a basis consistent with the depreciation policy.

Other grants are recognised as and when conditions for their release are fulfilled.

2.4. Expenditure

Expenditure is included in the statement of financial activities on an accruals basis inclusive of any VAT which cannot be recovered.

Charitable expenditure and support costs comprise direct expenditure including direct staff costs attributable to the activity. The Charity has one type of activity – support services. All support costs are allocated to this activity. Governance costs are those incurred in connection with the management of the Charity's assets, organisational administration and costs regarding compliance with constitutional and statutory requirements.

Trading expenditure comprises the costs of the trading subsidiaries and is recognised on an accruals basis.

2.5. Fund Accounting

Unrestricted funds, which have not been designated for other purposes, are available for use at the discretion of the Trustees, in furtherance of the general objectives of the Charity.

Designated funds are transferred from general unrestricted funds for specific purposes, based on available cost information. These amounts are monitored annually and may be amended or re-designated by the Board.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by conditions relating to the arrangements leading to the receipt of the money; conditions under which money has been donated; or which have been raised by the Charity for particular purposes. If there is an obligation to use resources generated for a specific purpose, the income will be accounted for in a restricted fund. The costs of raising and administering such funds will be charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.6. Intangible assets

Goodwill

At the date of acquisition, goodwill will initially be measured as the excess of the cost of the business combination over the fair value of the net amount of the identifiable assets, liabilities and contingent liabilities.

After initial recognition, the goodwill shall be measured as cost less accumulated amortisation and accumulated impairment losses. An estimate of the useful life of the goodwill will be made at the time of acquisition and the goodwill be amortised on a systematic basis over that life. The useful life of the goodwill will not normally be more than 10 years.

Using the definitions in FRS 102, as part of the annual impairment review process, the value of goodwill will be compared with the recoverable amount of the asset. In the event that the value of the goodwill is found to be less than the recoverable amount, the value of the impairment will be recognised in the accounts.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2 Accounting policies (continued)

2.6. Intangible assets (continued)

Software

At each reporting date, the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years. Software is amortised over a period of 3 years.

2.7. Tangible Assets

Tangible fixed assets costing more than £1,000 are capitalised and valued at historical cost along with any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value on a straight line or reducing balance basis over the following ranges of expected useful economic lives:

Freehold land & buildings	-	50 years straight line
Leasehold improvements	-	10 years straight line or the length of the lease if shorter
Fixtures and fittings	-	3-10 years straight line
Computer equipment	-	2-4 years straight line
Motor vehicles	-	25% reducing balance
Office equipment	-	3-4 years straight line

Freehold land will not be depreciated.

2.8. Accounting for Investments in Subsidiaries

Investments in subsidiaries are stated at cost less any assessed impairment in the asset.

2.9. Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10. Financial Instruments

Real Life Options and its Group entities only enter into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables are measured, initially and subsequently, at the undiscounted amounts of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently amortised at cost.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2 Accounting policies (continued)

2.10. Financial Instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

2.11. Current and Deferred Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of financial activities.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the UK.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or future profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the Group can control their reversal and such reversal is not considered probable in the near future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of the liabilities acquired and the amount that will be assessed for tax.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2 Accounting policies (*continued*)

2.12. Pension

Retirement benefits to the majority of employees are provided by the Group's defined contribution scheme. Contributions payable to the Group's pension scheme are charged to the profit and loss account in the period to which they relate.

A small, and reducing, number of employees are members of the NHS pension scheme. This is a defined benefit scheme and the assets are held separately from those of the Group. The NHS Pension scheme is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. The NHS pension scheme is a multi-employer scheme.

The Group will recognise in the accounts its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis if it is possible and economical to identify its share of the cost. If it is not possible or economical to identify the Group's share of the underlying assets and liabilities, the NHS pension scheme will be treated as a defined contribution scheme and the Group's contributions will be recognised as they are paid each year.

2.13. Operating Leases

Income and costs associated with operating leases are either credited or charged to the SOFA on an accruals basis in accordance with the contracts in force during the year.

The cost of the lease payments over the contracted period, after allowing for any lease incentives, will be apportioned equally over the life of the lease.

2.14. Gift Aid distribution

The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the Charity.

Gift Aid is recognised on the accruals basis.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

The Directors have reviewed the carrying value of the Group's assets, including goodwill, to determine whether there are any indicators of impairment. Factors taken into account include the economic viability and expected future financial performance of the assets.

Other key sources of estimation uncertainty

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of assets and residual values are assessed on acquisition and may be revised if operating circumstances change significantly.

The Directors have made assumptions about the potential value and likelihood of success of claims against the company for unpaid wages from current and former employees.

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4 Analysis of Income from Charitable Activities

All activity relates to the provision of care services in the UK.

All income is unrestricted other than restricted donations of £14k (£52k).

5 Analysis of resources expended

The Charity allocates its support costs as shown in the table below. Regional office costs are allocated to the relevant region. Support service costs are apportioned between the regions based on the percentage of income per region.

GROUP 2024

	Total	Governance	Human	Property	Administration
	£'000	Costs	Resources	Costs	and Finance
		£'000	& Training	£'000	£'000
			£'000		
Trading subsidiaries expenditure	3,519	-	3,000	134	385
Charitable activities	47,049	185	40,119	2,291	4,454
	<u>50,568</u>	<u>185</u>	<u>43,119</u>	<u>2,425</u>	<u>4,839</u>

GROUP 2023

	Total	Governance	Human	Property	Administration
	£'000	Costs	Resources	Costs	and Finance
		£'000	& Training	£'000	£'000
			£'000		
Trading subsidiaries expenditure	3,875	-	3,288	162	425
Charitable activities	43,820	219	37,686	1,925	3,990
	<u>47,695</u>	<u>219</u>	<u>40,974</u>	<u>2,087</u>	<u>4,415</u>

Total expenditure for the year for the Group was £50,568k (2023: £47,695k) of which £10k (2023: £15k) was restricted, £18k (2023: £6k) was designated and £50,540k (2023: £47,674k) was unrestricted.

CHARITY 2024

	Total	Governance	Human	Property	Administration
	£'000	Costs	Resources	Costs	and Finance
		£'000	& Training	£'000	£'000
			£'000		
Charitable activities	46,713	185	40,118	2,290	4,120

CHARITY 2023

	Total	Governance	Human	Property	Administration
	£'000	Costs	Resources	Costs	and Finance
		£'000	& Training	£'000	£'000
			£'000		
Charitable activities	43,510	219	37,685	1,925	3,681

Total expenditure for the year for the Charity was £46,713k (2023: £43,510k) of which £10k (2023: £15k) was restricted, £18k (2023: £6k) was designated and £46,685k (2023: £43,489k) was unrestricted.

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5 Analysis of resources expended (continued)

Governance costs relate to the audit and other professional services in connection with governance of the Charity. All other costs are allocated to charitable activities where they are incurred within the Charity or to trading subsidiaries' expenditure where they are incurred in those subsidiaries.

All expenditure in the current and preceding year was unrestricted.

6 Analysis of governance costs

	GROUP		CHARITY	
	2024	Restated 2023	2024	Restated 2023
Analysis of governance costs	£'000	£'000	£'000	£'000
Audit fees	131	137	131	137
Other financial services including accountancy services	54	82	54	82
	<u>185</u>	<u>219</u>	<u>185</u>	<u>219</u>
	GROUP		CHARITY	
	2024	Restated 2023	2024	Restated 2023
Audit and non audit services	£'000	£'000	£'000	£'000
Statutory audit of parent and consolidated accounts	131	137	131	137
Statutory audit of subsidiary companies	-	-	-	-
Tax services	26	32	26	32
Other services	28	50	28	50
	<u>185</u>	<u>219</u>	<u>185</u>	<u>219</u>

The Group and Charity audit and governance analyses were misstated in error in the prior year and corrected this year. There is no impact on net assets or profit.

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7 Net income

Net income is stated after charging:

	GROUP		CHARITY	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Operating lease rentals:				
- land & buildings	750	743	665	661
- equipment	210	218	205	213
Depreciation - owned assets	132	159	135	157
Loan interest	63	54	63	54
Amortisation of goodwill	337	313	-	-
Amortisation of software	6	11	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

8 Staff costs

	GROUP		CHARITY	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Wages and salaries	38,664	36,231	35,924	33,245
Social security costs	3,363	3,215	3,151	2,965
Other pension costs - contributions to defined contribution schemes	747	690	702	641
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	42,774	40,136	39,777	36,851
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The figures shown above represent all staff costs for the Group and Company including operational staff costs, as shown in Note 5, together with costs relating to staff who work in support services and regional offices, which are incorporated within the support cost figures in note 5.

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	GROUP		CHARITY	
	2024	2023 Restated	2024	2023 Restated
	Number	Number	Number	Number
£60,001 - £70,000	4	7	4	6
£70,001 - £80,000	4	2	3	2
£80,000- £90,000	-	-	-	-
£90,001- £100,000	-	1	-	1
£100,001-£110,000	-	-	-	-
£110,001-£120,000	1	2	1	2
£120,001-£130,000	1	-	1	-
£130,001-£140,000	1	-	1	-
£140,001-£150,000	-	-	-	-
£150,001-£160,000	-	-	-	-
£160,001-£170,000	-	-	-	-
£170,000-£180,000	-	1	-	1
£180,000-£190,000	1	-	1	-
£200,000-£210,000	-	-	-	-
£260,000-£270,000	-	1	-	1
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	12	14	11	13
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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8 Staff costs (continued)

All employees earning more than £60,000 contributed to a personal pension scheme. The Charity contributed £39,997 (2023 - £47,966) on their behalf.

The number of full and part-time employees, calculated on a monthly average basis, was:

	GROUP		CHARITY	
	2024	2023	2024	2023
	Number	Number	Number	Number
Staff	1,952	1,824	1,717	1,587

Redundancy costs of £267,600 (2023 - £164,524) were payable of which £nil (2023 - £nil) was unpaid at the year end. This related to compensation for loss of office for 7 (2023 - 6) individuals.

9 Directors' Remuneration

	GROUP AND CHARITY	
	2024	2023
	£'000	£'000
Directors' emoluments	371	619
Company contributions to defined contribution pension scheme	50	59
	421	678

There were 4 directors in the Group's defined contribution pension scheme (2023 - 4). None of the directors accrued benefits under a defined benefit pension scheme during the year (2023 - none).

Other than the directors, there are not considered to be any other employees who are key management personnel.

Emoluments of the highest paid director were £187k (2023 - £278k). Company pension contributions of £4k (2023 - £2k) were made to a defined contribution pension scheme on their behalf.

Under the Articles of Association, the Charity is allowed to remunerate non-executive Trustees for their duties.

In the year ended 31 March 2024 and the year ended 31 March 2023, Non-executive Trustees did not receive any remuneration.

Trustees are reimbursed for expenditure incurred in attending Trustee meetings or visiting the Group's location and facilities in their roles as Trustees. In the year to 31 March 2024, costs totalling £587 (2023 - £642) were reimbursed to 2 (2023 restated - 2) Non-Executive Trustees.

During the year ended 31 March 2024, there was an amount of £nil (2023 - £128,546) paid to directors as compensation for loss of office. Of this £nil (2023 - £nil) was unpaid at the year end.

10 Indemnity insurance

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1,470 (2023 - £1,400).

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11 Taxation

	GROUP	
	2024	2023
	£'000	£'000
Corporation Tax		
Charge for year	-	-
Adjustment in respect of prior periods	-	-
Total	-	-
Deferred Tax		
Origination and reversal of timing differences	(1)	-
Adjustments in respect of prior periods	(2)	-
Change to tax rates	-	-
	(3)	-
Total tax credit for the year	(3)	-
Net incoming resources before other recognised gains, losses and transfers	2,149	863
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 19%)	537	164
Income not subject to tax	(12,301)	(8,449)
Expenses not deductible for tax purposes	11,763	8,285
Adjustments in respect of prior periods	(2)	-
Total tax credit for the year	(3)	-

Factors that may affect future tax charges

An increase in the future main corporation tax rate to 25% from 1 April 2023, from the previously enacted 19%, was announced in the budget on 3 March 2021, and substantively enacted on 24 May 2021. The deferred tax balance at the year end has been calculated based on the rate substantively enacted at the time the deferred tax is expected to unwind.

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12 Intangible assets

Group	Goodwill £'000	Software £'000	Total £'000
Cost			
At 1 April 2023	5,925	38	5,963
Additions	-	-	-
At 31 March 2024	5,925	38	5,963
Amortisation			
At 1 April 2023	4,283	17	4,300
Amortisation in the year	337	6	343
At 31 March 2024	4,620	23	4,643
Net book value			
At 31 March 2024	1,305	15	1,320
At 1 April 2023	1,642	21	1,663
Charity			
			Goodwill £'000
Cost			
At 1 April 2023 and 31 March 2024			474
Amortisation			
At 1 April 2023 and 31 March 2024			474
Net book value			
At 1 April 2023 and 31 March 2024			-

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13 Tangible fixed assets

GROUP	Freehold land and buildings £'000	Leasehold improvements £'000	Fixtures and fittings £'000	Motor vehicles £'000	Office equipment £'000	Computer equipment £'000	Total £'000
Cost							
At 1 April 2023	4,275	377	204	82	-	1,355	6,293
Additions	-	30	2	-	-	17	49
Disposals	-	-	-	-	-	-	-
At 31 March 2024	4,275	407	206	82	-	1,372	6,342
Depreciation							
At 1 April 2023	564	197	204	26	-	1,323	2,314
Provided during the year	60	37	2	14	-	19	132
Disposals	-	-	-	-	-	-	-
At 31 March 2024	624	234	206	40	-	1,342	2,446
Net Book Value							
At 31 March 2024	3,651	173	-	42	-	30	3,896
At 31 March 2023	3,711	180	-	56	-	32	3,979

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13 Tangible fixed assets (continued)

	Freehold land and buildings £'000	Leasehold improvements £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer £'000	Total £'000
CHARITY						
At 1 April 2023	4,275	377	233	82	1,307	6,274
Additions	-	30	2	-	17	49
Disposals	-	-	-	-	-	-
At 31 March 2024	4,275	407	235	82	1,324	6,323
Depreciation						
At 1 April 2023	564	197	224	26	1,283	2,294
Provided during the year	60	37	7	14	17	135
Disposals	-	-	-	-	-	-
At 31 March 2024	624	234	231	40	1,300	2,429
Net book value						
At 31 March 2024	3,651	173	4	42	24	3,894
At 31 March 2023	3,711	180	9	56	24	3,980

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14 Investments

	CHARITY	
	2024	2023
	£'000	£'000
Cost and net book value as at 1 April 2023	4,919	4,919
Movement in value of investments	-	-
Cost and net book value as at 31 March 2024	4,919	4,919

An impairment review was carried out on the investment in Montana Home Care Ltd which made a small trading loss in the year ended 31 March 2024. The review was undertaken in accordance with the principles of FRS102 section 27. No impairment was identified and therefore the investment in Montana Home Care Ltd continues to be held at cost.

Subsidiary	Control %	Co. Number	Registered Office
1st Home Care Ltd	100	SC272838	Suite 1, Ground Floor Academy House, 1346 Shettleston Road, Glasgow, G32 9AT
Orchard Care Services Limited	100	05767436	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Lowland Care Services Limited	100	SC236443	Real Life Options, 35 East Port, Dunfermline, Fife, Scotland, KY12 7LG
Alpha Homecare (Scotland) Limited	100	SC263919	Real Life Options, 35 East Port, Dunfermline, Fife, Scotland, KY12 7LG
RLO Orchard Care Limited	100	08164674	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Senior Service (Edinburgh) Limited*	100	SC312050	Real Life Options, 35 East Port, Dunfermline, Fife, Scotland, KY12 7LG
Real Life Options (Cymru) Limited^	100	08165205	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Montana Home Care Ltd.	100	SC267110	88 Grahams Road, Falkirk, Stirlingshire, FK2 7DL
Affinity Homecare Shrewsbury Limited	100	09508514	Suite D, Global House Sitka Drive, Shrewsbury Business Park, Shrewsbury, SY2 6LG

All subsidiaries are involved in the provision of care services.

* Denotes that the 100% control is indirect via Lowland Care Services Limited.

^ Denotes that the company is in the process of being dissolved.

Of the above named subsidiaries, only Affinity Homecare Shrewsbury Limited, 1st Home Care Ltd and Montana Home Care Ltd are considered to be material to the operations of the Group.

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14 Investments (continued)

The following subsidiary Companies were incorporated during a previous financial year but were dormant. Each Company has 2 shares with an aggregate nominal values of £2.

They have been excluded from consolidation by virtue of s394A of Companies Act 2006.

Subsidiary	Control %	Co. Number	Registered Office
Real Life Options West Yorkshire Limited [^]	100	13082099	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Warwickshire Limited [^]	100	13082242	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Tyne & Wear Limited [^]	100	13082119	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Staffordshire Limited [^]	100	13082096	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Derbyshire Limited [^]	100	13082113	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options County Durham Limited [^]	100	13082447	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Cheshire Limited [^]	100	13082164	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Angus Limited [^]	100	13082200	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Aberdeenshire Limited [^]	100	13082153	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Enterprise Ltd [^]	100	13071404	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Innovation Ltd [^]	100	13055357	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Services Ltd	100	13055350	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU

13055370 Ltd was dissolved on 2 August 2022.

[^] Denotes that the company is in the process of being dissolved.

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14 Investments (continued)

The income and expenditure for the year ended 31 March 2024 was as follows:-

	1st Home Care		Montana Home Care		Affinity Home Care	
	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Turnover	3,006	2,889	442	566	595	637
Cost of sales	(2,262)	(2,382)	(344)	(458)	-	-
Gross profit	744	507	98	108	595	637
Administrative expenses	(330)	(407)	(116)	(88)	(467)	(541)
Operating profit	414	100	(18)	20	128	96
Interest receivable and similar income	-	-	-	-	-	-
Profit on ordinary activities before tax	414	100	(18)	20	128	96
Taxation	3	-	-	-	-	-
Profit after tax	417	100	(18)	20	128	96

The aggregate of the assets liabilities and funds was:

	As at 2024 £'000	As at 2023 £'000	As at 2024 £'000	As at 2023 £'000	As at 2024 £'000	Restated As at 2023 £'000
Assets	1,886	1,583	39	49	235	218
Liabilities	(188)	(211)	(44)	(16)	(35)	(49)
Reserves	1,698	1,372	(5)	33	200	169

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15 Debtors: amounts due within one year

	GROUP		CHARITY	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade debtors	3,311	6,447	3,019	6,098
Amounts due from subsidiary undertakings	-	-	960	929
Other debtors	58	69	58	65
Prepayments and accrued income	1,511	957	1,099	873
Deferred tax asset	1	1	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	4,881	7,474	5,136	7,965
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The impairment loss recognised in the Group's Statement of Financial Activities for the period in respect of bad and doubtful trade debtors was £655,000 (2023 - £33,029). The impairment loss recognised in the Charity's Statement of Financial Activities for the period in respect of bad and doubtful trade debtors was £655,000 (2023 - £33,029).

In 2024, an arm's length loan agreement was created between Real Life Options, the parent, and Montana Home Care Ltd. The loan balance at 31 March 2024 was £26,500 with an interest rate of 8%. All other amounts due from subsidiary undertakings are interest free and due on demand.

16 Creditors: amounts falling due within one year

	GROUP		CHARITY	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	253	391	253	391
Trade creditors	555	1,887	541	1,854
Other taxes and social security	699	722	664	683
Accruals and deferred income	704	961	612	883
Other creditors	1,900	1,828	1,985	1,907
Amounts due to subsidiary undertakings	-	-	877	983
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	4,111	5,789	4,932	6,701
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Amounts due to subsidiary undertakings are interest free and due on demand.

For a number of service users, the Charity is an appointee for the purposes of benefit claims with the Department for Work and Pensions. The Charity claims benefits on behalf of the service users and manages bank accounts opened specifically for this purpose on behalf of the claimant. In addition, the Charity works with service users in supported living by managing shared resources in bank accounts. The total amount of money controlled by the company under these arrangements is £2,215k (2023 - £2,358k). These are not included within the funds of the Group.

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17 Deferred income

	GROUP		CHARITY	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Balance at 1 April	703	767	704	767
Amount released to income	(703)	(767)	(704)	(767)
Amount deferred in the period	402	703	401	704
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance at 31 March	402	703	401	704
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Deferred income relates to the provision of care services invoiced in advance.

18 Creditors: amounts falling due in more than one year

	GROUP		CHARITY	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank loans	439	631	439	632
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

19 Bank loans

	GROUP		CHARITY	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Repayments fall due as follows:				
Within one year	253	391	253	391
In the second to fifth year inclusive	235	537	235	537
After 5 years	204	94	204	95
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total loans and overdrafts	692	1,022	692	1,023
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The bank loans are secured by specific charges over the Group's properties and floating charges on all of the Group's assets and are repayable at varying rates of interest.

20 Financial instruments

	GROUP	
	2024	2023
	£'000	£'000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	9,499	9,109
	<u> </u>	<u> </u>
Financial liabilities		
Financial liabilities measured at amortised cost	3,449	4,994
	<u> </u>	<u> </u>

Financial assets measured at amortised cost comprise cash, trade and other debtors and accrued income.

Financial liabilities measured at amortised cost comprise bank loans, trade and other creditors and accruals.

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21 Deferred taxation

	GROUP	
	2024 £'000	2023 £'000
At 1 April 2023	(5)	(5)
Charged in the year	3	-
At 31 March 2024	(2)	(5)

The deferred taxation (creditor)/debtor is made up as follows:

	GROUP	
	2024 £'000	2023 £'000
Short term timing differences	(2)	(5)

22 Other financial commitments

At 31 March 2024, the Group had commitments under non-cancellable operating leases as follows:

	GROUP Land and Buildings		GROUP Equipment	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Expiry date:				
Within one year	963	541	66	198
Between two and five years	1,584	124	116	145
In more than 5 years	798	44	26	50
	3,345	709	208	393
	CHARITY Land and Buildings		CHARITY Equipment	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Expiry date:				
Within one year	924	503	66	196
Between two and five years	1,538	79	116	145
In more than 5 years	798	44	26	50
	3,260	626	208	391

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23 Pension scheme obligations - Defined Contribution Schemes

Past and present employees are covered by the provisions of the two NHS pension schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

These schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State in England and Wales. The schemes are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities.

Therefore, the schemes are accounted for as though they were defined contribution schemes: the cost to the clinical commissioning Group of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2016. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

The next actuarial valuation is due with an effective date of 31 March 2020. Changes to employer contribution rates as a result of the 2020 valuation are expected to take effect from April 2024. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

For 2023/24, employers' contributions of £33,248 (2022-23: £31,011) were payable to the NHS Pension Scheme at the rate of 14.38% of pensionable pay. The scheme's actuary reviews employer contributions, usually every four years and now based on HMT Valuation Directions, following a full scheme valuation. The latest review used data from 31 March 2016. These costs are included within creditors.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

24 Related party transactions

During the year, there were no sales or direct purchases between Group companies (see note 14). Recharges between Group companies have been made for expenses and other costs on behalf of related parties:

Cost incurred by	On behalf of	2024 £	2023 £
Real Life Options	1st Home Care Ltd	97,421	91,838
Real Life Options	Affinity Homecare Shrewsbury Limited	7,784	3,588
Real Life Options	Montana Home Care Ltd	4,764	3,999
Real Life Options	Real Life Options (Cymru) Limited	-	36
Real Life Options	Lowland Care Services Limited	-	1,270
Real Life Options	RLO Orchard Care Limited	-	7
1st Home Care Ltd	Real Life Options	1,477	1,467

The intercompany debtor/(creditor) at year end comprised:

	2024 £	2023 £
1st Home Care Ltd	679,924	778,822
Affinity Homecare Shrewsbury Limited	121,722	129,506
Montana Home Care Ltd	(37,015)	(5,751)
Alpha Homecare (Scotland) Limited	(31,675)	(31,675)
Senior Service (Edinburgh) Limited	(101,677)	(101,677)
Real Life Options (Cymru) Limited	(270,098)	(270,098)
Lowland Care Services Limited	75,153	75,153
RLO Orchard Care Limited	(440,853)	(440,853)
Orchard Care Services Limited	(79,120)	(79,120)

During the year, Real Life Options purchased services and assets amounting to £6,991 (2023 - £24,706) from Enable Unity CIC, a company in which D I Sargent is a Trustee. These services and assets were purchased on an arm's length basis. Real Life Options had no amounts outstanding to or due from Enable Unity CIC at the 31 March 2024 (2023 - £nil).

Transactions with Trustees are detailed in note 9.

25 Analysis of cash and cash equivalents

	GROUP		CHARITY	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Short term deposits held	5,251	1,953	4,630	1,507

All cash at bank is held in deposit accounts and is immediately liquid. The Group holds no investments other than the shareholding of subsidiaries.

26 Analysis of net debt

	At 1 April 2023 £'000	Cash flows £'000	Interest £'000	At 31 March 2024 £'000
Short term deposits held	1,953	3,298	-	5,251
Bank loans	(1,022)	393	(63)	(692)
	931	3,691	(63)	4,559

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

27 Funds

Group	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains, Losses and Tax £'000	At 31 March 2024 £'000
Restricted funds						
Services fund	61	14	(10)	-	-	65
Total restricted funds	61	14	(10)	-	-	65
Unrestricted funds						
Designated	195	-	(18)	-	-	177
General fund	8,388	52,703	(50,540)	-	3	10,554
Total unrestricted funds	8,583	52,703	(50,558)	-	3	10,731
Total funds	8,644	52,717	(50,568)	-	3	10,796

Charity	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and Losses £'000	At 31 March 2024 £'000
Restricted funds						
Services fund	61	14	(10)	-	-	65
Total restricted funds	61	14	(10)	-	-	65
Unrestricted funds						
Designated fund	195	-	(18)	-	-	177
General fund	10,782	48,869	(46,685)	-	-	12,966
Total unrestricted funds	10,977	48,869	(46,703)	-	-	13,143
Total funds	11,038	48,883	(46,713)	-	-	13,208

A figure of £177k (2023 - £195k) has been designated within the unrestricted reserves for the community connection fund, these are funds are provided on behalf of the clients supported by the group.

The restricted funds are funds collected for specific services that are ring-fenced for projects they have collected for.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

27 Funds (continued)

Group	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains, Losses and Tax £'000	At 31 March 2023 £'000
Restricted funds						
Services fund	24	52	(15)	-	-	61
Total restricted funds	24	52	(15)	-	-	61
Unrestricted funds						
Designated	201	-	(6)	-	-	195
General fund	7,556	48,506	(47,674)	-	-	8,388
Total unrestricted funds	7,757	48,506	(47,680)	-	-	8,583
Total funds	7,781	48,558	(47,695)	-	-	8,644

Charity	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and Losses £'000	At 31 March 2023 £'000
Restricted funds						
Services fund	24	52	(15)	-	-	61
Total restricted funds	24	52	(15)	-	-	61
Unrestricted funds						
Designated fund	201	-	(6)	-	-	195
General fund	9,170	45,101	(43,489)	-	-	10,782
Total unrestricted funds	9,371	45,101	(43,495)	-	-	10,977
Total funds	9,395	45,153	(43,510)	-	-	11,038

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

28 Analysis of net assets

Group – current year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Intangible assets	1,320	-	-	1,320
Tangible assets	3,896	-	-	3,896
Current assets	9,890	177	65	10,132
Current liabilities	(4,111)	-	-	(4,111)
Non-current liabilities and provisions	(441)	-	-	(441)
	<u>10,554</u>	<u>177</u>	<u>65</u>	<u>10,796</u>

Group – prior year

	General fund	Designated fund	Restricted fund	Total funds
Intangible assets	1,663	-	-	1,663
Tangible assets	3,979	-	-	3,979
Current assets	9,171	195	61	9,427
Current liabilities	(5,789)	-	-	(5,789)
Non-current liabilities	(636)	-	-	(636)
	<u>8,388</u>	<u>195</u>	<u>61</u>	<u>8,644</u>

Charity – current year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Tangible assets	3,894	-	-	3,894
Investments in subsidiaries	4,919	-	-	4,919
Current assets	9,524	177	65	9,766
Current liabilities	(4,932)	-	-	(4,932)
Non-current liabilities	(439)	-	-	(439)
	<u>12,966</u>	<u>177</u>	<u>65</u>	<u>13,208</u>

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

28 Analysis of net assets *(continued)*

Charity – prior year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Tangible assets	3,980	-	-	3,980
Investments in subsidiaries	4,919	-	-	4,919
Current assets	9,216	195	61	9,472
Current liabilities	(6,701)	-	-	(6,701)
Non-current liabilities	(632)	-	-	(632)
	<u>10,782</u>	<u>195</u>	<u>61</u>	<u>11,038</u>

29 Capital commitments

The company has the following capital expenditure contracted for at the year end:

	GROUP & COMPANY 2024 £'000	2023 £'000
Expenditure contracted for but not included in liabilities	<u>13</u>	<u>-</u>

REAL LIFE OPTIONS

England & Wales - Charity number 1156258

Accounts

Company Registered Number 02699638
Registered Charity Number in England and Wales 1156258
Registered Charity Number in Scotland SC045939

REAL LIFE OPTIONS

(A company limited by guarantee)

Annual Report and Financial Statements
For the year ended 31 March 2023

REAL LIFE OPTIONS
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REAL LIFE OPTIONS
(A company limited by guarantee)

REFERENCE AND ADMINISTRATION DETAILS
FOR THE YEAR ENDED 31 MARCH 2023

Organisation's Name	Real Life Options ("RLO")
Status	Real Life Options is a charitable company limited by guarantee. Real Life Options' governing documents are its Memorandum and Articles of Association.
Company Registration Number	02699638
Charity Registration Number	1156258
Office of the Scottish Charity Regulator Number	SCO45939
Principal Office and Registered Address	David Wandless House A1 Business Park Knottingley Road Knottingley West Yorkshire WF11 0BU
Trustees	D Wilkin R A Hendry D I Sargent C A Maltby C R McCorkindale
Officers:	
Company secretary	R Milner
Chief Executive	D I Sargent
Chief Operating Officer	I Hardcastle
Managing Director Real Life Options Enterprise	V Simons
Managing Director Real Life Options Charity	J Trench
Director of Human Resources	A Holden (resigned August 2022)
Director of Finance and Resources	K E Platts
Advisers:	
Independent Auditor	Grant Thornton UK LLP 1 Holly Street Sheffield City Centre Sheffield S1 2GT
Bankers	Natwest 135 Bishopsgate London EC2M 3UR
Legal	Weightmans Westgate Point Leeds LS1 2AX

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

I. STATUS

Real Life Options ("RLO") is a company limited by guarantee. Our governing documents are the Memorandum and Articles of Association.

Governing Body and Structure

Our governing body is a Board of Directors who are also the Trustees of the charity. As at 31st March 2023 there were five Trustees.

The RLO constitution also facilitates a membership group which is distinct from the Board and appointed through a separate process to ensure impartiality. The current seven members hold the Board to account in terms of ensuring that the organisation operates in accordance with its values.

Real Life Options has, over the years, evolved the organisation's structure to cope with increasing regulation, legislation, and complexity. The Board meets regularly in accordance with the constitutional requirements. The Board also benefits from an audit committee, remuneration committee and other working groups.

Real Life Options has a well-established annual planning and budgeting process.

Decision making

The Board meets quarterly in accordance with an annual work programme agreed annually in advance. In addition, it meets annually for an average of two days during which time it works with the Leadership team to set the strategic agenda and review previous performance.

Operational responsibility is delegated to the Chief Executive Officer. The Board is supported by a Company Secretary. At its meetings, the Board receives strategic and operational reports as well as a financial report.

II. OBJECTIVES AND ACTIVITIES

Real Life Options is founded on the values of respect, honesty, responsibility and excellence. These underpin our person-centred approach and help us work towards our vision of enabling every person to achieve their potential – whether they are someone we support or a member of staff.

The objects of the charity are:

"The Charity's objects are the relief of those in the United Kingdom who are in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage."

Real Life Options supports people to achieve their potential. We focus particularly on supporting people with learning disabilities and autism.

REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

II. OBJECTIVES AND ACTIVITIES (continued)

The Charity's main activities in relation to its objects and for the public benefit are the provision of tailored, person-centred care and support to people who have been identified by local authorities as qualifying for publicly funded services.

The Trustees have had due regard to the guidance published by the Charity Commission on public benefit in directing the Charity's activities.

Our Vision

Is to be recognised as leaders in enabling people to achieve their potential.

Our Purpose

Is to provide excellent social care and support.

Our Values

Focus on respect, honesty, responsibility and excellence.

Our purpose is to provide relief to those that are in need through the provision of excellent care and support. We provide over 50,000 hours of care each week, working with 43 different local authorities throughout England and Scotland.

We support:

- People with learning disabilities or autism
- People with complex needs
- People with challenging behaviours
- People with physical disabilities
- People with sensory disabilities
- People with dementia
- Older people needing support
- People requiring palliative care
- People with a history or risk of offending

Real Life Options is an innovative provider of a range of service models which allow for individualised support packages including:

- Individual and multi occupancy tenancies with 24 hour support
- Supported living models
- Personalised 1:1 outreach
- Residential care homes
- Vocational day opportunities
- Short breaks
- Respite support
- End of life care

The focus of the charity's effort will continue to be care and support for those who need it, particularly people with a learning or other disability.

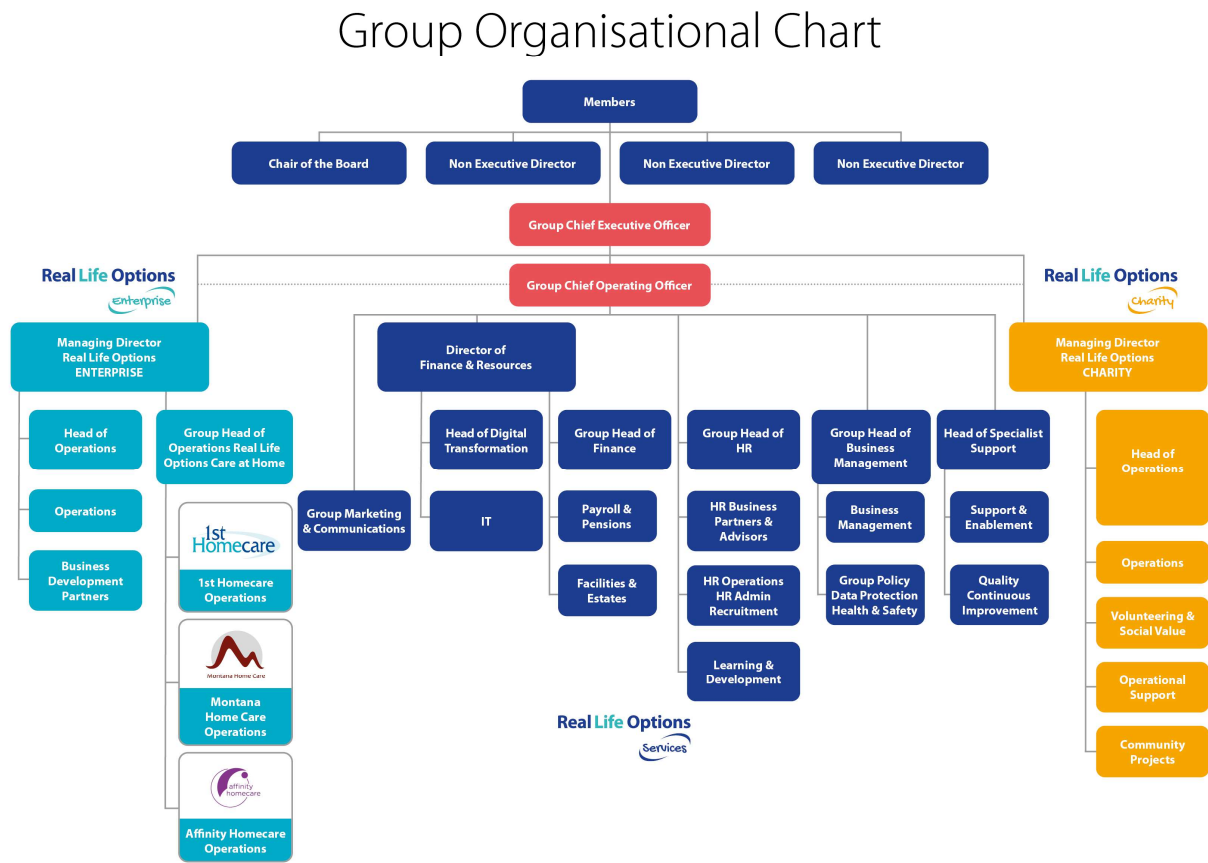
During 2022/23 RLO continued to develop the strategy further using a purpose led strategic approach. The external environment changed significantly over the year including reduced impact from the lockdowns, increased costs, challenges in recruitment and energy insecurity. In response RLO Board planned for the creation of a more efficient leadership structure with a greater focus on purpose led growth and less on new service development.

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(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

III. STRUCTURE

Real Life Options' Structure:



IV. VOLUNTEERS

Real Life Options' volunteer strategy initiative has grown considerably since it was implemented in 2019 and the initiative has grown considerably since. We reviewed our management of the initiative in 22/23 and made the decision to continue with 1 Strategic Volunteer and Social Value Lead for the Group rather than 2 Volunteer and Social Value Managers operating out of England and Scotland. The organisation has just over 240 volunteers and although the numbers are continuing to grow this remains stable due to the economic climate and people returning to paid employment. Alongside the volunteer strategy we continue to have a robust fundraising initiative that enables staff, people we support and groups across the communities to formally raise funding and contribute to the future development of our community connections work planning and opportunity to enhance existing services and activities.

REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

V. PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's guidance on public benefit. This Trustees' report clearly sets out our charitable objectives and how they benefit the public. The organisation is set up to benefit people who are in need because they have disabilities or require support at home. It also works with people who have severe learning difficulties. The organisation works to achieve its vision of a society in which disabilities are not a barrier to people taking control of their lives. We deliver professional, innovative and effective customer-focused services with the aim of improving the quality of life of people by:

- promoting choice and control
- enabling people to make a positive contribution
- increasing dignity and respect
- providing freedom from discrimination and harassment
- furthering health and emotional well-being
- enhancing economic well-being

VI. SECTION 172 STATEMENT

This section provides RLO Group's section 172 statement. It needs to be read in the context of the whole annual report as evidence of the Directors' compliance with Section 172 of the Companies Act which requires Directors to take into consideration the interests of stakeholders in their decision making. The Directors continue to consider the Company's employees and other stakeholders, including the impact of its activities on the various communities we serve, the environment and the Company's reputation, when making decisions.

Acting in good faith and fairly between stakeholders, the Directors consider what is most likely to promote the success of the Company for its stakeholders in the long term. Whilst the importance of giving due consideration to our stakeholders is not new, we are explaining in more detail this year how the Board engages with our stakeholders, thus aiming to comply with the requirement to include a statement setting out how our Directors have discharged this duty.

The Board regularly reviews our principal stakeholders and how we engage with them. This is achieved through a number of channels including our independent membership which is in regular receipt of information concerning the organisation's activities. The Board has also invested in our Support and Enablement programme which is primarily concerned with ensuring that services provided are designed and delivered in accordance with the wishes and expectations of people we support and their families. Thus, the stakeholder voice is brought into the boardroom throughout the annual cycle through information provided by the leadership team and also by direct engagement with stakeholders themselves.

The relevance of each stakeholder group may increase or decrease depending on the matter or issue in question, so the Board seeks to consider the needs and priorities of each stakeholder group during its discussions and as part of its decision making.

REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

VI. SECTION 172 STATEMENT (continued)

RLO Group's principal stakeholders are defined as:

Prime	Base	Partner
People we support	Local Authorities	Researchers
Families	Commissioners	Technical informers
Staff	Banks	Civil leaders
Volunteers	Regulators	Strategic partners
	Suppliers	Media
	Local Communities	Donors

The Board continues to enhance its methods of engagement with the workforce. The RLO employee journey was designed to provide multiple points of engagement:



We aim to work responsibly with our suppliers. RLO remains committed to ensuring that there is no Modern Slavery or Human Trafficking in our supply chains or in any part of our business.

The Chief Executive Officer has continued to enhance the skills and expertise of the Leadership Team to support him in his duties and decision making. This includes recognition of the Senior Leadership Group which comprises the senior functional management roles and together is comprised of those with responsibility for interacting with the Company's principal stakeholders.

REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR)

This report summarises the energy usage, associated emissions, energy efficiency actions and energy performance for Real Life Options, under the government policy Streamlined Energy & Carbon Reporting (SECR), as implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Real Life Options is a UK incorporated charity. Under the new SECR legislation we are mandated to include energy consumption, emissions, intensity metrics and all energy efficiency improvements implemented in our most recent financial year.

Real Life Options' Scope 1 direct emissions (combustion of natural gas and transportation fuels) for this fourth year of reporting are 263.80 tCO₂e (prior year 276.25 tCO₂e), resulting from the direct combustion of 1,422,791 kWh of fuel (prior year 1,480,812 kWh). Scope 2 indirect emissions (purchased electricity) for this fourth year of reporting are 107.67 tCO₂e (prior year 125.65 tCO₂e), resulting from the consumption of 556,767 kWh of electricity (prior year 591,785 kWh) purchased and consumed in day-to-day business operations. Scope 3 emissions (resulting from sources not directly owned by Real Life Options Group i.e., business travel undertaken in employee-owned vehicles) has been reported this year for the first time and is 133.10 tCO₂e (prior year 91.42 tCO₂e) resulting from the consumption of 575,431 kWh of energy (prior year 394,083 kWh).

Real Life Options' operations have an intensity metric of 10.39 tCO₂e/£m (prior year 10.93 tCO₂e/£m) turnover for this reporting year.

Real Life Options is the highest parent company out of four trading companies (Real Life Options, 1st Home Care Ltd, Montana Home Care Ltd and Affinity Homecare Shrewsbury Ltd). Only Real Life Options is required to comply with SECR as a group, as we exceed the qualification threshold of two of the three criteria.

The total consumption (kWh) figures for energy supplies reportable by Real Life Options are as follows:

Utility and Scope	FY 2022/23 Consumption (kWh)	FY 2021/22 Consumption (kWh)
Scope 1 Total	1,422,791	1,480,812
Gaseous and other fuels (Scope 1)	1,338,039	1,377,609
Transportation (Scope 1)	84,753	103,203
Scope 2 Total	556,767	591,785
Grid-Supplied Electricity (Scope 2)	556,767	591,785
Scope 3 Total	575,431	394,083
Transportation (Scope 3)	575,431	394,083
Total	2,554,989	2,466,680

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR) (continued)

The total emission (tCO₂e) figures for energy supplies reportable by Real Life Options are as follows. Conversion factors utilised in these calculations are detailed in Real Life Options 's Streamlined Energy & Carbon Reporting (SECR) available on request:

	FY 2022/23 Consumption (tCO₂e)	FY 2021/22 Consumption (tCO₂e)
Utility and Scope	Location-based	Location-based
Scope 1 Total	263.8	276.25
Gaseous and other fuels (Scope 1)	244.25	252.32
Transportation (Scope 1)	19.55	23.93
Scope 2 Total	107.67	125.65
Grid-Supplied Electricity (Scope 2)	107.67	125.65
Scope 3 Total	133.1	91.42
Transportation (Scope 3)	133.1	91.42
Total	504.56	493.33

An intensity metric of tCO₂e per £m turnover has been applied for the annual total emissions of Real Life Options. The methodology of the intensity metric calculations detailed in Real Life Options 's Streamlined Energy & Carbon Reporting (SECR) are available on request, and results of this analysis is as follows:

Intensity Metrics	Location-based tCO₂e	
	FY 2022/23	% change
All Scopes tCO₂e per Turnover (£m)	10.39	-4.94%

Reporting Methodology

This report (including the Scope 1, 2 and 3 consumption and CO₂e emissions data) have been developed and calculated using the GHG Protocol – A Corporate Accounting and Reporting Standard (World Business Council for Sustainable Development and World Resources Institute, 2004); Greenhouse Gas Protocol – Scope 2 Guidance (World Resources Institute, 2015); ISO 14064-1 and ISO 14064-2 (ISO, 2018; ISO, 2019a); Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance (HM Government, 2019).

Government Emissions Factor Database 2022 version 1.1 has been used, utilising the published kWh gross calorific value (CV) and kgCO₂e emissions factors relevant for reporting period 01/04/2022 – 31/03/2023.

Estimations were undertaken to cover billing periods where data was not received from suppliers. These were calculated utilising historical and present invoice readings and additional supplier provided consumption data where available. Where no data was available, a median value for the portfolio was utilised. Inspired PLC are maintaining efforts in the sourcing of the required verifiable data for the 2022/23 reporting year and will reissue restated figures for use in 2023/24 reporting as soon as received.

Intensity metrics have been calculated using total tCO₂e figures and the selected performance indicator agreed with Real Life Options for the relevant report period:

Total turnover (£m) FY2022/23(FY2021/22) £48.56m (£45.13m)

REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR) (continued)

Energy Efficiency Improvements

Real Life Options are ESOS compliant and ISO14001 accredited. As an organisation we are committed to operating a sustainable environmentally conscious business, as much as is reasonably practicable, whilst also mindful of our obligations as a Charity to the people we support.

Real Life Options are committed to year-on-year improvements to their operational energy efficiency. A register of energy efficiency measures has been compiled, with a view to implementing these measures in the next five years.

Measures ongoing and undertaken through 2022/23

Cycle-to-Work Scheme

The Cycle-to-work scheme has been actively promoted within the business following re-launch in 2021/22. While not impacting the operational carbon footprint of Real Life Options, this scheme emphasises the importance of reducing reliance on less sustainable modes of transport, and reduces emissions associated with staff commuting to work.

Electric Car Scheme

Real Life Options has a company-wide electric car benefit scheme which was launched in April 2022. This demonstrates the commitment of Real Life Options to reduce the emissions associated with business travel, and supports the UK-wide goal of moving away from internal combustion engine (ICE) vehicles in the future.

Measures prioritised for implementation in 2023/24

Smart Meters

Real Life Options will be increasing the number of smart meters in properties to highlight energy usage. This will not only enable Real Life Options to have greater visibility on energy use through the portfolio, but deliver granular accurate data to the business, that can be utilised in the future to ensure accurate billing and reduce energy wastage throughout the portfolio.

VIII. PRINCIPAL RISKS AND UNCERTAINTIES

Real Life Options Group uses a dynamic risk management programme which consists of a number of sub-committees, which meet on a quarterly basis. These sub committees comprise of:

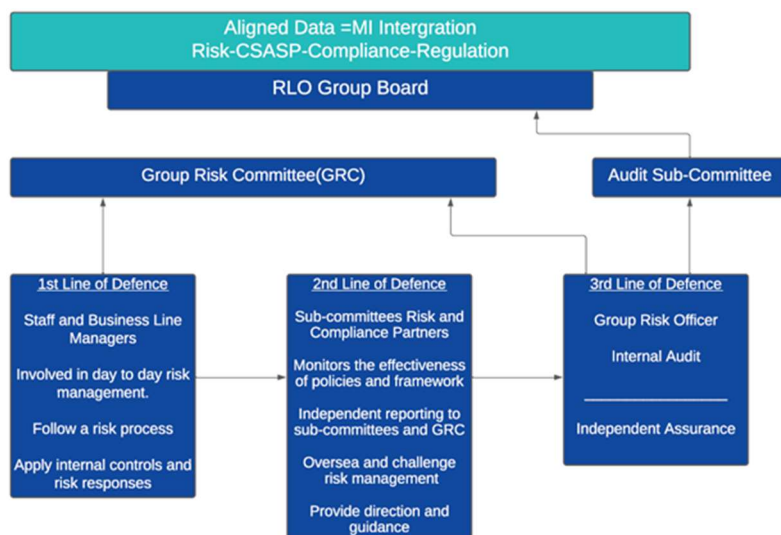
- Group Risk Committee
- Corporate Safeguarding and Adult Support and Protection
- Health and Safety
- Data Protection
- Quality Review Group
- Health and Wellbeing

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**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

VIII. PRINCIPAL RISKS AND UNCERTAINTIES (continued)

The risk management programme is based on three lines of defence as per the diagram below.



RLO also has a Group Risk Committee. This group meets quarterly and its purpose is to:

- Ensure we have a pro-active risk strategy across the Real Life Options Group including: preventable risks, measurable risks, strategy and external risk
- Ensure live reporting within the governance structure including compliance with reporting protocols as defined by our regulators.
- Ensure robust risk categorisation, aligned with effective system for reporting and recording
- Agree and approve new risk procedures/related policy updates
- Assess serious incidents and instruct a Serious Incident Panel Review to determine if the incident is reportable to CC/OSCR
- Ensure Board have insight of existing and emerging risks
- Where appropriate to instruct a sub-committee to be developed for a specific purpose, for example, seasonal illness, this group will be responsible for logging relevant/disseminating communications across the organisation

Risk Advisory Panel

Although this panel is aligned with the sub group process, it operates independently from the rest of the sub groups. This ensures that a clear and robust focus on the assessment and on-going review of emerging risks across the Real Life Options Group (including 1st Home Care Ltd., Montana Home Care Ltd. and Affinity Homecare Shrewsbury Limited) is maintained at all times. The purpose of the panel is to:

- Identify future areas of risk for consideration by the Board and GRC
- Consider risk in an objective and subjective manner
- Consider areas of major non-conformance and where relevant align to emerging risk

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

IX. SERIOUS INCIDENT REPORTING

During the year an incident was reported to the Charity Commission which has since been satisfactorily resolved. There are no legal or financial matters arising from this incident.

I. ACHIEVEMENTS AND PERFORMANCE

During this year, the Board has continued to oversee the next implementation stages of the strategic plan with a strong focus on leadership, collaboration and accountability. The organisation's strategic plan known as 'Our Plan' - a five year blueprint and direction of travel towards 2022 was built upon and extended to 2024. Built on seven core themes underpinned by an ethos of safeguarding, it provides a framework for innovation and agile working:



A key priority for our strategic plans is to have the right people, in the right place, at the right time to create and deliver excellent frontline support. Our Plan is a live working document that utilises Innovation Groups as the forum for co-production and collaboration with individuals, families, professional services and staff teams.

Our strategic aims are to:

- Provide a gold standard and personalised experience for every person we support
- Create a process for attracting and retaining the best possible values-driven workforce
- Continually build on our credentials as a socially responsible member within our sector, our markets and localities
- Provide opportunities that enable the people we support to be active and valued members within their local communities
- Support agile working practices in our drive for organisational excellence
- Create an efficient and effective infrastructure for delivering frontline support
- Build an organisation that anticipates customer needs, is resilient to change and well-led.

During 2022/23 RLO continued to develop the strategy further from 2022-2024, using a purpose led strategic approach. Leadership Team worked on interpreting these seven themes into an updated Group strategy linked to 'Our Purpose – Always with a lasting connection'. The six pathways were: Choice and Inclusion: Achieving Potential: Lifelong connections: Independence at Home: Community Connected and Investment for Impact. From this the 2022-24 strategic objectives and commitments were determined.

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GROUP STRATEGIC REPORT
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I. ACHIEVEMENTS AND PERFORMANCE (continued)

Person Centred Support and Enablement

Real life Options continue to invest in the Person Centred Support and Enablement (PCSE) strategy. The primary focus of this strategy is to ensure all supported people have the opportunity to engage in an ordinary life within their local communities. The Specialist Support Team have developed a PCSE Framework which highlights the skills, experience and knowledge all employees require to provide person centred support. In addition to this the organisation have invested in raising awareness on restrictive practices by ensuring webinars and coaching sessions are available to support operational and business support teams to identify restrictive practices, provide support to reduce them and explore least restrictive options where required.

Last year a substantial investment was made by the organisation to develop bespoke PCSE training based on real life experiences of supported people, eLearning and face to face academies continue to take place to ensure all those providing direct and non- direct support have the skills, knowledge and experience to provide person centred support.

A bespoke electronic outcomes tool has also been developed to support individuals to identify personal outcomes, break the outcome down in to achievable goals and provide information regarding progress.

Investment in building skills and capabilities within the Specialist Support Team has also been a key focus. Two of the Specialist Support Partners were successful in achieving a level five Professional Diploma in Positive Behaviour Support and the Head of Specialist Support completed a Masters in Applied Behaviour Analysis and Positive Behaviour Support. Learning acquired by the team will be disseminated throughout the organisation to support a Positive Behaviour Support culture across the organisation.

Social Impact

During 2022-23 we reported quarterly to the Board on the social impact measures, outputs and outcomes which dovetailed into the wider Group strategy, "Our Purpose". The approach has captured and evidenced our Social Impact in a user-friendly format introducing interactive case studies and links to wider Group reports. The year-end report will be used as a strong baseline to measure 23/24 against. We can already see the impact that volunteer input is having across many of our services. In addition, feedback from people we support is now shaping new pieces of work and further development of services across the wider Group as well as for individuals we support.

The Social Impact report continues to be broken down into the six pathways of the Our Purpose – Always with a lasting connection Group Strategy and involves feedback from across the Real Life Options Group as well as external partners and People we Support.

Community Connection Fund

In 2022/23 RLO Group continued to deliver against the Community Connection Fund, our small grants programme designed to empower people we support and staff in local services to invest in their communities by submitting funding applications for activities that make a difference locally. Throughout the year we have seen the impact that match funding raised by teams/families and guardians has had in many of our services and community events. New Community Hubs have been introduced in several areas across our service portfolio, not only widening the service model for people we support but also opening up new opportunities for volunteers from within the communities.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

I. ACHIEVEMENTS AND PERFORMANCE (continued)

Staff Health and Wellbeing

Real Life Options Group are committed to supporting our staff with their health and wellbeing. Over the year the Health & Wellbeing Core Group have met to further develop the plan for the future Health & Wellbeing Strategy. The plan confirms the organisations commitment to the following objectives:

1. Producing, implementing, and communicating a mental health at work plan that encourages and promotes good mental health in the workplace.
2. Communicating of Health & Wellbeing
3. Providing a specific focus on mental health awareness
4. Providing Health & Wellbeing/Mental Health Representatives & Support Networks
5. Encouraging open conversations about mental health
6. Providing good working conditions, ensuring staff have a healthy work life balance
7. Providing good career and role development opportunities
8. Promoting an effective people management environment
9. Routinely monitoring employee mental health and wellbeing by
10. Analysing data

The new Group Health & Wellbeing Lead will lead the organisation through its plan in the coming year. This role will be responsible for training Health & Wellbeing Champions across our services and be a key driver of the Action Plan.

Staff Learning and Development

2022 – 2023 has been a year of change for the L&D team, we saw the team triple in size (1 person to 3) and that therefore lead to a period of reflection and change for the team. During the year we analysed existing structures and processes and planned new ways of working to better support the organisations training needs going forward. This was done with the view of us being more proactive to ensure peoples training needs are met in advance rather than being reactive. Whilst doing this we also supported the business with the standard day to day training needs, ad hoc training requests and supported the implementation of the EDI framework.

Staff engagement

In the last year we have engaged with staff to hear opinions, ideas and gain an insight into what it is like to work for Real Life Options. We did this through surveys and staff forums, with more than 500 people taking part across the organisation.

We have increased the range of surveys that we undertake to hear from our staff, surveys conducted since April 2022 include:

- Learning and development survey
- Onboarding surveys – week 1, month 1, month 2
- Employee Happiness score – SMS/text surveys

Participation in the surveys overall has increased in the last 12 months however we have paused the staff forums due to previous low attendance. The Employee Happiness surveys are regularly completed by around 40% of those receiving the texts.

Equality, Diversity, and Inclusion

Real Life Options Group is committed to ensure that all our diverse groups of staff experience job satisfaction and wellbeing at work. The Equality, Diversity, and Inclusion framework was further developed in 2022-23. A face-to-face EDI training session was created, which was piloted with a mixture of staff (support workers, managers, and business support staff) at the end of 2022/23 and will be taken organisation wide in 2023/24. This will give our staff the knowledge, and skills to ensure that our values are lived and culture and generational differences in the workplace recognised.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

II. CONSTITUTION

The organisation is a company limited by Guarantee. The organisation's governing documents are its Articles of Association. The liability of each member of Real Life Options is £1. There are a minimum of six members and a maximum of twelve members. Only one Non-Executive and one Senior Manager of the company can be a member at any time.

The Articles require a minimum of three Non-Executive Directors (who are also Trustees) and a maximum of eight non-executive Directors. The articles allow for the appointment of up to two Executive Directors as Trustees, with no minimum number.

The Board reviews its own operational effectiveness and governance annually to ensure that it is meeting the needs of the organisation and complying with all applicable regulations.

RLO Group's governance policy and structure complies with the following regulators:

- Charities Commission
- Scottish Charities Regulator
- Care Quality Commission
- The Care Inspectorate

Under the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014: Regulation 17, providers must have effective governance, including assurance and auditing systems or processes. These must assess, monitor, and drive improvement in the quality and safety of the services provided, including the quality of the experience for people using the service. The systems and processes must also assess, monitor, and mitigate any risks relating the health, safety and welfare of people using services and others. Providers must continually evaluate and seek to improve their governance and auditing practice. RLO Group's governance approach drives performance in compliance with this.

Operation of the Board of Trustees

The Board of Trustees meets quarterly during the year to monitor performance against agreed strategic goals and review the organisation's and Leaderships Team's work and services. An Audit Committee, comprised of Non-Executive Trustees, has responsibility for reviewing the organisation's accounting policies and financial accounts. It meets at least annually, with the Chief Executive and Director of Finance in attendance.

A Remuneration Committee, comprising Non-Executive Trustees, has specific responsibility to review and determine the remuneration of the CEO and review the remuneration of the Leadership Team based on external benchmarking and, where appropriate, recommendation and discussion with the Chief Executive. Oversight is also provided to the Remuneration Committee on levels of remuneration/rewards throughout the whole organisation.

Recruitment and appointment of new Trustees

Under the leadership of the Chair, the recruitment needs of the Board of Trustees is monitored. This includes a review of the current knowledge, experience, skills and abilities, and how these will be affected by any planned Trustee departures in the future. Trustee vacancies are advertised externally. Applicants are shortlisted against the criteria in the person specification for the role, including any specific matters highlighted during the above review. Shortlisted applicants are recruited through a process which includes being interviewed by at least two Non-Executive Trustees (one of whom will be the Chair) and meeting a panel comprising people we support and their support workers. Shortlisted applicants are appointed only where they have the necessary skills and qualities to contribute effectively to the organisation's management and development.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

II. CONSTITUTION (continued)

Recruitment and appointment of new Trustees (continued)

New Trustees are inducted in two main ways:

- Through the provision of information on the organisation's policies and procedures and on its staff, financial and organisational management and development.
- Trustees are briefed by the Leadership Team and key staff of functional aspects of the organisation's operations.

During the year there were no new Trustees appointed.

Related parties

The only related parties are the Trustees. Except for the transaction below, transactions have been only those in the normal course of their employment and through standard delivery of services.

During the year, Real Life Options purchased services and assets amounting to £24,705.69 from Enable Unity CIC, a company in which Dr D Sargeant is a trustee. These services and assets were purchased on an arm's length basis. Real Life Options had no amounts outstanding to or due from Enable Unity CIC at the 31 March 2023.

Subsidiaries

At the balance sheet date, Real Life Options had nine wholly owned subsidiaries and 13 dormant newly incorporated subsidiaries (see note 14).

- Affinity Homecare Shrewsbury Limited is a Shrewsbury based domiciliary homecare company. This strategic investment will expand on its market share of traditional LA funded clients as well as private and continuing health care clients.
- Montana Home Care Ltd. is a company based in Falkirk, Scotland. The company provides domiciliary care to service users who require support. It is a strategic investment in domiciliary core provision and has well-earned reputation for excellent quality services.
- 1st Home Care Ltd. is a company with offices located throughout Scotland. The company provides domiciliary care to service users who require support. It is a strategic investment in domiciliary core provision and with previous acquisitions has created a significant provider within Scotland.
- Orchard Care Services Limited is a dormant trading company that previously provided domiciliary care to elderly service users. The trading was previously transferred to RLO Orchard Care Limited.
- RLO Orchard Care Limited is a dormant trading company that previously provided domiciliary care to elderly services users in Warwickshire and Coventry.
- Alpha Homecare (Scotland) Limited, Real Life Options (Cymru) Limited, Lowland Care Services Limited, and Lowland's subsidiary Senior Service (Edinburgh) Limited are dormant trading companies who ceased trading on 31 March 2016 and transferred their activities to 1st Homecare Limited.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

II. CONSTITUTION (continued)

Staff Management

During the year under review the Leadership Team (LT) had the following staff structure:

- Chief Executive,
- Chief Operating Officer,
- Managing Director - Charity
- Managing Director - Enterprise
- Director of Human Resources (resigned August 2022)
- Director of Finance and Resources

The Chief Executive has overall responsibility for all operational matters and reports directly to the Board of Trustees on a regular basis.

Environmental Policy

We recognise our responsibility to help protect the planet. We are committed to minimizing our impact on the environment and supporting those who are working to improve global environmental sustainability. We are committed to operating our business responsibly in compliance with all legal requirements relating to the provision of bespoke support services for those with learning disabilities, complex behavioural issues, autistic spectrum disorders, profound multiple disabilities and people with enduring mental ill health and older people.

We are mindful of The Climate Change Act 2008 and The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, and our policy is to operate with and to maintain good relations with all regulatory bodies. We carry out all measures reasonably practicable to meet, exceed or develop all necessary or desirable requirements and to continually improve environmental performance through the implementation of the following:

- Assess and regularly re-assess the environmental effects of the organisation's activities.
- Training of employees in environmental issues
- We aim to reduce waste generation at the source and endeavour to minimize the waste we send to landfill.
- We promote reuse and recycling, as well as the use of supplies that are recycled and recyclable and whose production and use minimize the consumption of natural resources. Specifically, we aim to reduce our consumption of single-use plastics, use environmentally friendly paper, and recycle where possible, including plastics and large electronic equipment.
- We encourage our offices to drive initiatives to reduce waste, including sorting and recycling materials, donating used technology equipment, putting drinking water taps in place, reducing food waste, and running recycling campaigns.
- Control noise emissions from operations.
- Minimise the risk to the general public and employees from operations and activities undertaken by the organisation.
- Hold meetings and training, as much as reasonably practicable, via digital technology and thereby reduce the level of travel required across the organisation.
- We use the ISO 14001 environmental management system to support our SECR and ESOS compliance, and this, coupled with the above approach, reduces both energy and travel costs thus supporting our ongoing sustainability.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

II. CONSTITUTION (continued)

Modern Slavery Act 2015 - Modern Slavery and Human Trafficking Statement

Real Life Options Group will always work to the highest ethical standards and comply with all laws, regulations and rules relevant to our business. Our reputation is paramount and we take our Corporate and Social Responsibilities very seriously. We realise that our relationships with those we deal with, whether service users, employees, stakeholders, suppliers or the local community, are key to our success and consequently we take our obligations to those people very seriously.

This statement which covers the financial period 1st April 2022 to 31st March 2023, is made on behalf of the Board at Real Life Options Group with regards to the Modern Slavery Act 2015, which requires large employers to be transparent about their efforts to eradicate Slavery and Human Trafficking in their supply chains. This statement describes how we recognize and prevent human trafficking and slavery in our supply chains.

Since 1992, Real Life Options has been delivering high quality, ethically managed social care for people with learning disabilities and autism. We have a national reputation for providing person-centred care and services to support people to live their lives. We provide self-directed support to ensure people have equal rights as citizens, to maximize their independence and social inclusion and to exercise choice about their own lives.

Our supply chains include procurement of agency staff, facilities maintenance and utilities.

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. We are committed to acting ethically and with integrity in all our business relationships and to implement and enforce effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. We expect our supply chains to comply with all relevant regulatory pre-employment checks and verification of certification and eligibility.

We have various checks that enable us to identify and mitigate risk in relation to slavery and human trafficking. We will ensure that we work with suppliers who treat their obligations towards modern slavery with the same importance that we do. We maintain systems that:

- Identify and assess potential risk areas in our supply chains, through active risk management.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains, through ethical procurement.
- Monitor potential risk areas in our supply chains, through close working relationships with suppliers
- Protect whistle blowers, through our policy.

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, staff are made aware through our safeguarding learning module. Our employees are encouraged to identify any potential anti-slavery concerns and receive regular communications regarding what to do if they suspect this and we have in place protection for whistle blowers.

Gender Pay Reporting

Our gender pay report can be found on the government website.

Operating in the social care sector, we employ a high percentage of female employees (74.7%) in common with sector norms. Our strategy is to build a diverse workforce ensuring that all employees are treated fairly and with respect. We ensure that all our pay and reward scales are transparent and ensure that all employees have equal opportunity to progress within the organisation.

We are pleased to note that there is no pay differential in our Median hourly wage rates and a 0.2% differential towards males in our Mean hourly wages. We continue to strive towards parity among all employees and all new recruits are paid at standard rates to help us achieve this. The organisation will continue to review any evident pay gaps both at Mean and Quartile levels, with an aspiration to close any gaps and ensure pay parity for all employees.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

II. CONSTITUTION (continued)

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes.” Such amounts received are presented in our accounts as “voluntary income” and include legacies and grants when they are received.

In relation to the above we can confirm that all solicitations are managed internally, without the involvement of commercial participators, professional fundraisers or third parties. The day to day management of all income generation is delegated to the Leadership Team, who are accountable to the Board of Trustees.

The charity is not bound by any undertaking to a regulatory scheme and the charity does not consider it necessary to comply with any voluntary code of practice. We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonable at all times. As we do not approach individuals for funds we do not particularise this to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

III. FINANCIAL REVIEW

In the year to 31 March 2023, Real Life Options Group turnover increased by 7.7% from £45.1 million to £48.6 million. This increase reflects an increase in services across Real Life Options with a decrease in subsidiary income. Real Life Options turnover increased by 13.2% from £39.2 million to £44.5 million and its subsidiaries decreased from £5.8 million to £4.1 million.

Net movement in funds for the group increased by 159.9% from £332,000 to £863,000 reflecting the increase in activity throughout England and Scotland. Fee levels have increased largely in response to the increase in the National Minimum Wage and Scottish Living Wage, although not all local authorities have responded promptly or comprehensively to the increase in the rates that we are obliged to pay.

We continue to discuss the need for fee rates that ensure quality provision and sustainable services for the people we support. The most significant challenge during the year has been to recruit and retain staff, because of competition for staff from the hospitality and retail sectors, this has been particularly challenging in the homecare business where this has hampered growth plans. Recruitment and Retention of staff is a key focus currently and staff remuneration is being managed to ensure staff are attracted and retained so that the business is sustainable into the future. We continue to work with commissioners in both England and Scotland to ensure that we are in a position to continue to provide effective and economic services.

We continue to grow Outreach services organically and we opened a new day service opening in Sheffield in September 2022.

The two new person-centred and modern supported living services provided in partnership with a social builder and the local authority in Derbyshire opened in November 2022 and January 2023.

Statement of Financial Position

Debt collection remains strong and the relationship with local authorities that commission our services ensures strong cashflow. Our relationship with our long term lenders remains strong and through the year debt has been repaid in accordance with the agreed schedules. Short term cashflow requirements have been met using arrangements already in place with RBS Invoice Financing.

There has been no substantial investment in property.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

III. FINANCIAL REVIEW (continued)

Taxation

The activities of the charity fall within the exemptions conferred by sections 505 and 506 of the Income and Corporation Taxes Act 1988. Consequently, no corporation tax will be provided for in the financial statements for the charity in this and future years.

The group's trading subsidiaries are subject to corporation tax where retained reserves are insufficient for all surpluses to be paid to the charity by way of gift aid. In the current year there has not been a declaration of any donations that will qualify for gift aid relief to the parent charity, but the accounts have been prepared on the assumption that the gift will be made and corporation tax relief granted.

Fund Accounting

At the end of the year the Group held total reserves of £8.6m (2022 - £7.8m).

The Group's funds are held for a variety of purposes, to ensure that the organisation can operate as a going concern in the future and also fulfil its legal obligations. The funds are summarised as follows:

- Restricted funds (£61,000) – these are held under trust law and so can only be used for particular purposes, as specified or agreed with the donor.
- Designated funds (£195,000) - have been designated within the unrestricted reserves for the community connection fund.
- General funds (£4.4m) – these are sums that are freely available for general use. They are held at a level to withstand any short-term financial risks.
- Fixed asset funds (£4.0m) – these funds form part of the general funds. These continue to make up the bulk of assets held, representing the operational assets of the organisation, without which we could not operate. The vast majority of these are freehold property or computers.

The funds policy review still recognises the need for free reserves to cover short-term risk. The Board of Trustees considers it prudent that unrestricted reserves should be sufficient to manage and changes in the funding from local authorities in respect of fee rates and losses of contracts. RLO has many contracts with c. 43 local authorities which protects the organization from any significant pressure of the loss of contract from one or two of these local authorities.

The Board have agreed that reserves should be kept at a minimum of 10% of turnover or £5m.

The reserves are sufficient to meet the requirements of the reserves policy.

The Board of Trustees has reviewed the reserves policy in light of changing risks presented to the organisation and will formally review the reserves policy and levels maintained on an annual basis. The Trustees recognise that investment in trading subsidiaries and operational assets ties up funds that would otherwise be available for spending but have concluded that funds do not need to be set aside for a specific purpose at this time and that additional funds are not required to meet future commitments.

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1,400 (2022 £1,400).

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

III. FINANCIAL REVIEW (continued)

Going concern

The Trustees have determined that the level of reserves held, the cash available to the Charity and its subsidiaries to the 31 March 2024 will ensure there is sufficient funding to support the existing commitments. During the year and following a business review by the Groups lending bank, the need to comply with loan covenants was removed.

The Trustees have reviewed forecasts to 31 December 2024, and it was concluded that the Charity will be able to meet its liabilities as they fall due over the period.

During 2022-23 a review of RLO's liquidity was undertaken by RLO Group's lending bank. This was initiated following a restructure of the finance team and change to the sales invoicing process which resulted in a temporary need for additional working capital. The assessment has been concluded and the Group has been returned to standard banking arrangements.

Sensitivity analysis has been undertaken for a number of scenarios including the impact of being unable to secure fee uplifts from Local Authorities.

The Trustees expect that Real Life Options has sufficient resources to enable it to continue to adopt the going concern basis in preparing the financial statements. These financial statements do not include any adjustment that would arise if the going concern basis of preparation was not considered appropriate.

As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of the Trust to continue as a going concern.

IV. PLANS FOR THE FUTURE

During this year Real Life Options worked on interpreting the strategic plan to ensure that it is focussed on supporting people throughout their lives and ensuring that RLO Group focusses on local communities across the UK to build on the organisation's ability to deliver charitable outcomes.

In future Real Life Options will consider the development of services in home care, supported living and mixed models of partnership delivery.

Supported Living for People with Learning Disabilities is a core segment of Real Life Options' portfolio and provides opportunities for innovation and viability.

Real Life Options is aware that place-based commissioning is likely to generate other forms of support going forwards and that whole life planning where care and support is delivered through collaboration is part of the journey going forwards.

The forward plan is influenced by changes resulting from the current pandemic and external policies.

ON BEHALF OF THE BOARD

David Wilkin

D Wilkin
 Director and Chair of the Trustees

20/12/2023

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report with the audited financial statements of the charitable company and the group for the year ended 31 March 2023.

Principal Activities and Future Developments

The principal activities of the group are set out in the Group Strategic Report. The group continues to deliver public services.

Results

The group surplus for the year, after taxation amounted to £863,000 (2022: £332,000).

Directors

The Directors who served during the year were:

D I Sargent
D Wilkin
R A Hendry
C A Maltby
C R McCorkindale

Employees

Local arrangements have continued for managers to meet employees and their representatives to discuss matters of mutual interest and concern including the provision of relevant information.

Employment of the disabled

The company recognises its responsibility for the employment, training, career development and promotion of disabled persons and gives full consideration of applications irrespective of an individual's background. Every effort is made to continue to employ those who become disabled while working for the company.

Qualifying indemnity insurance

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1,400 (2022 £1,400).

Events after the reporting period

On 18 September 2023, Real Life Options contacted the Home Office in respect of an error relating to student visa holders who were found to working beyond their legally permissible hours, thereby violating immigration legislation. At present the risk to the organisation in terms of the level of penalties imposed cannot be accurately determined and therefore is not included in the financial statements. The maximum penalties would be £15,000 per employee a total of £585,000.

Disclosures included in the strategic report

Disclosures required under S416(4) of the Companies Act 2006 are commented upon in the Strategic Report in accordance with S414C(11) as the Directors consider them to be of strategic importance to the company.

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Statement as to disclosure of information to auditor

The trustees confirm that:

- So far as each trustee is aware, there is no relevant information of which the company's auditors are unaware, and
- The trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditor

The auditor, Grant Thornton UK LLP will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

ON BEHALF OF THE BOARD

David Wilkin

D Wilkin

Director and Chair of the Trustees

20/12/2023

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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees (who are the directors of Real Life Options for the purposes of Company Law) are responsible for preparing the Group Strategic Report, the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 set out in the Charities SORP (FRS 102);
- make judgements and accounting 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and group's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

David Sargent

Dr D I Sargent

Director

20/12/2023

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of Real Life Options (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023, which comprise the Group Charitable Company Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Charitable Company Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023 and of the group's and the parent charitable company's incoming resources and application of resources, including the group's and the parent 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 have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. 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 group and parent 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

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent charitable company and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the parent charitable company or group to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the parent charitable company's and group's business model including effects arising from macro-economic uncertainties, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the group's and parent charitable company's financial resources or ability to continue operations over the going concern period.

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

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

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

REAL LIFE OPTIONS
(A company limited by guarantee)
REAL LIFE OPTIONS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2023

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

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 Group Strategic Report, prepared for the purposes of company law, included in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report included in the Annual Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report included in the Annual Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 23, 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 group and the parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

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REAL LIFE OPTIONS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2023

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- The Charitable Company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur; FRS 102 and Data Protection Act 2018.
- We communicate relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We understood how the Charitable Company is complying with those legal and regulatory frameworks by making enquiries of management. We corroborate our enquiries through our review of board minutes and legal expenses.
- We assessed the susceptibility of the Charitable Company's financial statements to material misstatement, including how fraud might occur by discussions with management to understand where management considering there is a susceptibility to fraud
- Audit procedures performed by the engagement team included:
 - Evaluation of the controls established to address the risks related to irregularities and fraud;
 - Testing manual journal entries, in particular journal entries determined to be large or relating to unusual transactions based on our understanding of the business;
 - Identifying and testing related party transactions;
 - Completion of audit procedures to conclude on the compliance of disclosures in the annual report and accounts with applicable financial reporting requirements
 - Assessment of the appropriateness of the collective competence and capabilities of the engagement team, included consideration of the engagement team's:
 - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - Knowledge of the industry in which the client operates
 - Understanding of the legal and regulatory requirements specific to the entity
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2023

- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - Knowledge of the industry in which the client operates
 - Understanding of the legal and regulatory requirements specific to the entity

In assessing the potential risks of material misstatement, we obtained an understanding of:

- The entity's operations, including the nature of its revenue sources, products and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
- The applicable statutory provisions
- The entity's control environment, including the policies and procedures implemented to comply with the requirements of its regulator

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 our report

This report is made solely to the charitable company's members and trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006, Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 and trustees 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 its members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Peter Edwards

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Sheffield

Date: 20/12/2023

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

REAL LIFE OPTIONS
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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Designated Funds £'000	2023 Total £'000	2022 Total £'000
Incoming resources						
Charitable activities	4	44,141	-	-	44,141	39,203
Donations		-	52	-	52	27
Trading activities:						
Trading subsidiaries income		4,091	-	-	4,091	5,808
Other income		274	-	-	274	40
Total incoming resources		48,506	52	-	48,558	45,078
Resources expended						
Trading expenditure:						
Trading subsidiaries expenditure		3,875	-	-	3,875	5,078
Charitable activities		43,799	15	6	43,820	39,661
Total resources expended	5	47,674	15	6	47,695	44,739
Net income before transfers and tax		832	37	(6)	863	339
UK Corporation tax	11	-	-	-	-	(7)
Net movement in funds		832	37	(6)	863	332
Fund balances at 1 April 2022	27	7,556	24	201	7,781	7,449
Total fund balances at 31 March 2023	27	8,388	61	195	8,644	7,781

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 32 to 57 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Designated Funds £'000	2023 Total £'000	2022 Total £'000
Incoming resources						
Charitable activities	4	44,142	-	-	44,142	39,203
Donations		-	52	-	52	27
Other income		274	-	-	274	40
Total incoming resources		44,416	52	-	44,468	39,270
Resources expended						
Charitable activities		43,489	15	6	43,510	39,265
Total resources expended	5	43,489	15	6	43,510	39,265
Net expenditure before gift aid from subsidiaries and transfers		927	37	(6)	958	5
Gift Aid from subsidiaries		685	-	-	685	996
Net movement in funds before transfers		1,612	37	(6)	1,643	1,001
Net movement in funds		1,612	37	(6)	1,643	1,001
Fund balances at 1 April 2022	27	9,170	24	201	9,395	8,394
Total fund balances at 31 March 2023	27	10,782	61	195	11,038	9,395

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 32 to 57 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

CONSOLIDATED AND CHARITY BALANCE SHEETS
Registered No 02699638

AS AT 31 MARCH 2023

	Note	Group 2023 £'000	2022 £'000	Charity 2023 £'000	2022 £'000
Fixed assets					
Intangible assets	12	1,663	1,978	-	-
Tangible assets	13	3,979	4,117	3,980	4,115
Investments in Subsidiaries	14	-	-	4,919	4,919
		<u>5,642</u>	<u>6,095</u>	<u>8,899</u>	<u>9,034</u>
Current assets					
Stock		-	26	-	26
Debtors: amounts recoverable within one year	15	7,474	3,802	7,965	4,118
Cash at bank and in hand	25	1,953	2,910	1,507	2,210
		<u>9,427</u>	<u>6,738</u>	<u>9,472</u>	<u>6,354</u>
Creditors:					
Amounts falling due within one year	16	(5,789)	(4,081)	(6,701)	(5,026)
		<u>3,638</u>	<u>2,657</u>	<u>2,771</u>	<u>1,328</u>
Net current assets					
		<u>9,280</u>	<u>8,752</u>	<u>11,670</u>	<u>10,362</u>
Total assets less current liabilities					
		<u>9,280</u>	<u>8,752</u>	<u>11,670</u>	<u>10,362</u>
Creditors:					
Amounts falling due after more than one year	18	(631)	(966)	(632)	(967)
Provisions:					
Deferred taxation	21	(5)	(5)	-	-
		<u>8,644</u>	<u>7,781</u>	<u>11,038</u>	<u>9,395</u>
Net assets	28				
		<u>8,644</u>	<u>7,781</u>	<u>11,038</u>	<u>9,395</u>
Reserves					
Unrestricted Funds		8,388	7,556	10,782	9,170
Restricted Funds		61	24	61	24
Designated Funds		195	201	195	201
		<u>8,644</u>	<u>7,781</u>	<u>11,038</u>	<u>9,395</u>
Total Funds	27				
		<u>8,644</u>	<u>7,781</u>	<u>11,038</u>	<u>9,395</u>

The financial statements were approved and authorised for issue by the Trustees on 20/12/2023 and signed on their behalf by:

David Wilkin

D Wilkin
Chair of the Board

The notes on pages 32 to 57 form part of these financial statements.

REAL LIFE OPTIONS
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CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2023

		2023	2022
		£'000	£'000
Cash flows from operating activities			
Surplus for the financial year		863	332
Adjustments for:			
Amortisation of intangible assets	12	324	395
Depreciation of fixed assets	13	159	145
Impairment of goodwill	12	-	46
Loss on disposal of fixed asset		-	3
Net interest payable		54	28
Taxation	11	-	7
Decrease/(increase) in stock		26	(26)
(Increase)/decrease in debtors	15	(3,672)	297
Increase/(decrease) in creditors	16	1,706	(212)
Cash generated from operations		(540)	1,015
Interest paid		(52)	(28)
Taxation paid		-	(1)
Net cash (used in)/generated from operating activities		(592)	986
Cash flows from investing activities			
Acquisition of subsidiary		-	-
Purchases of tangible fixed assets	13	(30)	(224)
Purchase of intangible fixed assets	12	(9)	(32)
Disposal of fixed assets		9	-
Net cash used in investing activities		(30)	(256)
Cash flows from financing activities			
Receipt of new bank loans		-	425
Bank loans repaid		(335)	(458)
Deferred consideration paid		-	(212)
Net cash used in financing activities		(335)	(245)
Net (decrease)/increase in cash and cash equivalents		(957)	485
Cash and cash equivalents at beginning of year		2,910	2,425
Cash and cash equivalents at end of year	25	1,953	2,910
Cash and cash equivalents comprise:			
Cash at bank and in hand	25,26	1,953	2,910

The notes on pages 32 to 57 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1 General information

The charity is a private charitable company limited by guarantee incorporated in England and Wales and has no share capital. The address of the registered office is given on the company information page and the nature of the group's operations and its principal activities are set out in the Trustees Report.

2 Accounting policies

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) (effective 1 January 2019) - Charities Statement of Recommended Practice (FRS 102), UK Generally Accepted Accounting Practice (UK GAAP) including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and Liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity meets the definition of a public benefit entity under FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The financial statements have been prepared in pounds sterling and rounded to the nearest thousand pounds.

Parent company disclosure exemptions

In preparing the separate financial statements of the charity, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the charity;
- Disclosures in respect of the charity's financial instruments have not been presented as equivalent disclosures have been provided for the group as a whole.

The following principal accounting policies have been applied:

2.1. Basis of Consolidation

The consolidated financial statements present the results of Real Life Options and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of financial affairs from the date on which control is obtained. They are deconsolidated from the date control ceases.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2 Accounting policies (continued)

2.2. Going Concern

The Trustees have determined that the level of reserves held, the cash available to the Charity and its subsidiaries to the 31 December 2024 will ensure there is sufficient funding to support the existing commitments. During the year and following a business review by the Groups lending bank, the need to comply with loan covenants was removed.

The Trustees have reviewed forecasts to 31 December 2024, and it was concluded that the Charity will be able to meet its liabilities as they fall due over the period.

During 2022-23 a review of RLO's liquidity was undertaken by RLO Group's lending bank. This was initiated following a restructure of the finance team and change to the sales invoicing process which resulted in a temporary need for additional working capital. The assessment has been concluded and the Group has been returned to standard banking arrangements.

Sensitivity analysis has been undertaken for a number of scenarios including the impact of being unable to secure fee uplifts from Local Authorities.

The Trustees expect that Real Life Options has sufficient resources to enable it to continue to adopt the going concern basis in preparing the financial statements. These financial statements do not include any adjustment that would arise if the going concern basis of preparation was not considered appropriate.

As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of the Trust to continue as a going concern.

2.3. Income

All income is included in the Statement of Financial Activities ('SOFA') when:

- The entity is legally entitled to the income, and
- any performance conditions attaching to the income have been met, and
- the amount can be quantified with reasonable accuracy, and
- the amount is likely to be received.

Income may be accrued if the work has been completed and the service under the contract delivered. Income may be deferred if the service has not been provided even if the value has been invoiced and payment received.

Grants are received from bodies within Local Government and the National Health Service and are specific to the charitable activities.

All grants, donations, rental income and contractual payments are included on a receivable basis.

For legacies, income will be recognised if the amount can be measured and there is a clear indication that a distribution will be made from the estate.

Donated professional services and donated facilities will be recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. The economic benefit will be the amount the charity would have been willing to pay to obtain those services or facilities on the open market; a corresponding amount will be recognised in expenditure in the period of receipt.

In accordance with the Charities SORP (FRS 102), the contribution of volunteers' general time to the Charity will not be recognised in the financial reports but will be referred to in the trustees' annual report.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2 Accounting policies (continued)

2.3. Income (continued)

Deferred capital grants are treated as deferred income in compliance current GAAP and are credited to the income and expenditure account over the expected useful economic life of the relevant fixed asset on a basis consistent with the depreciation policy.

Other grants are recognised as and when conditions for their release are fulfilled.

2.4. Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure and support costs comprise direct expenditure including direct staff costs attributable to the activity. The charity has one type of activity – support services. All support costs are allocated to this activity. Governance costs are those incurred in connection with the management of the Charity's assets, organisational administration and costs regarding compliance with constitutional and statutory requirements.

Trading expenditure comprises the costs of the trading subsidiaries, and is recognised on an accruals basis.

2.5. Fund Accounting

Unrestricted funds, which have not been designated for other purposes, are available for use at the discretion of the Trustees, in furtherance of the general objectives of the Charity.

Designated funds are transferred from general unrestricted funds for specific purposes, based on available cost information. These amounts are monitored annually and may be amended or re-designated by the Board.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by conditions relating to the arrangements leading to the receipt of the money; conditions under which money has been donated; or which have been raised by the Charity for particular purposes. If there is an obligation to use resources generated for a specific purpose the income will be accounted for in a restricted fund. The costs of raising and administering such funds will be charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.6. Intangible assets

Goodwill

At the date of acquisition, goodwill will initially be measured as the excess of the cost of the business combination over the fair value of the net amount of the identifiable assets, liabilities and contingent liabilities.

After initial recognition, the goodwill shall be measured as cost less accumulated amortisation and accumulated impairment losses. An estimate of the useful life of the Goodwill will be made at the time of acquisition and the Goodwill be amortised on a systematic basis over that life. The useful life of the goodwill will not normally be more than 10 years.

Using the definitions in FRS 102, as part of the annual impairment review process, the value of goodwill will be compared with the recoverable amount of the asset. In the event that the value of the goodwill is found to be less than the recoverable amount, the value of the impairment will be recognised in the accounts.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2 Accounting policies (continued)

2.6. Intangible assets (continued)

Software

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years. Software is amortised over a period of 3 years.

2.7. Tangible Assets

Tangible fixed assets costing more than £1,000 are capitalised and valued at historical cost along with any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value on a straight line or reducing balance basis over the following ranges of expected useful economic lives:

Freehold land & buildings	-	50 years straight line
Leasehold improvements	-	10 years straight line or the length of the lease if shorter
Fixtures and fittings	-	3-10 years straight line
Computer equipment	-	2-4 years straight line
Motor vehicles	-	25% reducing balance
Office equipment	-	3-4 years straight line

Freehold Land will not be depreciated.

2.8. Accounting for Investments in Subsidiaries

Investments in subsidiaries are stated at cost less any assessed impairment in the asset.

2.9. Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10. Financial Instruments

Real Life Options and its group entities only enter into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables are measured, initially and subsequently, at the undiscounted amounts of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently amortised at cost.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2 Accounting policies (continued)

2.10. Financial Instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

2.11. Current and Deferred Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of financial affairs.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the UK.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or future profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the near future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of the liabilities acquired and the amount that will be assessed for tax.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2 Accounting policies (*continued*)

2.12. Pension

Retirement benefits to the majority of employees are provided by the Group's defined contribution scheme. Contributions payable to the Group's pension scheme are charged to the profit and loss account in the period to which they relate.

A small, and reducing, number of employees are members of the NHS pension scheme. This is a defined benefit scheme and the assets are held separately from those of the Group. The NHS Pension scheme is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. The NHS pension scheme is a multi-employer scheme.

The Group will recognise in the accounts its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis if it is possible and economical to identify its share of the cost. If it is not possible or economical to identify the Group's share of the underlying assets and liabilities the NHS pension scheme will be treated as a defined contribution scheme and the Group's contributions will be recognised as they are paid each year.

2.13. Operating Leases

Income and costs associated with operating leases are either credited or charged to the SOFA on an accruals basis in accordance with the contracts in force during the year.

The cost of the lease payments over the contracted period, after allowing for any lease incentives, will be apportioned equally over the life of the lease.

2.14. Gift aid distribution

The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the charity.

Gift Aid is recognised on the accruals basis in line with the deed of covenant.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements the directors have made the following judgements:

The Directors have reviewed the carrying value of the Group's assets, including goodwill, to determine whether there are any indicators of impairment. Factors taken into account include the economic viability and expected future financial performance of the assets.

Other key sources of estimation uncertainty

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of assets and residual values are assessed on acquisition and may be revised if operating circumstances change significantly.

The Directors have made assumptions about the potential value and likelihood of success of claims against the company for unpaid wages from current and former employees.

4 Analysis of Income from Charitable Activities

All activity relates to the provision of care services in the UK.

All income is unrestricted other than restricted donations of £52k (£27k).

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5 Analysis of resources expended

The charity allocates its support costs as shown in the table below. Regional Office costs are allocated to the relevant region. Support Service costs are apportioned between the regions based on the percentage of income per region.

GROUP 2023

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Trading subsidiaries expenditure	3,875	-	3,288	162	425
Charitable activities	43,820	219	37,686	1,925	3,990
	<u>47,695</u>	<u>219</u>	<u>40,974</u>	<u>2,087</u>	<u>4,415</u>

GROUP 2022

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Trading subsidiaries expenditure	5,078	-	4,444	177	457
Charitable activities	39,661	143	34,297	1,459	3,762
	<u>44,739</u>	<u>143</u>	<u>38,741</u>	<u>1,636</u>	<u>4,219</u>

Total expenditure for the year for the group was £47,695k (2022: £44,739k) of which £15k (2022: £14k) was restricted, £6k (2022: £8k) was designated and £47,674k (2022: £44,717k) was unrestricted.

CHARITY 2023

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Charitable activities	43,510	219	37,685	1,925	3,681

CHARITY 2022

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Charitable activities	39,265	143	34,300	1,458	3,364

Total expenditure for the year for the charity was £43,510k (2022: £39,265k) of which £15k (2022: £14k) was restricted, £6k (2022: £8k) was designated and £43,489k (2022: £39,243k) was unrestricted.

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6 Analysis of governance costs

	GROUP		CHARITY	
Analysis of governance costs	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Audit fees	171	77	171	38
Other financial services including accountancy services	47	24	47	24
Other professional fees	56	42	56	81
	<u>274</u>	<u>143</u>	<u>274</u>	<u>143</u>
	GROUP		CHARITY	
Audit and Non Audit Services	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Statutory audit of parent and consolidated accounts	172	38	172	38
Statutory audit of subsidiary companies	-	39	-	-
Tax Services	17	12	17	12
Other Services	30	12	30	12
	<u>219</u>	<u>101</u>	<u>219</u>	<u>62</u>

Governance costs relate to the audit and other professional services in connection with governance of the charity. All other costs are allocated to charitable activities where they are incurred within the charity or trading subsidiaries expenditure where they are incurred in those subsidiaries.

All expenditure in the current and preceding year was unrestricted.

7 Net income

Net income is stated after charging:

	GROUP		CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Operating lease rentals:				
- land & buildings	743	639	661	558
- equipment	218	194	213	189
Depreciation - owned assets	159	138	157	138
Loan interest	54	27	54	-
Amortisation of goodwill	313	389	-	24
Amortisation of software	11	6	-	-
	<u></u>	<u></u>	<u></u>	<u></u>

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
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8 Staff costs

	GROUP		CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Wages and salaries	36,231	34,218	33,245	30,157
Social security costs	3,215	3,128	2,965	2,810
Other pension costs - contributions to defined contribution schemes	690	682	641	621
	40,136	38,028	36,851	33,588

The figures shown above represent all staff costs for the Group and Company including operational staff costs, as shown in Note 5, together with costs relating to staff who work in support services and regional offices, which are incorporated within the support cost figures in note 5.

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	GROUP		CHARITY	
	2023	2022	2023	2022
	Number	Number	Number	Number
£60,001 - £70,000	8	5	7	5
£70,001 - £80,000	1	1	2	1
£80,000- £90,000	1	2	-	2
£90,001- £100,000	1	-	1	-
£100,001-£110,000	-	1	-	1
£110,001-£120,000	2	-	2	-
£120,001-£130,000	-	-	-	-
£130,001-£140,000	-	1	-	1
£140,001-£150,000	-	-	-	-
£150,001-£160,000	-	1	-	1
£160,001-£170,000	-	1	-	1
£170,000-£180,000	1	1	1	1
£180,000-£190,000	-	1	-	1
£200,000-£210,000	1	-	1	-
£260,000-£270,000	1	-	1	-
	16	14	15	14

All employees earning more than £60,000 contributed to a personal pension scheme. The Charity contributed £47,966 (2022 - £43,605) on their behalf.

The number of full and part-time employees, calculated on a monthly average basis, was:

	GROUP		CHARITY	
	2023	2022	2023	2022
	Number	Number	Number	Number
Staff	1,824	1,853	1,587	1,539

Redundancy costs of £164,524 (2022 - £41,306) were payable of which £Nil (2022 - £ Nil) was unpaid at year end. This related to compensation for loss of office for 6 (2022 – 6) individuals.

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9 Directors' Remuneration

	GROUP AND CHARITY	
	2023	2022
	£'000	£'000
Directors' emoluments	619	769
Company contributions to defined contribution pension scheme	59	26
	678	795
	678	795

There were 4 directors in the group's defined contribution pension scheme (2022 - 5). None of the directors accrued benefits under a defined benefit pension scheme during the year (2022 - none).

Other than the directors, there are not considered to be any other employees who are key management personnel.

Emoluments of the highest paid director were £278k (2022 - £187k). Company pension contributions of £2k (2022 - £4k) were made to a defined contribution pension scheme on their behalf.

Under the Articles of Association the charity is allowed to remunerate non-executive trustees for their duties.

In the year ended 31 March 2023, or the year ended 31 March 2022, no non-executive trustees were remunerated.

Trustees are reimbursed for expenditure incurred in attending trustees meetings or visiting the Group's home and facilities in their roles as Trustees. In the year to 31 March 2023, costs totalling £642 (2022 - £436) were reimbursed to no (2022 - None) Non-Executive Trustees.

During the year ended 31 March 2023, there was an amount of £128,546 (2022 - £41,306) paid to directors as compensation for loss of office. Of this £Nil (2022 - £Nil) was unpaid at the year end.

10 Indemnity insurance

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1,400 (2022 - £1,400).

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11 Taxation

	GROUP	
	2023	2022
	£'000	£'000
Corporation Tax		
Charge for year	-	-
Adjustment in respect of prior periods	-	1
Total	-	1
Deferred Tax		
Origination and reversal of timing differences	-	167
Adjustments in respect of prior periods	-	(122)
Change to tax rates	-	(39)
	-	6
Total tax credit for the year	-	7
Net incoming resources before other recognised gains, losses and transfers	863	339
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	164	64
Income not subject to tax	(8,449)	(7,461)
Impairment of goodwill	-	-
Expenses not deductible for tax purposes	8,285	7,536
Adjustments in respect of prior periods	-	(122)
Remeasurement of deferred tax for changes in tax rates	-	42
Deferred tax not recognised	-	(53)
Other adjustments	-	1
Total tax credit for the year	-	7

Factors that may affect future tax charges

An increase in the future main corporation tax rate to 25% from 1 April 2023, from the previously enacted 19%, was announced at the budget on 3 March 2021, and substantively enacted on 24 May 2021. The deferred tax balance at the year end has been calculated based on the rate substantively enacted at the time the deferred tax is expected to unwind.

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**12 Intangible assets
Group**

	Goodwill £'000	Software £'000	Total £'000
Cost			
At 1 April 2022	5,925	29	5,954
Additions	-	9	9
At 31 March 2023	5,925	38	5,963
Amortisation			
At 1 April 2022	3,970	6	3,976
Amortisation in the year	313	11	324
At 31 March 2023	4,283	17	4,300
Net book value			
At 31 March 2023	1,642	21	1,663
At 1 April 2022	1,955	23	1,978
Charity			
			Goodwill £'000
Cost			
At 1 April 2022 and 31 March 2023			474
Amortisation			
At 1 April 2022 and 31 March 2023			474
Net book value			
At 1 April 2022 and 31 March 2023			-

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13 Tangible fixed assets

GROUP	Freehold land and buildings £'000	Leasehold improvements £'000	Fixtures and fittings £'000	Motor vehicles £'000	Office equipment £'000	Computer equipment £'000	Total £'000
Cost							
At 1 April 2022	4,275	367	204	68	1	1,357	6,272
Additions	-	10	-	14	-	6	30
Disposals	-	-	-	-	(1)	(8)	(9)
At 31 March 2023	4,275	377	204	82	-	1,355	6,293
Depreciation							
At 1 April 2022	504	153	190	10	-	1,298	2,155
Provided during the year	60	44	14	16	-	25	159
Disposals	-	-	-	-	-	-	-
At 31 March 2023	564	197	204	26	-	1,323	2,314
Net Book Value							
At 31 March 2023	3,711	180	-	56	-	32	3,979
At 31 March 2022	3,771	214	14	58	1	59	4,117

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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
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13 Tangible fixed assets *(continued)*

	Freehold land and buildings £'000	Leasehold improvements £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer £'000	Total £'000
CHARITY						
At 1 April 2022	4,275	367	233	68	1,309	6,252
Additions	-	10	-	14	6	30
Disposals	-	-	-	-	(8)	(8)
At 31 March 2023	4,275	377	233	82	1,307	6,274
Depreciation						
At 1 April 2022	504	153	209	10	1,261	2,137
Provided during the year	60	44	15	16	22	157
Disposals	-	-	-	-	-	-
At 31 March 2023	564	197	224	26	1,283	2,294
Net book value						
At 31 March 2023	3,711	180	9	56	24	3,980
At 31 March 2022	3,771	214	24	58	48	4,115

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
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14 Investments

	CHARITY	
	2023	2022
	£'000	£'000
Cost and net book value as at 1 April 2022	4,919	4,916
Movement in value of investments	-	3
Cost and net book value as at 31 March 2023	4,919	4,919

Subsidiary	Control %	Co Number	Registered office
1st Home Care Ltd	100	SC272838	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
Orchard Care Services Limited	100	05767436	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Lowland Care Services Limited	100	SC236443	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
Alpha Homecare (Scotland) Limited	100	SC263919	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
RLO Orchard Care Limited	100	08164674	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Senior Service (Edinburgh) Limited*	100	SC312050	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
Real Life Options (Cymru) Limited	100	08165205	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Montana Home Care Ltd.	100	SC267110	88 Grahams Road, Falkirk, Stirlingshire, FK2 7DL
Affinity Homecare Shrewsbury Limited	100	09508514	Suite D, Global House Sitka Drive, Shrewsbury Busienss Park, Shrewsbury, SY2 6LG

All subsidiaries are involved in the provision of care services.

* Denotes that the 100% control is indirect via Lowland Care Services Limited.

Of the above named subsidiaries only Affinity Homecare Shrewsbury Limited, 1st Home Care Ltd and Montana Home Care Ltd are considered to be material to the operations of the group.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
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14 Investments (continued)

The following subsidiary Companies were incorporated during a previous financial year but were dormant. Each Company has 2 shares with an aggregate nominal values of £2.

They have been excluded from consolidation by virtue of of s394A of Companies Act 2006.

Subsidiary	Control %	Co Number	Registered office
Real Life Options West Yorkshire Limited	100	13082099	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Warwickshire Limited	100	13082242	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Tyne & Wear Limited	100	13082119	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Staffordshire Limited	100	13082096	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Derbyshire Limited	100	13082113	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options County Durham Limited	100	13082447	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Cheshire Limited	100	13082164	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Angus Limited	100	13082200	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Aberdeenshire Limited	100	13082153	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Enterprise Ltd	100	13071404	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Innovation Ltd	100	13055357	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Services Ltd	100	13055350	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
13055370 Ltd	100	13055370	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU

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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
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14 Investments (continued)

The income and expenditure for the year ended 31 March 2023 was as follows:-

	1st Home Care		Montana Home Care		Affinity Home Care	
	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Turnover	2,889	3,871	566	929	637	1,007
Cost of sales	(2,382)	(3,032)	(458)	(692)	-	-
Gross profit	507	839	108	237	637	1,007
Administrative expenses	(407)	(447)	(88)	(128)	(541)	(815)
Operating profit	100	392	20	109	96	192
Interest receivable and similar income	-	-	-	-	-	-
Profit on ordinary activities before tax	100	392	20	109	96	192
Taxation	-	(5)	-	-	-	-
Profit after tax	100	387	20	109	96	192

The aggregate of the assets liabilities and funds was:

	As at 2023 £'000	As at 2022 £'000	As at 2023 £'000	As at 2022 £'000	As at 2023 £'000	As restated As at 2022 £'000
Assets	1,583	1,901	49	149	201	318
Liabilities	(211)	(246)	(16)	(26)	(32)	(53)
Reserves	1,372	1,655	33	123	169	265

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15 Debtors: amounts due within one year

	GROUP		CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade debtors	6,447	2,809	6,098	2,433
Amounts due from subsidiary undertakings	-	-	929	937
Other debtors	69	85	65	84
Prepayments and accrued income	957	908	873	664
Deferred tax asset	1	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	7,474	3,802	7,965	4,118
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The impairment loss recognised in the Group's Statement of Financial Activities for the period in respect of bad and doubtful trade debtors was £33,029 (2022 - £Nil). The impairment loss recognised in the charity's Statement of Financial Activities for the period in respect of bad and doubtful trade debtors was £33,029 (2022 - £Nil).

Amounts due from subsidiary undertakings are interest free and due on demand.

16 Creditors: amounts falling due within one year

	GROUP		CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	391	389	391	389
Trade creditors	1,887	549	1,854	523
Other taxes and social security	722	702	683	652
Accruals and deferred income	961	1,087	883	962
Other creditors	1,828	1,354	1,907	1,421
Amounts due to subsidiary undertakings	-	-	983	1,079
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	5,789	4,081	6,701	5,026
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Amounts due to subsidiary undertakings are interest free and due on demand.

For a number of service users, the charity is an appointee for the purposes of benefit claims with the Department for Work and Pensions. The charity claims benefits on behalf of the service users and manages bank accounts opened specifically for the purpose on behalf of the claimant. In addition, the charity works with service users in supported living by managing shared resources in bank accounts. The total amount of money controlled by the company under these arrangements is £2,358k (2022 - £2,185k). These are not included within the funds of the group.

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17 Deferred income

	GROUP		CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Balance at 1 April	767	785	767	785
Amount released to income	(767)	(785)	(767)	(785)
Amount deferred in the period	703	767	704	767
	<u>703</u>	<u>767</u>	<u>704</u>	<u>767</u>
Balance at 31 March	703	767	704	767
	<u>703</u>	<u>767</u>	<u>704</u>	<u>767</u>

Deferred income relates to the provision of care services invoiced in advance.

18 Creditors: amounts falling due in more than one year

	GROUP		CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Bank loans	631	966	632	967
	<u>631</u>	<u>966</u>	<u>632</u>	<u>967</u>

19 Bank loans

	GROUP		CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Repayments fall due as follows:				
Within one year	391	389	391	389
In the second to fifth year inclusive	537	814	537	814
After 5 years	94	152	95	153
	<u>1,022</u>	<u>1,355</u>	<u>1,023</u>	<u>1,356</u>
Total loans and overdrafts	1,022	1,355	1,023	1,356
	<u>1,022</u>	<u>1,355</u>	<u>1,023</u>	<u>1,356</u>

The bank loans are secured by specific charges over the Group's properties and floating charges on all of the Group's assets and are repayable at varying rates of interest.

20 Financial instruments

	GROUP	
	2023	2022
	£'000	£'000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	9,109	5,804
	<u>9,109</u>	<u>5,804</u>
Financial liabilities		
Financial liabilities measured at amortised cost	4,994	3,257
	<u>4,994</u>	<u>3,257</u>

Financial assets measured at amortised cost comprise cash, trade and other debtors and accrued income.

Financial liabilities measured at amortised cost comprise bank loans, trade and other creditors and accruals.

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21 Deferred taxation

	GROUP	
	2023	2022
	£'000	£'000
At 1 April 2022	(5)	1
Charged in the year	-	(6)
At 31 March 2023	(5)	(5)

The deferred taxation (creditor)/debtor is made up as follows:

	GROUP	
	2023	2022
	£'000	£'000
Short Term Timing Differences	(5)	(5)

22 Other financial commitments

At 31 March 2023 the group had commitments under non-cancellable operating leases as follows:

	GROUP		GROUP	
	Land and buildings		Equipment	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	541	613	198	139
Between two and five years	124	45	145	111
In more than 5 years	44	-	50	17
	709	658	393	267
	CHARITY		CHARITY	
	Land and buildings		Equipment	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	503	556	196	135
Between two and five years	79	10	145	109
In more than 5 years	44	-	50	17
	626	566	391	261

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23 Pension scheme obligations - Defined Contribution Schemes

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

These schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State in England and Wales. The schemes are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities.

Therefore, the schemes are accounted for as though they were defined contribution schemes: the cost to the clinical commissioning group of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2023, is based on valuation data as 31 March 2022, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2016. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

The next actuarial valuation is due with an effective date of 31 March 2020 and is due to be completed later in 2023. Changes to employer contribution rates as a result of the 2020 valuation are expected to take effect from April 2024. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

For 2022-23, employers' contributions of £31,011 (2021-22: £46,841) were payable to the NHS Pension Scheme at the rate of 14.38% of pensionable pay. The scheme's actuary reviews employer contributions, usually every four years and now based on HMT Valuation Directions, following a full scheme valuation. The latest review used data from 31 March 2016. These costs are included within creditors.

REAL LIFE OPTIONS
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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

24 Related party transactions

During the year there were no sales or direct purchases between Group companies (see note 14). Recharges between Group companies have been made for expenses and other costs on behalf of related parties:

Cost incurred by	On behalf of	2023 £	2022 £
Real Life Options	1st Home Care Ltd	91,838	147,436
Real Life Options	Affinity Homecare Shrewsbury Limited	3,588	3,030
Real Life Options	Montana Home Care Ltd	3,999	13,889
Real Life Options	Real Life Options (Cymru) Limited	36	-
Real Life Options	Lowland Care Services Limited	1,270	-
Real Life Options	RLO Orchard Care Limited	7	-
1st Home Care Ltd	Real Life Options	1,467	-

The intercompany debtor/(creditor) at year end comprised:

	2023 £	2022 £
1st Home Care Ltd	778,822	864,852
Affinity Homecare Shrewsbury Limited	129,506	133,094
Montana Home Care Ltd	(5,751)	(13,889)
Alpha Homecare (Scotland) Limited	(31,675)	(31,676)
Senior Service (Edinburgh) Limited	(101,677)	(101,677)
Real Life Options (Cymru) Limited	(270,098)	(270,062)
Lowland Care Services Limited	75,153	76,423
RLO Orchard Care Limited	(440,853)	(440,853)
Orchard Care Services Limited	(79,120)	(79,120)

During the year, Real Life Options purchased services and assets amounting to £24,706 (2022 - £Nil) from Enable Unity CIC, a company in which Dr D Sargeant is a trustee. These services and assets were purchased on an arm's length basis. Real Life Options had no amounts outstanding to or due from Enable Unity CIC at the 31 March 2023 (2022 - £Nil).

Transactions with Trustees are detailed in note 9.

25 Analysis of cash and cash equivalents

	GROUP		CHARITY	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Short term deposits held	1,953	2,910	1,507	2,210

All cash at bank is held in deposit accounts and is immediately liquid. The group holds no investments other than the shareholding of subsidiaries

26 Analysis of net debt

	At 1 April 2022 £'000	Cash flows £'000	Interest £'000	At 31 March 2023 £'000
Short term deposits held	2,910	(957)	-	1,953
Bank loans	(1,355)	387	(54)	(1,022)
	1,555	(570)	(54)	931

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

27 Funds

Group	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains, Losses and tax £'000	At 31 March 2023 £'000
Restricted funds						
Services Fund	24	52	(15)	-	-	61
Total restricted funds	24	52	(15)	-	-	61
Unrestricted funds						
Designated	201	-	(6)	-	-	195
General fund	7,556	48,506	(47,674)	-	-	8,388
Total unrestricted funds	7,757	48,506	(47,680)	-	-	8,583
Total funds	7,781	48,558	(47,695)	-	-	8,644

Charity	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	At 31 March 2023 £'000
Restricted funds						
Services Fund	24	52	(15)	-	-	61
Total restricted funds	24	52	(15)	-	-	61
Unrestricted funds						
Designated fund	201	-	(6)	-	-	195
General fund	9,170	45,101	(43,489)	-	-	10,782
Total unrestricted funds	9,371	45,101	(43,495)	-	-	10,977
Total funds	9,395	45,153	(43,510)	-	-	11,038

A figure of £195k (2022 - £201k) has been designated within the unrestricted reserves for the community connection fund, these are funds are provided on behalf of the clients supported by the group.

The restricted funds are funds collected for specific services that are ring fenced for projects they have collected for.

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

27 Funds (continued)

Group	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains, Losses and tax £'000	At 31 March 2022 £'000
Restricted funds						
Services Fund	11	27	(14)	-	-	24
Total restricted funds	11	27	(14)	-	-	24
Unrestricted funds						
Designated	209	-	(8)	-	-	201
General fund	7,229	45,051	(44,717)	-	(7)	7,556
Total unrestricted funds	7,438	45,051	(44,725)	-	(7)	7,757
Total funds	7,449	45,078	(44,739)	-	(7)	7,781

Charity	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	At 31 March 2022 £'000
Restricted funds						
Services Fund	11	27	(14)	-	-	24
Total restricted funds	11	27	(14)	-	-	24
Unrestricted funds						
Designated fund	209	-	(8)	-	-	201
General fund	8,174	40,239	(39,243)	-	-	9,170
Total unrestricted funds	8,383	40,239	(39,251)	-	-	9,371
Total funds	8,394	40,266	(39,265)	-	-	9,395

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

28 Analysis of net assets

Group – current year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Intangible assets	1,663	-	-	1,663
Tangible assets	3,979	-	-	3,979
Current assets	9,171	195	61	9,427
Current liabilities	(5,789)	-	-	(5,789)
Non-current liabilities and provisions	(636)	-	-	(636)
	<u>8,388</u>	<u>195</u>	<u>61</u>	<u>8,644</u>

Group – prior year

	General fund	Designated fund	Restricted fund	Total funds
Intangible assets	1,978	-	-	1,978
Tangible assets	4,117	-	-	4,117
Current assets	6,513	201	24	6,738
Current liabilities	(4,081)	-	-	(4,081)
Non-current liabilities	(971)	-	-	(971)
	<u>7,556</u>	<u>201</u>	<u>24</u>	<u>7,781</u>

Charity – current year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Tangible assets	3,980	-	-	3,980
Investments in Subsidiaries	4,919	-	-	4,919
Current assets	9,216	195	61	9,472
Current liabilities	(6,701)	-	-	(6,701)
Non-current liabilities	(632)	-	-	(632)
	<u>10,782</u>	<u>195</u>	<u>61</u>	<u>11,038</u>

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

28 Analysis of net assets *(continued)*

Charity – prior year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Tangible assets	4,115	-	-	4,115
Investments in Subsidiaries	4,919	-	-	4,919
Current assets	6,129	201	24	6,354
Current liabilities	(5,026)	-	-	(5,026)
Non-current liabilities	(967)	-	-	(967)
	<u>9,170</u>	<u>201</u>	<u>24</u>	<u>9,395</u>

29 Capital commitments

The company has the following capital expenditure contracted for at the year end:

	GROUP & COMPANY 2023 £'000	2022 £'000
Expenditure contracted for but not included in liabilities	-	6
	<u> </u>	<u> </u>

30 Events after the reporting period

On 18 September 2023, Real Life Options contacted the Home Office in respect of an error relating to student visa holders who were found to be working beyond their legally permissible hours, thereby violating immigration legislation. At present the risk to the organisation in terms of the level of penalties imposed cannot be accurately determined and therefore is not included in the financial statements. The maximum penalties would be £15,000 per employee a total of £585,000.

REAL LIFE OPTIONS

England & Wales - Charity number 1156258

Accounts

Company Registered Number 02699638
Registered Charity Number in England and Wales 1156258
Registered Charity Number in Scotland SC045939

REAL LIFE OPTIONS

(A company limited by guarantee)

Annual Report and Financial Statements
For the year ended 31 March 2022

REAL LIFE OPTIONS
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REAL LIFE OPTIONS
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REFERENCE AND ADMINISTRATION DETAILS
FOR THE YEAR ENDED 31 MARCH 2022

Organisation's Name	Real Life Options ("RLO")
Status	Real Life Options is a charitable company limited by guarantee. Real Life Options' governing documents are its Memorandum and Articles of Association.
Company Registration Number	02699638
Charity Registration Number	1156258
Office of the Scottish Charity Regulator Number	SCO45939
Principal Office and Registered Address	David Wandless House A1 Business Park Knottingley Road Knottingley West Yorkshire WF11 0BU
Trustees	D Wilkin R A Hendry D I Sargent C A Maltby C R McCorkindale K Shier (Resigned 5 December 2021) R C Sloggett (Resigned 21 March 2022)
Officers:	
Company secretary	R Milner
Chief Executive	D I Sargent
Chief Operating Officer	I Hardcastle
Managing Director Real Life Options Enterprise	V Simons
Managing Director Real Life Options Charity	J Trench
Director of Human Resources	A Holden
Director of Finance and Resources	K E Platts
Advisers:	
Independent Auditor	Grant Thornton 1 Holly Street Sheffield City Centre Sheffield S1 2GT
Bankers	Natwest 135 Bishopsgate London EC2M 3UR
Legal	Weightmans Westgate Point Leeds LS1 2AX

REAL LIFE OPTIONS
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STRUCTURE GOVERNANCE AND MANAGEMENT
FOR THE YEAR ENDED 31 MARCH 2022

I. STATUS

Real Life Options ("RLO") is a company limited by guarantee. Our governing documents are the Memorandum and Articles of Association.

Governing Body and Structure

Our governing body is a Board of Directors who are also the Trustees of the charity. As at 31st March 2022 there were five Trustees.

The RLO constitution also facilitates a membership group which is distinct from the Board and appointed through a separate process to ensure impartiality. The current seven members hold the Board to account in terms of ensuring that the organisation operates in accordance with its value.

Real Life Options has, over the years, evolved the organisation's structure to cope with increasing regulation, legislation, and complexity. The Board meets regularly in accordance with the constitutional requirements. The Board also benefits from an audit committee, remuneration committee and other working groups.

Real Life Options has a well-established annual planning and budgeting process.

Decision making

The Board meets quarterly in accordance with an annual work programme agreed annually in advance. In addition, it meets annually for an average of two days during which time it works with the Leadership team to set the strategic agenda and review previous performance.

Operational responsibility is delegated to the Chief Executive Officer. The Board is supported by a Company Secretary. At its meetings, the Board receives strategic and operational reports as well as a financial report.

II. OBJECTIVES AND ACTIVITIES

Real Life Options is founded on the values of respect, honesty, responsibility and excellence. These underpin our person-centred approach and help us work towards our vision of enabling every person to achieve their potential – whether they are someone we support or a member of staff.

The objects of the charity are:

"The Charity's objects are the relief of those in the United Kingdom who are in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage."

Real Life Options supports people to achieve their potential. We focus particularly on supporting people with learning disabilities and autism.

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STRUCTURE GOVERNANCE AND MANAGEMENT
FOR THE YEAR ENDED 31 MARCH 2022

II. OBJECTIVES AND ACTIVITIES (continued)

The Charity's main activities in relation to its objects and for the public benefit are the provision of tailored, person-centred care and support to people who have been identified by local authorities as qualifying for publicly funded services.

The Trustees have had due regard to the guidance published by the Charity Commission on public benefit in directing the Charity's activities.

Our Vision

Is to be recognised as leaders in enabling people to achieve their potential.

Our Purpose

Is to provide excellent social care and support.

Our Values

Focus on respect, honesty, responsibility and excellence.

Our purpose is to provide relief to those that are in need through the provision of excellent care and support. We provide over 50,000 hours of care each week, working with 43 different local authorities throughout England and Scotland.

We support:

- People with learning disabilities or autism
- People with complex needs
- People with challenging behaviours
- People with physical disabilities
- People with sensory disabilities
- People with dementia
- Older people needing support
- People requiring palliative care
- People with a history or risk of offending

Real Life Options is an innovative provider of a range of service models which allow for individualised support packages including:

- Individual and multi occupancy tenancies with 24 hour support
- Supported living models
- Personalised 1:1 outreach
- Residential care homes
- Vocational day opportunities
- Short breaks
- Respite support
- End of life care

The focus of the charity's effort will continue to be care and support for those who need it, particularly people with a learning or other disability.

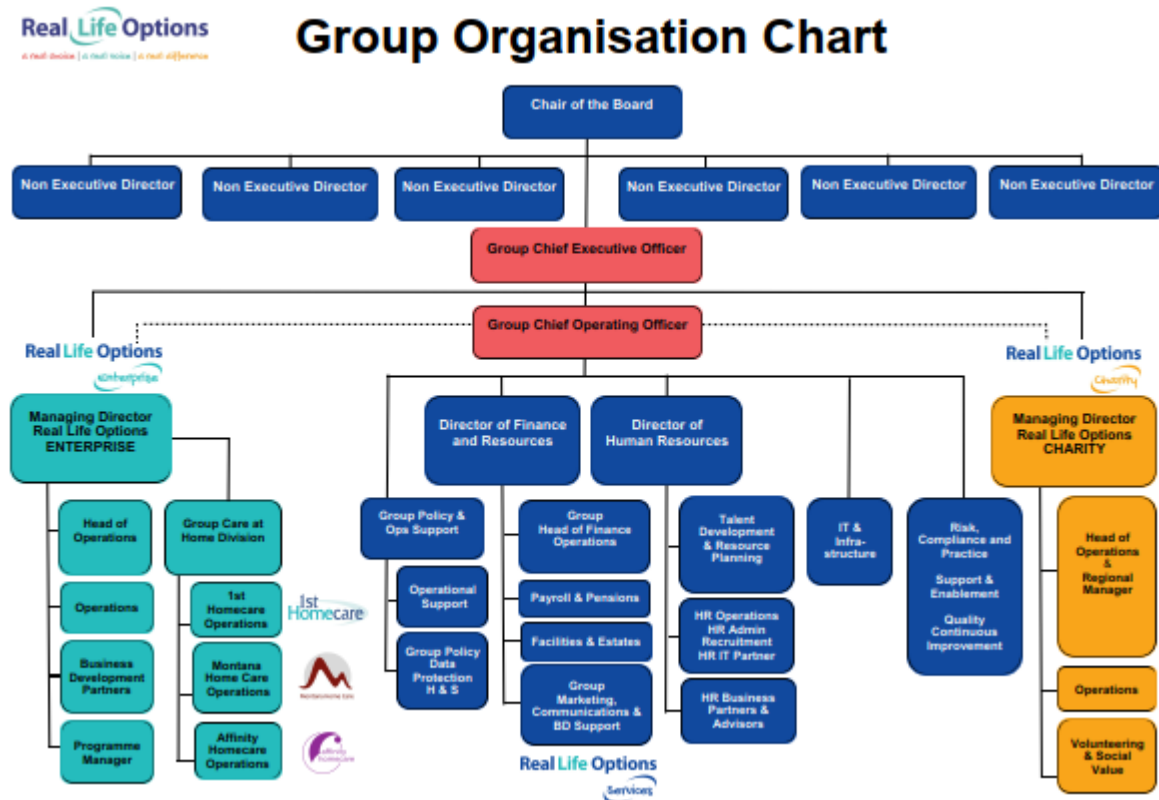
During 2022/23 RLO continues to develop the strategy further using a purpose led strategic approach.

REAL LIFE OPTIONS
(A company limited by guarantee)

**STRUCTURE GOVERNANCE AND MANAGEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

III. STRUCTURE

Real Life Options' Structure:



IV. VOLUNTEERS

Real Life Options volunteer strategy has now been in place since 2019 and the initiative has grown considerably in 21/22. We continue to have 2 Volunteer and Social Value Managers operating out of England and Scotland supporting all areas of the business to plan innovative projects and map out the necessary funding to achieve those projects. The organisation has just over 229 volunteers and the numbers are continuing to grow however this has slowed somewhat due to the economic climate and people returning to paid employment. Alongside the volunteer strategy we now have a robust fundraising initiative that enables staff, people we support and groups across the communities to formally raise funding and contribute to the future development of our community connections work planning and opportunity to enhance existing services and activities.

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STRUCTURE GOVERNANCE AND MANAGEMENT
FOR THE YEAR ENDED 31 MARCH 2022

V. PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's guidance on public benefit. This Trustees' report clearly sets out our charitable objectives and how they benefit the public. The organisation is set up to benefit people who are in need because they have disabilities or require support at home. It also works with people who have severe learning difficulties. The organisation works to achieve its vision of a society in which disabilities are not a barrier to people taking control of their lives. We deliver professional, innovative and effective customer-focused services with the aim of improving the quality of life of people by:

- promoting choice and control
- enabling people to make a positive contribution
- increasing dignity and respect
- providing freedom from discrimination and harassment
- furthering health and emotional well-being
- enhancing economic well-being

VI. SECTION 172 STATEMENT

This section provides RLO Group's section 172 statement. It needs to be read in the context of the whole annual report as evidence of the Directors' compliance with Section 172 of the Companies Act which requires Directors to take into consideration the interests of stakeholders in their decision making. The Directors continue to consider the Company's employees and other stakeholders, including the impact of its activities on the various communities we serve, the environment and the Company's reputation, when making decisions.

Acting in good faith and fairly between stakeholders, the Directors consider what is most likely to promote the success of the Company for its stakeholders in the long term. Whilst the importance of giving due consideration to our stakeholders is not new, we are explaining in more detail this year how the Board engages with our stakeholders, thus aiming to comply with the requirement to include a statement setting out how our Directors have discharged this duty.

The Board regularly reviews our principal stakeholders and how we engage with them. This is achieved through a number of channels including our independent membership which is in monthly receipt of information concerning the organisation's activities. The Board has also invested in our Support and Enablement programme which is primarily concerned with ensuring that services provided are designed and delivered in accordance with the wishes and expectations of people we support and their families. Thus, the stakeholder voice is brought into the boardroom throughout the annual cycle through information provided by the leadership team and also by direct engagement with stakeholders themselves.

The relevance of each stakeholder group may increase or decrease depending on the matter or issue in question, so the Board seeks to consider the needs and priorities of each stakeholder group during its discussions and as part of its decision making.

REAL LIFE OPTIONS
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STRUCTURE GOVERNANCE AND MANAGEMENT
FOR THE YEAR ENDED 31 MARCH 2022

VI. SECTION 172 STATEMENT (continued)

RLO Group's principal stakeholders are defined as:

Prime	Base	Partner
People we support	Local Authorities	Researchers
Families	Commissioners	Technical informers
Staff	Banks	Civil leaders
Volunteers	Regulators	Strategic partners
	Suppliers	Media
	Local Communities	Donors

The Board continues to enhance its methods of engagement with the workforce. The RLO employee journey was designed to provide multiple points of engagement:



We aim to work responsibly with our suppliers. RLO remains committed to ensuring that there is no Modern Slavery or Human Trafficking in our supply chains or in any part of our business.

The Chief Executive Officer has continued to enhance the Leadership Team to support him in his duties and decision making. This includes recognition of the Senior Leadership Group which comprises the senior functional management roles and together is comprised of those with responsibility for interacting with the Company's principal stakeholders.

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STRUCTURE GOVERNANCE AND MANAGEMENT
FOR THE YEAR ENDED 31 MARCH 2022

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR)

This report summarises the energy usage, associated emissions, energy efficiency actions and energy performance for Real Life Options, under the government policy Streamlined Energy & Carbon Reporting (SECR), as implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Real Life Options is a UK incorporated charity. Under the new SECR legislation we are mandated to include energy consumption, emissions, intensity metrics and all energy efficiency improvements implemented in our most recent financial year.

Real Life Options's Scope 1 direct emissions (combustion of natural gas and transportation fuels) for this third year of reporting are 276.25 tCO₂e (restated last year 285.80 tCO₂e following further scrutiny of the data), resulting from the direct combustion of 1,480,812 kWh of fuel (restated last year 1,522,687 kWh). Scope 2 indirect emissions (purchased electricity) for this third year of reporting are 125.65 tCO₂e, resulting from the consumption of 591,785 kWh of electricity purchased and consumed in day-to-day business operations. Scope 3 emissions (resulting from sources not directly owned by Real Life Options Group i.e., business travel undertaken in employee-owned vehicles) has been reported this year for the first time and is 91.42 tCO₂e resulting from the consumption of 394,083 kWh of energy.

Real Life Options's operations have an intensity metric of 10.93 tCO₂e/£m (restated last year 11.52 tCO₂e/£m) turnover for this reporting year.

Real Life Options is the highest parent company out of four trading companies (Real Life Options, 1st Home Care Ltd, Montana Home Care Ltd and Affinity Homecare Shrewsbury Ltd). Only Real Life Options is required to comply with SECR as a group, as we exceed the qualification threshold of two of the three criteria.

The total consumption (kWh) figures for energy supplies reportable by Real Life Options are as follows:

Utility and Scope	2021/22 Consumption (kWh)	2020/21 Consumption (kWh)
Grid-Supplied Electricity (Scope 2)	591,785	678,779
Gaseous and other fuels (Scope 1) ¹	1,377,609	1,412,695
Transportation (Scope 1)	103,203	109,992
Transportation (Scope 3)	394,083	222,009
Total	2,466,680	2,423,475

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STRUCTURE GOVERNANCE AND MANAGEMENT
FOR THE YEAR ENDED 31 MARCH 2022

VIII. STREAMLINED ENERGY & CARBON REPORTING (SECR) (continued)

The total emission (tCO₂e) figures for energy supplies reportable by Real Life Options are as follows. Conversion factors utilised in these calculations are detailed in Real Life Options 's Streamlined Energy & Carbon Reporting (SECR) available on request:

Utility and Scope	2021/22 Consumption (tCO ₂ e)	2020/21 Consumption (tCO ₂ e)
Grid-Supplied Electricity (Scope 2)	125.65	158.25
Gaseous and other fuels (Scope 1) ¹	252.32	259.75
Transportation (Scope 1)	23.93	26.05
Transportation (Scope 3)	91.42	51.49
Total	493.33	495.55

An intensity metric of tCO₂e per £m turnover has been applied for the annual total emissions of Real Life Options. The methodology of the intensity metric calculations detailed in Real Life Options 's Streamlined Energy & Carbon Reporting (SECR) are available on request, and results of this analysis is as follows:

Intensity Metric	2021/22 Intensity Metric	2020/21 Intensity Metric
tCO ₂ e / £m	10.93	11.52

Reporting Methodology

Scope 1 and 2 consumption and CO₂e emission data has been calculated in line with the 2019 UK Government environmental reporting guidance. The following Emission Factor Databases consistent with the 2019 UK Government environmental reporting guidance have been used, utilising the current published kWh gross calorific value (CV) and kgCO₂e emissions factors relevant for reporting year 01/04/2021 – 31/03/2022:

- Database 2020, Version 1.0.

Estimations undertaken to cover missing billing periods for properties directly invoiced to Real Life Options were calculated on a kWh/day pro-rata basis at meter level. These estimations equated to 12% of reported consumption.

These full year estimations were applied to 2 electricity supplies, and 1 gas supplies for Real Life Options.

Intensity metrics have been calculated utilising the 2020-21 reportable figures for the following metrics, and tCO₂e for both individual sources and total emissions were then divided by this figure to determine the tCO₂e per metric:

- Total turnover (£m) £45m

Energy Efficiency Improvements

Real Life Options are ESOS compliant and ISO14001 accredited. As an organisation we are committed to operating a sustainable environmentally conscious business, as much as is reasonably practicable, whilst also mindful of our obligations as a Charity to the people we support.

Real Life Options will be working with an external organisation to be compliant with SECR requirements which will enable the organisation to once again collect, measure and report on its carbon emissions.

REAL LIFE OPTIONS
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STRUCTURE GOVERNANCE AND MANAGEMENT
FOR THE YEAR ENDED 31 MARCH 2022

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR) (continued)

Energy Efficiency Improvements (continued)

Whilst it may not be a cost effective use of the Charity's finances to embark on major initiatives, small steps can make a big difference and as an organisation we have robust guidance in place to encourage people to turn lights and electrical equipment off when not in use and to recycle as much as possible. In addition, Real Life Options encourage people we support and staff to look for other innovative ways to reduce waste, to recycle and to lower energy usage and costs.

For those properties where Real Life Options have responsibility for provision of gas and electricity, one provider is used to ensure the best rates are procured and oversight of spend and usage is easily available in order that usage can be managed accordingly. At the Business Services site in Knottingley, LED lights have been installed and similar energy saving measures will be considered for this and other relevant sites in the Estates portfolio.

Mindful of carbon emissions, Real Life Options has only 13 vehicles in its fleet and will continue to review both procurement of and usage of vehicles via expenses and mileage claims.

Measures ongoing and undertaken through 2021-22:

- Cycle to work scheme relaunched with a wider selection of bikes
- Introducing LED lighting where possible
- No further vehicles added to Fleet – 13 in total

Measures prioritised for implementation in 2022-23:

- Company -wide electric car benefit scheme launched April 2022
- Secured future electricity contracts at July 2021 prices up to 2027 - 27 electricity accounts from 2024 will be 100% renewable energy (once the existing contracts finish)
- All new sites will also be aligned to Green Energy going forward.

VIII. PRINCIPAL RISKS AND UNCERTAINTIES

Real Life Options Group uses a dynamic risk management programme which consists of a number of sub-committees, which meet on a quarterly basis. These sub committees comprise of:

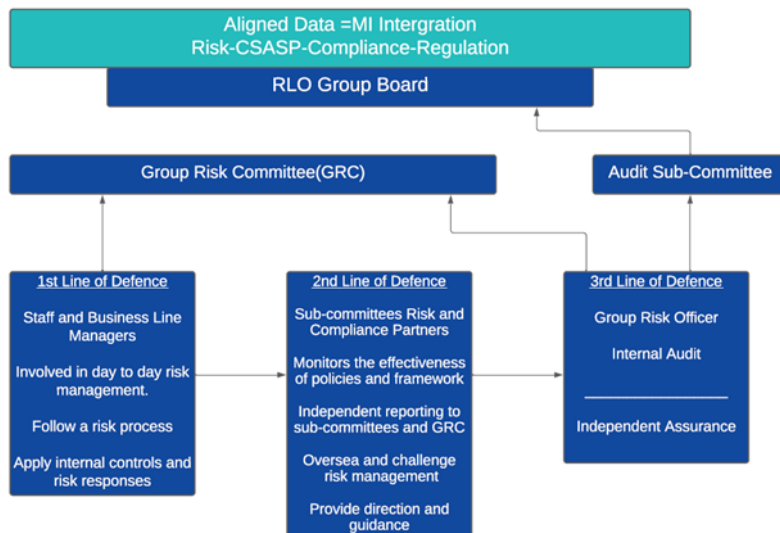
- Group Risk Committee
- Corporate Safeguarding and Adult Support and Protection
- Health and Safety
- Data Protection
- Quality Review Group
- Health and Wellbeing

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STRUCTURE GOVERNANCE AND MANAGEMENT
FOR THE YEAR ENDED 31 MARCH 2022

VIII. PRINCIPAL RISKS AND UNCERTAINTIES (continued)

The risk management programme is based on three lines of defence as per the diagram below.



RLO also has a Group Risk Committee. This group meets quarterly and its purpose is to:

- Ensure we have a pro-active risk strategy across the Real Life Options Group including: preventable risks, measurable risks, strategy and external risk
- Ensure live reporting within the governance structure including compliance with reporting protocols as defined by our regulators.
- Ensure robust risk categorisation, aligned with effective system for reporting and recording
- Agree and approve new risk procedures/related policy updates
- Assess serious incidents and instruct a Serious incident Panel Review to determine if the incident is reportable to CC/OSC
- Ensure Board have insight of existing and emerging risks
- Where appropriate to instruct a sub-committee to be developed for a specific purpose, for example, Covid-19. This group will be responsible for logging relevant/disseminating communications across the organisation

Risk Advisory Panel

Although this panel is aligned with the sub group process, it operates independently from the rest of the sub groups. This ensures that a clear and robust focus on the assessment and on-going review of emerging risks across the Real Life Options Group (including 1st Homecare, Montana and Affinity) is maintained at all times. The purpose of the panel is to:

- Identify future areas of risk for consideration by the Board and GRC
- Consider risk in an objective and subjective manner
- Consider areas of major non-conformance and where relevant align to emerging risk

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STRUCTURE GOVERNANCE AND MANAGEMENT
FOR THE YEAR ENDED 31 MARCH 2022

IX. SERIOUS INCIDENT REPORTING

During the year an incident was reported to the Charity Commission which has since been satisfactorily been resolved. There are no legal or financial matters arising from this incident.

X. PANDEMIC IMPACT ON THE YEAR

The impact of the Coronavirus 19 (COVID-19) pandemic on RLO this year was reduced from the previous year, in terms of deaths, severe illness, disruption for staff, to provision of services and to central business structures and increased costs in relation to PPE, SSP and the organisation's own sickness scheme.

Despite the continued relaxation of the Government restrictions for travel and social distancing for the general public, staff providing care and support continued to follow Government guidance relevant to the sector including testing and the use of PPE appropriate to care needs. Office-based staff continued with the new hybrid / flexible working patterns and with regular testing.

Whilst COVID continued to have an impact on the organisation's financial performance, this was reduced compared with 2020/21. RLO Group accessed both Scottish and UK Government COVID related funding during the year to support the costs of staff isolating with COVID -19, and of PPE usage. Where Government funding was not available, ongoing national procurement contracts meant that PPE was available at reasonable costs.

During 2021 the organization passed onto relevant support staff the one off 'thank you' payments from the Scottish Government and also some English Local Authorities.

Some Local authorities continued to extended their care contracts rather than retendering for services however others returned to releasing new tenders for support provision contracts which have led to new business opportunities.

During the year the COVID-19 Risk Committee kept a watching brief on the progression of the pandemic and the impact upon operations, and the Operational support team met monthly to provide relevant briefings to staff as they arose.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022

I. ACHIEVEMENTS AND PERFORMANCE

During this year, the Board has continued to oversee the next implementation stages of the strategic plan with a strong focus on leadership, collaboration and accountability. The organisation has a strategic plan known as 'Our Plan' - a five year blueprint and direction of travel towards 2022. Built on seven core themes underpinned by an ethos of safeguarding, it provides a framework for innovation and agile working:



A key priority for our strategic plan is to have the right people, in the right place, at the right time to create and deliver excellent frontline support. Our Plan is a live working document that utilises Innovation Groups as the forum for co-production and collaboration with individuals, families, professional services and staff teams.

Our strategic aims are to:

- Provide a gold standard and personalised experience for every person we support
- Create a process for attracting and retaining the best possible values-driven workforce
- Continually build on our credentials as a socially responsible member within our sector, our markets and localities
- Provide opportunities that enable the people we support to be active and valued members within their local communities
- Support agile working practices in our drive for organisational excellence
- Create an efficient and effective infrastructure for delivering frontline support
- Build an organisation that anticipates customer needs, is resilient to change and well-led.

During 2021/22 RLO continued to develop the strategy further from 2022-2024, using a purpose led strategic approach. Leadership Team worked on interpreting these seven themes into an updated strategy linked to Our Purpose – Always with a lasting connection. From this the 2022-23 strategic objectives were determined.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022

I. ACHIEVEMENTS AND PERFORMANCE (continued)

Person Centred Support and Enablement

Significant investment has produced a framework which defines RLO Group's primary aim of person centred support and enablement as enabling staff to support people to engage in meaningful activity and relationships because taking part in a range of activities provides experience of variety of life and the opportunity to make real and informed choices. Being actively involved increases the opportunities the people we support have to interact with others in meaningful and purposeful ways, which in turn increases quality of life.

At Real Life Options we have developed a bespoke person-centred support and enablement learning programme based on real life experiences of people who use our services.

Practice leads are key in providing a consistent message regarding values, expectations and effective performance management to ensure that the priority is the goals and aspirations of the people we support. To support practice leads in this role we have developed bespoke support and enablement tools which are linked to our model of support.

We have two support and enablement partners (one in Scotland and one in England), who will take the lead in developing capacity of our practice leads and supporting teams to truly embed a culture of doing for, to doing with.

Social Impact

In 2021/22 we continued to shape our social impact measures/targets/outputs and outcomes to dovetail with wider Group strategy, "Our Purpose". The approach has captured and evidenced our Social Impact in a user-friendly format introducing interactive case studies and links to wider Group reports. A full year-end report will be prepared to offer a strong baseline to measure 22/23 against. We can already see the impact that volunteer input is having across many of our services. In addition, feedback from people we support is now shaping new pieces of work and further development of services across the wider Group as well as for individuals we support.

The Social Impact report continues to be broken down into the 6 pathways of the "Our Purpose" paper and involves feedback from across the Real Life Options Group as well as external partners and People we Support.

Community Connection Fund

In 2021/22 RLO Group continued to deliver against the Community Connection Fund, our small grants programme designed to empower people we support and staff in local services to invest in their communities by submitting funding applications for activities that make a difference locally. Throughout the year we have seen the impact that match funding raised by teams/families and guardians has had in many of our services and community events. New Community Hubs have been introduced in several areas across our service portfolio, not only widening the service model for people we support but also opening up new opportunities for volunteers from within the communities.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022

I. ACHIEVEMENTS AND PERFORMANCE (continued)

Staff Health and Wellbeing

Real Life Options Group are committed to supporting our staff with their health and wellbeing. Over the year the Health & Wellbeing Core Group have met to further develop the plan for the future Health & Wellbeing Strategy. The plan confirms the organisations commitment to the following objectives:

1. Producing, implementing, and communicating a mental health at work plan that encourages and promotes good mental health in the workplace.
2. Communicating of Health & Wellbeing
3. Providing a specific focus on mental health awareness
4. Providing Health & Wellbeing/Mental Health Representatives & Support Networks
5. Encouraging open conversations about mental health
6. Providing good working conditions, ensuring staff have a healthy work life balance
7. Providing good career and role development opportunities
8. Promoting an effective people management environment
9. Routinely monitoring employee mental health and wellbeing by
10. Analysing data

The new Group Health & Wellbeing Lead will lead the organisation through its plan in the coming year. This role will be responsible for training Health & Wellbeing Champions across our services and be a key driver of the Action Plan.

Staff Learning and Development

The Ascend leadership programme continues to enhance the skills and knowledge of our managers and team coordinators with 50 graduates in 2021-22. Master Classes are planned in 2022-23 to further increase their operational abilities. In addition, career Gateway classes will be introduced to support staff develop their careers in the social care sector

Staff engagement

During the year a number of Employee Voice focus groups and surveys have taken place to help us shape our support for staff and enabled us to focus on employee rewards and recognition as well as enhancing leadership skills of managers.

Equality, Diversity, and Inclusion

Real Life Options Group is committed to ensure that all our diverse groups of staff experience job satisfaction and wellbeing at work. The Equality, Diversity and Inclusion framework will be further developed in 2022-23 which will give our staff the knowledge, and skills to ensure that our values are lived and culture and generational differences in the workplace recognised.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022

II. CONSTITUTION

The organisation is a company limited by Guarantee. The organisation's governing documents are its Articles of Association. The liability of each member of Real Life Options is £1. There are a minimum of six members and a maximum of twelve members. Only one Non-Executive and one Senior Manager of the company can be a member at any time.

The Articles require a minimum of three Non-Executive Directors (who are also Trustees) and a maximum of eight non-executive Directors. The articles allow for the appointment of up to two Executive Directors as Trustees, with no minimum number.

The Board reviews its own operational effectiveness and governance annually to ensure that it is meeting the needs of the organisation and complying with all applicable regulations.

RLO Group's governance policy and structure complies with the following regulators:

- Charities Commission
- Scottish Charities Regulator
- Care Quality Commission
- The Care Inspectorate

Under the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014: Regulation 17, providers must have effective governance, including assurance and auditing systems or processes. These must assess, monitor and drive improvement in the quality and safety of the services provided, including the quality of the experience for people using the service. The systems and processes must also assess, monitor and mitigate any risks relating to the health, safety and welfare of people using services and others. Providers must continually evaluate and seek to improve their governance and auditing practice. RLO Group's governance approach drives performance in compliance with this.

Operation of the Board of Trustees

The Board of Trustees meets quarterly during the year to monitor performance against agreed strategic goals and review the organisation's and Leaderships Team's work and services. An Audit Committee, comprised of Non-Executive Trustees, has responsibility for reviewing the organisation's accounting policies and financial accounts. It meets at least annually, with the Chief Executive and Director of Finance in attendance.

A Remuneration Committee, comprising Non-Executive Trustees, has specific responsibility to review and determine the remuneration of the CEO and review the remuneration of the Leadership Team based on external benchmarking and, where appropriate, recommendation and discussion with the Chief Executive. Oversight is also provided to the Remuneration Committee on levels of remuneration/rewards throughout the whole organisation.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022

II. CONSTITUTION (continued)

Recruitment and appointment of new Trustees

Under the leadership of the Chair, the recruitment needs of the Board of Trustees is monitored. This includes a review of the current knowledge, experience, skills and abilities, and how these will be affected by any planned Trustee departures in the future. Trustee vacancies are advertised externally. Applicants are shortlisted against the criteria in the person specification for the role, including any specific matters highlighted during the above review. Shortlisted applicants are recruited through a process which includes being interviewed by at least two Non-Executive Trustees (one of whom will be the Chair) and meeting a panel comprising people we support and their support workers. Shortlisted applicants are appointed only where they have the necessary skills and qualities to contribute effectively to the organisation's management and development.

New Trustees are inducted in two main ways:

- Through the provision of information on the organisation's policies and procedures and on its staff, financial and organisational management and development.
- Trustees are briefed by the Leadership Team and key staff of functional aspects of the organisation's operations.

During the year there were no new Trustees appointed.

Related parties

The only related parties are considered to be the Trustees. The only transactions have been transactions in the normal course of their employment and through standard delivery of services.

Subsidiaries

At the balance sheet date, Real Life Options had nine wholly-owned subsidiaries and 13 dormant newly incorporated subsidiaries (see note 15).

- Affinity Homecare Shrewsbury Limited is a Shrewsbury based domiciliary homecare company. This strategic investment will expand on its market share of traditional LA funded clients as well as private and continuing health care clients.
- Montana Home Care Ltd, is a company based in Falkirk, Scotland. The company provides domiciliary care to service users who require support. It is a strategic investment in domiciliary care provision and has well-earned reputation for excellent quality services.
- 1st Home Care Ltd is a company with offices located throughout Scotland. The company provides domiciliary care to service users who require support. It is a strategic investment in domiciliary care provision and with previous acquisitions has created a significant provider within Scotland.
- Orchard Care Services Limited is a dormant trading company that previously provided domiciliary care to elderly service users. The trading was previously transferred to RLO Orchard Care Limited.
- RLO Orchard Care Limited is a dormant trading company that previously provided domiciliary care to elderly services users in Warwickshire and Coventry.
- Alpha Homecare (Scotland) Limited, Real Life Options (Cymru) Limited, Lowland Care Services Limited, and Lowland's subsidiary Senior Service (Edinburgh) Limited are dormant trading companies who ceased trading on 31 March 2016 and transferred their activities to 1st Homecare Limited.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022

II. CONSTITUTION (continued)

Staff Management

During the year under review the Leadership Team (LT) had the following staff structure:

- Chief Executive,
- Chief Operating Officer,
- Managing Director - Charity
- Managing Director - Enterprise
- Director of Human Resources
- Director of Finance and Resources

The Chief Executive has overall responsibility for all operational matters and reports directly to the Board of Trustees on a regular basis.

Environmental Policy

The organisation is fully committed to safeguard the environment. In this respect it will specifically endeavour to:

- encourage the reduced consumption of natural resources and energy
- operate a purchasing policy that avoids the use of environmentally damaging products whenever feasible
- prevent environmental pollution arising from its own operations
- provide information and support to both the service users and staff to encourage interest in environmental matters
- encourage economical and environmentally sound use of its vehicles
- encourage the use of public transport and car sharing where appropriate

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022

Modern Slavery Act 2015 - Modern Slavery and Human Trafficking Statement

Real Life Options will always work to the highest ethical standards and comply with all laws, regulations and rules relevant to our business. Our reputation is paramount and we take our Corporate and Social Responsibilities very seriously. We realise that our relationships with those we deal with, whether service users, employees, stakeholders, suppliers or the local community, are key to our success and consequently we take our obligations to those people very seriously.

This statement which covers the financial period 1st April 2021 to 31st March 2022, is made on behalf of the Board at Real Life Options Group with regards to the Modern Slavery Act 2015, which requires large employers to be transparent about their efforts to eradicate Slavery and Human Trafficking in their supply chains. This statement describes how we recognize and prevent human trafficking and slavery in our supply chains.

Since 1992, Real Life Options has been delivering high quality, ethically managed social care for people with learning disabilities and autism. We have a national reputation for providing person-centred care and services to support people to live their lives. We provide self-directed support to ensure people have equal rights as citizens, to maximize their independence and social inclusion and to exercise choice about their own lives.

Our supply chains include procurement of agency staff, facilities maintenance and utilities.

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. We are committed to acting ethically and with integrity in all our business relationships and to implement and enforce effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. We expect our supply chains to comply with all relevant regulatory pre-employment checks and verification of certification and eligibility.

We have various checks that enable us to identify and mitigate risk in relation to slavery and human trafficking. We will ensure that we work with suppliers who treat their obligations towards modern slavery with the same importance that we do. We maintain systems that:

- Identify and assess potential risk areas in our supply chains, through active risk management.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains, through ethical procurement.
- Monitor potential risk areas in our supply chains, through close working relationships with suppliers
- Protect whistle blowers, through our policy.

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, staff are made aware through our safeguarding learning module. Our employees are encouraged to identify any potential anti-slavery concerns and receive regular communications regarding what to do if they suspect this and we have in place protection for whistle blowers.

Gender Pay Reporting

Our gender pay report can be found on the government website.

Operating in the social care sector, we employ a high percentage of female employees (75%) in common with sector norms. Our strategy is to build a diverse workforce ensuring that all employees are treated fairly and with respect. We ensure that all our pay and reward scales are transparent and ensure that all employees have equal opportunity to progress within the organisation.

We are pleased to note that there is only a 0.6% pay differential in our Median hourly wage rates and a 4.0% differential towards males in our Mean hourly wages. We continue to strive towards parity among all employees and all new recruits are paid at standard rates to help us achieve this. The organisation will continue to review any evident pay gaps both at Mean and Quartile levels, with an aspiration to close any gaps and ensure pay parity for all employees.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes.” Such amounts received are presented in our accounts as “voluntary income” and include legacies and grants when they are received.

In relation to the above we can confirm that all solicitations are managed internally, without the involvement of commercial participators, professional fundraisers or third parties. The day to day management of all income generation is delegated to the Leadership Team, who are accountable to the Board of Trustees.

The charity is not bound by any undertaking to a regulatory scheme and the charity does not consider it necessary to comply with any voluntary code of practice. We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonable at all times. As we do not approach individuals for funds we do not particularise this to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

III. FINANCIAL REVIEW

In the year to 31 March 2022, Real Life Options Group turnover increased by 1.0% from £44.6 million to £45.1 million. This increase reflects a increase in services across Real Life Options and its subsidiaries. Real Life Options turnover increased by 0.54% from £39.1 million to £39.3 million and its subsidiaries increased from £5.6 million to £5.8 million.

Net movement in funds for the group increased by 216.2% from £105,000 to £332,000 reflecting the increase in activity throughout England and Scotland and also a £46,000 impairment charge (more details in note 13). Fee levels have increased largely in response to the increase in the National Minimum Wage and Scottish Living Wage, although not all local authorities have responded promptly or comprehensively to the increase in the rates that we are obliged to pay.

We continue to discuss the need for fee rates that ensure quality provision and sustainable services for the people we support. The most significant challenge during the year has been to recruit and retain staff, because of competition for staff from the hospitality and retail sectors, this has been particularly challenging in the homecare business where this has hampered growth plans. Recruitment and Retention of staff is a key focus currently and staff remuneration is being managed to ensure staff are attracted and retained so that the business is sustainable into the future. We continue to work with commissioners in both England and Scotland to ensure that we are in a position to continue to provide effective and economic services.

We continue to grow Outreach services and plans for two new supported living services in Derbyshire will begin in August 2022

In Warwickshire, we successfully transitioned a new service into our Southern England portfolio. Working with a social builder and the local authority the new service is very person-centered and modern.

In East Lothian, due to the high delivery costs against income (geographical positioning of a small outreach service/ rurality and distance from other Real Life Options services) we successfully transitioned a very small number of people we support to a local provider ensuring service continuity for everyone.

Our Hawick services successfully transitioned a number of people (and their staff team) who had been in receipt of a Care at Home service from an arms- length local authority organisation. This not only sustained services for people within the community but also increased the hours of delivery substantially in the area and raised Real Life Options profile.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022

III. FINANCIAL REVIEW (continued)

Statement of Financial Position

Debt collection remains strong and the relationship with local authorities that commission our services ensures strong cashflow. Our relationship with our long term lenders remains strong and through the year debt has been repaid in accordance with the agreed schedules. Short term cashflow requirements have been met using arrangements already in place with RBS Invoice Financing.

There has been no substantial investment in property.

Taxation

The activities of the charity fall within the exemptions conferred by sections 505 and 506 of the Income and Corporation Taxes Act 1988. Consequently, no corporation tax will be provided for in the financial statements for the charity in this and future years.

The group's trading subsidiaries are subject to corporation tax where retained reserves are insufficient for all surpluses to be paid to the charity by way of gift aid. In the current year there has not been a declaration of any donations that will qualify for gift aid relief to the parent charity, but the accounts have been prepared on the assumption that the gift will be made and corporation tax relief granted.

Fund Accounting

At the end of the year the Group held total reserves of £7.8m (2021 - £7.4m).

The Group's funds are held for a variety of purposes, to ensure that the organisation can operate as a going concern in the future and also fulfil its legal obligations. The funds are summarised as follows:

- Restricted funds (£24,000) – these are held under trust law and so can only be used for particular purposes, as specified or agreed with the donor.
- Designated funds (£201,000) - have been designated within the unrestricted reserves for furniture and equipment repairs and replacement.
- General funds (£3.6M) – these are sums that are freely available for general use. They are held at a level to withstand any short-term financial risks.
- Fixed asset funds (£4.0M) – these funds form part of the general funds. These have changed due to asset purchases in the year, these continue to make up the bulk of assets held, representing the operational assets of the organisation, without which we could not operate. The vast majority of these are freehold property or computers.

The funds policy review still recognises the need for free reserves to cover short-term risk. The Board of Trustees considers it prudent that unrestricted reserves should be sufficient to manage and changes in the funding from local authorities in respect of fee rates and losses of contracts. RLO has many contracts with c 40 local authorities which protects the organization from any significant pressure of the loss of contract from one or two of these local authorities.

The Board have agreed that reserves should be kept at a minimum of 10% of turnover or £5m.

The reserves are sufficient to meet the requirements of the reserves policy.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022

IV. FINANCIAL REVIEW (continued)

Fund Accounting (continued)

The Board of Trustees has reviewed the reserves policy in light of changing risks presented to the organisation and will formally review the reserves policy and levels maintained on an annual basis. The Trustees recognise that investment in trading subsidiaries and operational assets ties up funds that would otherwise be available for spending, but have concluded that funds do not need to be set aside for a specific purpose at this time and that additional funds are not required to meet future commitments.

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1,400 (2021 £1,400).

Going concern

The impact of the COVID 19 pandemic on the Group finances was reduced compared to 2020/21. RLO Group continued to access Government COVID-19 grant funding and Local Authority support continuing to be at an adequate level to support the charity.

The three wholly owned trading subsidiary companies, 1st Home Care Ltd, Montana Homecare Ltd and Affinity Homecare Shrewsbury Limited were all also affected by the pandemic given the nature of their business.

Taking account of the above and the level of reserves held, the cash available to the Charity and its subsidiaries to the 31 March 2024 will ensure there is sufficient funding to support the existing commitments including the compliance with the RLO Group banking loan covenants.

The Trustees have reviewed forecasts to 31 March 2024, and it was concluded that the Charity will be able to meet its liabilities as they fall due over the period.

During 2022-23 a review of RLO's liquidity was undertaken by RLO Group's lending bank. This was initiated following a restructure of the finance team and change to the sales invoicing process which resulted in a temporary need for additional working capital. The assessment is still ongoing but it is anticipated that there will be no impact on the Group's finances.

Sensitivity analysis has been undertaken for a number of scenarios including the impact of being unable to secure fee uplifts from Local Authorities.

The Trustees expect that Real Life Options has sufficient resources to enable it to continue to adopt the going concern basis in preparing the financial statements. These financial statements do not include any adjustment that would arise if the going concern basis of preparation was not considered appropriate.

As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of the Trust to continue as a going concern.

V. PLANS FOR THE FUTURE

During this year Real Life Options worked on interpreting the strategic plan to ensure that it is focussed on supporting people throughout their lives and ensuring that RLO Group focusses on local communities across the UK to build on the organisation's ability to deliver charitable outcomes.

In future Real Life Options will consider the development of services in home care, supported living and mixed models of partnership delivery.

Supported Living for People with Learning Disabilities is a core segment of Real Life Options' portfolio and provides opportunities for innovation and viability.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022

Real Life Options is aware that place-based commissioning is likely to generate other forms of support going forwards and that whole life planning where care and support is delivered through collaboration is part of the journey going forwards.

The forward plan is influenced by changes resulting from the current pandemic and external policies.

ON BEHALF OF THE BOARD

David Wilkin

D Wilkin
Director and Chair of the Trustees
24/3/2023

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report with the audited financial statements of the charitable company and the group for the year ended 31 March 2022.

Principal Activities and Future Developments

The principal activities of the group are set out in the Group Strategic Report. The group continues to deliver public services.

Results

The group surplus for the year, after taxation amounted to £332,000 (2021: £105,000).

Directors

The Directors who served during the year were:

D I Sargent
D Wilkin
R A Hendry
C A Maltby
C R McCorkindale
R C Sloggett (Resigned 21 March 2022)
K Shier (resigned 5 December 2021)

Employees

Local arrangements have continued for managers to meet employees and their representatives to discuss matters of mutual interest and concern including the provision of relevant information.

Employment of the disabled

The company recognises its responsibility for the employment, training, career development and promotion of disabled persons and gives full consideration of applications irrespective of an individual's background. Every effort is made to continue to employ those who become disabled while working for the company.

Statement as to disclosure of information to auditor

Each of the trustees who are directors for the purpose of company law at the time when this Report of the Trustees is approved has confirmed that:

- So far as the directors are aware, there is no relevant information of which the company's auditors are unaware, and
- each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

Auditor

The auditor, Grant Thornton LLP, was appointed during the year and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

ON BEHALF OF THE BOARD

David Wilkin

D Wilkin

Director and Chair of the Trustees

24/3/2023

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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees (who are the directors of Real Life Options for the purposes of Company Law) are responsible for preparing the Group Strategic Report, the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity 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 set out in the Charities SORP (FRS 102);
- make judgements and accounting 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006, Charities Act 2011, the Charities and Trustee Investment (Scotland Act) 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Trust Deed. The Trustees 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.

David Sargent

Dr D I Sargent

Director
24/3/2023

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of Real Life Options (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022, which comprise Consolidated Statement of Financial Activities, the charity Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Statement of Cashflows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including the group's and the parent 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. 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 group and parent 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

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent charitable company and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the parent charitable company or group to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the parent charitable company's and group's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the parent charitable company's and group's financial resources or ability to continue operations over the going concern period.

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 parent charitable company's and group'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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2022

Conclusions relating to going concern (continued)

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.

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 trustees are responsible for the other information. The other information comprises the information included in the Group Strategic Report and Trustees' Annual Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the Group Strategic Report and Trustees' 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. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 Group Strategic Report and the Trustees' Report, prepared for the purposes of company law, included in the Group Strategic Report and the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Group Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2022

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 24, 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 group and the parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur; Charities SORP (FRS 102), FRS 102, Charities Act 2011, Data Protection Act 2018 and the Charity Code of Governance.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We understood how the Company is complying with those legal and regulatory frameworks by making enquiries of management. We corroborated our enquiries through our review of board minutes and legal expenses.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by discussions with management to understand where management considered there is a susceptibility to fraud.
- Audit procedures performed by the engagement team included:
 - evaluation of the controls established to address the risks related to irregularities and fraud;
 - testing manual journal entries, in particular journal entries determined to be large or relating to unusual transactions based on our understanding of the business;
 - identifying and testing related party transactions;
 - completion of audit procedures to conclude on the compliance of disclosures in the annual report and accounts with applicable financial reporting requirements.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2022

- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the industry in which the client operates
 - understanding of the legal and regulatory requirements specific to the entity.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

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 our report

This report is made solely to the charitable company's members and trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006, Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 and trustees 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 its members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Peter Edwards BA FCA

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Sheffield

Date: 24/3/2023

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

REAL LIFE OPTIONS
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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Designated Funds £'000	2022 Total £'000	2021 Total £'000
Incoming resources						
Charitable activities	4	39,203	-	-	39,203	37,951
Donations		-	27	-	27	12
Trading activities:						
Trading subsidiaries income		5,808	-	-	5,808	5,568
Other income	5	40	-	-	40	1,096
Total incoming resources		45,051	27	-	45,078	44,627
Resources expended						
Trading expenditure:						
Trading subsidiaries expenditure		5,078	-	-	5,078	4,805
Charitable activities		39,639	14	8	39,661	39,297
Impairment of goodwill	13	-	-	-	-	479
Total resources expended	6	44,717	14	8	44,739	44,581
Net income before transfers and tax		334	13	(8)	339	46
UK Corporation tax	12	(7)	-	-	(7)	59
Transfers between funds	28	-	-	-	-	-
Net movement in funds		327	13	(8)	332	105
Fund balances at 1 April 2021	28	7,229	11	209	7,449	7,344
Total fund balances at 31 March 2022	28	7,556	24	201	7,781	7,449

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

The notes on pages 34 to 59 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Designated Funds £'000	2022 Total £'000	2021 Total £'000
Incoming resources						
Charitable activities	4	39,203	-	-	39,203	37,951
Donations		-	27	-	27	12
Other income	5	40	-	-	40	1,096
Total incoming resources		39,243	27	-	39,270	39,059
Resources expended						
Charitable activities		39,243	14	8	39,265	38,117
Impairment of investments	15	-	-	-	-	1,925
Total resources expended	6	39,243	14	8	39,265	40,042
Net expenditure before gift aid from subsidiaries and transfers		-	13	(8)	5	(983)
Gift Aid from subsidiaries		996	-	-	996	441
Net movement in funds before transfers		996	13	(8)	1,001	(542)
Transfers between funds		-	-	-	-	-
Net movement in funds	28	996	13	(8)	1,001	(542)
Fund balances at 1 April 2021	28	8,174	11	209	8,394	8,936
Total fund balances at 31 March 2022	28	9,170	24	201	9,395	8,394

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 34 to 59 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

CONSOLIDATED AND CHARITY BALANCE SHEETS
Registered No 02699638

AS AT 31 MARCH 2022

	Note	Group 2022 £'000	2021 £'000	Charity 2022 £'000	2021 £'000
Fixed assets					
Intangible assets	13	1,978	2,387	-	24
Tangible assets	14	4,117	4,041	4,115	4,039
Investments in Subsidiaries	15	-	-	4,919	4,916
		6,095	6,428	9,034	8,979
Current assets					
Stock		26	-	26	-
Debtors: amounts recoverable within one year	16	3,802	4,100	4,118	4,178
Cash at bank and in hand	26	2,910	2,425	2,210	1,233
		6,738	6,525	6,354	5,411
Creditors:					
Amounts falling due within one year	17	(4,081)	(4,524)	(5,026)	(5,016)
Net current assets		2,657	2,001	1,328	395
Total assets less current liabilities		8,752	8,429	10,362	9,374
Creditors:					
Amounts falling due after more than one year	19	(966)	(980)	(967)	(980)
Provisions:					
Deferred taxation	22	(5)	-	-	-
Net assets	29	7,781	7,449	9,395	8,394
Reserves					
Unrestricted Funds		7,556	7,229	9,170	8,174
Restricted Funds		24	11	24	11
Designated Funds		201	209	201	209
Total Funds	28	7,781	7,449	9,395	8,394

The financial statements were approved and authorised for issue by the Trustees on 24/3/2023 and signed on their behalf by:

David Wilkin

D Wilkin
Chair of the Board

The notes on pages 34 to 59 form part of these financial statements.

REAL LIFE OPTIONS
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CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2022

		2022	2021
		£'000	£'000
Cash flows from operating activities			
Surplus for the financial year		332	105
Adjustments for:			
Amortisation of intangible assets	13	395	504
Depreciation of fixed assets	14	145	129
Impairment of goodwill	13	46	479
Loss on disposal of fixed asset		3	5
Net interest payable		28	52
Taxation	12	7	(59)
Increase in stock		(26)	-
Decrease in debtors	16	297	295
Decrease in creditors	17	(212)	(188)
Cash from operations		1,015	1,322
Interest paid		(28)	(52)
Taxation paid		(1)	(51)
Net cash generated from operating activities		986	1,219
Cash flows from investing activities			
Acquisition of subsidiary		-	(499)
Purchases of tangible fixed assets	14	(224)	(81)
Purchase of intangible fixed assets	13	(32)	(8)
Net cash outflow from investing activities		(256)	(588)
Cash flows from financing activities			
Receipt of new bank loans		425	-
Bank loans repaid		(458)	(479)
Deferred consideration paid		(212)	(360)
Net cash used in financing activities		(245)	(839)
Net increase/(decrease) in cash and cash equivalents		485	(208)
Cash and cash equivalents at beginning of year		2,425	2,633
Cash and cash equivalents at end of year	26	2,910	2,425
Cash and cash equivalents comprise:			
Cash at bank and in hand	26,27	2,910	2,425

The notes on pages 34 to 59 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1 General information

The charity is a private charitable company limited by guarantee incorporated in England and Wales and has no share capital. The address of the registered office is given on the company information page and the nature of the group's operations and its principal activities are set out in the trustees report.

2 Accounting policies

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) (effective 1 January 2019) - Charities SORP (FRS 102), UK Generally Accepted Accounting Practice (UK GAAP) including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and Liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity meets the definition of a public benefit entity under FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

Parent company disclosure exemptions

In preparing the separate financial statements of the charity, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the charity;
- Disclosures in respect of the charity's financial instruments have not been presented as equivalent disclosures have been provided for the group as a whole.

The following principal accounting policies have been applied:

2.1. Basis of Consolidation

The consolidated financial statements present the results of Real Life Options and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of financial affairs from the date on which control is obtained. They are deconsolidated from the date control ceases.

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies *(continued)*

2.2. Going Concern

The impact of the COVID 19 pandemic on the Group finances was reduced compared to 2020/21. RLO Group continued to access Government COVID-19 grant funding and Local Authority support continuing to be at an adequate level to support the charity.

The three wholly owned trading subsidiary companies, 1st Home Care Ltd, Montana Homecare Ltd and Affinity Homecare Shrewsbury Ltd were all also affected by the pandemic given the nature of their business.

Taking account of the above and the level of reserves held, the cash available to the Charity and its subsidiaries to the 31 March 2024 will ensure there is sufficient funding to support the existing commitments including the compliance with the RLO Group banking loan covenants.

The Trustees have reviewed forecasts to 31 March 2024, and it was concluded that the Charity will be able to meet its liabilities as they fall due over the period.

During 2022-23 a review of RLO's liquidity was undertaken by RLO Group's lending bank. This was initiated following a restructure of the finance team and change to the sales invoicing process which resulted in a temporary need for additional working capital. The assessment is still ongoing but it is anticipated that there will be no impact on the Group's finances.

Sensitivity analysis has been undertaken for a number of scenarios including the impact of being unable to secure fee uplifts from Local Authorities.

The Trustees expect that Real Life Options has sufficient resources to enable it to continue to adopt the going concern basis in preparing the financial statements. These financial statements do not include any adjustment that would arise if the going concern basis of preparation was not considered appropriate.

As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of the Trust to continue as a going concern.

2.3. Fund Accounting

Unrestricted funds, which have not been designated for other purposes, are available for use at the discretion of the Trustees, in furtherance of the general objectives of the Charity.

Designated funds are transferred from general unrestricted funds for specific purposes, based on available cost information. These amounts are monitored annually and may be amended or re-designated by the Board.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by conditions relating to the arrangements leading to the receipt of the money; conditions under which money has been donated; or which have been raised by the Charity for particular purposes. If there is an obligation to use resources generated for a specific purpose the income will be accounted for in a restricted fund. The costs of raising and administering such funds will be charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies *(continued)*

2.4. Income

All income is included in the Statement of Financial Activities ('SOFA') when:

- The entity is legally entitled to the income, and
- any performance conditions attaching to the income have been met, and
- the amount can be quantified with reasonable accuracy, and
- the amount is likely to be received.

Income may be accrued if the work has been completed and the service under the contract delivered. Income may be deferred if the service has not been provided even if the value has been invoiced and payment received.

Grants are received from bodies within Local Government and the National Health Service and are specific to the charitable activities.

All grants, donations, rental income and contractual payments are included on a receivable basis.

For legacies, income will be recognised if the amount can be measured and there is a clear indication that a distribution will be made from the estate.

Donated professional services and donated facilities will be recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. The economic benefit will be the amount the charity would have been willing to pay to obtain those services or facilities on the open market; a corresponding amount will be recognised in expenditure in the period of receipt.

In accordance with the Charities SORP (FRS 102), the contribution of volunteers' general time to the Charity will not be recognised in the financial reports but will be referred to in the trustees' annual report.

Deferred capital grants are treated as deferred income in compliance current GAAP and are credited to the income and expenditure account over the expected useful economic life of the relevant fixed asset on a basis consistent with the depreciation policy.

Other grants are recognised as and when conditions for their release are fulfilled.

2.5. Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure and support costs comprise direct expenditure including direct staff costs attributable to the activity. The charity has one type of activity – support services. All support costs are allocated to this activity. Governance costs are those incurred in connection with the management of the Charity's assets, organisational administration and costs regarding compliance with constitutional and statutory requirements.

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies (continued)

2.6. Intangible assets

Goodwill

At the date of acquisition, goodwill will initially be measured as the excess of the cost of the business combination over the fair value of the net amount of the identifiable assets, liabilities and contingent liabilities.

After initial recognition, the goodwill shall be measured as cost less accumulated amortisation and accumulated impairment losses. An estimate of the useful life of the Goodwill will be made at the time of acquisition and the Goodwill be amortised on a systematic basis over that life. The useful life of the goodwill will not normally be more than 10 years.

Using the definitions in FRS 102, as part of the annual impairment review process, the value of goodwill will be compared with the recoverable amount of the asset. In the event that the value of the goodwill is found to be less than the recoverable amount, the value of the impairment will be recognised in the accounts.

Other intangibles

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.7. Tangible Assets

Tangible fixed assets costing more than £1,000 are capitalised and valued at historical cost along with any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value on a straight line or reducing balance basis over the following ranges of expected useful economic lives:

Freehold land & buildings	-	50 years straight line
Leasehold improvements	-	10 years straight line or the length of the lease if shorter
Fixtures and fittings	-	3-10 years straight line
Computer equipment	-	2-4 years straight line
Motor vehicles	-	25% reducing balance
Office equipment	-	3-4 years straight line

Freehold Land will not be depreciated.

2.8. Accounting for Investments in Subsidiaries

Investments in subsidiaries are stated at cost less any assessed impairment in the asset.

2.9. Operating Leases

Income and costs associated with operating leases are either credited or charged to the SOFA on an accruals basis in accordance with the contracts in force during the year.

The cost of the lease payments over the contracted period, after allowing for any lease incentives, will be apportioned equally over the life of the lease.

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies (*continued*)

2.10. Current and Deferred Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of financial affairs.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the UK.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or future profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the near future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of the liabilities acquired and the amount that will be assessed for tax.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.11. Financial Instruments

Real Life Options and its group entities only enter into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables are measured, initially and subsequently, at the undiscounted amounts of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently amortised at cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies (*continued*)

2.12. Pension Contributions

Retirement benefits to the majority of employees are provided by the Group's defined contribution scheme. Contributions payable to the Group's pension scheme are charged to the profit and loss account in the period to which they relate.

A small, and reducing, number of employees are members of the NHS pension scheme. This is a defined benefit scheme and the assets are held separately from those of the Group. The NHS Pension scheme is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. The NHS pension scheme is a multi-employer scheme.

The Group will recognise in the accounts its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis if it is possible and economical to identify its share of the cost. If it is not possible or economical to identify the Group's share of the underlying assets and liabilities the NHS pension scheme will be treated as a defined contribution scheme and the Group's contributions will be recognised as they are paid each year.

2.13. Gift aid distribution

The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the charity.

Gift Aid is recognised on the accruals basis in line with the deed of covenant.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements the directors have made the following judgements:

The Directors have reviewed the carrying value of the Group's assets, including goodwill, to determine whether there are any indicators of impairment. Factors taken into account include the economic viability and expected future financial performance of the assets.

Other key sources of estimation uncertainty

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of assets and residual values are assessed on acquisition and may be revised if operating circumstances change significantly.

The Directors have made assumptions about the potential value and likelihood of success of claims against the company for unpaid wages from current and former employees.

4 Analysis of Income from Charitable Activities

All activity relates to the provision of care services in the UK.

All income is unrestricted other than restricted donations of £27k (£2k).

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5 Other income

	GROUP & CHARITY	
	2022	2021
	£'000	£'000
Government grants:		
- Job retention scheme	-	268
- Covid support for personal protective equipment	-	816
Other income	40	12
	40	1,096

6 Analysis of resources expended

The charity allocates its support costs as shown in the table below. Regional Office costs are allocated to the relevant region. Support Service costs are apportioned between the regions based on the percentage of income per region.

GROUP 2022

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Trading subsidiaries expenditure	5,078	-	4,444	177	457
Charitable activities	39,661	143	34,297	1,459	3,762
	44,739	143	38,741	1,636	4,219

GROUP 2021

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Trading subsidiaries expenditure	4,805	-	4,141	138	526
Charitable activities	39,297	100	33,329	1,784	4,084
Impairment of goodwill	479	-	-	-	479
	44,581	100	37,470	1,922	5,089

Total expenditure for the year for the group was £44,739k (2021: £44,581k) of which £14k (2021: £Nil) was restricted, £8k (2021: £285k) was designated and £44,717k (2021: £44,296k) was unrestricted.

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6 Analysis of resources expended (continued)

CHARITY 2022

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Charitable activities	39,265	143	34,300	1,458	3,364

CHARITY 2021

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Charitable activities	38,117	66	33,329	1,783	2,939

Total expenditure for the year for the charity was £39,265k (2021: £38,117k) of which £14k (2021: £Nil) was restricted, £8k (2021: £285k) was designated and £39,243k (2021: £37,832k) was unrestricted.

7 Analysis of support costs

	GROUP		CHARITY	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Analysis of governance costs				
Audit fees	77	76	38	42
Other financial services including accountancy services	24	24	24	24
Other professional fees	42	-	81	-
	143	100	143	66
	GROUP		CHARITY	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Audit and Non Audit Services				
Statutory audit of parent and consolidated accounts	38	42	38	42
Statutory audit of subsidiary companies	39	34	-	-
Tax Services	12	11	12	11
Other Services	12	13	12	13
	101	100	62	66

Governance costs relate to the audit and other professional services in connection with governance of the charity. All other costs are allocated to charitable activities where they are incurred within the charity or trading subsidiaries expenditure where they are incurred in those subsidiaries.

All expenditure in the current and preceding year was unrestricted.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
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8 Net income

Net income is stated after charging:

	GROUP		CHARITY	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Operating lease rentals:				
- land & buildings	639	893	558	821
- equipment	194	164	189	161
Depreciation - owned assets	138	129	138	129
Loan interest	27	51	-	51
Amortisation of goodwill	389	525	24	48
Amortisation of software	6	-	-	-
	=====	=====	=====	=====

9 Staff costs

	GROUP		CHARITY	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Wages and salaries	34,218	33,966	30,157	30,192
Social security costs	3,128	2,551	2,810	2,328
Other pension costs - contributions to defined contribution schemes	682	881	621	804
	=====	=====	=====	=====
	38,028	37,398	33,588	33,324
	=====	=====	=====	=====

The figures shown above represent all staff costs for the Group and Company including operational staff costs, as shown in Note 6, together with costs relating to staff who work in support services and regional offices, which are incorporated within the support cost figures in note 6.

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	GROUP		CHARITY	
	2022	2021	2022	2021
	Number	Number	Number	Number
£60,001 - £70,000	5	3	5	3
£70,001 - £80,000	1	1	1	1
£80,000- £90,000	2	1	2	1
£90,001- £100,000	-	-	-	-
£100,001-£110,000	1	2	1	2
£130,001-£140,000	1	-	1	-
£140,001-£150,000	-	-	-	-
£150,001-£160,000	1	1	1	1
£160,001-£170,000	1	1	1	1
£170,000-£180,000	1	-	1	-
£180,000-£200,000	1	-	1	-
	=====	=====	=====	=====
	14	9	14	9
	=====	=====	=====	=====

All employees earning more than £60,000 contributed to a personal pension scheme. The Charity contributed £43,605 (2021 - £62,563) on their behalf.

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9 Staff costs (continued)

The number of full and part-time employees, calculated on a monthly average basis, was:

	GROUP		CHARITY	
	2022	2021	2022	2021
	Number	Number	Number	Number
Staff	1,853	1,868	1,539	1,580

Redundancy costs of £41,306 (2021 - £369,464) were payable of which £Nil (2021 - £369,464) was unpaid at year end. This related to compensation for loss of office for 6 (2021 - 47) individuals.

10 Directors' Remuneration

	GROUP AND CHARITY	
	2022	2021
	£'000	£'000
Directors' emoluments	769	705
Company contributions to defined contribution pension scheme	26	51
	795	756

There were 5 directors in the group's defined contribution pension scheme (2021 - 7). None of the directors accrued benefits under the group's defined benefit pension scheme during the year (2021 - none).

Other than the directors, there are not considered to be any other employees who are key management personnel.

Emoluments of the highest paid director were £187k (2021 - £164k). Company pension contributions of £4k (2021 - £12k) were made to a defined contribution pension scheme on their behalf.

Under the Articles of Association the charity is allowed to remunerate non-executive trustees for their duties.

In the year ended 31 March 2022, or the year ended 31 March 2021, no non-executive trustees were remunerated.

Trustees are reimbursed for expenditure incurred in attending trustees meetings or visiting the Group's home and facilities in their roles as Trustees. In the year to 31 March 2022, costs totalling £436 (2021 - £49) were reimbursed to no (2021 - None) Non-Executive Trustees.

During the year ended 31 March 2022, there was an amount of £41,306 (2021 - £369,464) paid as compensation for loss of office. Of this £Nil (2021 - £369,464) was unpaid at the year end.

11 Indemnity insurance

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1,400 (2021 - £1,400).

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12 Taxation

	GROUP	
	2022	2021
	£'000	£'000
Corporation Tax		
Charge for year	-	-
Adjustment in respect of prior periods	1	(23)
Total	1	(23)
Deferred Tax		
Origination and reversal of timing differences	167	-
Adjustments in respect of prior periods	(122)	(36)
Change to tax rates	(39)	-
	6	(36)
Total tax credit for the year	7	(59)
Net incoming resources before other recognised gains, losses and transfers	339	46
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	64	9
Income not subject to tax	(7,461)	(91)
Impairment of goodwill	-	91
Expenses not deductible for tax purposes	7,536	103
Adjustments in respect of prior periods	(122)	(59)
Remeasurement of deferred tax for changes in tax rates	42	-
Deferred tax not recognised	(53)	(101)
Other adjustments	1	(11)
Total tax credit for the year	7	(59)

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13 Intangible assets
Group

	Goodwill £'000	Software £'000	Total £'000
Cost as at the start of the year	5,968	-	5,968
Additions	3	29	32
Reduction in goodwill	(46)	-	(46)
Cost as at 31 March 2022	5,925	29	5,954
Accumulated Amortisation as at the start of the year	3,581	-	3,581
Amortisation in the year	389	6	395
Accumulated Amortisation as at 31 March 2022	3,970	6	3,976
Net book value as at 31 March 2022	1,955	23	1,978
Net book value as at 31 March 2021	2,387	-	2,387

Charity

	Goodwill £'000
Cost as at the start of the year	474
Cost as at 31 March 2022	474
Accumulated Amortisation as at the start of the year	450
Amortisation in the year	24
Accumulated Amortisation as at 31 March 2022	474
Net book value as at 31 March 2022	-
Net book value as at 31 March 2021	24

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
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14 Tangible fixed assets

GROUP	Freehold land and buildings £'000	Leasehold improvements £'000	Fixtures and fittings £'000	Motor vehicles £'000	Office equipment £'000	Computer equipment £'000	Total £'000
Cost							
At 1 April 2021	4,275	252	204	1	1	1,322	6,055
Additions	-	115	7	67	-	35	224
Disposals	-	-	(7)	-	-	-	(7)
At 31 March 2022	4,275	367	204	68	1	1,357	6,272
Depreciation							
At 1 April 2021	444	122	171	-	-	1,277	2,014
Provided during the year	60	31	23	10	-	21	145
Disposals	-	-	(4)	-	-	-	(4)
At 31 March 2022	504	153	190	10	-	1,298	2,155
Net Book Value							
At 31 March 2022	3,771	214	14	58	1	59	4,117
At 31 March 2021	3,831	130	33	1	1	45	4,041

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14 Tangible fixed assets *(continued)*

	Freehold land and buildings £'000	Leasehold improvements £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer £'000	Total £'000
CHARITY						
At 1 April 2021	4,275	252	233	1	1,274	6,035
Additions	-	115	7	67	35	224
Disposals	-	-	(7)	-	-	(7)
At 31 March 2022	4,275	367	233	68	1,309	6,252
Depreciation						
At 1 April 2021	444	122	190	-	1,240	1,996
Provided during the year	60	31	23	10	21	145
Disposals	-	-	(4)	-	-	(4)
At 31 March 2022	504	153	209	10	1,261	2,137
Net book value						
At 31 March 2022	3,771	214	24	58	48	4,115
At 31 March 2021	3,831	130	43	1	34	4,039

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15 Investments

	CHARITY	
	2022	2021
	£'000	£'000
Cost and net book value as at the start of the year	4,916	5,685
Movement in value of investments	3	8
Additions in the year	-	1,148
Impairment charge	-	(1,925)
Cost and net book value as at 31 March 2022	4,919	4,916

Subsidiary	Control %	Co Number	Registered office
1st Home Care Ltd	100	SC272838	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
Orchard Care Services Limited	100	05767436	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Lowland Care Services Limited	100	SC236443	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
Alpha Homecare (Scotland) Limited	100	SC263919	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
RLO Orchard Care Limited	100	08164674	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Senior Service (Edinburgh) Limited*	100	SC312050	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
Real Life Options (Cymru) Limited	100	08165205	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Montana Home Care Ltd.	100	SC267110	88 Grahams Road, Falkirk, Stirlingshire, FK2 7DL
Affinity Homecare Shrewsbury Limited	100	09508514	Suite D, Global House Sitka Drive, Shrewsbury Busienss Park, Shrewsbury, SY2 6LG

All subsidiaries are involved in the provision of care services.

* Denotes that the 100% control is indirect via Lowland Care Services Limited.

Of the above named subsidiaries only Affinity Homecare Shrewsbury Limited, 1st Home Care Ltd and Montana Home Care Ltd are considered to be material to the operations of the group.

During the year, an unlawful distribution to Real Life Options was made from three dormant subsidiaries: Real Life Options (Cymru) Limited of £1,289; Lowland Care services Limited of £6,683; and RLO Orchard Care Limited of £60. Real Life Options is not planning to repay the subsidiaries as they are dormant. The tax of £34.77 has been paid to HMRC on behalf of Real Life Options (Cymru), and tax of £1,269.77 has been paid on behalf of Lowland Care Services Limited. HMRC have been notified of the potential tax of £11.40 to be paid on behalf of RLO Orchard Care Limited. Charities Commission and Office of the Scottish Charities Regulator has been informed of the matter.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
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15 Investments (continued)

The following subsidiary Companies were incorporated during the previous financial year but were dormant. Each Company has 2 shares with an aggregate nominal values of £2.

Subsidiary	Control %	Co Number	Registered office
Real Life Options West Yorkshire Limited	100	13082099	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Warwickshire Limited	100	13082242	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Tyne & Wear Limited	100	13082119	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Staffordshire Limited	100	13082096	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Derbyshire Limited	100	13082113	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options County Durham Limited	100	13082447	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Cheshire Limited	100	13082164	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Angus Limited	100	13082200	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Aberdeenshire Limited	100	13082153	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Enterprise Ltd	100	13071404	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Innovation Ltd	100	13055357	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Services Ltd	100	13055350	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
13055370 Ltd	100	13055370	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU

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15 Investments (continued)

The income and expenditure for the year ended 31 March 2022 was as follows:-

	1st Home Care		Montana Home Care		Affinity Home Care	
	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000	Year ended 31 March 2022 £'000	1 month period ended 31 March 2021 £'000
Turnover	3,871	4,298	929	1,174	1,007	96
Cost of sales	(3,032)	(3,272)	(692)	(856)	-	-
Gross profit	839	1,026	237	318	1,007	96
Administrative expenses	(447)	(553)	(128)	(78)	(815)	(76)
Operating profit	392	473	109	240	192	20
Interest receivable and similar income	-	-	-	-	-	-
Profit on ordinary activities before tax	392	473	109	240	192	20
Taxation	(5)	36	-	27	-	(4)
Profit after tax	387	509	109	267	192	16

The aggregate of the assets liabilities and funds was:

	As at 2022 £'000	As at 2021 £'000	As at 2022 £'000	As at 2021 £'000	As at 2022 £'000	As restated As at 2021 £'000
Assets	1,901	2,185	149	274	318	589
Liabilities	(246)	(418)	(26)	(15)	(53)	(274)
Reserves	1,655	1,767	123	259	265	315

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16 Debtors: amounts due within one year

	GROUP		CHARITY	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade debtors	2,809	2,045	2,433	1,644
Amounts due from subsidiary undertakings	-	-	937	923
Other debtors	85	1,122	84	785
Prepayments and accrued income	908	849	664	826
Deferred tax asset	-	1	-	-
Corporation tax repayable	-	83	-	-
Total	3,802	4,100	4,118	4,178

The impairment loss recognised in the Group's Statement of Financial Activities for the period in respect of bad and doubtful trade debtors was £Nil (2021 - £Nil). The impairment loss recognised in the charity's Statement of Financial Activities for the period in respect of bad and doubtful trade debtors was £Nil (2021 - £Nil).

Amounts due from subsidiary undertakings are interest free and due on demand.

17 Creditors: amounts falling due within one year

	GROUP		CHARITY	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	389	408	389	408
Trade creditors	549	503	523	455
Other taxes and social security	702	653	652	587
Accruals and deferred income	1,087	2,106	962	2,108
Other creditors	1,354	642	1,421	335
Amounts due to subsidiary undertakings	-	-	1,079	911
Deferred consideration	-	212	-	212
	4,081	4,524	5,026	5,016

Amounts due to subsidiary undertakings are interest free and due on demand.

For a number of service users, the charity is an appointee for the purposes of benefit claims with the Department for Work and Pensions. The charity claims benefits on behalf of the service users and manages bank accounts opened specifically for the purpose on behalf of the claimant. In addition, the charity works with service users in supported living by managing shared resources in bank accounts. The total amount of money controlled by the company under these arrangements is £2,185k (2021 - £2,241k). These are not included within the funds of the group.

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18 Deferred income

	GROUP		CHARITY	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Balance at 1 April	785	895	785	895
Amount released to income	(785)	(895)	(785)	(895)
Amount deferred in the period	767	785	767	785
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance at 31 March	767	785	767	785
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Deferred income relates to the provision of care services invoiced in advance.

19 Creditors: amounts falling due in more than one year

	GROUP		CHARITY	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Bank loans	966	980	967	980
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

20 Bank loans

	GROUP		CHARITY	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Repayments fall due as follows:				
Within one year	389	408	389	408
In the second to fifth year inclusive	814	798	814	798
After 5 years	152	182	153	182
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total loans and overdrafts	1,355	1,388	1,356	1,388
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The bank loans are secured by specific charges over the Group's properties and floating charges on all of the Group's assets and are repayable at varying rates of interest.

21 Financial instruments

	GROUP	
	2022	2021
	£'000	£'000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	5,804	6,218
	<u> </u>	<u> </u>
Financial liabilities		
Financial liabilities measured at amortised cost	3,257	4,065
	<u> </u>	<u> </u>

Financial assets measured at amortised cost comprise cash, trade and other debtors and accrued income.

Financial liabilities measured at amortised cost comprise bank loans, trade and other creditors and accruals.

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22 Deferred taxation

	GROUP	
	2022	2021
	£'000	£'000
At 1 April 2021	1	1
Charged in the year	(6)	-
At 31 March 2022	(5)	1

The deferred taxation (creditor)/debtor is made up as follows:

	GROUP	
	2022	2021
	£'000	£'000
Short Term Timing Differences	(5)	1

23 Other financial commitments

At 31 March 2022 the group had commitments under non-cancellable operating leases as follows:

	GROUP		GROUP	
	Land and buildings		Equipment	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	613	612	139	159
Between two and five years	45	82	111	184
In more than 5 years	-	-	17	-
	658	694	267	343
	CHARITY		CHARITY	
	Land and buildings		Equipment	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	556	570	135	155
Between two and five years	10	47	109	182
In more than 5 years	-	-	17	-
	566	617	261	337

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24 Pension scheme obligations - Defined Contribution Schemes

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

These schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State in England and Wales. The schemes are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities.

Therefore, the schemes are accounted for as though they were defined contribution schemes: the cost to the clinical commissioning group of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2016. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2022 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

For 2021-22, employers' contributions of £46,841 (2020-21: £47,918) were payable to the NHS Pension Scheme at the rate of 14.38% of pensionable pay. The scheme's actuary reviews employer contributions, usually every four years and now based on HMT Valuation Directions, following a full scheme valuation. The latest review used data from 31 March 2016. These costs are included within creditors.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

25 Related party transactions

During the year there were no sales or direct purchases between Group companies. Recharges between Group companies have been made for expenses and other costs on behalf of related parties. Amounts owed between subsidiaries are disclosed in note 16 and 17.

Transactions with Trustees are detailed in note 10.

26 Analysis of cash and cash equivalents

	GROUP		CHARITY	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Short term deposits held	2,910	2,382	2,210	1,190
Cash balances	-	43	-	43
	2,910	2,425	2,210	1,233

27 Analysis of net debt

	At 1 April	Cash flows	Interest	At 31 March
	2021			2022
	£'000	£'000	£'000	£'000
Short term deposits held	2,382	529	(1)	2,910
Cash balances	43	(43)	-	-
	2,425	486	(1)	2,910
Bank loans due in one year	(408)	-	19	(389)
Bank loans due in more than one year	(980)	60	(46)	(966)
	(1,388)	60	(27)	(1,355)
	1,037	546	(28)	1,555

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

28 Funds

Group	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Tax £'000	At 31 March 2022 £'000
Restricted funds						
Services Fund	11	27	(14)	-	-	24
Total restricted funds	11	27	(14)	-	-	24
Unrestricted funds						
Designated	209	-	(8)	-	-	201
General fund	7,229	45,051	(44,717)	-	(7)	7,556
Total unrestricted funds	7,438	45,051	(44,725)	-	(7)	7,757
Total funds	7,449	45,078	(44,739)	-	(7)	7,781

Charity	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	At 31 March 2022 £'000
Restricted funds						
Services Fund	11	27	(14)	-	-	24
Total restricted funds	11	27	(14)	-	-	24
Unrestricted funds						
Designated fund	209	-	(8)	-	-	201
General fund	8,174	40,239	(39,243)	-	-	9,170
Total unrestricted funds	8,383	40,239	(39,251)	-	-	9,371
Total funds	8,394	40,266	(39,265)	-	-	9,395

A figure of £201k (2021 - £209k) has been designated within the unrestricted reserves for furniture and equipment repairs and replacement, these are funds are provided on behalf of the clients supported by the group.

The restricted funds are funds collected for specific services that are ring fenced for projects they have collected for.

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

28 Funds (continued)

Group	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains, Losses and tax £'000	At 31 March 2021 £'000
Restricted funds						
Services Fund	-	11	-	-	-	11
Total restricted funds	-	11	-	-	-	11
Unrestricted funds						
Designated	207	287	(285)	-	-	209
General fund	7,137	44,329	(44,296)	-	59	7,229
Total unrestricted funds	7,344	44,616	(44,581)	-	59	7,438
Total funds	7,344	44,627	(44,581)	-	59	7,449

Charity	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	At 31 March 2021 £'000
Restricted funds						
Services Fund	-	11	-	-	-	11
Total restricted funds	-	11	-	-	-	11
Unrestricted funds						
Designated fund	207	287	(285)	-	-	209
General fund	8,729	39,202	(39,757)	-	-	8,174
Total unrestricted funds	8,936	39,489	(40,042)	-	-	8,383
Total funds	8,936	39,500	(40,042)	-	-	8,394

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

29 Analysis of net assets

Group – current year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Intangible assets	1,978	-	-	1,978
Tangible assets	4,117	-	-	4,117
Current assets	6,513	201	24	6,738
Current liabilities	(4,081)	-	-	(4,081)
Non-current liabilities and provisions	(971)	-	-	(971)
	<u>7,556</u>	<u>201</u>	<u>24</u>	<u>7,781</u>

Group – prior year

	General fund	Designated fund	Restricted fund	Total funds
Intangible assets	2,387	-	-	2,387
Tangible assets	4,041	-	-	4,041
Current assets	6,514	-	11	6,525
Current liabilities	(4,733)	209	-	(4,524)
Non-current liabilities	(980)	-	-	(980)
	<u>7,229</u>	<u>209</u>	<u>11</u>	<u>7,449</u>

Charity – current year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Tangible assets	4,115	-	-	4,115
Investments in Subsidiaries	4,919	-	-	4,919
Current assets	6,129	201	24	6,354
Current liabilities	(5,026)	-	-	(5,026)
Non-current liabilities	(967)	-	-	(967)
	<u>9,170</u>	<u>201</u>	<u>24</u>	<u>9,395</u>

REAL LIFE OPTIONS
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

29 Analysis of net assets *(continued)*

Charity – prior year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Goodwill	24	-	-	24
Tangible assets	4,039	-	-	4,039
Investments in Subsidiaries	4,916	-	-	4,916
Current assets	5,400	-	11	5,411
Current liabilities	(5,225)	209	-	(5,016)
Non-current liabilities	(980)	-	-	(980)
	<u>8,174</u>	<u>209</u>	<u>11</u>	<u>8,394</u>

30 Capital commitments

The company has the following capital expenditure contracted for at the year end:

	GROUP & COMPANY 2022 £'000	2021 £'000
Expenditure contracted for but not included in liabilities	<u>6</u>	<u>95</u>

REAL LIFE OPTIONS

England & Wales - Charity number 1156258

Accounts

Company Registered Number 02699638
Registered Charity Number in England and Wales 1156258
Registered Charity Number in Scotland SC045939

REAL LIFE OPTIONS

(A company limited by guarantee)

Trustees' Report and Financial Statements
For the year ended 31 March 2021

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REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Reference and Administrative Details

Organisation's Name

Real Life Options

Status

Real Life Options is a charitable company limited by guarantee.

Real Life Options' governing documents are its Memorandum and Articles of Association.

Company Registration Number

02699638

Charity Registration Number

1156258

Office of the Scottish Charity Regulator Number

SCO45939

Principal Office and Registered Address

David Wandless House
A1 Business Park
Knottingley Road
Knottingley
West Yorkshire
WF11 0BU

Trustees

D Wilkin
R A Hendry
J R Swales (Resigned 23 November 2020)
H Mounsey (Resigned 14 August 2020)
D I Sargent
C A Maltby (Appointed 20 October 2020)
C R McCorkindale (Appointed 20 October 2020)
R C Sloggett (Appointed 12 November 2020)
K Shier (Appointed 11 March 2021 and resigned 5 December 2021)

Officers:

Company secretary

R Milner

Chief Executive

D I Sargent

Chief Operating Officer

I Hardcastle

Director of Operations England and Wales

V Simons

Director of Operation Scotland and Northern Ireland

J Trench

Director of Human Resources

A Holden

Director of Digital and Enablement

P Cusworth (Resigned 8 December 2020)

Director of Finance and Resources

K E Platts (Appointed 14 December 2020)

Advisers:

Independent Auditor

Grant Thornton
1 Holly Street
Sheffield City Centre
Sheffield
S1 2GT

Bankers

Natwest
135 Bishopsgate
London

Legal

EC2M 3UR
Weightmans
Westgate Point
Leeds
LS1 2AX

REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE & MANAGEMENT

I. STATUS

Real Life Options is a company limited by guarantee. Our governing documents are the Memorandum and Articles of Association.

Governing Body and Structure

Our governing body is a Board of Directors who are also the Trustees of the charity. As at 31st March 2021 there were seven Trustees.

The RLO constitution also facilitates a membership group which is distinct from the Board and appointed through a separate process to ensure impartiality. The current seven members hold the Board to account in terms of ensuring that the organisation operates in accordance with its value.

Real Life Options has, over the years, evolved the organisation's structure to cope with increasing regulation, legislation, and complexity. The Board meets regularly in accordance with the constitutional requirements. The Board also benefits from an audit committee, remuneration committee and other working groups.

Real Life Options has a well-established annual planning and budgeting process.

Decision making

The Board meets quarterly in accordance with an annual work programme agreed annually in advance. In addition, it meets annually for an average of two days during which time it works with the Leadership team to set the strategic agenda and review previous performance.

Operational responsibility is delegated to the Chief Executive Officer. The Board is supported by a Company Secretary. At its meetings, the Board receives strategic and operational reports as well as a financial report.

II. OBJECTIVES AND ACTIVITIES

Real Life Options is founded on the values of respect, honesty, responsibility and excellence. These underpin our person-centred approach and help us work towards our vision of enabling every person to achieve their potential – whether they are someone we support or a member of staff.

The objects of the charity are:

“The Charity’s objects are the relief of those in the United Kingdom who are in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.”

Real Life Options supports people to achieve their potential. We focus particularly on supporting people with learning disabilities and autism.

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

II. OBJECTIVES AND ACTIVITIES (continued)

The Charity's main activities in relation to its objects and for the public benefit are the provision of tailored, person-centred care and support to people who have been identified by local authorities as qualifying for publicly funded services.

The Trustees have had due regard to the guidance published by the Charity Commission on public benefit in directing the Charity's activities.

Our Vision

Is to be recognised as leaders in enabling people to achieve their potential.

Our Purpose

Is to provide excellent social care and support.

Our Values

Focus on respect, honesty, responsibility and excellence.

Our purpose is to provide relief to those that are in need through the provision of excellent care and support. We provide over 50,000 hours of care each week, working with 43 different local authorities throughout England and Scotland.

We support:

- People with learning disabilities or autism
- People with complex needs
- People with challenging behaviours
- People with physical disabilities
- People with sensory disabilities
- People with dementia
- Older people needing support
- People requiring palliative care
- People with a history or risk of offending

Real Life Options is an innovative provider of a range of service models which allow for individualised support packages including:

- Individual and multi occupancy tenancies with 24 hour support
- Supported living models
- Personalised 1:1 outreach
- Residential care homes
- Vocational day opportunities
- Short breaks
- Respite support
- End of life care

The focus of the charity's effort will continue to be care and support for those who need it, particularly people with a learning or other disability.

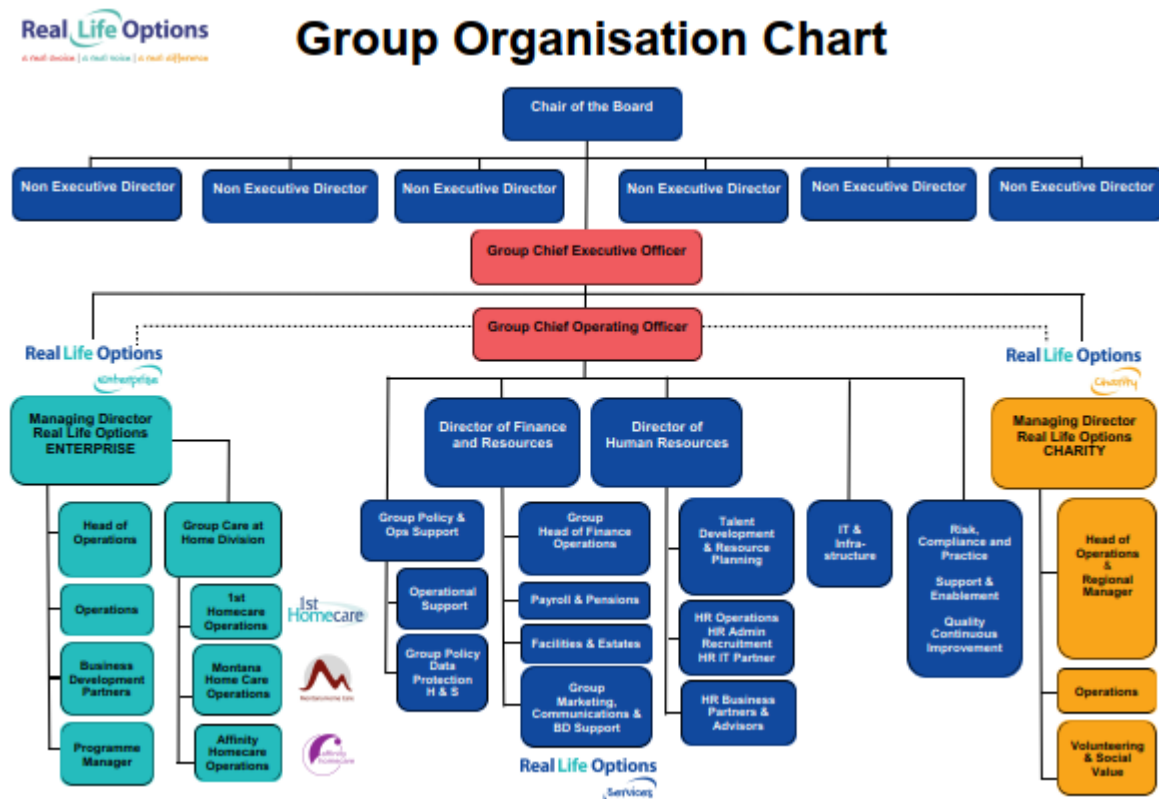
During 2021/22 RLO continues to develop the strategy further using a purpose led strategic approach.

REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

III. STRUCTURE

Real Life Options' Structure:



IV. VOLUNTEERS

Real Life Options volunteer strategy has now be in place since 2019/20 and the initiative has grown considerably in 20/21. We now have 2 Volunteer and Social Value Managers operating out of England and Scotland supporting all areas of the business. The organisation has just over 200 volunteers and the numbers are continuing to grow offering significant additionality to our commissioned services across the UK. Alongside the volunteer strategy we now have a robust fundraising initiative that enables staff, people we support and groups across the communities to formally raise funding and contribute to the future development of our community connections work planning and opportunity to enhance existing services and activities.

REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

V. PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's guidance on public benefit. This Trustees' report clearly sets out our charitable objectives and how they benefit the public. The organisation is set up to benefit people who are in need because they have disabilities or require support at home. It also works with people who have severe learning difficulties. The organisation works to achieve its vision of a society in which disabilities are not a barrier to people taking control of their lives. We deliver professional, innovative and effective customer-focused services with the aim of improving the quality of life of people by:

- promoting choice and control
- enabling people to make a positive contribution
- increasing dignity and respect
- providing freedom from discrimination and harassment
- furthering health and emotional well-being
- enhancing economic well-being

VI. SECTION 172 STATEMENT

This section provides RLO Group's section 172 statement. It needs to be read in the context of the whole annual report as evidence of the Directors' compliance with Section 172 of the Companies Act which requires Directors to take into consideration the interests of stakeholders in their decision making. The Directors continue to consider the Company's employees and other stakeholders, including the impact of its activities on the various communities we serve, the environment and the Company's reputation, when making decisions.

Acting in good faith and fairly between stakeholders, the Directors consider what is most likely to promote the success of the Company for its stakeholders in the long term. Whilst the importance of giving due consideration to our stakeholders is not new, we are explaining in more detail this year how the Board engages with our stakeholders, thus aiming to comply with the requirement to include a statement setting out how our Directors have discharged this duty.

The Board regularly reviews our principal stakeholders and how we engage with them. This is achieved through a number of channels including our independent membership which is in monthly receipt of information concerning the organisation's activities. The Board has also invested in our Support and Enablement programme which is primarily concerned with ensuring that services provided are designed and delivered in accordance with the wishes and expectations of people we support and their families. Thus, the stakeholder voice is brought into the boardroom throughout the annual cycle through information provided by the leadership team and also by direct engagement with stakeholders themselves.

The relevance of each stakeholder group may increase or decrease depending on the matter or issue in question, so the Board seeks to consider the needs and priorities of each stakeholder group during its discussions and as part of its decision making.

REAL LIFE OPTIONS
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

VI. SECTION 172 STATEMENT (continued)

RLO Group's principal stakeholders are defined as:

Prime	Base	Partner
People we support	Local Authorities	Researchers
Families	Commissioners	Technical informers
Staff	Banks	Civil leaders
Volunteers	Regulators	Strategic partners
	Suppliers	Media
	Local Communities	Donors

The Board continues to enhance its methods of engagement with the workforce. The RLO employee journey was designed to provide multiple points of engagement:



We aim to work responsibly with our suppliers. RLO remains committed to ensuring that there is no Modern Slavery or Human Trafficking in our supply chains or in any part of our business.

The Chief Executive Officer has continued to enhance the Leadership Team to support him in his duties and decision making. This includes recognition of the Senior Leadership Group which comprises the senior functional management roles and together is comprised of those with responsibility for interacting with the Company's principal stakeholders.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR)

This report summarises the energy usage, associated emissions, energy efficiency actions and energy performance for RLO, under the government policy Streamlined Energy & Carbon Reporting (SECR), as implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

RLO is a UK incorporated charity. Under the new SECR legislation we are mandated to include energy consumption, emissions, intensity metrics and all energy efficiency improvements implemented in our most recent financial year.

RLO's Scope 1 direct emissions (combustion of natural gas and transportation fuels) for this second year of reporting are 40.33 tCO₂e, resulting from the direct combustion of 187,631 kWh of fuel. Scope 2 indirect emissions (purchased electricity) for this second year of reporting are 160.99 tCO₂e, resulting from the consumption of 690,509 kWh of electricity purchased and consumed in day to day business operations.

RLO's operations have an intensity metric of 4.68 tCO₂e/£m turnover for this reporting year.

RLO is the highest parent company out of four trading companies (RLO, 1st Home Care Ltd, Montana Home Care Ltd and Affinity Homecare Shrewsbury Ltd). RLO is required to comply with SECR as a group, as we exceed the qualification threshold of two of the three criteria.

The total consumption (kWh) figures for energy supplies reportable by RLO are as follows:

Utility and Scope	2020-21 UK Consumption (kWh)	2019-20 UK Consumption (kWh)
Grid-Supplied Electricity (Scope 2)	690,509	476,758
Gaseous and other fuels (Scope 1)	77,639	681,197
Transportation (Scope 1)	109,992	258,963
Total	878,140	1,416,917

The total emission (tCO₂e) figures for energy supplies reportable by RLO are as follows. Conversion factors utilised in these calculations are detailed in RLO's Streamlined Energy & Carbon Reporting (SECR) available on request:

Utility and Scope	2020-21 UK Consumption (tCO ₂ e)	2019-20 UK Consumption (tCO ₂ e)
Grid-Supplied Electricity (Scope 2)	160.99	121.86
Gaseous and other fuels (Scope 1)	14.28	125.24
Transportation (Scope 1)	26.05	63.35
Total	201.32	310.44

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR) (continued)

An intensity metric of tCO₂e per £m turnover has been applied for the annual total emissions of RLO. The methodology of the intensity metric calculations detailed in RLO's Streamlined Energy & Carbon Reporting (SECR) are available on request, and results of this analysis is as follows:

Intensity Metric	2020-21 UK Intensity Metric	2019-20 UK Intensity Metric
tCO ₂ e per £m	4.68	6.98

Reporting Methodology

Scope 1 and 2 consumption and CO₂e emission data has been calculated in line with the 2019 UK Government environmental reporting guidance. The following Emission Factor Databases consistent with the 2019 UK Government environmental reporting guidance have been used, utilising the current published kWh gross calorific value (CV) and kgCO₂e emissions factors relevant for reporting year 01/04/2020 – 31/03/2021:

- Database 2020, Version 1.0.

Estimations undertaken to cover missing billing periods for properties directly invoiced to Real Life Options were calculated on a kWh/day pro-rata basis at meter level. These estimations equated to 18% of reported consumption.

These full year estimations were applied to 2 electricity supplies, and 6 gas supplies for Real Life Options.

Intensity metrics have been calculated utilising the 2020-21 reportable figures for the following metrics, and tCO₂e for both individual sources and total emissions were then divided by this figure to determine the tCO₂e per metric:

- Total turnover (£m) £43m

Energy Efficiency Improvements

Real Life Options are ESOS compliant and ISO14001 accredited. As an organisation we are committed to operating a sustainable environmentally conscious business, as much as is reasonably practicable, whilst also mindful of our obligations as a Charity to the people we support.

Real Life Options will be working with an external organisation to be compliant with SECR requirements which will enable the organisation to once again collect, measure and report on its carbon emissions.

Whilst it may not be a cost effective use of the Charity's finances to embark on major initiatives, small steps can make a big difference and as an organisation we have robust guidance in place to encourage people to turn lights and electrical equipment off when not in use and to recycle as much as possible. In addition, Real Life Options encourage people we support and staff to look for other innovative ways to reduce waste, to recycle and to lower energy usage and costs.

For those properties where Real Life Options have responsibility for provision of gas and electricity, one provider is used to ensure the best rates are procured and oversight of spend and usage is easily available in order that usage can be managed accordingly. At the Business Services site in Knottingley, LED lights have been installed and similar energy saving measures will be considered for this and other relevant sites in the Estates portfolio.

Mindful of carbon emissions, Real Life Options has only 13 vehicles in its fleet and will continue to review both procurement of and usage of vehicles via expenses and mileage claims.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR) (continued)

Measures ongoing and undertaken through 2020-21:

- Cycle to work scheme continues
- Introducing LED lighting where possible
- No further vehicles added to Fleet – 13 in total

Measures prioritised for implementation in 2021-22:

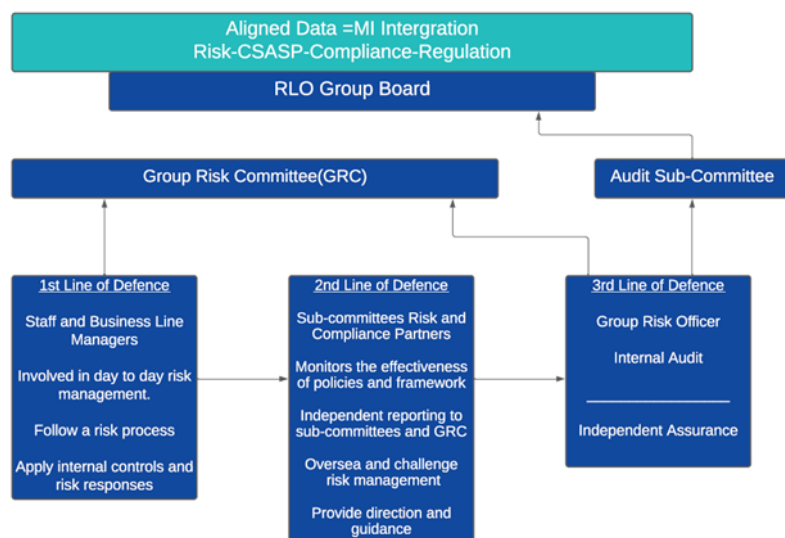
- Secured future electricity contracts at July 2021 prices up to 2027 - 27 electricity accounts from 2024 will be 100% renewable energy (once the existing contracts finish)
- All new sites will also be aligned to Green Energy going forward.

VIII. PRINCIPAL RISKS AND UNCERTAINTIES

Real Life Options Group uses a dynamic risk management programme which consists of a number of sub-committees, which meet on a quarterly basis. These sub committees comprise of:

- Group Risk Committee
- Corporate Safeguarding and Adult Support and Protection
- Health and Safety
- Data Protection
- Quality Review Group
- Health and Wellbeing

The risk management programme is based on three lines of defence as per the diagram below.



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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

VIII. PRINCIPAL RISKS AND UNCERTAINTIES

RLO also has a Group Risk Committee. The purpose of the group is to:

- Ensure we have a pro-active risk strategy across Real Life Options Group including preventable risks, measurable risks, strategy and external risk;
- Provide live reporting within the governance structure including compliance with reporting protocols as defined by regulators;
- Have trustee representation and oversight of all corporate sub committees
- Ensure robust categorisation of risk;
- Ensure there is an effective system for reporting and recording risks;
- Approve new risk procedures;
- Approve policy changes;
- Ensure Board have insight of existing and emerging risks;
- Assess serious incidents to determine if any are reportable to the Charities Commission and the Office of the Scottish Charity Regulator; and
- Report to the Board on a quarterly basis.

IX. SERIOUS INCIDENT REPORTING

During the year an incident was reported to the Charity Commission which has since been satisfactorily been resolved. There are no legal or financial matters arising from this incident.

X. PANDEMIC IMPACT ON THE YEAR

The ongoing Coronavirus 19 (COVID-19) pandemic continued to have a significant impact on RLO this year, in terms of deaths, severe illness, disruption for staff, to provision of services and to central business structures and increased costs in relation to PPE, SSP and the organisation's own sickness scheme. Restricted access to offices and travel restrictions required internal controls to be modified. These changes to internal controls included, for example, changes to staff roles and functions, shifting of reporting lines and altering access to IT systems to enable a remote workforce to operate virtually.

Whilst these issues had an impact on the organisation's financial performance this was within safe, manageable parameters. RLO Group accessed both Scottish and UK Government COVID related funding during the year. A number of Local authorities paid the Group based on the contract values for Care during the pandemic, however outreach services were closed and the Group redistributed staff where possible and accessed the Government Job Retention Scheme to support staff.

During the year several Local authorities extended their care contracts rather than retendering for services and there were few new business opportunities.

Ongoing national procurement contracts meant that PPE was available at reasonable costs and the existing IT infrastructure continued to support business continuity.

These additional costs of continuing to deliver service provision have in part offset by receipt of Local Authority income based on contracted rather than delivered hours, access to Government funding to support shortages of staff due to COVID -19 related illness, PPE needs and the job retention scheme.

Throughout the year the COVID-19 Risk Committee continued to meet three times a week to review an information grid detailing COVID-19 infections, deaths and shielding impact. It also detailed impact on hours, communication channels and ethical considerations. The Board of Trustees have been involved in the COVID-19 risk committee meetings and were satisfied with the organisation's performance to date in response to COVID-19.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

X. PANDEMIC IMPACT ON THE YEAR (continued)

To mitigate any impact on the organisation of the ongoing COVID-19 pandemic, RLO appointed a specialist Covid-19 operational support team to oversee operational responses, including encouraging vaccinations in both PWS and staff as well and ensuring mental health support was provided for staff and people we support during the pandemic.

GROUP STRATEGIC REPORT

I. ACHIEVEMENTS AND PERFORMANCE

During this year, the Board has continued to oversee the next implementation stages of the strategic plan with a strong focus on leadership, collaboration and accountability. During the year, RLO acquired Affinity Homecare Shrewsbury Ltd, a home care services provider based in Shrewsbury, to help broaden our service type provision in England. The financial performance of this new subsidiary, covering the period from 26 February (date of acquisition) to 31 March 2021, is disclosed in note 15 to the financial statements. The organisation was able to make a valuable acquisition due to excellent planning and efficiency gains arising from delivering the strategic plan known as 'Our Plan' - a five year blueprint and direction of travel towards 2022. Built on seven core themes underpinned by an ethos of safeguarding, it provides a framework for innovation and agile working:



A key priority for our strategic plan is to have the right people, in the right place, at the right time to create and deliver excellent frontline support. Our Plan is a live working document that utilises Innovation Groups as the forum for co-production and collaboration with individuals, families, professional services and staff teams.

Our strategic aims are to:

- Provide a gold standard and personalised experience for every person we support
- Create a process for attracting and retaining the best possible values-driven workforce
- Continually build on our credentials as a socially responsible member within our sector, our markets and localities
- Provide opportunities that enable the people we support to be active and valued members within their local communities

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

I. ACHIEVEMENTS AND PERFORMANCE (continued)

- Support agile working practices in our drive for organisational excellence
- Create an efficient and effective infrastructure for delivering frontline support
- Build an organisation that anticipates customer needs, is resilient to change and well-led.

During 2021/22 RLO continues to develop the strategy further using a purpose led strategic approach.

Person Centred Support and Enablement

Significant investment has produced a framework which defines RLO Group's primary aim of person centred support and enablement as enabling staff to support people to engage in meaningful activity and relationships because taking part in a range of activities provides experience of variety of life and the opportunity to make real and informed choices. Being actively involved increases the opportunities the people we support have to interact with others in meaningful and purposeful ways, which in turn increases quality of life.

At Real Life Options we have developed a bespoke person-centred support and enablement learning programme based on real life experiences of people who use our services.

Practice leads are key in providing a consistent messages regarding values, expectations and effective performance management to ensure that the priority is the goals and aspirations of the people we support. To support practice leads in this role we have developed bespoke support and enablement tools which are linked to our model of support.

We have two support and enablement partners (one in Scotland and one in England), who will take the lead in developing capacity of our practice leads and supporting teams to truly embed a culture of doing for, to doing with.

Social Impact

At the end of 20/21 RLO concluded it's exercise and short term partnership with "The Collectives charity" that had been established to define the organisation's social benefit and impact as a charity. The final report presented an overview of the social value and monetary worth derived through RLO's activity in the year and offered a template to consider for the future as we continue to measure RLO's social impact and return on investment . In 2021 we have continued to shape our social impact measures/targets/outputs and outcomes to dovetail with wider Group strategy, "Our Purpose".

Community Connection Fund

Albeit slowly due to Covid19, during the year RLO Group continued to deliver against the Community Connection Fund, a small grants programme designed to empower people we support and staff in local services to invest in their communities by submitting funding applications for activities that make a difference locally. The CCF Panel had a 2 year tenure and we have now recruited 6 new employees from across the Group to meet and decide on proposals from the teams. Further development of the fund has now created a dual funding stream of opportunity as teams are encouraged to match fund their proposals with fundraising activities.

Staff Health and Wellbeing

Real Life Options are committed to supporting our staff with their health and wellbeing. Over the year a Health & Wellbeing Core Group have met to structure a plan for the future Health & Wellbeing Strategy. This has resulted in the organisation being committed to the following objectives:

1. Producing, implementing and communicating a mental health at work plan that encourages and promotes good mental health in the workplace.
2. Communicating of Health & Wellbeing
3. Providing a specific focus on mental health awareness

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GROUP STRATEGIC REPORT
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Staff health and Wellbeing (continued)

4. Providing Health & Wellbeing/Mental Health Representatives & Support Networks
5. Encouraging open conversations about mental health
6. Providing good working conditions, ensuring staff have a healthy work life balance
7. Providing good career and role development opportunities
8. Promoting an effective people management environment
9. Routinely monitoring employee mental health and wellbeing by
10. Analysing data

We have already provided toolkits for managers to support staff when they return to work and monitor their wellbeing at work. A health & wellbeing discussion is also included in review meetings with staff. The organisation also provides an external Employee Assistance Programme where a counselling service and financial guidance can be accessed. A Health Cash Plan was also introduced mid year to support staff with the payment of health care provisions.

We are looking forward to the year ahead where we will be working toward the 10 objectives and providing additional opportunities for health & wellbeing discussions to take place.

II. CONSTITUTION

The organisation is a company limited by Guarantee. The organisation's governing documents are its Articles of Association. The liability of each member of Real Life Options is £1. There are a minimum of six members and a maximum of twelve members. Only one Non-Executive and one Senior Manager of the company can be a member at any time.

The Articles require a minimum of three Non-Executive Directors (who are also Trustees) and a maximum of eight non-executive Directors. The articles allow for the appointment of up to two Executive Directors as Trustees, with no minimum number.

The Board reviews its own operational effectiveness and governance annually to ensure that it is meeting the needs of the organisation and complying with all applicable regulations.

RLO Group's governance policy and structure complies with the following regulators:

- Charities Commission
- Scottish Charities Regulator
- Care Quality Commission
- The Care Inspectorate

Under the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014: Regulation 17, providers must have effective governance, including assurance and auditing systems or processes. These must assess, monitor and drive improvement in the quality and safety of the services provided, including the quality of the experience for people using the service. The systems and processes must also assess, monitor and mitigate any risks relating the health, safety and welfare of people using services and others. Providers must continually evaluate and seek to improve their governance and auditing practice. RLO Group's governance approach drives performance in compliance with this.

Operation of the Board of Trustees

The Board of Trustees meets quarterly during the year to monitor performance against agreed strategic goals and review the organisation's and Leaderships Team's work and services. An Audit Committee, comprised of Non-Executive Trustees, has responsibility for reviewing the organisation's accounting policies and financial accounts. It meets at least annually, with the Chief Executive and Director of Finance in attendance.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Operation of the Board of Trustees (continued)

A Remuneration Committee, comprising Non-Executive Trustees, has specific responsibility to review and determine the remuneration of the CEO and review the remuneration of the Leadership Team based on external benchmarking and, where appropriate, recommendation and discussion with the Chief Executive. Oversight is also provided to the Remuneration Committee on levels of remuneration/rewards throughout the whole organisation.

Recruitment and appointment of new Trustees

Under the leadership of the Chair, the recruitment needs of the Board of Trustees is monitored. This includes a review of the current knowledge, experience, skills and abilities, and how these will be affected by any planned Trustee departures in the future. Trustee vacancies are advertised externally. Applicants are shortlisted against the criteria in the person specification for the role, including any specific matters highlighted during the above review. Shortlisted applicants are recruited through a process which includes being interviewed by at least two Non-Executive Trustees (one of whom will be the Chair) and meeting a panel comprising people we support and their support workers. Shortlisted applicants are appointed only where they have the necessary skills and qualities to contribute effectively to the organisation's management and development.

New Trustees are inducted in two main ways:

- Through the provision of information on the organisation's policies and procedures and on its staff, financial and organisational management and development.
- Trustees are briefed by the Leadership Team and key staff of functional aspects of the organisation's operations.

During the year a new Non Executive Trustee with financial expertise - K Shier was appointed 11 March 2021.

Related parties

The only related parties are considered to be the Trustees. The only transactions have been transactions in the normal course of their employment and through standard delivery of services.

Subsidiaries

At the balance sheet date, Real Life Options had nine wholly-owned subsidiaries and 13 dormant newly incorporated subsidiaries (see note 15).

- Affinity Homecare Shrewsbury Limited is a Shrewsbury based domiciliary homecare company. This strategic investment will expand on its market share of traditional LA funded clients as well as private and continuing health care clients.
- Montana Home Care Ltd, is a company based in Falkirk, Scotland. The company provides domiciliary care to service users who require support. It is a strategic investment in domiciliary care provision and has well-earned reputation for excellent quality services.
- 1st Home Care Ltd is a company with offices located throughout Scotland. The company provides domiciliary care to service users who require support. It is a strategic investment in domiciliary care provision and with previous acquisitions has created a significant provider within Scotland.
- Orchard Care Services Limited is a dormant trading company that previously provided domiciliary care to elderly service users. The trading was previously transferred to RLO Orchard Care Limited.
- RLO Orchard Care Limited is a dormant trading company that previously provided domiciliary care to elderly services users in Warwickshire and Coventry.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Subsidiaries (continued)

- Alpha Homecare (Scotland) Limited, Real Life Options (Cymru) Limited, Lowland Care Services Limited, and Lowland's subsidiary Senior Service (Edinburgh) Limited are dormant trading companies who ceased trading on 31 March 2016 and transferred their activities to 1st Homecare Limited.

Staff Management

During the year under review the Leadership Team (LT) had the following staff structure:

- Chief Executive,
- Chief Operating Officer,
- Director of Operations, England & Wales
- Director of Operations, Scotland and NI
- Director of Human Resources (appointed in March 2020)
- Director of Digital & Enablement – Business Support (resigned in December 2020)
- Director of Finance and Resources (appointed in December 2020)

The Chief Executive has overall responsibility for all operational matters and reports directly to the Board of Trustees on a regular basis.

Environmental Policy

The organisation is fully committed to safeguard the environment. In this respect it will specifically endeavour to:

- encourage the reduced consumption of natural resources and energy
- operate a purchasing policy that avoids the use of environmentally damaging products whenever feasible
- prevent environmental pollution arising from its own operations
- provide information and support to both the service users and staff to encourage interest in environmental matters
- encourage economical and environmentally sound use of its vehicles
- encourage the use of public transport and car sharing where appropriate

Modern Slavery Act 2015 - Modern Slavery and Human Trafficking Statement

Real Life Options will always work to the highest ethical standards and comply with all laws, regulations and rules relevant to our business. Our reputation is paramount and we take our Corporate and Social Responsibilities very seriously. We realise that our relationships with those we deal with, whether service users, employees, stakeholders, suppliers or the local community, are key to our success and consequently we take our obligations to those people very seriously.

This statement which covers the financial period 1st April 2020 to 31st March 2021, is made on behalf of the Board at Real Life Options Group with regards to the Modern Slavery Act 2015, which requires large employers to be transparent about their efforts to eradicate Slavery and Human Trafficking in their supply chains. This statement describes how we recognize and prevent human trafficking and slavery in our supply chains.

Since 1992, Real Life Options has been delivering high quality, ethically managed social care for people with learning disabilities and autism. We have a national reputation for providing person-centred care and services to support people to live their lives. We provide self-directed support to ensure people have equal rights as citizens, to maximize their independence and social inclusion and to exercise choice about their own lives.

Our supply chains include procurement of agency staff, facilities maintenance and utilities.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Modern Slavery Act 2015 - Modern Slavery and Human Trafficking Statement (continued)

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. We are committed to acting ethically and with integrity in all our business relationships and to implement and enforce effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. We expect our supply chains to comply with all relevant regulatory pre-employment checks and verification of certification and eligibility.

We have various checks that enable us to identify and mitigate risk in relation to slavery and human trafficking. We will ensure that we work with suppliers who treat their obligations towards modern slavery with the same importance that we do. We maintain systems that:

- Identify and assess potential risk areas in our supply chains, through active risk management.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains, through ethical procurement.
- Monitor potential risk areas in our supply chains, through close working relationships with suppliers
- Protect whistle blowers, through our policy.

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, staff are made aware through our safeguarding learning module. Our employees are encouraged to identify any potential anti-slavery concerns and receive regular communications regarding what to do if they suspect this and we have in place protection for whistle blowers.

Gender Pay Reporting

Our gender pay report can be found on the government website.

Operating in the social care sector, we employ a high percentage of female employees (73%) in common with sector norms. Our strategy is to build a diverse workforce ensuring that all employees are treated fairly and with respect. We ensure that all our pay and reward scales are transparent and ensure that all employees have equal opportunity to progress within the organisation.

We are pleased to note that there is only a 0.4% pay differential in our Median hourly wage rates and a 4.0% differential towards males in our Mean hourly wages. We continue to strive towards parity among all employees and all new recruits are paid at standard rates to help us achieve this. The organisation will continue to review any evident pay gaps both at Mean and Quartile levels, with an aspiration to close any gaps and ensure pay parity for all employees.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes.” Such amounts received are presented in our accounts as “voluntary income” and include legacies and grants when they are received.

In relation to the above we can confirm that all solicitations are managed internally, without the involvement of commercial participators, professional fundraisers or third parties. The day to day management of all income generation is delegated to the Leadership Team, who are accountable to the Board of Trustees.

The charity is not bound by any undertaking to a regulatory scheme and the charity does not consider it necessary to comply with any voluntary code of practice. We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonable at all times. As we do not approach individuals for funds we do not particularise this to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

III. FINANCIAL REVIEW

In the year to 31 March 2021, Real Life Options Group turnover decreased by 0.8% from £45.0 million to £44.6 million. This decrease reflects a decrease in services across Real Life Options and its subsidiaries. Real Life Options turnover decreased by 1.3% from £39.6 million to £39.1 million and its subsidiaries increased from £5.4 million to £5.5 million.

Net movement in funds for the group decreased by 85.5% from £726,000 to £105,000 reflecting the decrease in activity throughout England and Scotland and also a £479,000 impairment charge (more details in note 13). Fee levels have increased largely in response to the increase in the National Minimum Wage and Scottish Living Wage, although not all local authorities have responded promptly or comprehensively to the increase in the rates that we are obliged to pay.

We continue to discuss the need for fee rates that ensure quality provision and sustainable services for the people we support. Over-capacity and voids continue to drain resources and we are continuing to work with commissioners in both England and Scotland to ensure that we are in a position to continue to provide effective and economic services.

We continued to carefully review our services in London and during the year closed a day service in London as a consequence of low take up and the withdrawal of funding by the local authority. The lack of new referrals to the services, the accommodation on offer and the difficulty of recruiting and retaining staff are all factors that have resulted in the need to reassess what we should be offering in London.

In Birmingham, the transition to a new framework continued throughout the year fairly slowly, in part due to the COVID pandemic. We believed that the fees in Birmingham did not reflect our view of the needs of the people we support. This combined with the lack of referrals to occupy the rooms available in the care homes, which is largely a result of an aging client group, has resulted in under budget performance. We are continuing to review this service provision. In addition a number of care homes have closed in part in response to the Care Inspectorate changing their vision and wanted more independent living rather than Care Homes. Families had been included in discussions too.

In Fife, the physical environment of one of our smaller services dictated the need to close the service. Although the service was removed from Care Inspectorate registration and therefore our portfolio, people we supported transitioned to alternative Real Life Options services in the Fife area.

Balance Sheet

Debt collection remains strong and the relationship with local authorities that commission our services ensures strong cashflow. Our relationship with our long term lenders remains strong and through the year debt has been repaid in accordance with the agreed schedules. Short term cashflow requirements if required will be met using arrangements already in place with RBS Invoice Financing.

There has been no substantial investment in property. The Group did purchase a new finance system during the year.

An impairment review of the value of the investment in the two non-trading companies: Alpha Homecare (Scotland) Ltd; and Lowland Care Services Ltd has been undertaken, resulting in the value of the investments being written down in full. The impairment loss has been recognised in full in the Statement of Financial Activities.

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Taxation

The activities of the charity fall within the exemptions conferred by sections 505 and 506 of the Income and Corporation Taxes Act 1988. Consequently, no corporation tax will be provided for in the financial statements for the charity in this and future years.

The group's trading subsidiaries are subject to corporation tax where retained reserves are insufficient for all surpluses to be paid to the charity by way of gift aid. In the current year there has not been a declaration of any donations that will qualify for gift aid relief to the parent charity, but the accounts have been prepared on the assumption that the gift will be made and corporation tax relief granted.

Fund Accounting

At the end of the year the Group held total reserves of £7.5M.

The Group's funds are held for a variety of purposes, to ensure that the organisation can operate as a going concern in the future and also fulfil its legal obligations. The funds are summarised as follows:

- Restricted funds (£11,000) – these are held under trust law and so can only be used for particular purposes, as specified or agreed with the donor.
- Designated funds (£209,000) - have been designated within the unrestricted reserves for furniture and equipment repairs and replacement.
- General funds (£3.3M) – these are sums that are freely available for general use. They are held at a level to withstand any short-term financial risks.
- Fixed asset funds (£4.0M) – these funds form part of the general funds. These have changed due to asset purchases in the year, these continue to make up the bulk of assets held, representing the operational assets of the organisation, without which we could not operate. The vast majority of these are freehold property or computers.

The funds policy review still recognises the need for free reserves to cover short-term risk. The Board of Trustees considers it prudent that unrestricted reserves should be sufficient to manage and changes in the funding from local authorities in respect of fee rates and losses of contracts. RLO has many contracts with c 40 local authorities which protects the organization from any significant pressure of the loss of contract from one or two of these local authorities.

The Board have agreed that reserves should be kept at 10% of turnover or £5m, whichever is the lowest.

The reserves are sufficient to meet the requirements of the reserves policy.

The Board of Trustees has reviewed the reserves policy in light of changing risks presented to the organisation and will formally review the reserves policy and levels maintained on an annual basis. The Trustees recognise that investment in trading subsidiaries and operational assets ties up funds that would otherwise be available for spending, but have concluded that funds do not need to be set aside for a specific purpose at this time and that additional funds are not required to meet future commitments.

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1,400 (2020 £2,687).

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Going concern

Despite the continued impact of the COVID 19 pandemic, the Group's finances have held up well over this uncertain period with government grant funding and Local Authority support continuing to be at an adequate level to support the charity.

Taking account of the above and the level of reserves held, the cash available to the Charity to the 31 March 2023 will ensure there is sufficient funding to support our existing commitments.

The three wholly owned trading subsidiary companies 1st Home Care Ltd, Montana Homecare Ltd and Affinity Homecare Shrewsbury Ltd are all also affected by the pandemic given the nature of their business. Assessment of the impact of COVID-19 on their businesses confirm that they have sufficient funding to support their existing commitments.

The Trustees have reviewed forecasts to 31 March 2023, and it was concluded that the Charity will be able to meet its liabilities as they fall due over the period.

The Trustees expect that Real Life Options has sufficient resources to enable it to continue to adopt the going concern basis in preparing the financial statements. These financial statements do not include any adjustment that would arise if the going concern basis of preparation was not considered appropriate.

As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of the Trust to continue as a going concern.

IV. PLANS FOR THE FUTURE

Real Life Options Group is committed to achieving the current strategic plan, to become a very effective learning organisation and to have excellent communication at all levels.

In future Real Life Options will consider the development of services in home care, supported living and mixed models of partnership delivery.

Supported Living for People with Learning Disabilities is a core segment of Real Life Options' portfolio and provides opportunities for innovation and viability.

Real Life Options is aware that place-based commissioning is likely to generate other forms of support going forwards and that whole life planning where care and support is delivered through collaboration is part of the journey going forwards. The forward plan is influenced by changes resulting from the current pandemic and external policies.

ON BEHALF OF THE BOARD

David Wilkin

D Wilkin
Director and Chair of the Trustees

Date: 31/3/2022

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report with the financial statements of the charitable company and the group for the year ended 31 March 2021.

Principal Activities and Future Developments

The principal activities of the group are set out in the strategic report. The group continues to deliver public services.

Results

The group surplus for the year, after taxation amounted to £105,000 (2020: £726,000).

Directors

The Directors who served during the year were:

D I Sargent
D Wilkin
R A Hendry
J R Swales (Resigned 23 November 2020)
H Mounsey (Resigned 14 August 2020)
C.A.Maltby (Appointed 20 October 2020)
C.R.McCorkindale (Appointed 20 October 2020)
R.C.Sloggett (Appointed 12 November 2020)
K Shier (Appointed 11 March 2021 and resigned 5 December 2021)

Employees

Local arrangements have continued for managers to meet employees and their representatives to discuss matters of mutual interest and concern including the provision of relevant information.

Employment of the disabled

The company recognises its responsibility for the employment, training, career development and promotion of disabled persons and gives full consideration of applications irrespective of an individual's background. Every effort is made to continue to employ those who become disabled while working for the company.

Statement as to disclosure of information to auditor

Each of the trustees who are directors for the purpose of company law at the time when this Report of the Trustees is approved has confirmed that:

- So far as the directors are aware, there is no relevant information of which the company's auditors are unaware, and
- each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

Auditor

The auditor, Grant Thornton LLP, was appointed during the year and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

ON BEHALF OF THE BOARD

David Wilkin

D Wilkin

Director and Chair of the Trustees

Date: 31/3/2022

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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are responsible for preparing the Group Strategic Report, the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. 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.

David Sargent

D I Sargent

Director

Date: 31/3/2022

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of Real Life Options ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the charity statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including the Group and Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. 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 group and parent 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 related to going concern

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent charitable company and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the parent charitable company or group to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the parent charitable company's and group's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the parent charitable company's and group's financial resources or ability to continue operations over the going concern period.

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 parent charitable company's and group'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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2021

Conclusions related to going concern (continued)

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.

The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Group Strategic Report, other than the financial statements and our auditor's report thereon. 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. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Trustees' Report, prepared for the purposes of company law, included in the Group Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Group Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2021

Responsibilities of Trustees for the financial statements

As explained more fully in the Statement of Trustees' responsibilities, 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent 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 Group or the Parent 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk>. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur; Charities SORP (FRS 102), FRS 102, Charities Act 2011, Data Protection Act 2018 and the Charity Code of Governance.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We understood how the Company is complying with those legal and regulatory frameworks by making enquiries of management. We corroborated our enquiries through our review of board minutes and legal expenses.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by discussions with management to understand where management considered there is a susceptibility to fraud.

REAL LIFE OPTIONS
(A company limited by guarantee)
REAL LIFE OPTIONS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2021

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

- Audit procedures performed by the engagement team included:
 - evaluation of the controls established to address the risks related to irregularities and fraud;
 - testing manual journal entries, in particular journal entries determined to be large or relating to unusual transactions based on our understanding of the business;
 - identifying and testing related party transactions;
 - completion of audit procedures to conclude on the compliance of disclosures in the annual report and accounts with applicable financial reporting requirements.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the industry in which the client operates
 - understanding of the legal and regulatory requirements specific to the entity.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees 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, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Peter Edwards
 Senior Statutory Auditor
 for and on behalf of Grant Thornton UK LLP
 Statutory Auditor, Chartered Accountants
 Sheffield
 Date: 31/3/2022

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

REAL LIFE OPTIONS
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Designated Funds £'000	2021 Total £'000	2020 Total £'000
Incoming resources						
Charitable activities	4	37,664	-	287	37,951	39,590
Donations		1	11	-	12	2
Trading activities:						
Trading subsidiaries income		5,568	-	-	5,568	5,401
Other income	5	1,096	-	-	1,096	-
Total incoming resources		44,329	11	287	44,627	44,993
Resources expended						
Trading expenditure:						
Trading subsidiaries expenditure		4,805	-	-	4,805	5,095
Charitable activities	13	39,012	-	285	39,297	39,171
Impairment of goodwill	13	479	-	-	479	-
Total resources expended	6	44,296	-	285	44,581	44,266
Net income before transfers and tax		33	11	2	46	727
UK Corporation tax	12	59	-	-	59	(1)
Net movement in funds		92	11	2	105	726
Fund balances at 1 April 2020	29	7,137	-	207	7,344	6,618
Total fund balances at 31 March 2021	29	7,229	11	209	7,449	7,344

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

The notes on pages 31 to 57 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Designated Funds £'000	2021 Total £'000	2020 Total £'000
Incoming resources						
Charitable activities	4	37,664	-	287	37,951	39,590
Donations		1	11	-	12	2
Other income	5	1,096	-	-	1,096	-
Total incoming resources		38,761	11	287	39,059	39,592
Resources expended						
Charitable activities		37,832	-	285	38,117	38,780
Impairment of investments	15	1,925	-	-	1,925	-
Total resources expended	6	39,757	-	285	40,042	38,780
Net (expenditure)/income before gift aid from subsidiaries and transfers		(996)	11	2	(983)	812
Gift Aid from subsidiaries		441	-	-	441	83
Net movement in funds		(555)	11	2	(542)	895
Reconciliation of funds						
Fund balances at 1 April 2020	29	8,729	-	207	8,936	8,041
Net movement in funds		(555)	11	2	(542)	895
Total fund balances at 31 March 2021	29	8,174	11	209	8,394	8,936

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The notes on pages 31 to 57 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

CONSOLIDATED AND CHARITY BALANCE SHEETS
Registered No 02699638

AS AT 31 MARCH 2021

	Note	Group		Charity	
		2021	2020	2021	2020
		£'000	£'000	£'000	£'000
Fixed assets					
Goodwill	13	2,387	2,467	24	72
Tangible assets	14	4,041	4,092	4,039	4,086
Investments in Subsidiaries	15	-	-	4,916	5,685
		6,428	6,559	8,979	9,843
Current assets					
Debtors:					
Amounts recoverable within one year	16	4,100	4,430	4,178	3,980
Cash at bank and in hand		2,425	2,633	1,233	1,438
		6,525	7,063	5,411	5,418
Creditors:					
Amounts falling due within one year	17	(4,524)	(4,934)	(5,016)	(4,981)
Net current assets/(liabilities)		2,001	2,129	395	437
Total assets less current liabilities		8,429	8,688	9,374	10,280
Creditors:					
Amounts falling due after more than one year	19	(980)	(1,344)	(980)	(1,344)
Net assets	30	7,449	7,344	8,394	8,936
Reserves					
Unrestricted Funds		7,229	7,137	8,174	8,729
Restricted Funds		11	-	11	-
Designated Funds		209	207	209	207
Total Funds	29	7,449	7,344	8,394	8,936

The financial statements were approved and authorised for issue by the Trustees on 31/3/2022 and signed on their behalf by:

David Wilkin

D Wilkin
Chair of the Board

The notes on pages 31 to 57 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2021

		2021	2020
		£'000	£'000
Cash flows from operating activities			
Profit for the financial year		105	726
Adjustments for:			
Amortisation of intangible assets	13	504	413
Depreciation of fixed assets	14	129	135
Impairment of goodwill	13	479	-
Loss on disposal of fixed asset		5	-
Net interest payable		52	55
Taxation	12	(59)	1
Decrease in debtors	16	295	16
(Decrease)/increase in creditors	17	(188)	440
Cash from operations		1,322	1,786
Interest paid		(52)	(55)
Taxation paid		(51)	(4)
Net cash generated from operating activities		1,219	1,727
Cash flows from investing activities			
Acquisition of subsidiary	23	(499)	(890)
Purchases of tangible fixed assets	14	(81)	(91)
Purchase of intangible fixed assets	13	(8)	-
Net cash outflow from investing activities		(588)	(981)
Cash flows from financing activities			
Receipt of new bank loans		-	840
Bank loans repaid		(479)	(518)
Deferred consideration paid		(360)	-
Net cash (used in)/generated in financing activities		(839)	322
Net (decrease)/increase in cash and cash equivalents		(208)	1,068
Cash and cash equivalents at beginning of year		2,633	1,565
Cash and cash equivalents at end of year	27	2,425	2,633
Cash and cash equivalents comprise:			
Cash at bank and in hand	27,28	2,425	2,633

The notes on pages 31 to 57 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1 General information

The charity is a private charitable company limited by guarantee incorporated in England and Wales and has no share capital. The address of the registered office is given on the company information page and the nature of the group's operations and its principal activities are set out in the trustees report.

2 Accounting policies

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) (effective 1 January 2019) - Charities SORP (FRS 102), UK Generally Accepted Accounting Practice (UK GAAP) including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and Liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity meets the definition of a public benefit entity under FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

Parent company disclosure exemptions

In preparing the separate financial statements of the charity, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the charity;
- Disclosures in respect of the charity's financial instruments have not been presented as equivalent disclosures have been provided for the group as a whole.

The following principal accounting policies have been applied:

2.1. Basis of Consolidation

The consolidated financial statements present the results of Real Life Options and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of financial affairs from the date on which control is obtained. They are deconsolidated from the date control ceases.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies *(continued)*

2.2. Going Concern

Despite the continued impact of the COVID 19 pandemic, the Group's finances have held up well over this uncertain period with government grant funding and Local Authority support continuing to be at an adequate level to support the charity.

Taking account of the above and the level of reserves held, the cash available to the Charity to the 31 March 2023 will ensure there is sufficient funding to support our existing commitments.

The three wholly owned trading subsidiary companies 1st Home Care Ltd, Montana Homecare Ltd and Affinity Homecare Shrewsbury Ltd are all also affected by the pandemic given the nature of their business. Assessment of the impact of COVID-19 on their businesses confirm that they have sufficient funding to support their existing commitments.

The Trustees have reviewed forecasts to 31 March 2023, and it was concluded that the Charity will be able to meet its liabilities as they fall due over the period.

The Trustees expect that Real Life Options has sufficient resources to enable it to continue to adopt the going concern basis in preparing the financial statements. These financial statements do not include any adjustment that would arise if the going concern basis of preparation was not considered appropriate.

As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of the Trust to continue as a going concern.

2.3. Fund Accounting

Unrestricted funds, which have not been designated for other purposes, are available for use at the discretion of the Trustees, in furtherance of the general objectives of the Charity.

Designated funds are transferred from general unrestricted funds for specific purposes, based on available cost information. These amounts are monitored annually and may be amended or re-designated by the Board.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by conditions relating to the arrangements leading to the receipt of the money; conditions under which money has been donated; or which have been raised by the Charity for particular purposes. If there is an obligation to use resources generated for a specific purpose the income will be accounted for in a restricted fund. The costs of raising and administering such funds will be charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies *(continued)*

2.4. Income

All income is included in the Statement of Financial Activities ('SOFA') when:

- The entity is legally entitled to the income, and
- any performance conditions attaching to the income have been met, and
- the amount can be quantified with reasonable accuracy, and
- the amount is likely to be received.

Income may be accrued if the work has been completed and the service under the contract delivered. Income may be deferred if the service has not been provided even if the value has been invoiced and payment received.

Grants are received from bodies within Local Government and the National Health Service and are specific to the charitable activities.

All grants, donations, rental income and contractual payments are included on a receivable basis.

For legacies, income will be recognised if the amount can be measured and there is a clear indication that a distribution will be made from the estate.

Donated professional services and donated facilities will be recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. The economic benefit will be the amount the charity would have been willing to pay to obtain those services or facilities on the open market; a corresponding amount will be recognised in expenditure in the period of receipt.

In accordance with the Charities SORP (FRS 102), the contribution of volunteers' general time to the Charity will not be recognised in the financial reports but will be referred to in the trustees' annual report.

Deferred capital grants are treated as deferred income in compliance current GAAP and are credited to the income and expenditure account over the expected useful economic life of the relevant fixed asset on a basis consistent with the depreciation policy.

Other grants are recognised as and when conditions for their release are fulfilled.

2.5. Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure and support costs comprise direct expenditure including direct staff costs attributable to the activity. The charity has one type of activity – support services. All support costs are allocated to this activity. Governance costs are those incurred in connection with the management of the Charity's assets, organisational administration and costs regarding compliance with constitutional and statutory requirements.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies (continued)

2.6. Goodwill

At the date of acquisition, goodwill will initially be measured as the excess of the cost of the business combination over the fair value of the net amount of the identifiable assets, liabilities and contingent liabilities.

After initial recognition, the goodwill shall be measured as cost less accumulated amortisation and accumulated impairment losses. An estimate of the useful life of the Goodwill will be made at the time of acquisition and the Goodwill be amortised on a systematic basis over that life. The useful life of the goodwill will not normally be more than 10 years.

Using the definitions in FRS 102, as part of the annual impairment review process, the value of goodwill will be compared with the recoverable amount of the asset. In the event that the value of the goodwill is found to be less than the recoverable amount, the value of the impairment will be recognised in the accounts.

2.7. Tangible Assets

Tangible fixed assets costing more than £1,000 are capitalised and valued at historical cost along with any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value on a straight line basis over the following ranges of expected useful economic lives:

Freehold land & buildings	- 50 years
Leasehold improvements	- 10 years or the length of the lease if shorter
Fixtures and fittings	- 3-10 years
Computer equipment	- 2-4 years
Office equipment	- 3-4 years

Freehold Land will not be depreciated.

2.8. Operating Leases

Income and costs associated with operating leases are either credited or charged to the SOFA on an accruals basis in accordance with the contracts in force during the year.

The cost of the lease payments over the contracted period, after allowing for any lease incentives, will be apportioned equally over the life of the lease.

2.9. Current and Deferred Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of financial affairs.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the UK.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies (continued)

2.10. Current and Deferred Taxation (continued)

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or future profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the near future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of the liabilities acquired and the amount that will be assessed for tax.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.11. Accounting for Investments in Subsidiaries

Investments in subsidiaries are stated at cost less any assessed impairment in the asset.

2.12. Financial Instruments

Real Life Options and its group entities only enter into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables are measured, initially and subsequently, at the undiscounted amounts of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently amortised at cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies (continued)

2.13. Pension Contributions

Retirement benefits to the majority of employees are provided by the Group's defined contribution scheme. Contributions payable to the Group's pension scheme are charged to the profit and loss account in the period to which they relate.

A small, and reducing, number of employees are members of the NHS pension scheme. This is a defined benefit scheme and the assets are held separately from those of the Group. The NHS Pension scheme is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. The NHS pension scheme is a multi-employer scheme.

The Group will recognise in the accounts its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis if it is possible and economical to identify its share of the cost. If it is not possible or economical to identify the Group's share of the underlying assets and liabilities the NHS pension scheme will be treated as a defined contribution scheme and the Group's contributions will be recognised as they are paid each year.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements the directors have made the following judgements:

The Directors have reviewed the carrying value of the Group's assets, including goodwill, to determine whether there are any indicators of impairment. Factors taken into account include the economic viability and expected future financial performance of the assets.

Other key sources of estimation uncertainty

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of assets and residual values are assessed on acquisition and may be revised if operating circumstances change significantly.

The Directors have made assumptions about the potential value and likelihood of success of claims against the company for unpaid wages from current and former employees.

4 Analysis of Income from Charitable Activities

All activity relates to the provision of care services in the UK.

All income in the current year is unrestricted. In the prior year, all income was unrestricted except for £2k of restricted donations.

5 Other income

	GROUP & CHARITY	
	2021	2020
	£'000	£'000
Government grants:		
- Job retention scheme	268	-
- Covid support for personal protective equipment	816	-
Other income	12	-
	1,096	-

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

5 Other income (continued)

Grant received from Government were in relation to the Job Retention Scheme and also in respect of support for the costs of additional Personal Protective Equipment (PPE) as a result of the COVID-19 pandemic.

6 Analysis of resources expended

The charity allocates its support costs as shown in the table below. Regional Office costs are allocated to the relevant region. Support Service costs are apportioned between the regions based on the percentage of income per region.

GROUP 2021

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Trading subsidiaries expenditure	4,805	-	4,141	138	526
Charitable activities	39,297	100	33,329	1,784	4,084
Impairment of goodwill	479	-	-	-	479
	44,581	100	37,470	1,922	5,089

GROUP 2020

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Trading subsidiaries expenditure	5,095	-	4,894	130	71
Charitable activities	39,171	80	32,966	1,881	4,244
	44,266	80	37,860	2,011	4,315

Total expenditure for the year for the group was £44,102k (£44,266k) of which £Nil (2020: £4k) was restricted, £285k (2020: £466k) was designated and £43,817k (£43,796k) was unrestricted.

CHARITY 2021

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Charitable activities	38,117	66	33,329	1,783	2,939

CHARITY 2020

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Charitable activities	38,780	80	32,966	1,881	3,853

Total expenditure for the year for the charity was £38,117k (£38,780k) of which £Nil (2020: £4k) was restricted, £285k (2020: £466k) was designated and £37,832k (£38,310k) was unrestricted.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

7 Analysis of support costs

	GROUP		CHARITY	
	2021	2020	2021	2020
Analysis of governance costs	£'000	£'000	£'000	£'000
Audit fees	76	46	42	36
Other financial services including accountancy services	24	22	24	22
Other professional fees	-	12	-	22
	<u>100</u>	<u>80</u>	<u>66</u>	<u>80</u>
	<u><u>100</u></u>	<u><u>80</u></u>	<u><u>66</u></u>	<u><u>80</u></u>
	GROUP		CHARITY	
	2021	2020	2021	2020
Audit and Non Audit Services	£'000	£'000	£'000	£'000
Statutory audit of parent and consolidated accounts	42	36	42	36
Statutory audit of subsidiary companies	34	10	-	-
Tax Services	11	12	11	12
Other Services	13	10	13	10
	<u>100</u>	<u>68</u>	<u>66</u>	<u>58</u>
	<u><u>100</u></u>	<u><u>68</u></u>	<u><u>66</u></u>	<u><u>58</u></u>

Governance costs relate to the audit and other professional services in connection with governance of the charity. All other costs are allocated to charitable activities where they are incurred within the charity or trading subsidiaries expenditure where they are incurred in those subsidiaries.

8 Other costs and income

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Operating lease rentals:				
- land & buildings	893	938	821	877
- equipment	164	230	161	213
Depreciation - owned assets	129	135	129	135
Loan interest	51	36	51	36
Amortisation of goodwill	525	413	48	47
	<u>525</u>	<u>413</u>	<u>48</u>	<u>47</u>
	<u><u>525</u></u>	<u><u>413</u></u>	<u><u>48</u></u>	<u><u>47</u></u>

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9 Staff costs

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Wages and salaries	33,966	34,139	30,192	30,060
Social security costs	2,551	2,390	2,328	2,156
Other pension costs - contributions to defined contribution schemes	881	829	804	750
	37,398	37,358	33,324	32,966

The figures shown above represent all staff costs for the Group and Company including operational staff costs, as shown in Note 4, together with costs relating to staff who work in support services and regional offices, which are incorporated within the support cost figures in note 4.

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	GROUP		CHARITY	
	2021	2020	2021	2020
	Number	Number	Number	Number
£60,001 - £70,000	3	2	3	2
£70,001 - £80,000	1	-	1	-
£80,000- £90,000	1	2	1	2
£90,001- £100,000	-	-	-	-
£100,001-£110,000	2	2	2	2
£130,001-£140,000	-	-	-	-
£140,001-£150,000	-	-	-	-
£150,001-£160,000	1	-	1	-
£160,001-£170,000	1	-	1	-
	9	6	9	6

All employees earning more than £60,000 contributed to a personal pension scheme. The Charity contributed £62,563 (2020 - £46,402) on their behalf.

The number of full and part-time employees, calculated on a monthly average basis, was:

	GROUP		CHARITY	
	2021	2020	2021	2020
	Number	Number	Number	Number
Staff	1,868	2,041	1,580	1,704

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10 Directors' Remuneration

	GROUP AND CHARITY	
	2021 £'000	2020 £'000
Directors' emoluments	705	391
Company contributions to defined contribution pension scheme	51	56
	756	447
	756	447

There were 7 directors in the group's defined contribution pension scheme (2020 - 5). None of the directors accrued benefits under the group's defined benefit pension scheme during the year (2020 - none).

Other than the directors, there are not considered to be any other employees who are key management personnel.

Emoluments of the highest paid director were £164k (2020 - £105k). Company pension contributions of £12k (2020 - £11k) were made to a defined contribution pension scheme on their behalf.

Under the Articles of Association the charity is allowed to remunerate non-executive trustees for their duties.

In the year ended 31 March 2021, or the year ended 31 March 2020, no non-executive trustees were remunerated.

Trustees are reimbursed for expenditure incurred in attending trustees meetings or visiting the Group's home and facilities in their roles as Trustees. In the year to 31 March 2021, costs totalling £49 (2020 - £380) were reimbursed to no (2020 - 3) Non-Executive Trustees.

During the year ended 31 March 2021, there was an amount of £369,464 (2020 - £Nil) paid as compensation for loss of office. Of this £369,464 (2020 - £Nil) was unpaid at the year end.

11 Indemnity insurance

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1,400 (2020 - £2,687).

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12 Taxation

	GROUP	
	2021	2020
	£'000	£'000
Corporation Tax		
Charge for year	-	-
Adjustment in respect of prior periods	(23)	-
Total	(23)	-
Deferred Tax		
Origination and reversal of timing differences	-	-
Adjustments in respect of prior periods	(36)	1
Change to tax rates	-	-
	(36)	1
Total tax (credit)/charge for the year	(59)	1
Net incoming resources before other recognised gains, losses and transfers	46	727
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	9	140
Income not subject to tax	(91)	(139)
Impairment of goodwill	91	-
Expenses not deductible for tax purposes	103	-
Adjustments in respect of prior periods	(59)	1
Deferred tax not recognised	(101)	(1)
Other adjustments	(11)	-
Total tax (credit)/charge for the year	(59)	1

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13 Goodwill

	GROUP	
	2021	2020
	£'000	£'000
Cost as at the start of the year	5,065	3,830
Additions	903	1,235
Cost as at 31 March 2021	5,968	5,065
Accumulated Amortisation as at the start of the year	2,598	2,185
Amortisation in the year	504	413
Impairment of goodwill	479	-
Accumulated Amortisation as at 31 March 2021	3,581	2,598
Net book value as at 31 March 2021	2,387	2,467
Net book value as at 31 March 2020	2,467	1,645
Goodwill	CHARITY	
	2021	2020
	£'000	£'000
Cost as at the start of the year	474	474
Cost as at 31 March 2021	474	474
Accumulated Amortisation as at the start of the year	402	355
Amortisation in the year	48	47
Accumulated Amortisation as at 31 March 2021	450	402
Net book value as at 31 March 2021	24	72
Net book value as at 31 March 2020	72	119

Goodwill additions relate to the acquisition of Affinity Homecare Shrewsbury Limited with goodwill on acquisition being £903k, more details of this can be found in note 23.

Following an impairment review of Alpha Homecare (Scotland) Ltd; and Lowland Care Services Ltd, the associated goodwill £159,260 and £319,389 has been fully impaired in the Group Accounts.

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14 Tangible fixed assets

GROUP	Freehold land and buildings £'000	Leasehold improvements £'000	Fixtures and fittings £'000	Motor Vehicles £'000	Office equipment £'000	Computer equipment £'000	Total £'000
Cost							
At 1 April 2020	4,275	208	256	-	1	1,286	6,026
Additions	-	44	-	1	-	36	81
Disposals	-	-	(54)	-	-	-	(54)
On acquisition of subsidiary	-	-	2	-	-	-	2
At 31 March 2021	4,275	252	204	1	1	1,322	6,055
Depreciation							
At 1 April 2020	384	102	197	-	-	1,251	1,934
Provided during the year	60	20	23	-	-	26	129
Disposals	-	-	(49)	-	-	-	(49)
At 31 March 2021	444	122	171	-	-	1,277	2,014
Net Book Value							
At 31 March 2021	3,831	130	33	1	1	45	4,041
At 31 March 2020	3,891	106	59	-	1	35	4,092

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14 Tangible fixed assets *(continued)*

	Freehold land and buildings £'000	Leasehold improvements £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer £'000	Total £'000
CHARITY						
At 1 April 2020	4,275	208	241	-	1,237	5,961
Additions	-	44	-	1	37	82
Disposals	-	-	(8)	-	-	(8)
At 31 March 2021	4,275	252	233	1	1,274	6,035
Depreciation						
At 1 April 2020	384	102	174	-	1,215	1,875
Provided during the year	60	20	24	-	25	129
Disposals	-	-	(8)	-	-	(8)
At 31 March 2021	444	122	190	-	1,240	1,996
Net book value						
At 31 March 2021	3,831	130	43	1	34	4,039
At 31 March 2020	3,891	106	67	-	22	4,086

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15 Investments

	CHARITY	
	2021	2020
	£'000	£'000
Cost and net book value as at the start of the year	5,685	4,322
Movement in Montana	8	-
Additions in the year	1,148	1,363
Impairment charge	(1,925)	-
Cost and net book value as at 31 March 2021	4,916	5,685

Additions relate to the purchase of 100% of Affinity Homecare Shrewsbury Ltd. for a total consideration of £1,148,000. More details of the acquisition can be found in note 23 of these financial statements.

Also there was a £8k increase in the cost of the investment in Montana due to some legal fees incurred that weren't originally recognised on acquisition.

Subsidiary	Control %	Co Number	Registered office
1st Home Care Ltd	100	SC272838	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
Orchard Care Services Limited	100	05767436	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Lowland Care Services Limited	100	SC236443	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
Alpha Homecare (Scotland) Limited	100	SC263919	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
RLO Orchard Care Limited	100	08164674	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Senior Service (Edinburgh) Limited*	100	SC312050	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
Real Life Options (Cymru) Limited	100	08165205	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Montana Home Care Ltd.	100	SC267110	88 Grahams Road, Falkirk, Stirlingshire, FK2 7DL
Affinity Homecare Shrewsbury Limited	100	09508514	Suite D, Global House Sitka Drive, Shrewsbury Busienss Park, Shrewsbury, SY2 6LG

All subsidiaries are involved in the provision of care services.

* Denotes that the 100% control is indirect via Lowland Care Services Limited.

Of the above named subsidiaries only 1st Home Care Ltd and Montana Home Care Ltd are considered to be material to the operations of the group.

An impairment review of the value of the investment in the two non-trading companies: Alpha Homecare (Scotland) Ltd: £988,089; and Lowland Care Services Ltd: £936,550; has been undertaken, resulting in the value of the investments being written down in full. The impairment loss has been recognised in full in the Statement of Financial Activities.

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15 Investments (continued)

During the year an impairment has been made against investments made in previous years based on a review of future discounted cashflows using a discount rate of rate of 6.75%. If the discount rate was 10% this would result in a further impairment of £100,000 which has not been provided for as the trustees believe the additional impairment would not affect the financial statements.

The following subsidiary Companies were incorporated during the financial year but were dormant. Each Company has 2 shares with an aggregate nominal values of £2.

Subsidiary	Control %	Co Number	Registered office
Real Life Options West Yorkshire Limited	100	13082099	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Warwickshire Limited	100	13082242	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Tyne & Wear Limited	100	13082119	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Staffordshire Limited	100	13082096	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Derbyshire Limited	100	13082113	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options County Durham Limited	100	13082447	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Cheshire Limited	100	13082164	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Angus Limited	100	13082200	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Aberdeenshire Limited	100	13082153	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Enterprise Ltd	100	13071404	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Innovation Ltd	100	13055357	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Services Ltd	100	13055350	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
13055370 Ltd	100	13055370	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU

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15 Investments (continued)

The income and expenditure for the year ended 31 March 2021 was as follows:-

	1st Home Care		Montana Home Care		Affinity Home Care
	Year Ended 31 March 2021 £'000	Year ended 31 March 2020 £'000	Year Ended 31 March 2021 £'000	6th December 2019 to 31 March 2020 £'000	1 month period ended 31 March 2021 £'000
Turnover	4,298	4,977	1,174	424	96
Cost of sales	(3,272)	(4,145)	(856)	(263)	-
Gross profit	1,026	832	318	161	96
Administrative expenses	(553)	(644)	(78)	(38)	(76)
Operating profit	473	188	240	123	20
Interest payable and similar charges	-	-	-	-	-
Profit on ordinary activities before tax	473	188	240	123	20
Taxation	36	(1)	27	(1)	(4)
Profit after tax	509	187	267	122	16

The aggregate of the assets liabilities and funds was:

	As at 31 March 2021 £'000	As at 31 March 2020 £'000	As at 31 March 2021 £'000	As at 31 March 2020 £'000	As at 31 March 2021 £'000
Assets	2,185	2,195	274	286	192
Liabilities	(418)	(749)	(15)	(41)	(70)
Reserves	1,767	1,446	259	245	122

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16 Debtors

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Amounts due within one year				
Trade debtors	2,045	2,914	1,644	2,608
Amounts due from subsidiary undertakings	-	-	923	199
Other debtors	1,122	765	785	445
Prepayments and accrued income	849	750	826	728
Deferred tax asset	1	1	-	-
Corporation tax repayable	83	-	-	-
Total	4,100	4,430	4,178	3,980

The impairment loss recognised in the Group's Statement of Financial Activities for the period in respect of bad and doubtful trade debtors was £Nil (2020 - £Nil). The impairment loss recognised in the charity's Statement of Financial Activities for the period in respect of bad and doubtful trade debtors was £Nil (2020 - £Nil).

Amounts due from subsidiary undertakings are interest free and due on demand.

17 Creditors: amounts falling due within one year

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	408	523	408	523
Trade creditors	503	621	455	603
Other taxes and social security	653	616	587	557
Accruals and deferred income	2,106	2,072	2,108	2,072
Other creditors	642	716	335	357
Amounts due to subsidiary undertakings	-	-	911	509
Corporation tax payable	-	26	-	-
Deferred consideration	212	360	212	360
	4,524	4,934	5,016	4,981

Amounts due to subsidiary undertakings are interest free and due on demand.

For a number of service users, the charity is an appointee for the purposes of benefit claims with the Department for Work and Pensions. The charity claims benefits on behalf of the service users and manages bank accounts opened specifically for the purpose on behalf of the claimant. In addition, the charity works with service users in supported living by managing shared resources in bank accounts. The total amount of money controlled by the company under these arrangements is £2,241k (2020 - £2,257k). These are not included within the funds of the group.

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18 Deferred income

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Balance at 1 April	895	305	895	305
Amount released to income	(895)	(305)	(895)	(305)
Amount deferred in the period	785	895	785	895
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance at 31 March	785	895	785	895
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Deferred income relates to the provision of care services invoiced in advance.

19 Creditors: amounts falling due in more than one year

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Bank loans	980	1,344	980	1,344
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

20 Bank loans

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Repayments fall due as follows:				
Within one year	408	523	408	523
In the second to fifth year inclusive	798	1,117	798	1,117
After 5 years	182	227	182	227
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total loans and overdrafts	1,388	1,867	1,388	1,867
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The bank loans are secured by specific charges over the Group's properties and floating charges on all of the Group's assets and are repayable at varying rates of interest.

21 Financial instruments

	GROUP	
	2021	2020
	£'000	£'000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	6,218	6,773
	<u> </u>	<u> </u>
Financial liabilities		
Financial liabilities measured at amortised cost	4,065	4,381
	<u> </u>	<u> </u>

Financial assets measured at amortised cost comprise cash, trade and other debtors and accrued income.

Financial liabilities measured at amortised cost comprise bank loans, trade and other creditors and accruals.

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22 Deferred taxation

	GROUP	
	2021	2020
	£'000	£'000
At 1 April 2020	1	2
Charged/(credited) in the year	-	(1)
At 31 March 2021	1	1

The deferred taxation debtor is made up as follows:

	GROUP	
	2021	2020
	£'000	£'000
Short Term Timing Differences	1	1

23 Business combinations

Acquisition of Affinity Homecare Shrewsbury Limited

On 26 February 2021, the Charity acquired 100% of Affinity Homecare Shrewsbury Limited for a consideration of £1,148,000.

In calculating the goodwill arising on acquisition, the fair value of net assets of Affinity Homecare Shrewsbury Limited have been assessed and adjustments from book value have been made where necessary.

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value	FV adjustment	Fair value
	£'000	£'000	£'000
Fixed assets			
Tangible	2	-	2
Current assets			
Debtors due in one year	46	-	46
Cash at bank and in hand	272	-	272
Total assets	320	-	320
Liabilities			
Due within one year	(67)	-	(67)
Corporation tax	-	-	-
Total identifiable net assets	253	-	253
Goodwill (see note 13)			903
Total purchase consideration			1,156

23 Business combinations (continued)

Total purchase consideration	1,148

Purchase consideration settled in cash, as above	771
Less: cash and cash equivalents acquired	(272)

Cash outflow on acquisition	499

£'000

Profit for the year	16

At 31 March 2021 the group had commitments under non-cancellable operating leases as follows:

	CHARITY		CHARITY	
	Land and buildings		Equipment	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	570	794	155	100
Between two and five years	47	55	182	165
In more than 5 years	-	-	-	-
	617	849	337	265

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25 Pension scheme obligations - Defined Contribution Schemes

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

These schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State in England and Wales. The schemes are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities.

Therefore, the schemes are accounted for as though they were defined contribution schemes: the cost to the clinical commissioning group of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2021, is based on valuation data as 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2016. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2021 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

For 2020-21, employers' contributions of £47,918 (2019-20: £51,025) were payable to the NHS Pension Scheme at the rate of 14.38% of pensionable pay. The scheme's actuary reviews employer contributions, usually every four years and now based on HMT Valuation Directions, following a full scheme valuation. The latest review used data from 31 March 2016. These costs are included within creditors.

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26 Related party transactions

During the year there were no sales or direct purchases between Group companies. Recharges between Group companies have been made for expenses and other costs on behalf of related parties. Amounts owed between subsidiaries are disclosed in note 16 and 17.

Transactions with Trustees are detailed in note 10.

27 Analysis of cash and cash equivalents

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Short term deposits held	2,382	2,609	1,190	1,414
Cash balances	43	24	43	24
	2,425	2,633	1,233	1,438

28 Analysis of net debt

	At 1 April	Cash flows	Non-cash	At 31 March
	2020		flows	2021
	£'000	£'000	£'000	£'000
Short term deposits held	2,609	(227)	-	2,382
Cash balances	24	19	-	43
	2,633	(208)	-	2,425
Bank loans due in one year	(523)	479	(364)	(408)
Bank loans due in more than one year	(1,344)	-	364	(980)
	(1,867)	479	-	(1,388)
	766	271	-	1,037

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29 Funds

Group	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains, Losses and tax £'000	At 31 March 2021 £'000
Restricted funds						
Services Fund	-	11	-	-	-	11
Total restricted funds	-	11	-	-	-	11
Unrestricted funds						
Designated	207	287	(285)	-	-	209
General fund	7,137	44,329	(43,296)	-	59	7,229
Total unrestricted funds	7,344	44,616	(44,581)	-	59	7,438
Total funds	7,344	44,627	(44,581)	-	59	7,449

Charity	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	At 31 March 2021 £'000
Restricted funds						
Services Fund	-	11	-	-	-	11
Total restricted funds	-	11	-	-	-	11
Unrestricted funds						
Designated fund	207	287	(285)	-	-	209
General fund	8,729	39,202	(39,757)	-	-	8,174
Total unrestricted funds	8,936	39,489	(40,042)	-	-	8,383
Total funds	8,936	39,500	(40,042)	-	-	8,394

A figure of £209k (2020 - £207k) has been designated within the unrestricted reserves for furniture and equipment repairs and replacement, these are funds are provided on behalf of the clients supported by the group.

The restricted funds are funds collected for specific services that are ring fenced for projects they have collected for.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS
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29 Funds (continued)

Group – prior year	At 1 April 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains, Losses and tax £'000	At 31 March 2020 £'000
Restricted funds						
Services Fund	-	2	(4)	2	-	-
Total restricted funds	-	2	(4)	2	-	-
Unrestricted funds						
Designated	315	358	(466)	-	-	207
General fund	6,303	44,633	(43,796)	(2)	(1)	7,137
Total unrestricted funds	6,618	44,991	(44,262)	(2)	(1)	7,344
Total funds	6,618	44,993	(44,266)	-	(1)	7,344
Charity – prior year	At 1 April 2019 (restated) £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	At 31 March 2020 £'000
Restricted funds						
Services Fund	-	2	(4)	2	-	-
Total restricted funds	-	2	(4)	2	-	-
Unrestricted funds						
Designated fund	315	358	(466)	-	-	207
General fund	7,726	39,315	(38,310)	(2)	-	8,729
Total unrestricted funds	8,041	39,673	(38,776)	(2)	-	8,936
Total funds	8,041	39,675	(38,780)	-	-	8,936

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

30 Analysis of net assets

Group – current year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Goodwill	2,387	-	-	2,387
Tangible assets	4,041	-	-	4,041
Current assets	6,514	-	11	6,525
Amounts falling due within one year	(4,733)	209	-	(4,524)
Amounts falling due after more than one year	(980)	-	-	(980)
	<u>7,229</u>	<u>209</u>	<u>11</u>	<u>7,449</u>

Group – prior year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Goodwill	2,467	-	-	2,467
Tangible assets	4,092	-	-	4,092
Current assets	7,063	-	-	7,063
Amounts falling due within one year	(5,141)	207	-	(4,934)
Amounts falling due after more than one year	(1,344)	-	-	(1,344)
	<u>7,137</u>	<u>207</u>	<u>-</u>	<u>7,344</u>

Charity – current year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Goodwill	24	-	-	24
Tangible assets	4,039	-	-	4,039
Investments in Subsidiaries	4,916	-	-	4,916
Current assets	5,400	-	11	5,411
Amounts falling due within one year	(5,225)	209	-	(5,016)
Amounts falling due after more than one year	(980)	-	-	(980)
	<u>8,174</u>	<u>209</u>	<u>11</u>	<u>8,394</u>

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

30 Analysis of net assets *(continued)*

Charity – prior year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Goodwill	72	-	-	72
Tangible assets	4,086	-	-	4,086
Investments in Subsidiaries	5,685	-	-	5,685
Current assets	5,418	-	-	5,418
Amounts falling due within one year	(5,188)	207	-	(4,981)
Amounts falling due after more than one year	(1,344)	-	-	(1,344)
	<u>8,729</u>	<u>207</u>	<u>-</u>	<u>8,936</u>

31 Capital commitments

The company has the following capital expenditure contracted for at the year end:

	GROUP & COMPANY 2021 £'000	2020 £'000
Expenditure contracted for but not included in liabilities	<u>95</u>	<u>-</u>