

Registered number: 00533714  
Charity number: 214212

**MOSAIC 1898 LTD**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**MOSAIC 1898 LTD**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND  
ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2022**

<b>Trustees</b>	Deborah Southwick, Chair Warwick Best, Co Vice Chair Karen Cane, Co Vice Chair Steve Smith, Treasurer Nicolas Ellis Salma Kaji (resigned 7 December 2021) Mary Smith
<b>Company registered number</b>	00533714
<b>Charity registered number</b>	214212
<b>Registered office</b>	2 Oak Spinney Park Ratby Lane Leicester Forest East Leicester LE3 3AW
<b>Company secretary</b>	Steve Smith
<b>Chief executive officer</b>	Zoheb Shariff
<b>Independent auditors</b>	Magma Audit LLP Chartered Accountants Unit 2, Charnwood Edge Business Park Syston Road Cossington Leicestershire LE7 4UZ
<b>Bankers</b>	Bank of Scotland 14 Friar Lane Leicester LE1 5RA  COIF Charities Deposit Fund 80 Cheapside London EC2V 6DZ
<b>Investment advisors</b>	Brewin Dolphin Two Colton Square Leicester LE1 1QF  M&G Charity Department PO Box 9038 Chelmsford CM99 2XF

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**CHAIRMAN'S STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

The chairman presents her statement for the year.

COVID-19 and the national emergency has continued to be a major influence in creating what has been one of the most challenging environments in which we have had to operate. However, in response to this our charity's work continued to enhance lives and made a difference to disabled people every day.

That is why I and the Board of Trustees are beyond thankful and incredibly proud of the determination, resilience, creativity, and compassion of our people at every level. It is them who bring our work to life and in all the uncertainty somehow know exactly what the right thing is to do.

We have seen our charity come together once again, and find new and creative ways to deliver services, once again. It has been another team effort, where everyone has played their part, and everyone continues to place disabled people at the very heart of all that we do.

Against the backdrop of uncertainty, it has been a positive year for Mosaic 1898 and the charity not only remains financially secure but has managed to strengthen its position in this respect. Furthermore, we have undertaken important internal work to deliver good governance, strong compliance, and improve effectiveness in our operations. We have continued to invest in the wellbeing and development of our staff and embrace our new name and branding – all our efforts and improvements are anchored in our pursuit to further our reach and deliver truly person-centred care and support services to enable disabled people to live well and thrive.

Our world is still recovering as we work for a better tomorrow for the people we support, care for, those who work with us, and our communities.

We are edging back towards some normality, people are returning to their support and care services in the way they want to receive and access them, but we know life today is still much harder for disabled people than it needs to be. Disabled people have told us that the challenges they face continue to change too - so, we are also changing to meet those challenges with them.

Beyond our everyday services, Mosaic 1898's Better World is our commitment in action - an initiative to empower and support others to deliver life enhancing projects for the benefit of disabled people. We know together we can do so much more and together create a better world.

We are proud of all that we have achieved, we are equally excited about our future. We aspire to further our reach and provide more services to more disabled people. We will do this by continuing to listen and be led by the voices of disabled people and by building inclusive spaces that celebrate the worth people hold – in 2022, we will be embarking on an ambitious project to create a multi-service community hub in Whetstone, Leicestershire.

Looking further forward, in 2023 Mosaic 1898 will celebrate a landmark year – 125 years of enhancing lives and making a difference. This is a remarkable feat made possible by all those who have contributed to our work over the years. We are thankful for the amazing people who have been a part of our journey past and present, everyone has much to be proud of.

Furthermore, I am delighted to share that Mosaic 1898 has been recognised by the Lord-Lieutenant of Leicestershire's office and is due to receive the Platinum Jubilee Community and Business Award. This award celebrates the achievements of organisations that deliver exceptional and positive impact in the community. This is a testament to our meaningful work and the social impact our charity creates.

This has been another challenging year but one that we responded to with grit and resilience. Our charity was responsive, effective, prevalent, and relevant to the needs of disabled people.

Finally, I end this letter in remembrance of the people we support, our colleagues, and volunteers who have lost their lives this year - we will not forget you.

**Deborah Southwick**  
Chair



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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

The Trustees present their annual report together with the audited financial statements of the charitable company for the year 1 April 2021 to 31 March 2022. 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 2019).

Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Objectives and activities**

• **Policies and objectives**

In setting plans and priorities for areas of work, the Trustees of Mosaic 1898 Ltd have regards to the guidance from the Charity Commission on the provision of public benefit and Mosaic 1898 Ltd meets the definition of a public benefit entity under FRS102. In particular, the Trustees consider how planned activities contribute to meeting its objectives and how Mosaic 1898 Ltd delivers its principal charitable activities as set out in the Memorandum and Articles of Association.

We defiantly continue to stand firm on our objects, delivering compassionate support and care to disabled adults, children, and their families in Leicester, Leicestershire and beyond.

We exist to listen to and be led by those disabled people. We lift-up the voices and experiences of those who know best what is needed.

Our purpose as set out in our Memorandum and Articles of Association is to identify and provide life enhancing services for disabled people. We work determinedly to deliver on this purpose through the promotion of inclusion, equality, independence, choice, empowerment, respect, and dignity. We recognise and challenge the prejudice, discrimination, and social isolation that many disabled people face throughout their lives, and we undertake work which results in dynamic and creative support services, designed with the people who live with disabilities at the very heart of all that we do.

**Focus of our work**

Our work focuses on enhancing lives, challenging ableism and other forms of discrimination, and equipping people to live full lives in which their value and worth is realised.

COVID-19 continued to have a great influence on our work and as such, the safety of our staff, the people we support, and our communities in which we work remained paramount – this meant the way in which we delivered support and services looked a little different once again.

As the environment around us finds some normality, our focus extends to supporting disabled people to return to their everyday lives in what has become an unfamiliar world for most. So, where new needs arose, we responded by continuing to make personalised adaptations to our services and by putting on new services that disabled people wanted and needed.

**Care Services: Creating Opportunities**

**Creating Opportunities: Adult Day Services**

Heart-warmingly, our social inclusion community groups continued to provide new experiences, social friendships, everyday opportunities, and life-enhancing activities to disabled adults and children.

In the peak of the pandemic, this service was reduced from 32 to 10 groups-a-week, caring for those most at risk and those who are family members of key workers. In April 2021 we were delighted to re-open 15 groups a week, and as restrictions eased and people made choices to return to services, by April 2022 our inspirational front-line staff were running 23 adult day groups a week.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Objectives and activities (continued)**

The service continued to support those still shielding, in isolation, or those building their confidence and comfortability to return to services, by visiting them in their homes, through befriending conversations, and online activities. It is a testament to our people, that in the face of the COVID-19 challenge, staff-shortages, and changing needs of the people we support, the charity delivered a seamless service.

We were delighted to be awarded a place on the Leicestershire County Community Life Choices Framework in November 2021 for a further 5 years and look forward to hearing the outcome of our submission for a place on the Leicester City Community Opportunities Framework in October 2022.

The service excelled in its external inspections, audits, and assessments. In-line with legislation changes at the time, our staff demonstrated a strong response to protect the people we support with an uptake rate of the mandatory vaccination for frontline workers at 96% for the service.

This service is accessed by the Leicester City Council, Leicestershire County Council, and NHS adult day service frameworks – and private self-funders.

**Children's Services**

Following the end and reform of Leicester City Council's Children's Short Breaks provision in April 2020, the charity launched our own Saturday Club for disabled children (11–18-year-olds) in August 2021. This club runs fortnightly and supports 12 children and importantly provides a minimum of 104 hours of respite to parents and carers every month.

There is an ever-growing demand for care and support services for children with additional needs. With the success of our first Saturday Club, Mosaic 1898 created the position of Children's Services Coordinator with a view to expand the offering to the following from April 2022:

- Saturday Club (11-18 Years)
- Saturday Club (5-11 Years)
- Saturday Club (Children with Profound Multiple Learning Disabilities)
- Summer and Holiday Clubs (5-18 Years)
- Parent and Carer Support Group
- Family Day Trips and Events

This year Mosaic 1898 Ltd's Children's Services were fully funded by Mosaic 1898.

**Creating Opportunities: Sunbeam II Wide-Beam Canal Boat**

The charity has offered disability friendly day trips on the Grand Union Canal since 1972. Unfortunately, with the safety of our passengers and the public in mind, Sunbeam II remained moored and suspended for this year.

Our wonderful team of volunteer skippers, crew, and staff focused on preparing our boat for a return to the water in April 2022. The team took the opportunity to undertake a full safety inspection of the boat, and review processes, policies, and procedures.

We are thankful to the team at Sileby Mill Boatyard, and our incredible team of volunteers and skippers for their on-going support and passion for the service, despite the circumstances.

**Creating Opportunities: Holiday Bungalows at Overstrand**

Set in the grounds of Overstrand Hall near Cromer, Norfolk, our newly renovated, bright, vibrant, and fully equipped disability friendly bungalows (The Fairway and The Links) offer disabled people and their loved ones an escape to the coast.

In April 2021, the easing of the restrictions for self-contained holiday accommodation provided the opportunity for us to support 142 holidaymakers to enjoy a getaway – some for the first time in over two years.

In keeping with our commitment to the safety and well-being of the people who access our services, additional cleaning and COVID-19 protocols were applied.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Objectives and activities (continued)**

**Care Services: Colton Care**

Colton Care our care in the community and home agency service, strives to deliver temporary and permanent care services shaped to meet the needs of the individual.

The service continued to deliver outcome-focused care to disabled people, offering the people it supports the care and companionship which adds the most significant value to their life.

Being led by the voices and needs of the people it cares for Colton Care placed the dignity and choice at the forefront of its work to remain responsive, person-centred, and truly impactful.

In October 2021, CQC conducted a Risk Management Visit at Colton Care – the CQC provided the following summary:

*'We have reviewed the information and data made available to us about your service on 29/10/2021. We consider that no further regulatory activity is indicated at this time. We reserve the right to keep this under review and it may be subject to change. Please note this is not an assessment for the purposes of section 46 of the Health and Social Care Act 2008.*

*This monitoring activity is part of our Monitoring Approach 21/22 and is not an inspection. Monitoring summary records are not inspection reports and are not published on our website. They are an account of our monitoring activity. We do not expect them to be shared publicly to give assurance on the quality of care you deliver.*

*This summary record outlines what we found as a result of our monitoring activity: We discussed improvements that had been made since the Commission last inspected this service. You told us improvements made include review and update of all care and support plans, including risk assessments, to ensure these were sufficiently robust. People confirmed staff knew how to support them and care and support was in line with their wishes and preferences. You told us policies and procedures have been updated and safer staff recruitment procedures are now followed. You described how you have focused on embedding improvements to ensure these are sustainable prior to developing this service any further. You retain good oversight of the service with support from the coordinator and staff. Staff felt supported and listened to and felt the service was well-led.'*

**Sharon Martin, CQC Inspector – 29th October 2021.**

While this report does not change our 2019 Requires Improvement rating, we are proud of the improvements we are making and what the people we support, and our staff say about our service.

We were delighted to reintroduce community outings and social gatherings as restrictions eased in April 2021. Our Community Assistants bravely continued deliver 450 hours of frontline care every week. We are indebted to our staff for their commitment, compassion, care, and their desire to make a positive impact in the most challenging of times.

The service continued to stay in touch and check-in on those people who had not yet returned to services as our duty of care. By 31 March 2022, the service was delivering 450 hours of a planned 530 frontline care hours-a-week following the COVID-19 disruption.

This service is accessed by the Leicester City Council, Leicestershire County Council, and NHS community and home care direct payment referrals – and private self-funders.

**Direct Payments Support Service**

Last year, we celebrated an impact-filled 20 years of empowering disabled people to purchase and access the care and support they need and want, through the delivery of our Direct Payments Support Service. This year, we're delighted to have been awarded the Leicester City Council Direct Payments Support contract to deliver the service for up to another 7 years from November 2022.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Objectives and activities (continued)**

In preparation for the mobilisation of the new contract, the team embarked on optimisation, reconciliation, control, review and audit exercises which will ensure that the charity is meeting all its contractual obligations and continues to deliver an effective and quality service as the number of people it supports increases.

Our hardworking Direct Payments Support Service team responded with exceptional commitment and consideration to the challenges, outfall and confusion disabled people faced in an uncertain year. At 31st March 2022, the team supported 1200+ disabled people, 800+ personal assistants, and 320 local care providers.

At a time of financial uncertainty for disabled people, care givers and providers, the team went over and beyond to provide invaluable peace of mind, support, and communication just when it was needed.

We are thankful for a team that goes the extra mile and enhances the lives of disabled people every day. This service is commissioned through contracts with Leicester City Council, Leicestershire County Council and the NHS.

**Liberty Advocacy and Voice: Relevant Person Representative Service**

The Deprivation of Liberty Safeguards referrals received within this service are primarily focused on enforcing the Mental Capacity Act of 2005. Our service's purpose continues to be ensuring that people in care settings are looked after in a compassionate way that does not infringe upon their liberty or restrict their freedom.

The pressures on care establishments continued to grow and the emergence of a new COVID-19 variant placed further strain on health and social care settings. Our Relevant Persons Representatives navigated the challenge by a hybrid of virtual and in-person visits – ensuring that the most vulnerable of people were supported in the way which best ensured their safety.

The team collectively supported 623 vulnerable adults in Leicester, Leicestershire, and Rutland, offering a voice to and fighting the corner of those who without the support would potentially be unaware of their rights, the channels of appeal and mostly frighteningly remain at considerable risk.

This service is commissioned through contracts with Leicester City Council and Leicestershire County Council.

**Liberty Advocacy and Voice: Advocacy Groups**

Society has so much to learn from people with a disability and those supporting them. We want the true, authentic voices of those with lived in experiences to be heard and deeply listened to. This is vital for society to respond to and embrace disability.

Our advocacy support encourages and equips people to speak for themselves, making sure their important message is heard and that they are being treated with respect and dignity. Our advocacy groups for Learning Disability, Autism and Mental Health raise the voices of those with lived experience, where people who know best can tell their own stories.

Mobile technology enabled our Local Leaders to continue to share their experiences and support, inform and influence strategic decision makers in Leicester and Leicestershire. In August 2021, our We Think group contributed to the design an award winning easy-read poster which provided important information on the COVID-19 vaccination rollout, an outstanding example of true co-production making a positive difference.

The service is scheduled to return to in-person and full membership group meetings in May 2022 with a new group being formed to create a space for physically disabled people to be heard.

This service is commissioned through a contract with Leicester City Council.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Objectives and activities (continued)**

**Better World**

We believe that together we can do so much more. Mosaic 1898's Better World is an initiative and commitment founded on this belief.

Better World aspires to empower, support and fund local organisations, groups, and projects to further enhance the lives of disabled adults and children.

In its inaugural year, Better World supported and funded the following projects and organisations:

- Messy Senses: 10 Cognitive Stimulation Sessions for up to 12 older disabled people creating therapy through stimulation and social interaction.
- Leicester Children's Holidays: 20 match funded places for disabled children to access week-long residential holidays.
- Arden RDA: Building of a field shelter and a reception shed, and riding school operational costs for the provision of supporting disabled children access therapy through horse riding.

• **Grant making policy**

The Trustees administer all grants through Mosaic 1898's Better World and are governed by its Grant Making Policy. All grants are made for projects, programmes, and initiatives that benefit disabled people in line with the charity's charitable objectives.

All projects funded are monitored by Mosaic 1898 to ensure outcomes are achieved in line with their application. Priority will be given to projects that are innovative in their approach, can evidence need and have an ambition to grow and sustain beyond the term of the grant.

The number of projects which can be supported by the Charity is, of necessity, limited to the amount of funds available for distribution in any year. Trustees will assess each application based on viability and impact.

In awarding grants, the Trustees will apply the following principles:

- Applications will only be accepted from UK registered charities and not for profit organisations (this includes charitable companies and unincorporated organisations).
- Applications will be subject to organisations' specific needs in relation to their project idea and can be for purchasing items or covering direct costs related to the running of the project only. All projects have to evidence benefit for disabled people.
- Applicants will have to evidence the need for the spend as well as show that they have exhausted alternative financial options.
- The Charity will not, save in exceptional circumstances, make individual awards for sums more than £10,000.00 (ten-thousand pounds).
- The Charity will willingly work in partnership with other organisations to fund projects beyond the financial scope of a single organisation given that the project meets Mosaic 1898 Ltd's charitable objectives.

By way of exclusion, the Trustees will not normally approve the use of the charity's funds for market research, postgraduate study, or purposes for which the government has a statutory responsibility to provide. Trustees will not approve grants for any purchases that are not evidenced in the project plan and detailed in the application from the onset, no retrospective costs can be funded by the grant.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Objectives and activities (continued)**

**Achievements and performance**

• **Review of activities**

Looking back at the work of our people, the services delivered, lives enhanced – we strongly believe our organisation continues to produce long-term social impact.

Our work in the community today is as important as ever. We proudly continue to support the most wonderful adults and children in our society to live well and access the support they choose and need. In totality we provided support services to over 2000 people living with disabilities in Leicester, Leicestershire, and Rutland, and thousands more who are caregivers and care providers.

It is our commitment that our services and the support we provide reaches more people year on year.

**Our Highlights**

This year has been a continuation of our response to the unprecedented national emergency, where the charity and our people have continued to embrace change and challenge with resilience and optimism.

In defiant hope of a way back to some normality, our dedicated and compassionate workforce and volunteers continued to passionately deliver on our mission to provide life-enhancing services and support to people living with disabilities in Leicester, Leicestershire, and beyond.

The work we embarked on this year has led to the following highlights:

- Reaching and enhancing the lives of more than 2250 disabled people, their families, caregivers, and support networks in Leicester, Leicestershire, and Rutland. This year the charity supported more people in its core services than ever before.
- A continued strong and measured COVID-19 response that placed the people we exist to support at the heart of every decision. Together with the seamless transition and adaptation in the way and where our people work and deliver services.
- Consistent and effective management of COVID-19 positive cases supported by a united adherence to preventative measures and testing.
- Delivery and advancement of tactical, operational, governance and human resource projects to achieve compliance legislatively and contractually, with a focus on Information Governance, Health and Safety, Human Resources, Marketing, and Information Technology.
  - Information Governance Compliance, up 43% to 76%
  - Health and Safety Compliance: Fire up 45% to 85%
  - Health and Safety Compliance: Lone Working up 30% to 90%
  - Health and Safety Compliance: Incident and Accident up 30% to 80%
  - Health and Safety Compliance: Asbestos up 50% to 90%
- Robust and positive financial planning, management, and performance delivering greater immediate financial stability and long-term financial sustainability.
- Successful multi-year contract awards for Direct Payment Support Services, and Leicestershire County CLC Framework – and extensions for Group Advocacy (Service User Participation), Leicester City Communities Opportunities Framework, and Paid Persons Representation Service (DoLS).



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Achievements and performance (continued)**

- Investment in staff health, well-being, and social initiatives promoting self-care, unity, belonging, kindness, and coping mechanisms in challenging times – with the Introduction of the Health Assured EAP in June 2021.
- The implementation and launch of our SAP Litmos Learning Management System with over 180 course to promote learning and development – and the introduction of Level 5 Leadership and Management qualifications with Loughborough College for managers.
- The launch and rollout of our new brand and the development of new identities of our services.
- An impact-focused presence in the community, delivering the following:
  - 1950 hours of frontline care and 34 befriending conversations every month in supporting disabled adults out in the community and in their own homes.
  - 2721 hours of adult social inclusion support in a group setting every month over 8 Leicestershire locations.
  - 1,536 hours of Saturday Club attended by disabled children in 12 months and importantly 1,536 hours of respite for parents and carers.
  - 142 holidaymakers enjoying a disability friendly get away in Norfolk, and 20 children match funded to attend a residential holiday with Leicester Children's Holiday Charity.
  - 360 hours of funded Cognitive Stimulation Therapy delivered through Messy Senses.
  - Friendly and effective support for 1200+ disabled adults receiving Direct Payments and Personal Health Budgets to access their choice of care, their 800+ personal assistants and 300+ local agencies, offering financial peace of mind to caregivers and frontline organisation in challenging times.
  - 34 hours of Group Advocacy every month raising the voices of people with lived experience of disability to influence and inform strategic decision and policy makers.
  - 450+ representation and protection visits every month to 620+ vulnerable adults suffering potential institutional harm and abuse.
  - The build of a field shelter and reception shed to enable disabled children and their families to attend horse-riding and animal therapy at Arden RDA, Lutterworth.
- Lastly, we maintained a Trustee Board that is supportive, passionate, and representative of the people we support, with at least 80% who live with a disability.

**• Information on fundraising practices**

This charity protects disabled people and the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate by avoiding street and doorstep collections.

All fundraising undertaken during the year was carried out directly by the charity, in line with their objects and no complaints were received by the charity.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Achievements and performance (continued)**

• **Investment policy**

The Trustees govern Mosaic 1898 Ltd's Investment Policy in accordance with the Charities Act 2011 and as amended Charities Act 2022, the Trustee Act 2000, and charity's Articles of Association.

The charity's Articles of Association grant Trustees power to 'invest in the name of the charity such funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in the furtherance of the objects'. In executing these powers, the Trustees must at all times strike the right balance between the two following objectives:

- Produce an income to support the charity carry out its purposes effectively in the short term.
- Maintain and, if possible, enhancing the value of the invested funds, so as to enable the charity to effectively to carry out its purposes in the longer term.

The Trustees will adopt a prudent approach to the investment of the funds, by reviewing and taking advice on investment options and performance at least annually – and restrict investments to the following:

- Shares in companies listed on recognised Stock Exchanges which are closely regulated, and where compensation schemes are in place;
- Government securities, company loan stock, deposits at banks and building societies; and
- Units in collective investment schemes, such as unit trusts, open-ended investment companies or common investment funds.

Investments will take a balanced and adverse approach to risk and protect against capital loss other than general market trends. The charity will invest within a risk profile of 5 or less, where 1 is low-risk and 10 being high-risk). The charity should seek to have a diverse portfolio of investments to reduce the risk of losses that result from over-concentrating on any sector or investment type.

The Trustees are not permitted to make any direct investment in cryptocurrency, land, or property (this does not however apply to the purchase of land or property for the use in the advancement or delivery of the charity's objects).

The Trustees will seek to invest ethically, to the exclusion of weapons, tobacco and alcohol companies, animal testing companies, gambling companies, and any other companies than cause disabilities or causing detriment to the people we support.

The Trustees may delegate the day-to-day management of the investments. This year the management of the charity's investments were delegated to Brewin Dolphin and M&G Investments.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Financial review**

• **Review**

The net incoming resources for the year before investment gains and transfers between funds for the year were £233,819 (2021 - £422,719). This is divided between the different funds; net incoming resources of £221,224 on unrestricted funds, net outgoing resources on designated funds of £1,984 and net incoming resources on restricted funds of £14,579.

After adjusting for gains on investment assets of £11,782 and pension remeasurement of £32,542, the fund balances have increased by £245,601 to £1,879,494. Of the total funds held at 31 March 2022, £165,503 related to restricted funds, £418,339 related to designated funds and £1,304,115 related to unrestricted funds excluding the pension deficit of £8,463.

The accounts show unrestricted reserves of £1,295,652 after deduction of the £8,463 pension provision which, after considering the charity's property assets of £662,617, equates to £641,498 of free reserves.

The Trustees are satisfied that adequate resources are available on a fund-by-fund basis to fulfil the obligations of the charity.

The charity accessed the government's Coronavirus Job Retention Scheme and received payments from the government's COVID-19 Business Rates Grant Support Scheme.

• **Reserves policy**

Mosaic 1898 Ltd's Reserves Policy states that the Trustees undertake:

- to review annually the level of reserves required and to record this reserve fund in the Board Minutes;
- to maintain the reserve fund in accordance with Mosaic 1898 Ltd's Investment Policy;
- to maintain the reserve fund inviolate except in an emergency, consequent use of the fund being at the express approval of the Board of Trustees; and
- to make all funds outside the reserve fund available for proper purposes and objectives of the charity.

The following conditions will also apply:

- the reserve fund will be invested in accordance with the Investment Policy;
- the amount to be held in the reserve fund is to be established by the Board, agreed formally by all the Trustees, and reviewed annually; and
- the reserve fund cannot be expanded, reduced, or increased without the express consent of the Trustees.

All interest accruing to the fund will be transferred to the working account of the charity.

Mosaic 1898 Ltd's Reserves Policy states that the appropriate level of unrestricted reserves should be approximately three months of expenditure costs being £350,000. This is to provide a contingency if the current levels of revenue decreases and for unplanned emergency repairs and other expenditure.

Actual unrestricted reserves available as at 31 March 2022 of £641,498, being unrestricted reserves of £1,304,115 less the property assets of £662,617, are above the target level. The Trustees are satisfied that adequate resources are available on a fund-by-fund basis to fulfil the obligations of the charity for the coming year, 2022 to 2023.

The Trustees are continually monitoring the charity's financial position and the current level of reserves held.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

• **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company 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.

• **Principal risks and uncertainties**

The Trustees of Mosaic 1898 Ltd are responsible for the overseeing of the risks faced by the charity.

Risks are identified, assessed and controls established throughout the period. A formal review of the charity's Risk Management Policy is undertaken annually.

The Trustees consider the key issues currently facing the organisation to be that of on-going fight against the COVID-19 pandemic, the instability in the country's economy, and the worsening cost-of-living crisis in the UK.

The Trustees maintain the reputation of the charity and its impact in the community is a priority. The charity has taken strides towards this priority over recent years in appointing a dynamic and impact focused Chief Executive Officer and taking a rigorous review of the way in which the board work and govern to ensure, it is fit for now and for the future. The Trustees are strategically seeking new Trustees to further strengthen the board's positive influence and contributions to enhance the work and reach of the charity.

• **Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate our exposure to major risks.

**Structure, governance and management**

• **Constitution**

Mosaic 1898 Ltd was established in 1954 as a charity and company limited by guarantee, registered company number 533714.

The charity is governed by its Memorandum and Articles of Association incorporated on the 26th of May 1954 and last updated in February 2000 and has a registered charity number of 214212. In the event the charity being wound up the liability of the members is limited to £1.

The principal objects of the charity are to identify and provide life enhancing services for disabled people.



**MOSAIC 1898 LTD**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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

• **Methods of appointment or election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The method of appointment remains the same; one third of the Board stand down each September and, if they would like, they put their name forward for re-election. There is no time limit as to how long someone can be a Trustee, nor is there a time limit for officers.

Election of officers takes place at the first Board of Trustees Meeting after the Annual General Meeting.

At the first Board meeting following the Annual General Meeting 2021, Deborah Southwick was elected Chair. Karen Cane and Warwick Best were elected the position of Co-Vice Chair, and Steve Smith was elected as the Treasurer and Company Secretary.

• **Governance**

While we describe members of the Board of Trustees as trustees, they are in reality Trustee-Directors, all fulfilling their role in the organisation which is both a registered charity and a company limited by guarantee.

The full Board of Trustees meet a minimum of 5 times a year including the Annual General Meeting. The Executive Team meet a minimum of 4 times a year, and consists of the Chairperson, Co-Vice Chairs, the Company Treasurer, the Company Secretary, and the Chief Executive Officer.

There is on-going and regular monitoring of the finances with Mosaic 1898 Ltd's Finance Manager in attendance to present the management accounts at the Board of Trustees Meetings.

In response to the disruption of the national emergency, all sub-committee responsibilities were absorbed by the Executive Team for this financial year.

The Trustees have again reaffirmed the importance of Mosaic 1898 Ltd's spirit as an organisation influenced by disabled people who drive the agenda on how the charity operates.

As a charity supporting disabled people, we want to increase the number of disabled people who work or volunteer for Mosaic 1898 Ltd. As part of our Equality and Diversity Policy, we commit to adjusting to meet the needs of disabled job applicants, employees, and volunteers. We aim to interview all disabled applicants that meet the minimum criteria for job vacancies, and we work with disabled staff to make appropriate adjustments to ensure that they can stay in employment.

The Trustees maintain the reputation of the charity and its impact in the community is a priority and continue to review and improve the way in which the board work and govern to ensure we are fit for the future.

**MOSAIC 1898 LTD**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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

• **Organisational structure and decision making**

Against the most challenging of backdrops, the charity continues to evolve in impact and reach – and therefore in structure. The charity's operational structure is separated by nine core services and functions, led holistically by the Chief Executive Officer, and supported by the respective Service and Function Managers.

1. Senior Leadership and Strategy
2. Central Operations and Administration
3. Direct Payments Support Service
4. Liberty, Advocacy and Voice
5. Care and Leisure Services
6. Children's Services
7. Better World
8. Other Services

The Directors, who are the charity's Trustees, are responsible for setting the pay of key management personnel. All Trustees give of their time freely and no trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts. The pay of executive level staff is reviewed annually.

**Plans for future periods**

We remain fiercely committed to our mission and purpose; we strive to be a compassionate charity leading the way in enhancing lives and shaping disability care and support services which promote inclusion, equality, independence, choice, empowerment, dignity, and respect.

As the government's Living with COVID-19 falls into place, our immediate focus is to support disabled people carefully and sensitively navigate the challenges of returning to their everyday lives.

Our absolute priority remains the health, safety, and well-being of disabled people, our staff, and volunteers – we know that supporting people recover from the effects of the pandemic will be a part of our work for years to come.

Originally earmarked for 2021, we will launch our ambitious three-year strategic plan in 2022. Our strategic priorities will centre on taking our charity forward to be more responsive, more effective, more prevalent, and even more relevant to the needs of disabled people.

We will continue to listen and be led by the voices of who know best what is needed, we will react, and we continue to develop the provision of support and care for those who need it most.

We look forward to a bright future with much anticipation and excitement in our constant pursuit to truly enhance lives.



**MOSAIC 1898 LTD**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Statement of Trustees' responsibilities**

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

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 charitable company and of its incoming resources and application of resources, including its 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 charitable company will continue in business.

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

**Disclosure of information to auditors**

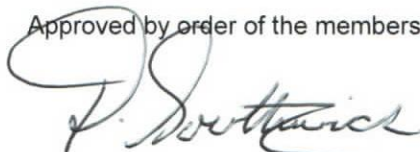
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are 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 charity's auditors are aware of that information.

**Auditors**

The auditors, Magma Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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



**Deborah Southwick**

Chair

Date: 29/9/22

**MOSAIC 1898 LTD**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOSAIC 1898 LTD**

**Opinion**

We have audited the financial statements of Mosaic 1898 Ltd (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council'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.



**MOSAIC 1898 LTD**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOSAIC 1898 LTD (CONTINUED)**

**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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; 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 Trustees' report and from the requirement to prepare a Strategic report.

**Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**MOSAIC 1898 LTD**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOSAIC 1898 LTD (CONTINUED)**

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

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

Based on our understanding of the charity and the sector, we have identified that the principal risks of non-compliance with laws and regulations related to UK Tax and legislation and breaches with the Charity Commission.

We have considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011 and the provisions of the Charities SORP. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries, and management bias in accounting estimates. Audit procedures performed included:

- Enquiries with management for consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Challenging assumptions made by management in their accounting estimates, in particular in relation to depreciation charges, impairment of debtors and the defined benefit pension liability.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, journal entries crediting revenue, journal entries crediting cash and journal entries with specific defined descriptions.

There are inherent limitations in the audit procedures described above. The more removed non-compliance with laws and regulations is, from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by forgery or intentional misrepresentation, for example, or through collusion.

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 Auditors' report.



**MOSAIC 1898 LTD**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOSAIC 1898 LTD (CONTINUED)**

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Magma Audit LLP.*

**Luke Turner ACA FCCA (Senior statutory auditor)**

for and on behalf of

**Magma Audit LLP**

Chartered Accountants

Statutory Auditor

Unit 2, Charnwood Edge Business Park

Syston Road

Cossington

Leicestershire

LE7 4UZ

Date: 10/10/22.

**MOSAIC 1898 LTD**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	4	65,717	46,731	112,448	311,987
Charitable activities	5	49,792	1,570,203	1,619,995	1,420,696
Other trading activities	6	-	1,337	1,337	2,298
Investments	7	-	2,879	2,879	2,993
<b>Total income</b>		<b>115,509</b>	<b>1,621,150</b>	<b>1,736,659</b>	<b>1,737,974</b>
<b>Expenditure on:</b>					
Raising funds		-	1,200	1,200	1,200
Charitable activities	10	100,930	1,400,710	1,501,640	1,314,055
<b>Total expenditure</b>		<b>100,930</b>	<b>1,401,910</b>	<b>1,502,840</b>	<b>1,315,255</b>
<b>Net income before net gains on investments</b>		<b>14,579</b>	<b>219,240</b>	<b>233,819</b>	<b>422,719</b>
Net gains on investments	15	-	11,782	11,782	39,800
<b>Net income</b>		<b>14,579</b>	<b>231,022</b>	<b>245,601</b>	<b>462,519</b>
Transfers between funds	18	(1,726)	1,726	-	-
<b>Net movement in funds</b>		<b>12,853</b>	<b>232,748</b>	<b>245,601</b>	<b>462,519</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		152,650	1,481,243	1,633,893	1,171,374
Net movement in funds		12,853	232,748	245,601	462,519
<b>Total funds carried forward</b>	<b>18</b>	<b>165,503</b>	<b>1,713,991</b>	<b>1,879,494</b>	<b>1,633,893</b>

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

The notes on pages 23 to 45 form part of these financial statements.



**MOSAIC 1898 LTD**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 00533714**

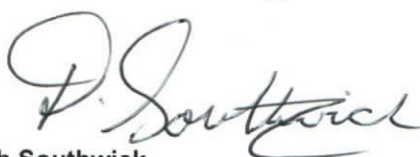
**BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	784,450	802,854
Investments	15	225,925	215,343
		<u>1,010,375</u>	<u>1,018,197</u>
<b>Current assets</b>			
Debtors	16	167,224	154,780
Cash at bank and in hand		824,878	631,453
		<u>992,102</u>	<u>786,233</u>
Creditors: amounts falling due within one year	17	(114,520)	(129,532)
<b>Net current assets</b>		<u>877,582</u>	<u>656,701</u>
<b>Total assets less current liabilities</b>		<u>1,887,957</u>	<u>1,674,898</u>
<b>Net assets excluding pension liability</b>		<u>1,887,957</u>	<u>1,674,898</u>
Defined benefit pension scheme liability	23	(8,463)	(41,005)
<b>Total net assets</b>		<u><u>1,879,494</u></u>	<u><u>1,633,893</u></u>
<b>Charity funds</b>			
Restricted funds	18	165,503	152,650
Unrestricted funds	18	1,713,991	1,481,243
<b>Total funds</b>		<u><u>1,879,494</u></u>	<u><u>1,633,893</u></u>

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 have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



**Deborah Southwick**  
Chair  
Date: 29.9.22

The notes on pages 23 to 45 form part of these financial statements.

**MOSAIC 1898 LTD**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	198,427	417,047
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	2,879	2,993
Purchase of tangible fixed assets	(9,081)	(23,233)
Proceeds from sale of investments	22,526	34,393
Purchase of investments	(21,326)	(33,193)
<b>Net cash used in investing activities</b>	(5,002)	(19,040)
<b>Cash flows from financing activities</b>		
<b>Net cash provided by financing activities</b>	-	-
<b>Change in cash and cash equivalents in the year</b>	193,425	398,007
Cash and cash equivalents at the beginning of the year	631,453	233,446
<b>Cash and cash equivalents at the end of the year</b>	824,878	631,453

The notes on pages 23 to 45 form part of these financial statements



**MOSAIC 1898 LTD**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**1. General information**

Mosaic 1898 Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Oak Spinney Park, Ratby Lane, Leicester Forest East, Leicester, LE3 3AW.

**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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Mosaic 1898 Ltd 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.

**2.2 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 12 months following the approval of the financial statements. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**2.3 Income**

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charitable company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charitable company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the charitable company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charitable company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**MOSAIC 1898 LTD**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**2. Accounting policies (continued)**

**2.3 Income (continued)**

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**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.

Expenditure on raising funds includes all expenditure incurred by the charitable company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated support costs.

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.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £500 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.



**MOSAIC 1898 LTD**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**2. Accounting policies (continued)**

**2.6 Tangible fixed assets and depreciation (continued)**

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	- 2% straight line
Narrowboat	- 3.33% straight line
Fixtures and fittings	- 10% reducing balance
Computer equipment	- 50% straight line

**2.7 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 Statement of financial activities.

**2.8 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.

**2.9 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.

**2.10 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 charitable company 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 Statement of financial activities as a finance cost.

**2.11 Financial instruments**

The charitable company 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.

**2.12 Operating leases**

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

**MOSAIC 1898 LTD**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**2. Accounting policies (continued)**

**2.13 Pensions**

The charitable company operates a defined benefits pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore as required FRS102, the charity accounts for this scheme as if it was defined contribution scheme. The amount charged to the Statement of Financial Activities Incorporating the Income and Expenditure account represents contributions payable to the scheme in respect of the accounting period.

Under FRS 102 the charitable company has recognised in the accounts a liability for the net present value of the deficit reduction contributions payable under the agreed deficit funding arrangement following an actuarial valuation dated 30 September 2020.

**2.14 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 charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company 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.

Investment income, gains and losses are allocated to the appropriate fund.



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**3. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**Useful economic lives of tangible assets**

The annual depreciation charge of tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See note 14 for the carrying amount of the property plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

**Defined benefit pension scheme**

The present value of the TPT Retirement Solutions - Growth Plan defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. See note 20.

**Impairment of debtors**

The charitable company makes an estimate of the recoverable value of trade debtors. When assessing any impairment of trade debtors, management consider factors, the aging profile of the debtors and the individual circumstances of each debt.

**4. Income from donations and legacies**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Donations	20,047	2,300	<b>22,347</b>	6,367
Other grants	10,000	-	<b>10,000</b>	-
Government grants	35,670	44,431	<b>80,101</b>	305,620
<b>Total 2022</b>	<b>65,717</b>	<b>46,731</b>	<b>112,448</b>	<b>311,987</b>
<i>Total 2021</i>	<i>6,367</i>	<i>305,620</i>	<i>311,987</i>	

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**5. Income from charitable activities**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Liberty, Advocacy and Voice	36,000	181,323	<b>217,323</b>	183,759
Colton Care	-	467,106	<b>467,106</b>	373,123
Creating Opportunities - activity groups and leisure	13,792	569,008	<b>582,800</b>	552,845
Direct Payments Support Service	-	352,766	<b>352,766</b>	310,969
<b>Total 2022</b>	<u>49,792</u>	<u>1,570,203</u>	<u><b>1,619,995</b></u>	<u>1,420,696</u>
<i>Total 2021</i>	<u>584,845</u>	<u>835,851</u>	<u>1,420,696</u>	

**6. Income from other trading activities**

**Income from fundraising events**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Training and other income	1,337	<b>1,337</b>	2,298
<i>Total 2021</i>	<u>2,298</u>	<u>2,298</u>	

**7. Investment income**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Listed investments	2,879	<b>2,879</b>	2,993
<i>Total 2021</i>	<u>2,993</u>	<u>2,993</u>	



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**8. Analysis of expenditure by activities**

	Direct costs 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Liberty, Advocacy and Voice	120,940	-	22,531	<b>143,471</b>	133,374
Colton Care	381,245	-	74,723	<b>455,968</b>	395,602
Creating Opportunities	491,575	-	117,374	<b>608,949</b>	517,776
Direct Payments Support Service	230,313	-	50,228	<b>280,541</b>	247,172
County COVID-19 grant	-	-	-	-	13,611
Other expenditure	-	-	376	<b>376</b>	6,520
Mosaic Better World	-	12,335	-	<b>12,335</b>	-
<b>Total 2022</b>	<u>1,224,073</u>	<u>12,335</u>	<u>265,232</u>	<u><b>1,501,640</b></u>	<u>1,314,055</u>
<i>Total 2021</i>	<u>1,070,026</u>	<u>-</u>	<u>244,029</u>	<u>1,314,055</u>	

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

**Analysis of direct costs**

	Liberty, Advocacy and Voice 2022 £	Colton Care 2022 £	Creating Opportunities 2022 £	Direct Payments Support Service 2022 £
Staff costs	107,923	362,361	377,869	211,110
Other direct costs	13,017	18,884	113,706	19,203
<b>Total 2022</b>	<b>120,940</b>	<b>381,245</b>	<b>491,575</b>	<b>230,313</b>
<i>Total 2021</i>	<i>109,219</i>	<i>335,023</i>	<i>431,302</i>	<i>180,871</i>

	County COVID-19 grant 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	-	1,059,263	982,787
Other direct costs	-	164,810	87,239
<b>Total 2022</b>	<b>-</b>	<b>1,224,073</b>	<b>1,070,026</b>
<i>Total 2021</i>	<i>13,611</i>	<i>1,070,026</i>	



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

**Analysis of support costs**

	Liberty, Advocacy and Voice 2022 £	Colton Care 2022 £	Creating Opportunities 2022 £	Direct Payments Support Service 2022 £
Staff costs	8,055	26,700	43,724	18,724
Depreciation	2,340	7,766	11,909	5,094
Other support costs	5,522	18,316	28,092	12,016
Legal and professional fees	532	1,766	2,708	1,158
Other premises costs	1,320	4,378	6,714	2,872
Insurance	849	2,816	4,319	1,848
Equipment costs	2,268	7,524	11,539	4,936
Irrecoverable VAT	1,054	3,496	5,362	2,294
Governance	591	1,961	3,007	1,286
<b>Total 2022</b>	<b>22,531</b>	<b>74,723</b>	<b>117,374</b>	<b>50,228</b>
<i>Total 2021</i>	<i>24,155</i>	<i>60,579</i>	<i>86,474</i>	<i>66,301</i>

	Other expenditure 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	-	97,203	114,118
Depreciation	376	27,485	27,485
Other support costs	-	63,946	35,695
Legal and professional fees	-	6,164	1,214
Other premises costs	-	15,284	23,042
Insurance	-	9,832	8,613
Equipment costs	-	26,267	18,383
Irrecoverable VAT	-	12,206	10,441
Governance	-	6,845	5,038
<b>Total 2022</b>	<b>376</b>	<b>265,232</b>	<b>244,029</b>
<i>Total 2021</i>	<i>6,520</i>	<i>244,029</i>	

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**9. Grant funding of activities**

	2022 £	2021 £
<b>Grants paid to institutions</b>		
Arden RDA Group	6,600	-
Leicester Children's Holiday's	2,000	-
Messy Senses	1,175	-
Sharma Womens Centre	500	-
Vacuwx Limited	2,000	-
Other	60	-
	<u>12,335</u>	<u>-</u>



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**10. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £	Total 2021 £
Liberty, Advocacy and Voice	20,358	123,113	143,471	133,374
Colton Care	14,336	441,632	455,968	395,602
Creating Opportunities	65,860	543,089	608,949	517,776
Direct Payments Support Service	-	280,541	280,541	247,172
County COVID-19 grant	-	-	-	13,611
Other expenditure	376	-	376	6,520
Mosaic Better World	-	12,335	12,335	-
<b>Total 2022</b>	<u>100,930</u>	<u>1,400,710</u>	<u>1,501,640</u>	<u>1,314,055</u>
<i>Total 2021</i>	<u>65,689</u>	<u>1,248,366</u>	<u>1,314,055</u>	

**Summary by expenditure type**

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £	Total 2021 £
Liberty, Advocacy and Voice	115,978	2,340	25,153	143,471	133,374
Colton Care	389,061	7,766	59,141	455,968	395,602
Creating Opportunities	421,593	11,909	175,447	608,949	517,776
Direct Payments Support Service	229,834	5,094	45,613	280,541	247,172
County COVID-19 grant	-	-	-	-	13,611
Other expenditure	-	376	-	376	6,520
Mosaic Better World	-	-	12,335	12,335	-
<b>Total 2022</b>	<u>1,156,466</u>	<u>27,485</u>	<u>317,689</u>	<u>1,501,640</u>	<u>1,314,055</u>
<i>Total 2021</i>	<u>1,096,905</u>	<u>27,485</u>	<u>189,665</u>	<u>1,314,055</u>	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**11. Auditors' remuneration**

	2022 £	2021 £
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	<u>6,750</u>	<u>4,995</u>

**12. Staff costs**

	2022 £	2021 £
Wages and salaries	1,094,038	1,024,809
Social security costs	60,225	48,325
Contribution to defined contribution pension schemes	2,203	23,771
	<u>1,156,466</u>	<u>1,096,905</u>

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

	2022 No.	2021 No.
Average employees	<u>86</u>	<u>90</u>

The average monthly number of staff employed by the charity were engaged in the following services:

	2022 Number		2021 Number	
	Employed	Voluntary	Employed	Voluntary
Dols	9	-	10	-
Leisure services	1	-	1	-
Creating Opportunities	30	-	34	-
Advocacy	6	-	5	-
Self Directed Support Services	11	-	11	-
Colton Care	25	-	26	-
Reception	1	-	-	-
Management and administration	3	-	3	-
	<u>86</u>	<u>-</u>	<u>90</u>	<u>-</u>

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**12. Staff costs (continued)**

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

	<b>2022 No.</b>	<i>2021 No.</i>
In the band £60,001 - £70,000	1	-

Included in staff costs are termination payments of £NIL (2021 - £1,587) made during the year.

The total employee benefits of the key management personnel of the charity were £109,992 (2021 - £80,096).

**13. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, expenses totalling £NIL were reimbursed or paid directly to any Trustee (2021 - £18 to 1 Trustee).

**14. Tangible fixed assets**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 April 2021	844,735	115,502	51,137	127,502	1,138,876
Additions	-	-	7,665	1,416	9,081
At 31 March 2022	<u>844,735</u>	<u>115,502</u>	<u>58,802</u>	<u>128,918</u>	<u>1,147,957</u>
<b>Depreciation</b>					
At 1 April 2021	183,144	11,197	18,408	123,273	336,022
Charge for the year	16,893	3,850	3,529	3,213	27,485
At 31 March 2022	<u>200,037</u>	<u>15,047</u>	<u>21,937</u>	<u>126,486</u>	<u>363,507</u>
<b>Net book value</b>					
At 31 March 2022	<u>644,698</u>	<u>100,455</u>	<u>36,865</u>	<u>2,432</u>	<u>784,450</u>
At 31 March 2021	<u>661,591</u>	<u>104,305</u>	<u>32,729</u>	<u>4,229</u>	<u>802,854</u>



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The tangible fixed assets are used in the following departments:

	Depreciation charge £	Net book value £
Aspire and holidays	3,857	100,533
LCC Capital Grant	376	3,380
Management and Administration	23,077	678,966
Advocacy	-	-
Self Directed Support	175	1,571
	<u>27,485</u>	<u>784,450</u>

**15. Fixed asset investments**

	Listed investments £
<b>Market value</b>	
At 1 April 2021	215,343
Additions	21,326
Disposals	(22,526)
Revaluations	11,782
At 31 March 2022	<u>225,925</u>

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**16. Debtors**

	2022 £	2021 £
Trade debtors	83,921	85,167
Other debtors	-	1,606
Prepayments and accrued income	83,303	67,857
Tax recoverable	-	150
	<u>167,224</u>	<u>154,780</u>

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

	2022 £	2021 £
Trade creditors	31,239	20,745
Other taxation and social security	30,916	45,556
Other creditors	7,772	5,411
Accruals and deferred income	44,593	57,820
	<u>114,520</u>	<u>129,532</u>

	2022 £	2021 £
Deferred income at 1 April 2021	31,665	17,267
Resources deferred during the year	8,182	31,665
Amounts released from previous periods	(31,665)	(17,267)
	<u>8,182</u>	<u>31,665</u>

A retention of £13,152, which has not been provided in the accounts, is secured by a legal charge over the freehold property at 2 Oak Spinney Park.

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

**Statement of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Reserve fund	261,864	-	-	88,136	-	350,000
Property fund	46,237	-	(256)	-	-	45,981
Sensory room fund	24,086	-	(1,728)	-	-	22,358
	<u>332,187</u>	<u>-</u>	<u>(1,984)</u>	<u>88,136</u>	<u>-</u>	<u>418,339</u>
<b>General funds</b>						
Unrestricted funds	510,549	1,621,150	(1,415,573)	(86,410)	11,782	641,498
Property assets	679,512	-	(16,895)	-	-	662,617
Pension reserve	(41,005)	-	32,542	-	-	(8,463)
	<u>1,149,056</u>	<u>1,621,150</u>	<u>(1,399,926)</u>	<u>(86,410)</u>	<u>11,782</u>	<u>1,295,652</u>
<b>Total Unrestricted funds</b>	<u>1,481,243</u>	<u>1,621,150</u>	<u>(1,401,910)</u>	<u>1,726</u>	<u>11,782</u>	<u>1,713,991</u>
<b>Restricted funds</b>						
LCC Capital Grants	3,756	-	(376)	-	-	3,380
LCC Group Advocacy	15,017	36,000	(20,357)	-	-	30,660
Narrowboat Donations	104,305	47	(3,897)	-	-	100,455
Bungalow	28,371	55,126	(61,863)	(1,726)	-	19,908
Leicestershire County Council	-	14,336	(14,336)	-	-	-
Openwork Foundation	-	10,000	-	-	-	10,000
Childrens' Short Breaks	101	-	(101)	-	-	-
Solar panel donations	1,100	-	-	-	-	1,100
	<u>152,650</u>	<u>115,509</u>	<u>(100,930)</u>	<u>(1,726)</u>	<u>-</u>	<u>165,503</u>
<b>Total of funds</b>	<u>1,633,893</u>	<u>1,736,659</u>	<u>(1,502,840)</u>	<u>-</u>	<u>11,782</u>	<u>1,879,494</u>



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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2021 £</i>
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Reserves fund	261,864	-	-	-	261,864
Property fund	46,237	-	-	-	46,237
Sensory room fund	25,000	-	(914)	-	24,086
	<u>333,101</u>	<u>-</u>	<u>(914)</u>	<u>-</u>	<u>332,187</u>
<b>General funds</b>					
Unrestricted funds	66,090	1,643,992	(1,239,333)	39,800	510,549
Property assets	696,411	-	(16,899)	-	679,512
Pension reserve	(48,585)	-	7,580	-	(41,005)
	<u>713,916</u>	<u>1,643,992</u>	<u>(1,248,652)</u>	<u>39,800</u>	<u>1,149,056</u>
<b>Total Unrestricted funds</b>	<u>1,047,017</u>	<u>1,643,992</u>	<u>(1,249,566)</u>	<u>39,800</u>	<u>1,481,243</u>
<b>Restricted funds</b>					
LCC Capital Grants	10,276	-	(6,520)	-	3,756
LCC Group Advocacy	4,725	32,000	(21,708)	-	15,017
Narrowboat donations	108,155	2,500	(6,350)	-	104,305
Bungalow	-	45,871	(17,500)	-	28,371
Children's Short Breaks	101	-	-	-	101
Solar panel donations	1,100	-	-	-	1,100
COVID-19 grant	-	13,611	(13,611)	-	-
	<u>124,357</u>	<u>93,982</u>	<u>(65,689)</u>	<u>-</u>	<u>152,650</u>
<b>Total of funds</b>	<u>1,171,374</u>	<u>1,737,974</u>	<u>(1,315,255)</u>	<u>39,800</u>	<u>1,633,893</u>

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**18. Statement of funds (continued)**

**Unrestricted Funds**

**The Reserve Fund**

The reserve fund has been set up in line with the risk assessment carried out by the Trustees. This amount has been set aside to cover the work of the organisation in the event that funding should cease. This should cover approximately 3 months staff costs. An amount of £88,136 was transferred into the fund during the year to align with levels of current staff costs.

**The Property Fund**

This fund is to cover expected future property maintenance costs. During the year, £7,665 was spent on LED lighting upgrades. Expenditure of £256 was charged to the fund as depreciation.

**Sensory Room Fund**

It has long been an ambition of the charity to develop sensory facilities for the people it supports. The sensory room offers a safe environment in which individuals with learning and developmental disabilities can freely interact with the world around them. The fund balance of £22,358, remaining at 31 March 2022, is made up of the asset value of £15,555 and cash held in the amount of £6,803.

**Property Assets**

The value of unrestricted funds represented by the tangible fixed assets owned and used by the charity on an ongoing basis.

**Restricted Funds**

The Leicester City Council (LCC) Capital grant is towards the purchase of furniture and fittings for use by Mosaic's groups at Oak Spinney Park. The balance remaining represents the asset value at 31 March 2022.

The Leicester City Council Group Advocacy grant is to fund a service to help support Adult Social Care. The contract will run for a minimum of three years.

Mosaic 1898 raised funds towards the purchase of a new narrowboat to replace Sunbeam after 38 years of service. The narrowboat was purchased in 2017/18 and the balance carried forward relates to the net book value of Sunbeam II at the year end.

The Bungalow fund represents cash to be used for internal repairs, replacement furniture and running costs for the bungalows. During the year, £21,334 was received from North Norfolk District Council in the form of grants to support the Bungalows during periods of closure due to the COVID-19 pandemic. In addition, a donation was received from the Corah Trust of £20,000. A total of £61,863 was spent on the refurbishment and running costs of the two bungalows. The transfer from the fund is to replace a historic shortfall originally taken from unrestricted funds.

During the year, a grant was received from Leicestershire County Council to meet the costs of an early uplift to the new living wage plus a Winter Loyalty Bonus for front line staff who had worked through the COVID-19 pandemic. The funds were fully spent in the March payroll.

A grant for £10,000 was received from The Openwork Foundation. This is to support disabled children to access tutorship and additional educational opportunities. The grant will be spent in 2022/2023.

Children's Short Breaks provides respite breaks to disabled children in the City, all funds were spent during the year.

The Solar panel donations are in respect of mosaic raising funds towards the installation of a 7,500 Watt Solar Panel System on the roof of its Head Office at Oak Spinney Park. The aim of the project is to reduce the charity's energy costs and carbon footprint, and help to address the effects of climate change.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. Analysis of net assets between funds**

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

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	103,913	680,537	<b>784,450</b>
Fixed asset investments	-	225,925	<b>225,925</b>
Current assets	73,194	918,908	<b>992,102</b>
Creditors due within one year	(11,604)	(102,916)	<b>(114,520)</b>
Provisions for liabilities and charges	-	(8,463)	<b>(8,463)</b>
<b>Total</b>	<b>165,503</b>	<b>1,713,991</b>	<b>1,879,494</b>

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

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	108,147	694,707	802,854
Fixed asset investments	-	215,343	215,343
Current assets	47,688	738,545	786,233
Creditors due within one year	(3,185)	(126,347)	(129,532)
Provisions for liabilities and charges	-	(41,005)	(41,005)
<b>Total</b>	<b>152,650</b>	<b>1,481,243</b>	<b>1,633,893</b>



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

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	<b>245,601</b>	462,519
<b>Adjustments for:</b>		
Depreciation charges	27,485	27,485
Gains on investments	(11,782)	(39,800)
Dividends, interests and rents from investments	(2,879)	(2,993)
Decrease/(increase) in debtors	(12,444)	11,254
Decrease in creditors	(15,012)	(33,838)
Pension movement	(32,542)	(7,580)
<b>Net cash provided by operating activities</b>	<b>198,427</b>	417,047

**21. Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash in hand	824,878	631,453
<b>Total cash and cash equivalents</b>	<b>824,878</b>	631,453

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

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	631,453	193,425	824,878
	<b>631,453</b>	<b>193,425</b>	<b>824,878</b>

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**23. Pension commitments**

Mosaic 1898 Ltd is a member of TPT Retirement Solutions - The Growth Plan, a multi-employer defined benefit scheme which is in deficit. As a member it is not possible for the charity to identify its share of the underlying assets and liabilities therefore it accounts for the scheme as a defined contributions pension scheme.

Following an actuarial review of the scheme, TPT Retirement Solutions put in place a 'Recovery Plan' to eliminate the deficit over a ten year period commencing from 1 April 2013. The Recovery Plan contributions will increase by 3% in April of each year. Should the charity withdraw from the scheme whilst the scheme is in deficit it would be required by law to pay its share of the deficit, but this debt liability will not crystallise as long as mosaic continue to employ at least one active member of the scheme.

Under FRS 102 the charity has recognised a liability for the obligation to pay the deficit funding over the recovery period with the amount recognised being the net present value of the deficit reduction contributions payable under the agreement.

Present value of provision

	<b>31 March 2022 £</b>	<i>31 March 2021 £</i>
Present value of provision	<b>8,463</b>	<i>41,005</i>

Reconciliation of opening and closing provisions:

	<b>31 March 2022 £</b>	<i>31 March 2021 £</i>
Opening provision	<b>41,005</b>	<i>48,585</i>
Unwinding of discount factor (interest expense)	<b>236</b>	<i>1,092</i>
Deficit contributions paid	<b>(10,377)</b>	<i>(10,074)</i>
Change in assumptions	<b>(195)</b>	<i>1,402</i>
Amendments to contributions	<b>(22,206)</b>	<i>-</i>
Closing provision	<b>8,463</b>	<i>41,005</i>

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The amount recognised in the statement of financial activities are as follows:

	<b>31 March 2022 £</b>	<i>31 March 2021 £</i>
Interest expense	<b>236</b>	<i>1,092</i>
Change in assumptions	<b>(195)</b>	<i>1,402</i>
Amendments to contributions	<b>(22,206)</b>	<i>-</i>
Total	<b>(22,165)</b>	<i>2,494</i>

Principal actuarial assumptions at the balance sheet date:

	<b>31 March 2022 % per annum</b>	<i>31 March 2021 % per annum</i>
Rate of discount	<b>2.35</b>	<i>0.66</i>

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The charity expects to contribute £3,083 in respect of the recovery plan contributions during 2022/23.

**24. Operating lease commitments**

At 31 March 2022 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2022 £</b>	<i>2021 £</i>
Within 1 year	<b>11,141</b>	<i>11,204</i>
Between 1 and 5 years	<b>2,910</b>	<i>14,050</i>
After more than 5 years	<b>-</b>	<i>364</i>
	<b>14,051</b>	<i>25,618</i>



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**25. Related party transactions**

Karen Cane a Trustee is also a Trustee of Leicester Outdoor Pursuits Centre. During the year Mosaic 1898 Ltd paid £14,694 (2021 - £8,225) for room hire at the organisation. At the year end there is a balance owing by the charity of £1,323 (2021 - £1,285). The transactions were carried out at arm's length and in accordance with the charity's activities and objectives.

There have been no other related party transactions in the reporting period that require disclosure.

**26. Direct payment support scheme**

The charity holds funds, in two separate bank accounts under the Direct Payment Support Scheme, which are receipts from Leicester City Council, Leicestershire County Council and the NHS, to be paid onto certain individuals as specified by them and in accordance with the terms of the Direct Payment Support Scheme. This is commonly known as the Third Party Scheme. The purpose of this scheme falls within the objectives of Mosaic 1898 Ltd. The income and expenditure and balances held at the year end are excluded from the charity's accounts.

The amount held at the year end was £7,985,481 (2021 - £6,708,535).