

Company Registration Number 10342980

Registered Charity Number 1171446

ASPENS CHARITIES

(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2021

ASPENS CHARITIES

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ASPENS CHARITIES

LEGAL AND ADMINISTRATIVE INFORMATION

Board of Trustees	Ms G D Marcus (Chair) Dr P G Green (Vice-Chair) Mr R A B Smedy (Resigned 3 June 2020) Mr I Colbridge Miss S J Upton Ms K Z Marshall Mr A H Batchelor Ms E C Jackman Mr T Sadka (Appointed 3 September 2020) Mr I Arnold (Appointed 10 November 2020) Ms Carmen Di Cara (Appointed 20 May 2021)
Key Management Personnel	Mr R Shanahan (CEO) Mr A Kotsis (Finance Director) Mr R Anstead (Director of Income Generation & Business Development) Ms G Bryant (Operations Director) (Appointed 1 June 2020) Mrs J Gouldthorpe (HR Director) (Appointed 4 January 2021)
Company number	10342980
Charity number	1171446
Registered office and Operational address	Aspens Charities Cornford Lane Pembury, Kent TN2 4QU
Bankers	National Westminster Bank plc 16 High Street Battle, East Sussex TN33 0AJ
Independent auditor	Azets Audit Services Greytown House, 221-227 High Street Orpington, Kent BR6 0NZ
Solicitors	Cripps Pemberton Greenish 22 Mount Ephraim Tunbridge Wells, Kent TN4 8AS
Investment Advisors	Metcalfe Moat IFA Limited Cardinal House, 27 Station Square Orpington, Kent BR5 1LZ

ASPENS CHARITIES

CHAIR'S REPORT

This year has been dominated by the pandemic and everything we have achieved has been against the backdrop of a very difficult landscape. During the year, COVID-19 vaccinations became available and that has been a game changer for us, as it has been for so many.

Despite the challenges of the past year, we have not stood still and we are developing plans which will see Aspens Charities grow and develop in the future. Although fundraising has been difficult during the year, we hope to see increased returns going forward. Our financial outturn for the year is encouraging despite the difficulties and we will be reporting a surplus. This is testament to everyone working for us.

On behalf of the Board, I'd like to thank the Executive, together with their teams, for their quick action during the pandemic, dedication to our cause and the people we support, and their teamwork which has enabled the Charity to continue to deliver, albeit with adaptations, the services needed by our beneficiaries. They have not shied away from the massive hurdles that COVID-19 has presented, and I believe that these challenges have made us stronger which can only be for the benefit of the Charity going forward. The compassion, dedication and warmth with which Robbie Shanahan carries out his role are an inspiration to us all.

Lastly, I'd like to extend my gratitude to all our staff. Where would we be without them?! They are a daily reminder of true dedication and it feels as if, at last, they are getting the public recognition they deserve for the amazing work they do. Thank you.

Gill Marcus
Chair of Trustees

ASPENS CHARITIES

CEO'S REPORT

Like everyone in society we have needed to deal with the impact of COVID-19 head on; the support we received from our families, our statutory partners, the wider community and, of course, the incredible commitment from our staff team, has truly helped throughout this time.

Our focus continues to be the children, families and adults we support throughout the South-East, and continuing to deliver our mission to offer care and support that is focused on the individual needs of each person we serve, empowering them to realise their potential, fulfil their ambitions and achieve greater independence.

Despite the challenges of the pandemic, the Charity has continued to mature and build upon the positive changes that had taken place in 2019 through to March 2020.

The Executive team, with the exception of our Director of HR, Jo Gouldthorpe, who joined in January 2021, have now been in post for over 18 months at the time of writing, which has provided much needed stability to the Charity. This has helped the Charity to plan for the medium and longer term. The stability of the leadership teams has meant that we have begun to build upon our work to retain our wonderful staff and our retention rate, despite the many challenges, is some 10% better than the national average, which is down to the commitment of all our teams.

Every day, I continue to learn from the people we support and our staff teams, building upon my experiences as a learning disability nurse and a dad whose daughter receives support, all of which help me shape how we move the Charity forward.

We have continued to build upon the achievements in 2019/20 by using our website and social media channels to share the wonderful stories of the people we support taking part in activities and enjoying life, despite the COVID-19 challenges. Our families have found the use of social media, Zoom and other ways to communicate very useful for keeping in touch with their loved ones and the Charity as a whole.

In 2021 we took time to review and refresh our Vision, Mission Statement and Values, which will be our focus into 2022 and beyond, to ensure we become an outstanding regional charity, delivering world class support and becoming an employer of choice in the process.

Robert Shanahan
CEO

THE TRUSTEES' REPORT OF ASPENS CHARITIES

The Trustees (who are also Directors of the Charity for the purposes of the Companies Act) present their Annual Report, together with the audited consolidated financial statements of the Charity and its subsidiaries for the year ended 31 March 2021. The Board of Trustees confirms that the Annual Report and financial statements comply with the current statutory requirements, the requirements of the Company's governing document and the provisions of the Charities SORP (FRS102).

Aspens Charities is a company limited by guarantee and the report and statements also comply with the Companies Act 2006.

Structure, Governance and Management Status

Aspens Charities was formed on 23 August 2016 as the umbrella Charity for a merger between Autism Sussex and Larkfield with Hill Park Autistic Trust.

Aspens Charities is a charitable company, registered in England and Wales number 10342980, limited by guarantee, established under a Memorandum of Association and governed by its Articles of Association, dated 23 August 2016.

Subsequently, the Charity became the sole trustee/member of the following charities:

- Larkfield with Hill Park Autistic Trust Limited (trading as Pepenbury) – dormant
- Autism Sussex Limited – active
- Autism Sussex Housing Limited – dormant
- Autism Sussex Family Support Ltd – dissolved 21 May 2019
- Care Sussex Ltd – dissolved 21 May 2019

In addition, the Charity also became the sole shareholder of the following companies:

- Autism Sussex Training Limited – dissolved 13 August 2019
- Aspens Enterprises Ltd – active – formed 18 September 2019

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per voting member of the Charity. Autism Sussex Ltd and Autism Sussex Housing Ltd each have a limited liability of £10 per voting member when being wound up.

On 18 September 2019 Aspens Enterprises Ltd was formed as a commercial entity. This is a wholly owned subsidiary of Aspens Charities Ltd which has been registered for VAT to be utilised to novate Local Authority contracts. Aspens Enterprises Ltd began trading on 1 April 2020.

Vision, Mission and Values

In 2021 the Vision, Mission and Values were refreshed, to ensure they support the direction of the Charity following the challenges created by COVID-19.

Aspens' vision is for an inclusive society where every individual on the autism spectrum and with learning disabilities can thrive as part of their local community.

The mission is to provide high quality care and support to individuals on the autism spectrum and with learning disabilities; meeting their needs and aspirations and empowering them to learn and grow through an integrated network of services across the South-East.

Aspens Charities strives to achieve this overarching aim through adhering to the following values, which are at the core of all they do:

Empowerment

We inspire positive change and personal growth through care and compassion.

Inclusivity

We embrace diversity and equity by celebrating our differences and our partnerships.

Integrity

We are honest and adhere to ethical and moral principles.

THE TRUSTEES' REPORT OF ASPENS CHARITIES

Ensuring the Work Delivers the Vision

The Trustees ensure the work of the Charity contributes to the aims and objectives set by the Board and promotes independence and a good quality of life for those supported. This is achieved by providing the highest possible standard of support, delivered with care and respect, in a safe and secure environment. Regular feedback to, and involvement of, family and friends is an essential part of the service. Activities, achievements and the outcomes of work are reviewed regularly. This enables an assessment of the benefits they have brought to those supported by the Charity, as well as ensuring the aims, objectives and activities remain focused on the stated purposes.

How our Activities Deliver Public Benefit

Aspens Charities liaises closely with local authorities to provide care and support in services including residential, supported living, community outreach, day services, respite and family support for children, young people and adults and their families in our communities. Aspens works with schools, public services and local businesses to raise awareness and promote positive communication about the individuals supported and the impact their conditions have on them on a daily basis.

Public benefit is also seen through the involvement of volunteers, for whom working alongside people with learning disabilities is a positive and enriching experience. Some of these come as members of working parties from larger local employers, whilst others come as individuals. Aspens offers opportunities for volunteers to be involved in a wide range of activities, including befriending, fundraising and working in the on-site cafe in Pembury and the charity shops. The Charity continues to work closely with local authorities in assisting them to develop their strategies relating to autism and is represented on various partnership boards.

Trustees

The Board recognises the need for there to be a good mix of skills and experience at Board level. The Governance Committee is responsible for leading the process of finding, inducting and developing the right Trustees to meet the needs of the Board and of the Charity. The Board is also aware of the need to plan for succession and the Governance Committee's remit includes making recommendations on succession planning.

During 2020/21, no Trustee had any financial interest in the Charity or in its related companies and no Trustee received any remuneration for their services other than Gill Marcus who, with Charity Commission consent, received remuneration as Executive Chair for a defined period to May 2019. It is policy that all Trustees are entitled to be formally reimbursed for reasonable and necessary expenses.

Trustees meet regularly and, together with the Executive team as well as senior managers, are responsible for formulating strategy and policies for the Charity. Policies are updated and reviewed regularly, as required and in line with current policy and legislation.

Induction Programme for New Trustees

New Trustees will be attracted through external advertising and interviewed by a panel of existing Trustees. Those who succeed at interview will be given a comprehensive induction pack and will generally attend a Board meeting as an observer before being appointed.

Board and Other Committees

The Board meets formally at least four times during the year and has agreed a Schedule of Matters Reserved for the Board. The Chief Executive Officer and Finance Director attend all Board meetings and other senior staff are invited to Board meetings as and when required. Two sub-committees support the work of the Board. The Finance, Audit and Risk (FAR) Committee monitors the finances of the Charity and the risks that affect it. They are also responsible for ensuring that appropriate audit arrangements are in place. The Governance Committee monitors and reviews compliance, service quality, policies, remuneration of staff and the recruitment of new Trustees with the appropriate skills and experience.

Chief Executive Officer

The operational management of the Charity is delegated to the Chief Executive Officer, under the documented scheme of delegation from the Board. The Charity developed, and implemented, a new management structure in 2020, which will best meet the needs of the organisation, with the Executive Team in place from January 2021.

THE TRUSTEES' REPORT OF ASPENS CHARITIES

Management of Registered Services

Aspens provides support and care in seven Care Quality Commission (CQC) registered care homes and two CQC registered Supported Living Services in Kent and West Sussex. All residential and domiciliary care services are registered with the CQC and have a registered manager in post. Aspens Charities operates a residential service for children which is required to be registered with the Office for Standards in Education (Ofsted) and is therefore subject to statutory independent Regulation 44 visits. All registered services are supported and managed through an appropriate management structure and a well-developed reporting procedure.

Arrangements for Setting Pay and Remuneration for Staff

Pay and remuneration for all staff, including key management personnel, are bench-marked against the employment market in which Aspens Charities operates. The remuneration of key management personnel is reviewed annually by the Governance Committee and approved by the Board. The key management personnel are the Chief Executive Officer and the Executive team.

Related Parties and Co-Operation with Other Organisations

All entities which entered into the Intra Group Agreement referred to on page 31 are related parties. These are referenced below:

- Larkfield with Hill Park Autistic Trust Limited (trading as Pepenbury) - dormant
- Autism Sussex Limited - active
- Autism Sussex Housing Limited - dormant
- Autism Sussex Family Support Ltd – dissolved 21/5/19
- Care Sussex Ltd – dissolved 21/5/19
- Autism Sussex Training Limited – dissolved 13/8/19
- Aspens Enterprises Ltd - active 18/9/19

Financial Review

Income and Expenditure

The Consolidated Statement of Financial Activities reflects that Aspens Charities made a net surplus of £563k for the year to 31 March 2021 (2020: deficit £1.021m). The year-on-year variance is a combination of (but not limited to):

Income

Contracts with Local Authorities have been reviewed and any underfunding was negotiated for funding with one increasing by over £205k per annum.

Inflationary uplifts averaged 3.1% from the Local Authorities and the VAT novation project was able to yield £76k of new income, with Aspens Charities being able to claim input tax which was previously exempt. It is hoped that for the 2021/22 year, this project will yield £126k and continue to increase in the foreseeable future.

The period for which the Annual Financial Statements are being reviewed relate to a period not experienced before in any trading experience, due to COVID-19. The loss of revenue impacted the day services and retail shops; however, the Executive team worked tirelessly throughout the pandemic to consider every part of the Charity's operations to ensure all aspects were managed both financially and operationally. The surplus continues within the 2021/22 period with a surplus posted to October 2021 (the last Management Accounts completed before publication of this document).

Expenditure

Costs year on year have reduced and in particular, agency costs were reduced by over £450k which is in line with the 20% reduction experienced by other Charities in the sector.

Investments

Investments which had a deficit of £110k the previous year have made a surplus of £262k this year.

THE TRUSTEES' REPORT OF ASPENS CHARITIES

Consolidated Balance Sheet

Reserves

Aspens Charities had Net Reserves of £5m up from £4.45m the previous year. Restricted Reserves of £518k were up from £456k the year before, having been realised with Unrestricted Reserves growing to £4.5m from £3.99m.

In July 2018 the Trustees approved a new Reserves Policy where a target for reserves was set, initially at 1-2 months of budgeted expenditure.

The average expenditure forecast for the 2021/22 year is £1.2m including salaries and overheads. There are ample reserves to cover this value by £3.8m.

The designated fund was established from a legacy left for Hill Park Autistic Trust several years ago. The Trustees are satisfied that the original intention of the designated fund, and the underlying value of the legacy, has been respected and preserved. No plans to utilise this fund have been developed to date. The designated funds are now valued at £1.9m.

Investment Policy and Objectives

Under the Memorandum and Articles of Association, the Charity has the power to make any investment which the Trustees see fit. The Board of Trustees approved a new Investment Policy in September 2018 and this will be reviewed in the 2021/22 year. Key elements are included below:

- **Acceptable level of risk** - Assets should be invested to protect against inflation in the long term; however, it is recognised that Aspens Charities intends to draw both capital and income out of the fund in the medium to long term and as such its value will decrease over time. Aspens Charities can tolerate some volatility in the capital value of assets, provided that withdrawals can be met from total return and are sufficient to meet the requirements of future planned spend. Any capital withdrawals should be timed to minimise the realisation of any capital losses.
- **Ethical restrictions** - Aspens' assets should be invested in line with its charitable objectives.
- **Long-term investment objective** - Target total return = Consumer Price Index (CPI) plus 4% after expenses.

Based on the above, the investment realised a return of £263k for the 2020/21 year.

Covenants

The covenants, agreed in March 2020 with NatWest Bank Plc, were removed in August 2021, due to the Charity's financial performance.

Going Concern

The Board and Trustees have reviewed the Group and Charity's forecasts, projections and strategy covering a period that exceeds twelve months from the date of signing these financial statements and based on the level of existing cash and estimated levels of income and expenditure, are satisfied that the Group and Charity have adequate resources to continue in operation for the foreseeable future.

The challenges faced by Aspens Charities in the 2021 financial year and the year following that are:

- The on-going impact of COVID-19
- Recruitment and retention of staff during a period of national challenge in the social care sector
- Increasing staff salaries above the National Minimum Wage to the Real Living Wage to ensure they are correctly compensated for their highly skilled roles
- Increased investment in the learning and development of the staff team
- Inflationary pressures on overheads coming out of the pandemic

Aspens Charities are working hard to address these challenges, in particular working with statutory partners to ensure a greater focus on the outcome for social care is achieved. Discussions with the Local Authorities and the NHS to obtain reasonable inflationary uplifts is in progress and work continues to increase other streams of income, including our retail operations, café and general fundraising.

THE TRUSTEES' REPORT OF ASPENS CHARITIES

The Executive team continues to work diligently to address the challenges brought about by COVID-19 to achieve some normality and strategically steer the Charity through the storm. It has been critical to identify and mitigate the risks as they have presented themselves.

Plans for Future Periods

The challenges coming out of the pandemic continue, but the focus now is to reduce the risk COVID-19 posed and grow the Charity through its services.

Having worked through the various COVID-19 lockdowns during the 2020/21 financial year, new challenges presented themselves, along with society 'reopening' and inflation has begun to impact our beneficiaries, staff and of course the Charity itself, resulting in significant cost rises across building material, utilities and other overheads.

Across the social care sector, recruitment has posed the highest challenge due to a combination of post-COVID-19 fatigue amongst staff, the mandatory COVID vaccine programme in regulated care homes, the impact of Brexit and staff shortages across other sectors such as hospitality and retail. In turn, this has led to demands for higher salaries to fend off the likes of large supermarket and multinational retailers.

COVID-19 & Fundraising Disclosure

COVID-19 Disclosure

With the onset of COVID-19 in February 2020, the Charity's response was immediate and decisive, creating a COVID-19 response team to ensure the rapidly changing situation and guidelines were understood and communicated across the Charity.

As the pandemic took hold, the realisation of the impact of this devastating virus on the Charity's work began to sink in. There was an urgent need to recruit staff to cover those having to isolate, many of the day services had to be suspended and the high street stores and café had to close their doors for several months. Aspens responded by adapting services across the entire Charity. To counter the effect of losing face-to-face support, the Charity organised online support, both one-to-one and in groups, set up 'walk and talk' sessions, delivered hundreds of activity packs and increased contact by text and phone, enabling support to be provided in a COVID-19 safe way.

Regular weekly testing was introduced throughout the organisation for staff members and the people supported. New COVID-19 specific policies and procedures were written and rolled out to ensure the staff upheld the highest standards with regards to PPE use and infection control. Aspens supported the people cared for with videos, easy read leaflets and literature to inform them on the ever-evolving situation, including the testing process and vaccination, helping them to understand why the pandemic was affecting their care. Additional iPads, laptops and smartphones were provided to the people supported and to the staff team. In addition, the IT infrastructure was upgraded, to enable all to stay connected virtually and to be able to work remotely.

A comprehensive package of e-learning training was rolled out to replace face-to-face classroom training for staff. The wellbeing of staff, who were working through extremely challenging and stressful times, was given utmost importance and an increase in the amount of mental health first aiders and weekly wellbeing updates with tips and resources helped boost mental and physical health.

A staff wellbeing survey established how the Charity could provide further support and a staff Intranet and weekly staff bulletin improved communications. The #CareForTheCarers campaign highlighted the difficulties the social care sector was facing and this work helped Aspens to be selected as a finalist in the national Merkel Third Sector Care Awards, in the Campaigning for Change category.

Aspens featured in the media regularly, including BBC South East, ITV Meridian and BBC Radio Sussex, helping to raise awareness about the effects of COVID-19 and lockdown on the mental health of people on the autism spectrum and with learning disabilities and the need for them to be prioritised for the vaccine. A structured fundraising event campaign was put in place, including online quiz nights and a virtual Halloween themed run, to meet the challenges caused by the loss of revenue due to COVID-19 and help the community to feel connected and involved.

THE TRUSTEES' REPORT OF ASPENS CHARITIES

Retail

Retail operations were adversely affected by the pandemic and, in line with the rest of the high street, remained closed under lockdown for extensive periods of the year. They were only able to fully reopen in April 2021.

Aspens fully utilised the various support packages in place from central and local government and worked closely with landlords to mitigate the impact of these closures. The entire retail team was furloughed for most of lockdown.

When the retail operations were able to reopen, they experienced high levels of demand which have continued into the new financial year with sales significantly up year on year. It is expected that this will continue as the economic challenges and the greater awareness of the benefits of recycled and upcycled goods continue to drive demand for charity shops.

Fundraising Disclosure

The pandemic had a major impact on the wider fundraising landscape and presented a wide range of challenges for Aspens Charities which included extended periods of lockdown, funders prioritising direct responses to the pandemic and existing partners, reduced ability to work face to face or hold traditional fundraising events, impact from the economic downturn, challenges in recruiting or retaining volunteers and difficulties accepting and processing cash. There were, however, a number of new opportunities for the Charity and social care became headline news with many people looking to support charities close to home.

Work that was underway prior to the start of the year and work prioritised in response to the pandemic resulted in a number of key areas making steady progress and in turn securing Voluntary Income to Aspens.

The supporter base is engaged via social media and a bi-monthly newsletter. Aspens have started to deepen the understanding the interest those supporters have in the Charity, and the kind of actions they are willing to take in support for the Charity's work.

Relationships with the trusts and foundations within the database have improved and some of these have made donations to Aspens Charities for a second time. Furthermore, new potential funders have been identified.

Digital capabilities were being improved prior to the pandemic and this enabled the Charity to move to virtual events and online giving almost overnight for the first lockdown.

At the end of the year, the Charity continues to employ two members of staff (1.2 FTE) to lead the fundraising activities under the leadership of the Director of Business Development and Income Generation. They worked hard over the year to secure support from a range of trusts, foundations and corporate partners as well as building opportunities for individual givers to support Aspens Charities and in turn become active long-term supporters.

Although the voluntary income is lower than in the previous year, largely due to the prior year containing two exceptional one-off donations, it is believed that the fundraising work of the Charity is in a stronger position, with both a wider number of givers and a number of trusts, foundations and individuals who have deepened their relationship with the Charity and become repeat givers.

Aspens Charities is registered with the Fundraising Regulator and is committed to adhering to their Fundraising Code. The code sets out standards that apply to all areas of fundraising and is used to ensure that the Charity treats people fairly and with respect, explaining their work in a way that does not mislead people and is sensitive to people who may be in vulnerable circumstances.

Over the year, no complaints have been received within regard to Aspens' fundraising activities and there have been no recorded incidents of a failure to meet the standards adhered to.

Aspens Charities has not used any third-party fundraising partner.

THE TRUSTEES' REPORT OF ASPENS CHARITIES

Strategic Report 2020 to 2021

Achievements and Performance

Aspens Charities currently provides:

- Residential care across 13 locations, supporting 84 people
- 15 supported living properties supporting 65 people
- Day Services across 3 locations supporting 150 people
- 4 geographically-based outreach services supporting 69 people
- 213 active children utilising Short Breaks Services across East Sussex, West Sussex and Bexley
- Specialist Support for over 202 families
- Family Support – supporting 173 families from 80 the previous year through West Sussex funding and handling 777 enquiries via the website

Aspens Charities carries out regular internal audits, to ensure that there are efficient services to meet everyone's needs and requirements and to achieve satisfactory outcomes for each individual. Aspens' long-term goal is to obtain the highest possible level of satisfaction from the people supported and their relatives. The internal audits ensure compliance with corporate, statutory and regulatory bodies and promote the concept of lifelong learning and personalisation. Aspens' approach includes achieving and maintaining high standards, sharing good practice across services and promoting staff development, whilst supporting services to achieve 'outstanding' ratings with the regulators.

The Charity has retained its accreditation with the Contracts of Health and Safety Scheme (CHAS) and aligns its practices with the requirements of ISO90010-Quality Management Systems.

Key Performance Indicators

Financial Key Performance Indicators (KPIs) - the monthly and year-to-date results are compared to budget or forecast as required and appropriate action is taken if there are any major variances.

A forecast of the year-end outturn is produced quarterly with a further forecast for the following 12 months after year end. Cash balances are monitored weekly, with cash flow forecasts and other detailed KPIs scrutinised monthly; appropriate plans are put into place to address any areas of concern.

Sector analysis is provided monthly and discussed with relevant parties to determine performance.

Risks and Uncertainties

Aspens Charities assesses and monitors the risks to its business on a continual basis, outlined and reported via a risk register. This is regularly reviewed by the Executive team and quarterly by the FAR Committee, who consider whether the controls detailed in the risk register are operating effectively, and whether the risks listed in the register need to be updated.

THE TRUSTEES' REPORT OF ASPENS CHARITIES

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees and Strategic Reports and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and Group and of the incoming resources and application of resources, including the income and expenditure of the 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group and charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure to Auditor

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

Auditor

The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report and incorporated strategic report were approved by the Board of Trustees and signed on their behalf, by:



Ms Kirsty Marshall Trustee

Date 19 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASPENS CHARITIES

Opinion

We have audited the financial statements of Aspens Charities (the 'parent charitable company') and its subsidiaries (the 'Group') for the year ended 31 March 2021 which comprise the Group Statement of Financial Activities, including the Group Summary Income and Expenditure Account, the Group and Charity Balance Sheets, the Group 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 and parent charitable company's affairs as at 31 March 2021, 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

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

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

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

Other Information

The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASPENS CHARITIES

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 Trustees' report (incorporating the directors' report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on Which we are Required to Report by Exception

In the light of the knowledge and understanding of the Group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 11, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASPENS CHARITIES

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below:

- Reviewing the reports of any regulatory inspections carried out in the year;
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Use of our Report

This report is made solely to the Group and charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michelle Wilkes FCA

For and on behalf of Azets Audit Services
Greytown House
221 – 227 High Street
Orpington
Kent BR6 0NZ

Signature: 

Date: 21 December 2021

ASPENS CHARITIES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income from:					
Donations and legacies	2	99,409	19,283	118,692	284,582
Charitable activities	3	12,667,474	357,289	13,024,763	11,876,563
Other trading activities	4	160,355	-	160,355	422,106
Investments		113	-	113	65
Other Income	5	976	-	976	368,925
Total Income		12,928,327	376,572	13,304,899	12,952,241
Expenditure on:					
Raising funds	6	499,147	-	499,147	606,934
Charitable activities	7	12,165,115	356,077	12,521,192	13,290,868
Total Expenditure		12,664,262	356,077	13,020,339	13,897,802
Net income/expenditure before gain/(loss) on investments					
		264,065	20,495	284,560	(945,561)
Gain/(loss) on investments	14	278,733	-	278,733	(75,610)
Net (expenditure)/income before transfers					
		542,798	20,495	563,293	(1,021,171)
Transfer between funds	22	40,620	(40,620)	-	-
Net movement in funds		583,418	(20,125)	563,293	(1,021,171)
Total funds at 1 April 2020		3,997,611	455,826	4,453,437	5,474,608
Total funds at 31 March 2021	23	4,581,029	435,701	5,016,730	4,453,437

CONSOLIDATED & CHARITY BALANCE SHEETS
AS AT 31 MARCH 2021

		Group		Charity	
	Notes	2021	2020	2021	2020
		£	£	£	£
Fixed assets					
Tangible assets	13	3,854,801	3,797,936	3,462,001	3,402,736
Investments	14	1,423,748	1,160,862	1,423,748	1,160,862
		<u>5,278,549</u>	<u>4,958,798</u>	<u>4,885,749</u>	<u>4,563,598</u>
Current assets					
Debtors	15	1,295,816	1,415,701	1,116,399	1,415,701
Cash at bank and in hand		1,644,869	1,436,164	1,448,565	1,436,164
		<u>2,940,685</u>	<u>2,851,865</u>	<u>2,564,964</u>	<u>2,851,865</u>
Creditors: amounts falling due within one year	16	(1,706,843)	(1,545,512)	(1,474,264)	(1,545,512)
Net current assets		<u>1,233,842</u>	<u>1,306,353</u>	<u>1,090,700</u>	<u>1,306,353</u>
Total assets less current liabilities		<u>6,512,391</u>	<u>6,265,151</u>	<u>5,976,449</u>	<u>5,869,951</u>
Creditors: amounts falling due after one year	17	(1,495,661)	(1,811,714)	(1,495,661)	(1,811,714)
Net assets		<u>5,016,730</u>	<u>4,453,437</u>	<u>4,480,788</u>	<u>4,058,237</u>
Funds					
Unrestricted:	21				
General		2,675,134	2,338,441	2,448,742	2,338,441
Designated		1,905,895	1,659,170	1,905,895	1,659,170
		<u>4,581,029</u>	<u>3,997,611</u>	<u>4,354,637</u>	<u>3,997,611</u>
Restricted	22	435,701	455,826	126,151	60,626
Total funds		<u>5,016,730</u>	<u>4,453,437</u>	<u>4,480,788</u>	<u>4,058,237</u>

CONSOLIDATED & CHARITY BALANCE SHEETS**AS AT 31 MARCH 2021**

The consolidated net income for the year includes net income of £10,661,733 (2020: £12,952,241) all of which is dealt with in the accounts of the parent company. The parent has taken advantage of section 408 of Companies Act 2006 not to present its unconsolidated Statement of Financial Activities.

These financial statements were approved and authorised for issue by the Board of Trustees on 19 December 2021 and signed on its behalf by:



Ms Kirsty Marshall
Trustee

ASPENS CHARITIES

CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

		2021	2020
		£	£
Cash inflow from operating activities:	Notes		
Net cash provided by operating activities	25	<u>519,082</u>	<u>(85,161)</u>
Cash flows from investing activities:			
Interest received		113	65
Interest paid		(26,563)	(52,408)
Purchase of tangible fixed assets		(302,873)	(173,029)
Purchase of fixed asset investments		(292,806)	(108,064)
Proceeds from sale of fixed asset investments		308,653	123,786
Proceeds from sale of tangible fixed assets		5,765	972,677
Net cash used in investing activities		<u>(37,711)</u>	<u>763,027</u>
Cash flows from financing activities			
Repayments of borrowing		<u>(272,666)</u>	<u>(272,666)</u>
Net cash used in financing activities		<u>(272,666)</u>	<u>(272,666)</u>
Net increase in cash and cash equivalents		<u>208,705</u>	<u>405,200</u>
Cash and cash equivalents brought forward		1,436,164	1,030,964
Cash and cash equivalents carried forward		1,644,869	1,436,164
Relating to:			
Cash at bank and in hand		1,644,869	1,436,164

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

a) Consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiaries Autism Sussex Limited and Aspens Enterprises Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

- Autism Sussex Limited holds a property with a net book value of £392,800 (2020: £395,200). The impact on the Consolidated Statement of Financial Activities is the depreciation charge of £2,400 (2020: £2,400).
- Aspens Enterprises Limited started trading from 1 April 2020 as a commercial entity to novate contracts from Local Authorities and permit VAT input to be claimed based on the percentile novated. The nature of the enterprise is listed as 'Residential care activities for learning difficulties, mental health and substance abuse'.

b) Legal status

The Charity is a private company limited by guarantee and incorporated in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per voting member of the Charity. The Charity's objectives and aims are disclosed in the Board of Trustees and Strategic Report.

c) Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 and under the historical cost convention, modified to include certain financial instruments at fair value. The financial statements have also been prepared in accordance with the accounting policies set out in more detail below, to comply with the charity's governing document and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland effective 1 January 2015 (the FRS 102 Charities SORP 2015).

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

The Charity constitutes a public benefit entity as defined by FRS102.

d) Going concern

The Board has reviewed the Group and Charity's forecasts and strategy covering a period that exceeds twelve months from the date of signing these financial statements and, based on the level of existing cash and estimated levels of income and expenditure, are satisfied that the Group and Charity have adequate resources to continue in operation for the foreseeable future.

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

e) Income

All income is recognised once the Charity has legal entitlement to the income, it is probable that the income will be received and the amount of which can be measured reliably. All income is received in GBP (£) Sterling. Value Added Tax is not applicable to the principal sources of income.

Donations

Donations are recognised when the Charity has been notified of amounts and settlement dates.

If certain performance duties are to be carried out or conditions met prior to receipt of funding the income is deferred and not recognised until those have been satisfied.

Investment income

Investment income consists of interest on deposits and is included when receivable.

Grants

Grant income is included in the Statement of Financial Activities when recognised. It is only recognised when the charity has been notified of amounts and settlement dates. If certain performance of duties is to be carried out or conditions met prior to receipt of funding the income is deferred and not recognised until those have been satisfied. The balance of income received for specific purposes, but not expended during the period, is shown in the relevant funds on the balance sheet.

The amount at which gifts in kind are included in the Statement of Financial Activities is based on a reasonable estimate of their gross value to the Charity.

f) Expenditure

All expenditure is included in the Statement of Financial Activities on an accrual's basis, inclusive of Value Added Tax which cannot be recovered.

Support costs relate to expenditure on direct costs for supporting the care of the residents including staff costs and general office expenses. These costs are allocated to the relevant activity cost category.

g) Fund accounting

Funds held by the Charity are either:

Unrestricted funds: these are funds which can be used in accordance with the charitable objects at the discretion of the key management personnel.

Designated funds: these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds: these are funds that can only be used for restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for restricted purposes.

h) Tangible fixed assets

Tangible fixed assets other than freehold land and buildings are stated at cost less depreciation.

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

i) Depreciation

Depreciation is provided at rates calculated to write off the cost of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Freehold land and buildings	Nil, 2% and 20% straight line on buildings
Leasehold land and buildings	Over the period of the lease
Office equipment	25% - 33.33% straight line
Computer equipment	20% - 25% straight line
Fixtures, fittings & equipment	20% - 25% straight line
Motor vehicles	25% reducing balance / 25% straight line
Boat	10% straight line
Farm and craft equipment	10% - 20% straight line

Assets below £2,500 are not capitalised.

No depreciation is provided on certain freehold buildings, which is in contravention of the Companies Act 2006 and FRS102 – Property, Plant and Equipment (Section 17). It is considered that in view of the high residual value of the property and its anticipated long useful life together with the practice of regular maintenance and repair as charged to the Statement of Financial Activities, any depreciation on the freehold buildings would be immaterial in aggregate in these financial statements.

i) Impairment

At each reporting period end date, the Charity reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

j) Leases

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets. The capital element of the future payments is treated as a liability in the balance sheet, with any interest charged to the Statement of Financial Activities on a straight-line basis over the term. A lease is classified as a finance lease when all of the risks and rewards associated with ownership of the asset are transferred.

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

k) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

l) Financial instruments

The Charity applies the provisions of Section 11 “Basic Financial Instruments” and Section 12 “Other Financial Instruments Issues” of FRS102 to all of its financial instruments. Financial instruments are recognised when the group and the charity become party to the contractual provisions of the instrument.

Financial assets and financial liabilities are offset only when the Charity and the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Financial assets

Basic financial assets, including trade and other debtors and amounts owed by Group undertakings, which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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

m) Taxation

The company is a registered charity and as such, its income and gains falling within Sections 471 to 489 of the Corporation Tax 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

n) Investments

Listed investments are stated at market value by reference to their bid value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

o) Accounting estimates and areas of judgement

Preparation of the financial statements requires management to make judgements and estimates. At the reporting date 31 March 2021, the following key accounting estimates and areas of judgement were relevant:

Whether there are any impairments to the carrying values of fixed assets is a key area of judgement, which is reviewed by the Trustees on an annual basis.

As detailed in note 27 page 47, a contingent liability was disclosed in respect of past costs relating to 'sleep-ins'. As the court case was finalised in March 2021 and the ruling provided that sleep-ins were permitted at the reduced rate, below National Minimum Living Wage, no contingent liability is required for the year ended 31 March 2021.

Following on from the transfer of the net assets of the subsidiary entities to Aspens Charities from 1 October 2017, substance over form has been applied in that assets and liabilities have been transferred to Aspens Charities, regardless of the legal title, which has not been transferred in all cases. Trustee judgement has therefore been applied on this matter.

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2 Donations and legacies

	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Donations and voluntary income	99,409	19,283	118,692	284,582
	99,409	19,283	118,692	284,582

3 Charitable activities

	Care & support services £	Landlord £	Total 2021 £	Total 2020 £
Local authority & private fees	12,609,022	-	12,609,022	11,471,347
Rental income	-	415,741	415,741	405,216
	12,609,022	415,741	13,024,763	11,876,563

Restricted	357,289	11,700
Unrestricted	12,667,474	11,864,863
	13,024,763	11,876,563

4 Other trading activities

	Unrestricted	
	Total 2021 £	Total 2020 £
Charity shops – sale of goods	143,405	418,230
Other income	16,950	3,876
	160,355	422,106

5 Other income

	Total 2021 £	Total 2020 £
Profit from sale of tangible fixed assets	976	368,925
	976	368,925

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

6 Raising funds

	Unrestricted	
	Total 2021	Total 2020
	£	£
Charity Shops		
Staff costs (note 12)	169,203	225,327
Purchases	2,411	11,146
Depreciation (note 10)	9,054	12,237
Support costs (note 8)	146,131	192,200
	<u>326,799</u>	<u>440,910</u>
Fundraising and other costs		
Staff costs – fundraising (note 12)	36,552	43,994
Staff costs – commercial and marketing (note 12)	100,974	94,408
Fundraising expenses	12,335	7,273
Purchases	122	-
Investment management costs	15,847	15,722
Support costs (note 8)	6,518	4,627
	<u>172,348</u>	<u>166,023</u>
	<u>499,147</u>	<u>606,934</u>

The cost of raising funds has been reanalysed in the year to 31 March 2021, to better reflect the actual cost of fundraising to the Charity. The comparative figures in the year to 31 March 2020 have also been re-analysed for consistency

7 Charitable activities

	Total 2021	Total 2020
	£	£
Staff costs (note 12)	8,320,814	9,909,074
Depreciation (note 10)	161,855	200,888
Central costs	1,100,227	824,841
Support costs (note 8)	2,938,296	2,356,065
	<u>12,521,192</u>	<u>13,290,868</u>
Represented by:		
Restricted	356,077	21,890
Unrestricted	12,165,115	13,268,978
	<u>12,521,192</u>	<u>13,290,868</u>

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

8 Support costs

	Unrestricted	
	Total 2021	Total 2020
	£	£
Raising funds – Charity Shops	169,203	225,327
Raising funds – Fundraising and other costs	6,518	4,627
Wages and salaries	1,756,824	1,193,185
General premises expenditure	217,693	349,013
Office expenditure	464,978	610,982
Depreciation (note 10)	68,358	44,694
Staff welfare	81,458	2,563
Training and recruitment	108,458	88,924
Professional and consultancy	190,694	-
Legal and other governance (note 9)	49,833	66,704
	<u>3,114,017</u>	<u>2,356,065</u>

9 Legal fees and other governance

	Unrestricted	
	Total 2021	Total 2020
	£	£
Legal fees & other governance	17,662	13,675
Audit	25,000	24,500
Accountancy	4,359	26,371
Board expenses	2,812	2,158
	<u>49,833</u>	<u>66,704</u>

10 Net income/(expenditure)

	2021	2020
	£	£
This is stated after charging/(crediting):		
Depreciation and impairments	239,267	257,819
Audit fees	25,000	24,500
Loss on disposal of fixed assets	976	368,925
Bank and loan interest payable	26,563	52,408

11 Taxation

Aspens Charities is a registered charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

12 Staff costs and Trustees' remuneration	2021	2020
	£	£
Wages and salaries	8,144,519	7,924,270
Employer's N.I contributions	624,621	610,876
Staff pension costs	126,598	161,421
Staff recruitment costs	68,704	104,193
Staff training	29,854	58,675
Agency fees	1,201,951	2,050,528
Redundancy costs	36,495	206,075
Other staff costs	151,625	349,949
	<u>10,384,367</u>	<u>11,465,988</u>

The Group and Charity considers its key management personnel to be its Board of Trustees and Chief Executive, Operations Director, Director of Business Development and Income Generation, Director of Human Resources and Finance Director. Total remuneration (including contributions for employer's national insurance and pension) paid to the members of key management was:

Group and Charity £400,691, being: Shanahan, Kotsis, Anstead, Bryant and Gouldthorpe (2020: £181,230, being Board, Bodek and Marcus.) Bryant and Gouldthorpe were appointed mid-year, in June 2020 and January 2021 respectively.

During the year, expenses were reimbursed to Trustees, in relation to travel and stationery as follows:

Group and Charity £2,812 (2020: £2,158) to 2 (2020: 3) Trustees.

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	1
In the band £90,001 - £100,000	1	0
In the band £160,001 - £170,000	1	0
	2021 No.	2020 No.
Residential home and day centres	404	382
Management and administration	42	61
Retail/logistics	30	18
Other staff	-	18
	<u>476</u>	<u>479</u>

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

13 Tangible fixed assets

	Freehold land & buildings	Freehold improvements	Leasehold improvements	Furniture & Fittings	Computers & software	Vehicles	Farm Machinery	Total
Group	£	£	£	£	£	£	£	£
Cost								
At 1 April 2020	4,197,930	533,075	267,017	95,537	149,951	305,088	40,592	5,589,190
Additions	-	93,746	10,638	7,254	58,657	132,578	-	302,873
Disposals	-	-	-	-	(1,362)	(31,400)	-	(32,762)
At 31 March 2021	4,197,930	626,821	277,655	102,791	207,246	406,266	40,592	5,859,301
Depreciation								
At 1 April 2020	1,116,055	115,213	209,118	55,828	78,359	180,036	36,645	1,791,254
Charge for the year	79,901	43,570	12,650	16,737	33,090	52,039	1,280	239,267
Eliminated on disposals	-	-	-	-	(454)	(25,567)	-	(26,021)
At 31 March 2021	1,195,956	158,783	221,768	72,565	110,995	206,508	37,925	2,004,500
Net book value								
At 31 March 2021	3,001,974	468,038	55,887	30,226	96,251	199,758	2,667	3,854,801
At 31 March 2020	3,081,875	417,862	57,899	39,709	71,592	125,052	3,947	3,797,936

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

13 Tangible fixed assets (continued)

	Freehold land & buildings	Freehold improvements	Leasehold improvements	Furniture & Fittings	Computers & software	Vehicles	Farm Machinery	Total
Charity	£	£	£	£	£	£	£	£
Cost								
At 1 April 2020	3,797,930	533,075	267,017	95,537	149,951	305,088	40,592	5,189,190
Additions	-	93,746	10,638	7,254	58,657	132,578	-	302,873
Disposals	-	-	-	-	(1,362)	(31,400)	-	(32,762)
At 31 March 2021	3,797,930	626,821	277,655	102,791	207,246	406,266	40,592	5,459,301
Depreciation								
At 1 April 2020	1,111,255	115,213	209,118	55,828	78,359	180,036	36,645	1,786,454
Charge for the year	77,501	43,570	12,650	16,737	33,090	52,039	1,280	236,867
Eliminated on disposals	-	-	-	-	(454)	(25,567)	-	(26,021)
At 31 March 2021	1,188,756	158,783	221,768	72,565	110,995	206,508	37,925	1,997,300
Net book value								
At 31 March 2021	2,609,174	468,038	55,887	30,226	96,251	199,758	2,667	3,462,001
At 31 March 2020	2,686,675	417,862	57,899	39,709	71,592	125,052	3,947	3,402,736

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

13 Tangible Fixed assets (continued)

The freehold land and buildings at 3 St. Matthews Road, 56 St. Saviours Road St. Leonards, Carlton Hill Brighton and Wentworth Close Bexhill are all subject to a first charge in favour of Royal Bank of Scotland Plc.

The freehold land and buildings at 3 St. Matthews Road and 56 St Saviours Road, St. Leonards on Sea, East Sussex were valued as at 31 March 2014 by Mr J Price (Tech RCIS) on an existing use open market value. As permitted by FRS102 s35.10© this value has been deemed as costs.

Included within other tangible fixed assets is a phone system, purchased in October 2014 under a finance lease. The net book value at the yearend is £nil (2020: £nil) after charging depreciation at straight-line over 4 years of £nil (2020: £nil) during the year. A new system replaced the system from April 2021, at no cost to Aspens.

14 Fixed asset investments

£

Unlisted investments – Charity only

Cost at 1 April 2020 and 31 March 2021

-

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The Charity is the sole trustee/member of the following charities incorporated in England and Wales:

- Larkfield with Hill Park Autistic Trust Limited (trading as Pepenbury) - dormant
- Autism Sussex Limited - active
- Autism Sussex Housing Limited – dormant
- Aspens Enterprises Limited – active – incorporated 18 September 2019, first accounting period shortened to 31 March 2020 (dormant) and began trading 1 April 2020

Autism Sussex Limited – year ended 31 March 2021

The results for this subsidiary were as follows:

	2021	2020
	£	£
Profit and Loss Account		
Administrative expenses	2,400	2,400
Net (loss) for the year ended 31 March 2021	(2,400)	(2,400)
Balance Sheet		
Fixed assets	392,800	395,200
Net assets at 31 March 2021	392,800	395,200

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

14 Fixed asset investments (continued)

Aspens Enterprises Limited – year ended 31 March 2021

The results for this subsidiary were as follows:

	2021 £	2020 £
Profit and Loss Account		
Administrative expenses	(2,703,338)	-
Other operating income	2,716,530	
Net profit for the year ended 31 March 2021	13,192	
Balance Sheet		
Debtors	179,697	100
Cash at bank and in hand	196,304	-
Creditors: amounts falling due within one year	(362,709)	-
Net current assets	13,292	100
Share capital	100	100

Listed investments – Charity and Group

	Group & Charity 2021 £	Group & Charity 2020 £
Listed investments		
Market value at 1 April	1,160,862	1,252,194
Additions	292,806	108,064
Disposals	(308,653)	(123,786)
Net investment gains/(losses)	278,733	(75,610)
Market value at 31 March	1,423,748	1,160,862

Investments are held in a Aegon Platform – Metcalf Moat IFA Ltd.

The following investment holdings are over 5% of the platform total:

• Aegon Sterling Corporate Bond B Inc	£134,584
• Artemis Income I Acc	£153,347
• Artemis Strategic Bond I Quarterly Acc	£138,643
• Artemis US Select I Acc GBP	£160,301
• Ballie Gifford Japanese Income Growth B Acc	£ 86,358
• Fidelity Asia W Acc	£ 72,509
• Janus Henderson Strategic Bond I Inc	£149,354
• Jupiter Merian North American Equity I Acc GBP	£149,881
• Liontrust Special Situations I Inc	£174,967

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

14 Fixed Asset Investments (continued)

List of subsidiaries

Name	Holding	Nature of Business
Aspens Enterprises Ltd	100%	Dormant until 31 March 2021. Residential care activities for learning difficulties, mental health and substance abuse.
Autism Sussex Ltd	100%	To promote for the public benefit in such manner as the directors (Trustees) shall see fit the welfare, education, care of people with autism, Asperger syndrome and related conditions whether or not these conditions are associated or combined with other disabilities.
Autism Sussex Housing Ltd	100%	To carry on for the benefit of those with Autism, Asperger syndrome and related conditions the business of providing housing and any associated amenities especially designed or adapted to meet the disabilities and requirements of such persons. The entity was dormant throughout the period.
Larkfield with Hill Park Autistic Trust Limited	100%	The entity was dormant throughout the period.

The registered address for all subsidiaries is – Aspens Charities, Cornford Lane, Pembury, Kent TN2 4QU.

15 Debtors

	Group 2021 £	Charity 2021 £	Group & Charity 2020 £
Trade debtors	573,866	394,269	650,786
Prepayments and accrued income	585,008	585,008	727,423
Other debtors	67,718	67,718	37,492
VAT debtor	69,404	69,404	-
	1,295,816	1,116,399	1,415,701

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

16 Creditors: amounts falling due within one year

	Group 2021 £	Charity 2021 £	Group & Charity 2020 £
Trade creditors	628,599	295,840	615,089
Bank loans and overdrafts	299,202	299,202	229,252
Social security and other taxes	215,295	215,295	184,225
Accruals and deferred income	566,021	566,021	511,499
Other creditors	7,726	7,726	5,446
	1,706,843	1,474,264	1,545,512

17 Creditors: amounts falling due after more than one year

	Group & Charity 2021 £	Group & Charity 2020 £
Bank loans and overdraft	1,495,661	1,811,714
Total due after one year	1,495,661	1,811,714

Analysis of loans

Not wholly repayable within five years by instalments

Included in current liabilities – due within one year	299,202	229,252
	1,794,863	2,040,966

Loan maturity analysis – bank loans

	Group & Charity 2021 £	Group & Charity 2020 £
Between one to two years	229,202	229,252
Between two to five years	1,495,661	1,811,714
	1,794,863	2,040,966

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

17 Creditors: amounts falling due after more than one year (continued)

During 2018, the Charity consolidated all its loans and mortgages into one mortgage with NatWest bank. This mortgage carried interest of 1.25% per annum over base rate. Repayments of £22,722 are made monthly over the 60-month term of the loan. At the end of the 60-month period, the loan and interest must be repaid in full.

This loan is secured against assets owned by Aspens Charities.

The covenant agreed in March 2020 with NatWest has been varied in August 2021, with confidence provided by the bank to:

- Obtain Management Accounts to quarterly and not monthly,
- Redaction of the EBITDA benchmark,
- No minimum cash prescription on the 24th of every month,
- Security of the Pembury site will be maintained and
- The assets will have to be revalued by a qualified valuer set by the bank.

18 Financial instruments

	Group & Charity 2021 £	Group & Charity 2020 £
Carrying amount of financial assets		
Instruments measured at fair value through surplus/deficit	1,423,768	1,160,862

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

19 Pension

The Group and Charity operate a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity monthly in arrears to the fund and amounted to £149,261 (2020: £161,421). Contributions totalling £12,957 (2020: £12,656) were payable to the fund at the year end.

20 Related party transactions

The Charity has taken the exemption to not disclose transactions entered into between two wholly owned members of the Group and accordingly the Charity has no related party transactions to be disclosed

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

21 Unrestricted funds

	Balance at April 2020	Income	Expenditure	Gains & losses	Transfers	Balance at March 2021
Charity	£	£	£	£	£	£
General fund	2,338,441	10,285,161	(10,034,311)	278,733	(206,105)	2,661,919
Designated funds						
HPAT – Autism fund	1,659,170	-	-	-	246,725	1,905,895
	3,997,611	10,285,161	(10,034,311)	278,733	40,620	4,567,814
General fund – Aspens Enterprises Limited	-	2,643,166	(2,629,951)	-	-	13,215
Group	3,997,611	12,928,327	(12,664,262)	278,733	40,620	4,581,029

General fund

This fund is available to be spent at the discretion of the Trustees.

HPAT – Autism fund

This fund was created following the merger with Hill Park Autistic Trust on 31 August 2013. The fund is to be used exclusively to support the Charity in its work with autistic adults.

Prior year	Balance at April 2019	Income	Expenditure	Gains & losses	Transfers	Balance at March 2020
	£	£	£	£	£	£
Group and Charity						
General fund	3,278,795	12,814,677	(13,875,912)	(75,610)	232,096	2,338,442
Designated funds						
HPAT – Autism fund	1,766,663	-	-	-	(143,098)	1,659,170
	5,045,458	12,814,677	(13,875,912)	(75,610)	88,998	3,997,611

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

22 Restricted funds

	Balance at April 2020	Income	Expenditure	Transfers	Balance at March 2021
Group and Charity	£	£	£	£	£
<u>Restricted donations over £1,000:</u>					
COVID-19 Infection Control Grants	-	269,094	(269,094)	-	-
COVID-19 Rapid Testing Grants	-	35,340	(35,340)	-	-
Work Force Grants	-	13,099	(13,099)	-	-
Children's Services Minibus	10,467	-	(8,250)	-	2,217
Strategic Grant – Pepenbury – Order 920765	-	16,512	(16,512)	-	-
St Matthew's window	-	10,000	(10,000)	-	-
Forest School	-	6,512	-	-	6,512
Youth Support Group	-	6,917	-	-	6,917
Discovery grant	-	5,000	-	-	5,000
Donkeys	-	2,862	-	-	2,862
TRUST St James ESCS Equipment	-	2,500	-	-	2,500
Life More Ordinary Grant ES Children	-	2,405	-	-	2,405
Tackling Inequalities Grant	-	2,410	-	-	2,410
Donations from Gammon family for Falconwood	-	1,489	-	-	1,489
Hodson for purchase of tables	-	1,377	(1,377)	-	-
Anonymous	40,620	-	-	(40,620)	-
<u>Restricted donations under £1,000:</u>					
Donations to Resource Centres	5,899	40	(4)	-	4,935
Donations to Outreach and Supported Living	2,601	775	-	-	3,376
Donations to Residential Services	939	240	-	-	1,179
Restricted Donation Family support services	100	-	-	-	100
Charity total	60,626	376,572	(353,677)	(40,620)	42,901
NHS Grant – Ellasdale Rd purchase	395,200	-	(2,400)	-	392,800
Group total	455,826	376,572	(356,077)	(40,620)	435,701

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

22 Restricted funds (continued)

Prior year

	Balance at April 2020	Income	Expenditure	Transfers	Balance at March 2021
Group and Charity	£	£	£	£	£
<u>Restricted donations over £1,000:</u>					
Wheelchairs	5,083	3,000	-	(8,083)	-
KCC Moving On Prog	16,000	-	-	(16,000)	-
Children's Services Minibus	10,467	-	-	-	10,467
Strategic Grant – Pepenbury – Order 920764	-	12,000	(12,000)	-	-
Robert Giles Construction – Patio at Linnets	-	6,490	(6,490)	-	-
Restricted Fund – Vehicles Kent	-	3,535	-	(3,535)	-
Anonymous	-	102,000	-	(61,380)	40,620
<u>Restricted donations under £1,000:</u>					
Donations to Resource Centres	-	6,149	(250)	-	5,899
Donations to Outreach and Supported Living	-	2,851	(250)	-	2,601
Donations to Residential Services	-	1,439	(500)	-	939
Restricted Donation Family support services	-	100	-	-	100
Charity total	31,550	137,564	(19,490)	(88,998)	60,626
NHS Grant – Ellasdale Rd purchase	397,600	-	(2,400)	-	395,200
Group total	429,150	137,564	(21,890)	(88,998)	455,826

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

22 Restricted funds (continued)

COVID-19 Grants

The following grants received were to support the charity during the COVID-19 pandemic:

Rapid Testing Grants

Work Force Grants

Infection Control Grants

Children's Services

A big part of Children Services is to fundraise to ensure that we can subsidise the cost of activities for our children and young people and their families. We have been lucky enough to have received several grants and donations that have been specifically for the cost of resources, equipment and community activities for all our children's services across the counties to enable this to happen.

Strategic Grant

KCC donated towards delivering programme aimed at being the voice of the people with disability and their families.

St Matthew's Window

Donated towards the replacement of windows at St Matthews Residential Home

Forest School Youth Support Group, Life More Ordinary Grant

Grants to support the charity to deliver programmes specifically aimed at young people

Donation towards the relocation of the Donkeys

Grants to support the charity to deliver programmes specifically aimed at young people

TRUST St James ESCS equipment

Grants to support the charity to deliver programmes specifically aimed at young people

Tackling Inequalities Grant

Donations from Gammon family for Falconwood

Donations to be used at the Falconwood respite centre

Hodson for purchase of tables

These amounts were used to purchase tables for a person looked after in our Residential service.

Anonymous

Grants received specifically for the purchase of 3 Minibuses.

Donations to Resource Centres

These were donations received specifically for use in Aspens by the following day centres, Acorns, Roebuck and Sussex House.

Donations to Outreach and Supported Living

These were donations received specifically for use in Aspens the our Outreach and Supported Living settings.

Donations to Residential Services

These were donations received specifically for use in Aspens our Residential Settings.

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

22 Restricted funds (continued)

Restricted Donation to Family Support Services

There were donations to support the services delivered by the Family support team.

NHS Grant Ellasdale Road *

Donation grant in kind from NHS England for the purchase of Ellasdale Road property.

**Funds relate to items which have been capitalised in accordance with the stated accounting policy and will be utilised to cover the cost of the annual depreciation charge*

23 Analysis of net assets between funds

Group	Restricted funds £	Designated funds £	General funds £	Total 2021 £
Fixed assets	309,550	1,905,895	3,063,104	5,278,549
Current assets	126,151	-	2,814,534	2,940,685
Current liabilities	-	-	(1,706,843)	(1,706,843)
Long term liabilities	-	-	(1,495,661)	(1,495,661)
Net assets	435,701	1,905,895	2,675,134	5,016,730

Charity	Restricted funds £	Designated funds £	General funds £	Total 2021 £
Fixed assets	-	1,905,895	1,556,106	3,462,001
Current assets	126,151	-	2,438,813	2,564,964
Current liabilities	-	-	(1,474,264)	(1,474,264)
Long term liabilities	-	-	(1,495,661)	(1,495,661)
Net assets	126,151	1,905,895	2,448,742	4,480,788

Prior year Group	Restricted funds £	Designated funds £	General funds £	Total 2021 £
Fixed assets	395,200	1,659,170	1,743,566	3,797,936
Current assets	60,626	-	2,791,239	2,851,865
Current liabilities	-	-	(1,545,512)	(1,545,512)
Long term liabilities	-	-	(1,811,714)	(1,811,714)
Net assets	455,826	1,659,170	2,338,441	4,453,437

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

23 Analysis of net assets between funds (continued)

Prior year Group	Restricted funds £	Designated funds £	General funds £	Total 2020 £
Fixed assets	395,200	1,659,170	1,743,566	3,797,936
Current assets	60,626	-	2,791,239	2,851,865
Current liabilities	-	-	(1,545,512)	(1,545,512)
Long term liabilities	-	-	(1,811,714)	(1,811,714)
Net assets	455,826	1,659,170	2,338,441	4,453,437

	Restricted funds £	Designated funds £	General funds £	Total 2020 £
Charity				
Fixed assets	-	1,659,170	1,743,566	3,402,736
Current assets	60,626	-	2,791,239	2,851,865
Current liabilities	-	-	(1,545,512)	(1,545,512)
Long term liabilities	-	-	(1,811,714)	(1,811,714)
Net assets	60,626	1,659,170	2,338,441	4,058,237

24 Commitments under operating leases

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

	Group & Charity 2021 £	Group & Charity 2020 £
Within one year	134,844	245,168
Between one and five years	354,398	396,003
More than five years	-	34,452
	489,242	675,573

ASPENS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

25 Net cash flow from operations

	Group & Charity 2021 £	Group & Charity 2020 £
Net income/(expenditure) for the year	563,293	(1,021,171)
Fair value (gains)/losses on investments	(278,733)	75,610
Profit on disposal of fixed assets	976	368,925
Depreciation	239,267	257,819
Investment income	(113)	(65)
Interest paid	26,563	52,408
Decrease in debtors	119,885	111,513
(Decrease)/increase in creditors	(152,056)	69,800
Net cash inflow from operating activities	519,082	85,161

26 Major non-cash transactions

There were no material non-cash transactions in the year ending 31 March 2021 or 31 March 2020.

27 Contingent liabilities

'Sleep-ins' Supreme Court Ruling

The supreme court ruled that sleep-in payments did not need to be paid staff in line with National Living Wage,

The supreme court ruled in March 2021 that sleep ins could be delivered at a value below National Minimum Wage and therefore no contingent liability is required by Aspens.