

**Registered number: 08979945**  
**Charity number: 1159854**

**FAIR WAYS FOUNDATION**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

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**FAIR WAYS FOUNDATION**  
**(A Company Limited by Guarantee)**

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**FAIR WAYS FOUNDATION**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

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<b>Trustees</b>	Mr Ian Davies, Ms Anne Segall Mr David Pilgrim Mr Adrian Fry Dr. Alexander Burnfield,	Chairman    (resigned 18/12/2020)
<b>Company registered number</b>	08979945	
<b>Charity registered number</b>	1159854	
<b>Registered office</b>	Suite 8, Fairways House Mount Pleasant Road Southampton Hampshire SO14 0QB	
<b>Company secretary</b>	Mrs Vivien A Sheath	
<b>General Manager</b>	Paul Moran	
<b>Independent auditor</b>	Mazars LLP Chartered Accountants 90 Victoria Street Bristol BS1 6DP	
<b>Bankers</b>	Unity Trust Bank Nine Brindley Place Birmingham B1 2HB	

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

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The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 November 2019 to 31 October 2020. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletins 1 and 2.

**Objectives and activities**

**a. Policies and objectives**

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The objectives of our Charity are to:

- Address social exclusion
- Improve health and wellbeing
- Promote education and literacy
- Support vulnerable children and young people
- Support vulnerable people and families

The vision that shapes our annual activities remains the promotion and fostering of knowledge of the plight of children and young people in the care system and vulnerable people and enabling these conditions to be addressed.

**b. Strategies and activities undertaken for achieving objectives**

The strategies and activities employed to meet the Charity's objectives include:

Establishing and administering annual education bursaries or grants for young people who have left the Care system. The Foundation will ensure that further education opportunities will be available to individuals who otherwise would not have this opportunity.

Support, financially or otherwise, services delivered to young people in need who otherwise would not qualify for the funding that is required to meet that identified need – such as therapy delivered by qualified BACP Registered therapists.

Acquire or develop property to provide suitable accommodation for care leavers who otherwise would not qualify for adult services support.

Promote and educate society with respect to the plight of looked after children and young persons.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

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**Strategic report**

**Achievements and performance**

**a. Main achievements of the Charity**

The Trustees commend the efforts of all staff in responding to the constraints and restrictions imposed by the Covid 19 pandemic. The safety of the service users and all staff has been the primary focus. This has been achieved by rapid and rigorous segregation of care teams to minimise the risk of spreading the virus, and enabling staff to work from home wherever possible.

**b. Key performance indicators**

Delivering a high standard of care and education to all service users is paramount. The Charitable group has robust internal quality audits and health and safety processes in place to ensure these high standards are achieved. During the year to 31 October 2020 all regulatory standards were met or exceeded.

A key factor to achieve any of our strategic goals is to ensure that we have highly trained, high performing staff at every level throughout the organisation. The charitable group increased the amount it spent on training from £640,000 in 2019 to £725,000 in 2020. Training spend represented 4.9% of turnover from care and education services (2019: 4.9%).

The outcomes for our service users is the most visible measure of our achievements. The Charitable group will continue to collate data and to develop a range of measures to determine success and ensure that such measures are independently verifiable.

**c. Review of activities**

Fairways Care (UK) Limited had another successful year looking after 588 service users (2019: 420) on behalf of 29 local authorities (2019: 21).

The Foundation has made grants to enable a group of young people (who are service users) to undertake a trip to the Atlas mountains. Unfortunately the trip, which was scheduled to take place in 2020, had to be deferred due to the Covid-19 pandemic, but the costs have been incurred and the trip will take place when restrictions are lifted and travel is possible.

The Trustees redeemed the outstanding loan notes from a combination of accumulated reserves and a smaller banking facility.

**d. Fundraising activities and income generation**

The Charity does not employ fundraisers.

**e. Investment policy and performance**

The Trustees will continue to look for opportunities to invest in the acquisition of properties to assist the activities of the trading business.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

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**Strategic report (continued)**

**Financial review**

**a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**b. Reserves policy**

The Trustees intend to ensure that the charity and the operating business adopt a prudent approach to reserves.

In the short term the Trustees intend to ensure that sufficient dedicated reserves are retained as follows:

- Reserves equivalent to 3 months repayments of all property loans.

The trading company has a prudent reserves policy as follows:

- Reserves equivalent to 6 weeks of the salary bill of the trading company

These key performance indicators are reported to the Trustees on a quarterly basis.

At the year end total reserves of the group stood at £3,501,029 of these £3,917,222 less associated debt of £3,310,843 are invested in tangible fixed assets.

**c. Principal risks and uncertainties**

The principal risks to the Charity are considered to be local authority cost constraints that could impact the services provided by its trading company and the risk of damage to the organisation's excellent reputation in the provision of services to children and young people. The Trustees are satisfied that the principal and other risks are mitigated appropriately through the implementation of its risk strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the Charity should those risks materialise.

In addition, the issue of risk management is a key imperative for Fair Ways and the trading company has comprehensive policies and procedures in place. Risk management is a key element in the quarterly managing director reports to Trustees.

The risks from COVID-19 are the most significant risks to the activities of the trading company, which has contingency plans regularly updated.

**d. Financial risk management objectives and policies**

The Charity maintains a cautious policy of developing services and building reserves. During the year it redeemed the outstanding loan notes and continues to build its reserves.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

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**Structure, governance and management**

**a. Constitution**

Fair Ways Foundation is a company limited by guarantee governed by a Deed of Governance dated 20 October 2014 and by its Memorandum and Articles of Association dated 4 April 2014. It is registered as a charity with the Charity Commission.

The charity and the group is constituted under a Memorandum of Association dated 21 October 2014 and is a registered charity number 1159854.

**b. Methods of appointment or election of Trustees**

Trustees determine the skill set and experience required for an effective board, and search for suitable candidates, using external advertising when appropriate. Candidates are interviewed, references taken, and are subject to DBS checks prior to appointment for an initial term, and subject to reappointment at the first AGM following their appointment.

**c. Organisational structure and decision-making policies**

The Trustees meet quarterly to review information prepared by management and make any decisions required. The day to day management of the charity is devolved to the management team as outlined in paragraph e. below.

**d. Policies adopted for the induction and training of Trustees**

All Trustees are given a bespoke induction course tailored to add to their prior experience. This includes introductions to senior staff in the operating company, visits to company care facilities, training centres, and schools, and attendance at professional adviser training courses.

Further opportunities for continuing professional development courses as a Trustee are also provided.

**e. Pay policy for key management personnel**

The Trustees, Chief Executive Officer, Company Secretary (Director of Finance) and the General Manager comprise the key operational management personnel of the group in charge of directing and controlling, running and operating the trading company on a day to day basis. All Trustees give of their time freely and are not remunerated. The remuneration of the managing director is set by a remuneration committee made up of Trustees. The managing director sets the pay for the executive team. Details of Trustee expenses are disclosed in Note 10 to the accounts.

**f. Related party relationships**

The Charity's trading subsidiary is Fairways Care (UK) Limited, a wholly owned limited company, which provides high quality social care and education services including school and foster placements, residential children's homes, a post 16 service and a family assessment centre.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

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**Structure, governance and management (continued)**

**g. Trustees' indemnities**

The Trustees are covered by a qualifying third party indemnity policy. This policy was in place for all Trustees for the whole of the financial year.

**Plans for future periods**

The Charity operates independently from the trading operations of Fairway Care (UK) Limited, focused on the welfare of children and young and vulnerable people. The Charity will continue to focus on the delivery of activities set out in the "objectives and activities" section on page 2 of this report and with its grant making activities set out on page 2.

During the year to 31 October 2021, the group is committed to expanding its fostering provision and also to expanding its residential services as the new homes opened in 2020 become fully occupied. It also intends to enhance the outdoor facilities offered to young people placed within our crisis provision by setting up an outdoor activity centre in Wales. The company plans to further develop the services provided by its Therapeutic Hub, designed around the needs of our young people in order to maximise their potential to engage in services.

**Engagement with employees and employment of the disabled**

Employees of the trading company have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Group carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Group has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Group's equal opportunities policy, the Group has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Fair Ways aim is to ensure that the abilities of all people are recognised and valued at all levels of Fair Ways. This is achieved by providing any reasonable adjustments to ensure disabled people have access to our services and employment opportunities, challenging discriminatory assumptions about disabled people and seeking to continue to improve access to information by ensuring availability of loop systems, Braille facilities, alternative formatting and sign language interpretation.

Full details of these policies are available from the Charity's offices.

The Trustees wish to record their thanks to Alexander Burnfield who served as a trustee since the inception of the foundation in 2014 until his resignation in 2020.



**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

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**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. 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 the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102)
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditor**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

**Auditor**

The auditor, Mazars LLP, has indicated its willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on and signed on their behalf by:

*Ian Davies*

[Ian Davies \(Jan 21, 2021 15:10 GMT\)](#)

**Mr Ian Davies**  
Chairman  
21 January 2021

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIR WAYS FOUNDATION**

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**Opinion**

We have audited the financial statements of Fair Ways Foundation (the 'Charity') and its subsidiary (the 'Group') for the year ended 31 October 2020 which comprise the Consolidated 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and parent affairs as at 31 October 2020 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 Charity 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The Trustees are responsible for the other information. 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.

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIR WAYS FOUNDATION (CONTINUED)**

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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 Strategic Report and the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 Directors**

As explained more fully in the Trustees' responsibilities statement set out on page 2, the directors 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 directors are responsible for assessing the Charity'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 directors intend to liquidate the Charity 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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**FAIR WAYS FOUNDATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIR WAYS FOUNDATION (CONTINUED)**

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**Use of the audit report**

This report is made solely to the Charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity'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 Charity and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

*Jonathan Marchant*

[Jonathan Marchant \(Jan 21, 2021 15:18 GMT\)](#)

Jonathan Marchant (Senior statutory auditor)

for and on behalf of

Mazars LLP  
Chartered Accountants and Statutory Auditor  
90 Victoria Street  
Bristol  
BS1 6DP

21 January 2021

**FAIR WAYS FOUNDATION**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 OCTOBER 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>					
Donations and legacies	4	145,157	14,000	159,157	180,579
Charitable activities	5	14,804,358	-	14,804,358	13,195,096
Investments	6	4,791	-	4,791	6,852
<b>Total income</b>		<b>14,954,306</b>	<b>14,000</b>	<b>14,968,306</b>	<b>13,382,527</b>
<b>Expenditure on:</b>					
Charitable activities	8	14,319,497	14,000	14,333,497	12,711,732
<b>Total expenditure</b>		<b>14,319,497</b>	<b>14,000</b>	<b>14,333,497</b>	<b>12,711,732</b>
<b>Net movement in funds</b>		<b>634,809</b>	<b>-</b>	<b>634,809</b>	<b>670,795</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		2,866,220	-	2,866,220	2,195,425
Net movement in funds		634,809	-	634,809	670,795
<b>Total funds carried forward</b>		<b>3,501,029</b>	<b>-</b>	<b>3,501,029</b>	<b>2,866,220</b>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 35 form part of these financial statements.

**FAIR WAYS FOUNDATION**  
(A Company Limited by Guarantee)

**CONSOLIDATED BALANCE SHEET  
FOR THE YEAR ENDED 31 OCTOBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	12	908,398	1,099,639
Tangible assets	13	3,917,222	3,769,820
		<b>4,825,620</b>	<b>4,869,459</b>
<b>Current assets</b>			
Debtors	15	1,578,211	1,192,653
Cash at bank and in hand		2,522,784	2,686,935
		<b>4,100,995</b>	<b>3,879,588</b>
Creditors: amounts falling due within one year	16	(2,287,685)	(2,156,932)
<b>Net current assets</b>		<b>1,813,310</b>	<b>1,722,656</b>
<b>Total assets less current liabilities</b>		<b>6,638,930</b>	<b>6,592,115</b>
Creditors: amounts falling due after more than one year	17	(3,132,346)	(3,720,340)
Provisions for liabilities		(5,555)	(5,555)
<b>Total net assets</b>		<b>3,501,029</b>	<b>2,866,220</b>
<b>Charity funds</b>			
Unrestricted funds	20	3,501,029	2,866,220
<b>Total funds</b>		<b>3,501,029</b>	<b>2,866,220</b>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

*Ian Davies*

[Ian Davies \(Jan 21, 2021 15:10 GMT\)](#)

**Mr Ian Davies**  
(Chairman)  
21 January 2021

The notes on pages 15 to 35 form part of these financial statements.

**FAIR WAYS FOUNDATION**  
(A Company Limited by Guarantee)

**CHARITY BALANCE SHEET**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	13	3,294,666	3,266,466
Investments	14	3,035,030	3,035,030
		<b>6,329,696</b>	<b>6,301,496</b>
<b>Current assets</b>			
Debtors	15	23,179	26,512
Cash at bank and in hand		1,721,108	1,709,653
		<b>1,744,287</b>	<b>1,736,165</b>
Creditors: amounts falling due within one year	16	(220,233)	(388,347)
<b>Net current assets</b>		<b>1,524,054</b>	<b>1,347,818</b>
<b>Total assets less current liabilities</b>		<b>7,853,750</b>	<b>7,649,314</b>
Creditors: amounts falling due after more than one year	17	(3,132,346)	(3,720,340)
<b>Total net assets</b>		<b>4,721,404</b>	<b>3,928,974</b>
<b>Charity funds</b>			
Unrestricted funds	20	4,721,404	3,928,974
<b>Total funds</b>		<b>4,721,404</b>	<b>3,928,974</b>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

*Ian Davies*

Ian Davies (Jan 21, 2021 15:10 GMT)

**Mr Ian Davies**  
(Chairman)  
21 January 2021

The notes on pages 15 to 35 form part of these financial statements.

**FAIR WAYS FOUNDATION**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>848,569</b>	1,250,799
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	<b>4,791</b>	6,852
Proceeds from the sale of tangible fixed assets	<b>6,684</b>	11,049
Purchase of tangible fixed assets	<b>(314,082)</b>	(444,737)
<b>Net cash used in investing activities</b>	<b>(302,607)</b>	<b>(426,836)</b>
<b>Cash flows from financing activities</b>		
Cash inflows from new borrowing	<b>1,400,000</b>	133,000
Repayments of borrowing	<b>(2,110,113)</b>	(286,333)
<b>Net cash used in financing activities</b>	<b>(710,113)</b>	<b>(153,333)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(164,151)</b>	<b>670,630</b>
Cash and cash equivalents at the beginning of the year	<b>2,686,935</b>	2,016,305
<b>Cash and cash equivalents at the end of the year</b>	<b>2,522,784</b>	2,686,935

The notes on pages 15 to 35 form part of these financial statements



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

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**1. General information**

The charity is a private company limited by guarantee (company registered number 08979945 and charity registered number 1159854) registered in England and Wales. The registered office is Suite 8, Fairways House, Mount Pleasant Road, Southampton, Hampshire, SO14 0QB.

The presentation currency of the financial statements is sterling and the financial statements are rounded to the nearest £. The financial statements cover the current year ended 31 October 2020 and the comparative information relates to the year ended 31 October 2019.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements. The income and expenditure account for the year for the charity was a surplus of £601,188 (2019 - £554,342).

**2.2 Going concern**

The group continues to provide essential care services and its frontline employees have key worker status to enable them to continue their roles. Funding for this care is also anticipated to continue at budgeted levels. Management have prepared forecasts to consider a variety of scenarios in relation to the continuing impact of the pandemic which focus on robust contingency plans to ensure staffing levels are maintained at the required levels. These plans could lead to higher employment costs and an impact on costs and liquidity over the course of the pandemic, but management's assessment is that these will not be at a level which would significantly impair the group's financial resilience. As a result, the accounts have been presented on a going concern basis.

**2.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

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**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 Intangible assets and amortisation**

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Customer relations	- 10 % Straight line
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

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**2. Accounting policies (continued)**

**2.7 Tangible fixed assets and depreciation**

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- Nil
Short-term leasehold property	- Shorter of 15 years or remaining life of the lease
Motor vehicles	- Straight line over 3 years
Fixtures and fittings	- Straight line over 3 years

**2.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

**2.9 Debtors**

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

**2.10 Cash at bank and in hand**

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

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**2. Accounting policies (continued)**

**2.11 Liabilities**

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

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

**2.12 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable surpluses from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

**2.13 Financial instruments**

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

**2.14 Pensions**

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

**2.15 Fund accounting**

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020

3. Critical accounting estimates and areas of judgment

The Charity does not charge depreciation on its freehold properties. The properties are required to be maintained at an extremely high standard to serve their service users and as a result of this, and previous valuations demonstrating increases in value, the Trustees believe that the residual value of the property portfolio would mean that any depreciation charge would be immaterial.

4. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	2,593	14,000	<b>16,593</b>	2,622
Grants	142,564	-	<b>142,564</b>	177,957
	<u>145,157</u>	<u>14,000</u>	<u><b>159,157</b></u>	<u>180,579</u>
Total 2019	<u>180,579</u>	<u>-</u>	<u><b>180,579</b></u>	

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020

5. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Provision of care and education activities	14,804,358	<b>14,804,358</b>	13,195,096
Total 2019	13,195,096	13,195,096	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income - local cash	4,791	<b>4,791</b>	6,852
Total 2019	6,852	6,852	

7. Analysis of grants

	Grants to Institutions 2020 £	Total funds 2020 £	Total funds 2019 £
Grants, Direct costs	32,650	<b>32,650</b>	37,627
Total 2019	37,627	37,627	

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Direct costs	14,319,497	14,000	<b>14,333,497</b>	12,711,732
Total 2019	12,711,732	-	12,711,732	

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Direct costs	11,386,161	32,650	2,914,686	<b>14,333,497</b>	12,711,732
Total 2019	10,232,158	37,627	2,441,947	12,711,732	

Analysis of direct costs

	Care and education activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	7,430,231	<b>7,430,231</b>	6,091,240
Other direct costs	3,955,930	<b>3,955,930</b>	4,140,918
	11,386,161	<b>11,386,161</b>	10,232,158
Total 2019	10,232,158	10,232,158	

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Care and education activities 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Staff costs	1,767,672	<b>1,767,672</b>	1,578,211
Depreciation	154,470	<b>154,470</b>	116,943
Other support costs	785,559	<b>785,559</b>	535,424
Governance costs	206,985	<b>206,985</b>	211,369
	<u>2,914,686</u>	<u><b>2,914,686</b></u>	<u>2,441,947</u>
Total 2019	<u>2,441,947</u>	<u>2,441,947</u>	

**10. Auditor's remuneration**

	<b>2020 £</b>	<b>2019 £</b>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<b>5,000</b>	3,580
Fees payable to the Charity's auditor in respect of:		
Fees payable to the Charity's auditors in respect of the audit of its subsidiary	<b>9,000</b>	7,525
All non-audit services not included above	<u><b>5,100</b></u>	<u>7,257</u>

**11. Staff costs**

	<b>Group 2020 £</b>	<b>Group 2019 £</b>
Wages and salaries	<b>8,266,349</b>	6,915,486
Social security costs	<b>696,224</b>	565,683
Contribution to defined contribution pension schemes	<b>235,330</b>	188,283
	<u><b>9,197,903</b></u>	<u>7,669,452</u>



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

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**11. Staff costs (continued)**

The average number of persons employed by the Charity during the year was as follows:

	<b>Group 2020 No.</b>	<b>Group 2019 No.</b>
Directors	<b>6</b>	6
Maintenance	<b>6</b>	5
Admin	<b>67</b>	40
Direct staff	<b>227</b>	235
	<hr/> <b>306</b> <hr/>	<hr/> 286 <hr/>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>Group 2020 No.</b>	<b>Group 2019 No.</b>
In the band £60,001 - £70,000	<b>5</b>	2
In the band £70,001 - £80,000	<b>1</b>	1
In the band £80,001 - £90,000	<b>1</b>	1
In the band £100,001 - £110,000	<b>1</b>	1
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	<b>1</b>	-
	<hr/> <b>1</b> <hr/>	<hr/> - <hr/>

The key management personnel of the group comprise those of the Charity (the Trustees), the Chief Executive Officer, the General Manager and the Chief Finance Officer. The aggregate remuneration and benefits for key management personnel total £298,433 (2019: £312,444).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020

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12. Intangible assets

Group

	Customer relations £
<b>Cost</b>	
At 1 November 2019	1,912,413
At 31 October 2020	1,912,413
<b>Amortisation</b>	
At 1 November 2019	812,774
Charge for the year	191,241
At 31 October 2020	1,004,015
<b>Net book value</b>	
At 31 October 2020	908,398
At 31 October 2019	1,099,639

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020

13. Tangible fixed assets

Group

	Freehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>					
At 1 November 2019	3,266,466	597,462	154,827	365,197	4,383,952
Additions	28,200	126,067	41,944	117,871	314,082
Disposals	-	(31,315)	(25,580)	(32,429)	(89,324)
At 31 October 2020	3,294,666	692,214	171,191	450,639	4,608,710
<b>Depreciation</b>					
At 1 November 2019	-	249,260	70,997	293,875	614,132
Charge for the year	-	57,570	49,057	47,843	154,470
On disposals	-	(25,790)	(19,894)	(31,430)	(77,114)
At 31 October 2020	-	281,040	100,160	310,288	691,488
<b>Net book value</b>					
At 31 October 2020	3,294,666	411,174	71,031	140,351	3,917,222
At 31 October 2019	3,266,466	348,202	83,830	71,322	3,769,820

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020

13. Tangible fixed assets (continued)

Charity

	Freehold property £
<b>Cost or valuation</b>	
At 1 November 2019	3,266,466
Additions	28,200
At 31 October 2020	3,294,666
At 31 October 2020	-
<b>Net book value</b>	
At 31 October 2020	3,294,666
At 31 October 2019	3,266,466

14. Fixed asset investments

	Investments in subsidiary companies £
<b>Charity</b>	
<b>Cost or valuation</b>	
At 1 November 2019	3,035,030
At 31 October 2020	3,035,030
<b>Net book value</b>	
At 31 October 2020	3,035,030
At 31 October 2019	3,035,030

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

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**14. Fixed asset investments (continued)**

**Principal subsidiaries**

The following was a subsidiary undertaking of the Charity:

<b>Name</b>	<b>Company number</b>	<b>Registered office or principal place of business</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Included in consolidation</b>
Fairways Care (UK) Limited	04460658	Fairways House, Mount Pleasant Road, Southampton, Hampshire, SO14 0QB	the provision of social, educational and health care services to children	Ordinary	100%	Yes

The financial results of the subsidiary for the period were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) / Surplus/ (Deficit) for the period £</b>	<b>Net assets £</b>
Fairways Care (UK) Limited	15,399,856	14,084,235	1,315,621	906,260

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**15. Debtors**

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2020 £</b>	<b>Charity 2019 £</b>
<b>Due within one year</b>				
Trade debtors	<b>1,270,460</b>	900,307	-	-
Other debtors	<b>74,419</b>	46,592	-	-
Prepayments and accrued income	<b>233,332</b>	245,754	<b>23,179</b>	26,512
	<b>1,578,211</b>	1,192,653	<b>23,179</b>	26,512

**16. Creditors: Amounts falling due within one year**

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2020 £</b>	<b>Charity 2019 £</b>
Bank loans	<b>178,497</b>	58,979	<b>178,497</b>	58,979
Other loans	-	241,637	-	241,637
Trade creditors	<b>227,305</b>	149,880	-	-
Amounts owed to group undertakings	-	-	<b>513</b>	44,801
Other taxation and social security	<b>261,025</b>	291,330	-	-
Pension fund loan payable	<b>17,201</b>	12,273	-	-
Other creditors	<b>581,101</b>	525,526	-	-
Accruals and deferred income	<b>1,022,556</b>	877,307	<b>41,223</b>	42,930
	<b>2,287,685</b>	2,156,932	<b>220,233</b>	388,347

	<b>Group 2020 £</b>	<b>Group 2019 £</b>
Deferred income at 1 November 2019	<b>598,320</b>	553,389
Resources deferred during the year	<b>623,894</b>	598,320
Amounts released from previous periods	<b>(598,320)</b>	(553,389)
	<b>623,894</b>	598,320

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

**17. Creditors: Amounts falling due after more than one year**

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2020 £</b>	<b>Charity 2019 £</b>
Bank loans	<b>3,132,346</b>	1,922,778	<b>3,132,346</b>	1,922,778
Other loans	-	1,797,562	-	1,797,562
	<b>3,132,346</b>	<b>3,720,340</b>	<b>3,132,346</b>	<b>3,720,340</b>

Included within the above are amounts falling due as follows:

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2020 £</b>	<b>Charity 2019 £</b>
<b>Between one and two years</b>				
Bank loans	<b>188,020</b>	62,499	<b>188,020</b>	62,499
<b>Between two and five years</b>				
Bank loans	<b>610,325</b>	203,342	<b>610,325</b>	203,342
Other loans	-	1,175,668	-	1,175,668
<b>Over five years</b>				
Bank loans	<b>2,334,001</b>	1,656,937	<b>2,334,001</b>	1,656,937
Other loans	-	621,894	-	621,894

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2020 £</b>	<b>Charity 2019 £</b>
Payable or repayable by instalments	<b>2,334,001</b>	2,278,646	<b>2,334,001</b>	2,278,646
	<b>2,334,001</b>	<b>2,278,646</b>	<b>2,334,001</b>	<b>2,278,646</b>

The bank loan has a fixed and floating charge over freehold property of the Charity and all freehold and leasehold property vested in the company both at present and in the future. The loan is repayable over 25 years and interest is charged at bank base rate plus 3%.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020

18. Financial instruments

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Financial assets</b>				
Financial assets that are debt instruments measured at amortised cost	<u>3,867,663</u>	<u>3,633,834</u>	<u>1,721,108</u>	<u>1,709,653</u>
	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	<u>(4,119,249)</u>	<u>(4,696,362)</u>	<u>(3,310,843)</u>	<u>(4,020,956)</u>

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

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

19. Deferred taxation

	2020 £	2019 £
<b>Group and Charity</b>		
At the beginning of the period	<u>5,555</u>	<u>5,555</u>
	<u>5,555</u>	<u>5,555</u>

The deferred tax balance is made up as follows:

	Group 2020 £	Group 2019 £
Accelerated capital allowances	<u>5,555</u>	<u>5,555</u>
	<u>(5,555)</u>	<u>(5,555)</u>



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. Statement of funds**

**Statement of funds - current year**

	Balance at 1 November 2019 £	Income £	Expenditure £	Balance at 31 October 2020 £
<b>Unrestricted funds</b>				
General Fund	2,362,183	14,954,306	(14,319,497)	2,996,992
Revaluation reserve	504,037	-	-	504,037
	<u>2,866,220</u>	<u>14,954,306</u>	<u>(14,319,497)</u>	<u>3,501,029</u>
<b>Restricted funds</b>				
Restricted Fund	-	14,000	(14,000)	-
	<u>-</u>	<u>14,000</u>	<u>(14,000)</u>	<u>-</u>
<b>Total of funds</b>	<u><u>2,866,220</u></u>	<u><u>14,968,306</u></u>	<u><u>(14,333,497)</u></u>	<u><u>3,501,029</u></u>

**Statement of funds - prior year**

	Balance at 1 November 2018 £	Income £	Expenditure £	Balance at 31 October 2019 £
<b>Unrestricted funds</b>				
General Fund	1,691,388	13,382,526	(12,711,731)	2,362,183
Revaluation reserve	504,037	-	-	504,037
	<u>2,195,425</u>	<u>13,382,526</u>	<u>(12,711,731)</u>	<u>2,866,220</u>

**FAIR WAYS FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. Summary of funds**

**Summary of funds - current year**

	Balance at 1 November 2019 £	Income £	Expenditure £	Balance at 31 October 2020 £
Unrestricted funds	2,866,220	14,954,306	(14,319,497)	3,501,029
Restricted funds	-	14,000	(14,000)	-
	<u>2,866,220</u>	<u>14,968,306</u>	<u>(14,333,497)</u>	<u>3,501,029</u>

**Summary of funds - prior year**

	Balance at 1 November 2018 £	Income £	Expenditure £	Balance at 31 October 2019 £
Unrestricted funds	2,195,425	13,382,526	(12,711,731)	2,866,220

**22. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	3,917,222	3,917,222
Intangible fixed assets	908,398	908,398
Current assets	4,100,995	4,100,995
Creditors due within one year	(2,287,685)	(2,287,685)
Creditors due in more than one year	(3,132,346)	(3,132,346)
Provisions for liabilities and charges	(5,555)	(5,555)
<b>Total</b>	<u>3,501,029</u>	<u>3,501,029</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
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**Analysis of net assets (continued)**

**Analysis of net assets between funds - prior period**

	<b>Unrestricted funds</b> <b>2019</b> <b>£</b>	<b>Total funds</b> <b>2019</b> <b>£</b>
Tangible fixed assets	3,769,820	<b>3,769,820</b>
Intangible fixed assets	1,099,639	<b>1,099,639</b>
Current assets	3,879,588	<b>3,879,588</b>
Creditors due within one year	(2,154,011)	<b>(2,154,011)</b>
Creditors due in more than one year	(3,723,261)	<b>(3,723,261)</b>
Provisions for liabilities and charges	(5,555)	<b>(5,555)</b>
	<u>2,866,220</u>	<u><b>2,866,220</b></u>

**23. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>Group</b> <b>2020</b> <b>£</b>	<b>Group</b> <b>2019</b> <b>£</b>
Net income for the period (as per Statement of Financial Activities)	<b>634,809</b>	670,795
<b>Adjustments for:</b>		
Depreciation charges	<b>154,470</b>	308,185
Amortisation charges	<b>191,241</b>	-
Dividends, interests and rents from investments	<b>(4,791)</b>	(6,852)
Loss/(profit) on the sale of fixed assets	<b>5,526</b>	(1,305)
Decrease/(increase) in debtors	<b>(385,558)</b>	126,224
Increase in creditors	<b>252,872</b>	153,752
<b>Net cash provided by operating activities</b>	<u><b>848,569</b></u>	<u>1,250,799</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

**24. Analysis of cash and cash equivalents**

	<b>Group 2020 £</b>	Group 2019 £
Cash in hand	<b>2,522,784</b>	2,686,935
<b>Total cash and cash equivalents</b>	<b><u>2,522,784</u></b>	<u>2,686,935</u>

**25. Analysis of changes in net debt**

	<b>At 1 November 2019 £</b>	<b>Cash flows £</b>	<b>At 31 October 2020 £</b>
Cash at bank and in hand	2,686,935	(164,151)	2,522,784
Debt due within 1 year	(312,888)	117,190	(195,698)
Debt due after 1 year	(3,720,340)	587,994	(3,132,346)
	<u>(1,346,293)</u>	<u>541,033</u>	<u>(805,260)</u>

**26. Pension commitments**

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £235,330 (2019: £188,283). Contributions totalling £40,281 (2019: £36,207) were payable to the fund at the balance sheet date and are included in creditors.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**27. Operating lease commitments**

At 31 October 2020 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2020 £</b>	<b>Charity 2019 £</b>
<b>Land and buildings</b>				
Not later than 1 year	<b>701,873</b>	359,781	<b>245,699</b>	146,133
Later than 1 year and not later than 5 years	<b>2,165,781</b>	1,015,907	<b>982,796</b>	584,531
Later than 5 years	<b>2,529,422</b>	1,501,041	<b>1,161,951</b>	1,061,650
	<b>5,397,076</b>	2,876,729	<b>2,390,446</b>	1,792,314

**28. Related party transactions**

Related party transactions between group companies have not been disclosed in accordance with section 33 of FRS 102.

The Trustees were not paid or in receipt of any other benefits from employment with the Charity or its subsidiary in the year. One Trustee was reimbursed £80 (2019: £730 to one Trustee) for travel expenses and one trustee was reimbursed £733 for IT costs in the year. No Trustee received payment for professional or other services supplied to the Charity.

The Independent Director Limited, a company in which I Davies (a Trustee) has an interest provided business consultancy services to Fairways Care (UK) Limited, the Charity's subsidiary, amounting to £26,900 (2019: £26,700).