

Phab Limited

(A company limited by guarantee)

Registered Company No. 1598587

Registered Charity No. 283931

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

YEAR ENDED

31st MARCH 2022



Legal and Administrative Information	1-2
Trustees' Report	3-9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13-23

Phab Limited
Year ended 31 March 2022
Legal and Administrative information

Working Name Phab

Constitution Phab Limited is a company limited by guarantee (no.1598587) incorporated in England and Wales on 19 November 1981 and a registered charity (no.283931). Its governing document is the Memorandum and Articles of Association.

Objects To promote and encourage people of all abilities to come together on equal terms to achieve complete inclusion within the wider community.

President Anita Dobson

Board of Trustees

Julia Giles MBE, Chair

Geoffrey Chivers, Deputy Chair & Treasurer (Resigning 26/10/22)

Philip Ford (Resigned 27/10/21)

Nicholas Maloney (Appointed 27/10/21)

Rosalind Probert

Mark Robinson (Appointed 26/01/22)

Gregory Howell

Lorna Howell

For the purposes of the Companies Act 2006, the Board of Trustees is regarded as the Board of Directors of the company.

Election of Trustees Trustees are elected by members at the Annual General Meeting. One third retires annually. The retiring trustees are required to be those who have served the longest. As trustees are appointed 'en bloc' at the AGM, those chosen to retire are selected by lots. The retiring trustees, presuming they are eligible, may put themselves forward for re-appointment. Additionally, the Board may make appointments from time to time to fill vacancies. The Board meets up to four times a year, and it is their responsibility to review strategy and operational performance, to set budgets and approve operating plans. They receive regular briefings on current topics.

Management The Board currently delegates certain functions to the Finance Committee. Membership is as below. (* Denotes staff in attendance). The minutes of the finance committee are submitted to a full Board Meeting for approval. The decisions taken or actions agreed are implemented by the principal officers where appropriate.

Finance Committee Geoffrey Chivers; (Resigning 26/10/22)
Julia Giles MBE
Martin Holdsworth*(Resigning 26/10/22)
Anne Joyce* (Resigned 31/03/22)*
Dawn Vickers* (Appointed 07/06/22)
Michael Wallace* (Appointed 18/07/22)
Nicholas Maloney (Succeeds Geoffrey Chivers on 26/10/22)

The Finance Committee meets up to nine times a year to monitor the current and on-going financial position. It also deals with statutory matters and reviews the risk position. The membership of the committee is such that it is effectively quorate as a Board Meeting. It is therefore able to take any urgent decisions which cannot wait for a full Board Meeting.

Phab Limited
Year ended 31 March 2022
Legal and Administrative information (continued)

Subsidiary

John Corless holds one ordinary share in Phab UK Enterprises Ltd as nominee for Phab Limited.

Principal Officers

Dawn Vickers – Co Chief Executive Officer (Appointed 07/06/22)

Michael Wallace – Co Chief Executive Officer (Appointed 18/07/22)

Martin Holdsworth – Chief Financial Officer & Company Secretary (Resigning 26/10/22)

Anne Joyce – Chief Operations Officer (Resigned 31/03/22)

Principal Professional Advisors:

Independent

Examiner: JCS Accountants, 5 Robin Hood Lane, Sutton, Surrey SM1 2SW

Bankers: CAF Bank Limited, Kings Hill, West Malling, Kent ME19 4TA
National Westminster Bank plc, Tavistock House, Tavistock Square, London WC1H 9XA

Solicitors: Medlicott & Benson, 5 Curates Walk, Wilmington, Kent, DA2 7BJ

Registered Office: Summit House, Wandle Road, Croydon CR0 1DF
(This is also the Principal Office of Phab)

Websites: www.phab.org.uk and www.phabkids.co.uk

Phab Limited
Year ended 31 March 2022
Trustees' Report

The Board of Trustees of Phab (the "charity") presents its annual report and the independently examined financial statements for the year ended 31st March 2022. This report also contains the information required by the directors' report under company law.

Objectives

The aim of Phab is the inclusion of disabled and non-disabled people on equal terms, making more of life together. Phab offers all people opportunity and personal growth, changing attitudes and breaking down barriers within the wider community.

Core to achieving this aim are Phab clubs. These are independently run, user led, grassroots organisations, shaped by all their members. Primarily in social and informal settings, Phab clubs provide opportunities for all members to enjoy participating in all activities together on equal terms, by doing things differently. They are voluntary in that they are not run by a statutory body or business; attendance is not a requirement, and they are generally run entirely by volunteers. Those who participate in Phab clubs are encouraged to take their experience and learning of inclusion with them into their broader life. Clubs do not operate in isolation, they work in their community and spread the aim of inclusion wherever they participate in activities beyond the club.

Alongside clubs, there are Phab projects. They provide opportunities to bring together disabled and non-disabled people to achieve inclusion during a defined period of time such as residential. Projects can be independently run as camps, operate in schools or universities, or organised centrally by Phab Ltd. The participants in Phab projects are given opportunities to realise their full potential as equals and so gain both social and personal growth through taking part in the activities on equal terms. As with clubs, those who participate in projects are encouraged to take their experience and learning of inclusion into their broader life.

The success of Phab Ltd can be measured by the success of Phab clubs and projects, which are in turn measured by the impact on participants and the community around it. Phab Ltd provides support for clubs and projects to operate inclusively on equal terms for disabled and non-disabled people.

Overview of Objectives

- To ensure the Phab organisation is progressive, looking to the future and keeping pace with change.
- To support clubs and projects in creating opportunities for disabled and non-disabled people to come together through social and leisure activities, promoting fun and friendship and growing life-skills.
- To grow the network of clubs and projects across the regions.
- To increase public awareness of the opportunities offered by Phab within the wider community and the requirement for inclusion in society.
- To improve communication with all of those who have engaged in Phab to increase their involvement and support.
- To prepare for a future diverse workforce and ensure sustainability of the central organisation.

Management, Trustees and Key Management Personnel

The following is further to the structural and management information shown on pages 1 and 2.

Selection and induction of Trustees

Every region of Phab (currently 4) is represented on the Board by its Regional Chair. Each has extensive experience at Club level and is usually either a Club leader or Club Chair. The trustees and senior officers are always on the alert for suitable potential trustees with the right mix of skills to enhance the Board. The Board considers nominations to serve as trustees and interviews candidates. Co-option onto the Board is permissible at any time. Each trustee on joining the Board is provided with a copy of the latest published accounts which detail the operational framework and financial position. They also receive the Charity Commission publication CC3 – "The Essential Trustee – What you need to know" and regular appropriate Safeguarding training.

Training

All trustees and operational staff are certificated by The Care School in Safeguarding Adults and Children. All staff have received training in The Social Model of Disability. Staff members who manage projects have updated their training in medication awareness, person centred care, first aid (including sports injuries) moving and handling and Makaton. Staff members have also given training to summer project volunteers on Safeguarding, Health & Safety, Assessing Risk and Disability Equality. Trustees and staff also subscribe to relevant industry and professional publications to keep abreast of developments in charity law and practice.

Phab Limited
Year ended 31 March 2022
Trustees' Report (continued)

Key Management Personnel

The Trustees consider that they, together with the Principal Officers comprise the Key Management Personnel. The Trustees give of their time freely and the pay and remuneration of senior staff is set by the board of trustees and is kept under annual review. A number of criteria are used in setting pay:

- nature of the role and responsibilities
- competitor salaries in the region
- the sector average salary for comparable positions
- trends in pay

Review of Activities

Supporting Phab Clubs across England and Wales

Phab's activities have once again been much affected by Covid restrictions over the past year and many face-to-face events that Phab had hoped to organise for Clubs and members were unable to take place. This has included Fun Weekends, flying days for Phab Club members and a reception at The House of Lords. We are looking forward to returning to those face-to-face activities as soon as we can.

Adapting our work, with staff operating largely from home, we have continued to remotely support and encourage 140 Phab Clubs with 8,000 members over the year. We have:

- Provided advice and support to Phab Club Leaders and volunteers during an extraordinary time, helping with any individual issues.
- Organised zoom meetings with Club Leaders to provide support and share information.
- Managed social media pages for Clubs to enable them to keep in touch with their members.
- Introduced "Zoom into Phab" enabling Clubs to share their online activities with each other, including a Code of Conduct to ensure the safety, privacy and enjoyment of those taking part.
- Helped Clubs to prepare for re-opening, including Covid guidelines, risk assessment templates for Clubs to adapt to their own needs, and sharing advice from Government and other organisations.
- Continued to carry out Disclosure and Barring Service (DBS) checks for volunteers.
- Maintained our Phab Club Handbook for Club Leaders and officers which can be accessed via the Clubs' pages on our website.

Online & Virtual Activities

In July a new event, The Great Phab Picnic, was held. Hosted by Vice-President Mik Scarlett it was an opportunity to share Phab activities and achievements across the Phab network including live action from Epsom & Ewell Phab with the young people in the club involved both on camera and as part of the crew. Reports were given on fundraising cyclists; there was a live link to Phab's project in the Lake District and a message from Phab's President, Anita Dobson. This allowed clubs across the country to join together, virtually. In December, the annual Volunteers Awards Event was once again held virtually to acknowledge the huge contribution of volunteers and members who support local Phab Clubs, Residential Projects and all our work. This was hosted at Bancroft Phab and some of their young people appeared on camera. Once again hosted on screen by Mik Scarlet, this time joined by Radio presenter Natalie Osborne. Thank you to Phab President Anita Dobson, Mik Scarlet and Natalie Osborne for their wonderful contributions to the events. Phab are very grateful to Martyn Blunt and Goose Live Events who provided the brilliant volunteer production team who made these events happen.

During the last year, Phab continued to enable Clubs and individuals to experience many online activities and opportunities. Zoom into Phab has shared online events organised by various clubs, including Zumba, musical activities, bingo, sing-alongs and interactive dance events. The Phab Quiz evenings hosted on Facebook continued to be well supported, as did the online craft sessions.

Phab Limited
Year ended 31 March 2022
Trustees' Report (continued)

Phab Holiday Homes, Weymouth

During the 2021 season, when Government restrictions allowed, Phab's two fully accessible units at Waterside Holiday Park in Weymouth continued to be very popular, with a high proportion of the bookings taken by Phab family groups who benefit from a reduced rental charge. The excellent sports, social and entertainment facilities, which are also fully accessible, are greatly enjoyed. With the emphasis on staycations and self-catering for summer 2021, bookings were strong giving families the opportunity to enjoy a holiday in safe and accessible surroundings.

Phab Inclusive Projects

Every year disabled and non-disabled children and young people have a wonderful time away with Phab on our exciting and challenging Inclusive Residential Projects. The projects Programme from 2020 was postponed due to Covid restrictions and finally delivered between July and October 2021, including many of those who had been looking forward to joining us in 2020.

Because of the continuing need for safe social distancing, this year we have adapted our projects to involve family groups, where parents or carers rather than our volunteers have provided the personal care to their child, with extra accommodation and bathrooms booked and special activities arranged. In addition, young adults were able to attend our new Transition Plus Projects, with a carer where needed, helping them to prepare for a more independent life. This gave all involved something very special to look forward to after such a long period of isolation and disruption to their lives.

Fundraising & Volunteers

The trustees wish to thank the many trusts, companies and individuals who have funded our work.

Our support to Phab's clubs, projects and events is wholly reliant on the hundreds of volunteers throughout the country who freely give their time and expertise in support of Phab.

Changes to the timing and allocated spaces for the live Virgin Money London Marathon event in 2021 has impacted Phab's fundraising detrimentally.

Phab has worked very closely with all fundraisers who took part in the mass participation events including the live and virtual London Marathon, Royal Parks Half Marathon, and Prudential Ride-London

We continue giving on-going personal support using social media, zoom meetings and individual conversations with all our fundraisers to enable them to maximise sponsorship during these unprecedented times.

Our key priorities for the future

The Phab strategic plan is operational from April 2021 to March 2025. It sets out the objectives agreed by the trustees as follows:

To ensure the Phab organisation is progressive, looking to the future and keeping pace with change

- Create a consistent Phab message for use across Phab, centrally and by clubs and projects
- Ensure the language used by Phab is in keeping with the Social Model of Disability
- Develop a consistent social media and online presence

To support clubs and projects in creating opportunities for disabled and non-disabled people to come together through social and leisure activities, promoting fun and friendship and growing life-skills.

Clubs

- Provide the support to clubs that they value, with advice available on email and the phone and a schedule of visits, enabling two-way communication
- Provide national and regional events that enable clubs to meet together to pursue social and leisure activities
- Facilitate partnerships that will enable clubs to increase their range of activities and engage with volunteers and their local community

**Phab Limited
Year ended 31 March 2022
Trustees' Report (continued)**

- Provide opportunities for club leaders to network with each other online and face-to-face via meetings, training, and conferences
- Provide a framework (Phab club pack) to enable clubs to be run in a manner that is inclusive, accessible, and well managed
- Establish an online affiliation and data recording process that is appropriate for clubs

Projects

- Organise residential projects for individuals on an inclusive basis
- Provide support to projects with advice available on email and the phone and visits as required, enabling two-way communication
- Provide a framework (Phab projects pack) to enable projects to be run in a manner that is inclusive, accessible, and well managed
- Establish an online affiliation and data recording process that is appropriate for projects
- Provide residential weekends across the regions that enable clubs to pursue social and leisure activities together

To grow the network of Clubs and Projects across the regions.

- Maximise partnerships with schools to establish new clubs
- Pursue funding for further regional staff to support the opening of new clubs

To increase public awareness of the opportunities offered by Phab within the wider community and the requirement for inclusion in society.

- Improve the profile of Phab amongst the public through developing a marketing strategy that makes best use of funds and resources (including clubs, projects, supporters)
- Further develop opportunities for recognition and endorsement for celebrity engagements appropriate for all age groups
- Maximise the marketing opportunities provided by regional and national events

To improve communication with all of those who have engaged in Phab to increase their involvement and support.

- Continue to increase engagement of marathon and challenge events participants and residential project volunteers
- Ensure website and social media publicises all opportunities for involvement, whether regular, annual or ad hoc

To prepare for a future diverse workforce and ensure sustainability of the Central organisation.

- Create a working environment that is fit for a future diverse workforce considering accessibility, remote working and flexibility
- Ensure all staff have measurable objectives, reviewed regularly

To ensure Phab Ltd continues to operate as a national charity, fully funded and compliant with all legislation and appropriate regulations.

- Provide a stable, comprehensive governance structure with regular checkpoints and audits and maintaining compliance with legislation
- Keep in touch with all changes to guidance that could affect the central organisation and clubs or projects.
- Foster relationships with individuals, businesses and grant making trusts to secure financial support for Phab
- Continue to grow the number of participants in challenge events, including marathons, who raise funds for Phab

Phab Limited
Year ended 31 March 2022
Trustees' Report (continued)

Financial Review - Results for the Year

The total income for the year amounted to £462,386 (2021: £549,318) against expenditure of £559,068 (2021: £613,250). Including a revaluation gain of £NIL (2021: 58,500) in investment property, this has resulted in a reduction in total funds of £96,682 (2021: £5,432 reduction).

Accumulated funds as at 31st March 2022 amounted to £769,924 (2021: £866,606).

Bank balances held in long-term accounts have remained in excess of the balance of restricted funds. The income and expenditure figures remain in balance after the first six months post balance sheet date.

Related Parties

The company has a subsidiary undertaking, Phab UK Enterprises Limited, which was formerly engaged in operating Phab's Telesales (Raffle Support) operation, and the trading activities etc. connected with the London Marathon and other similar large and small events. This Company has been dormant for the period under review.

Fixed Assets

Information relating to changes in tangible assets is given in note 9 to the financial statements. Phab owns its own building in Croydon, from which all central operations are directed. In accordance with SORP 2015 the ground floor, which is sublet, has been revalued on a Red Book basis and this is reflected in these accounts.

Grant Making

No grants are awarded from the general fund to individuals or outside organisations. The regional committees consider applications from Phab clubs for grants from the general fund. There have been some grants to individuals from restricted funds, in accordance with the donors' wishes.

Reserves

The reserves of the charity are made up of Unrestricted Funds, Designated Funds and Restricted Funds. The Board's policy continues to be to progressively increase reserves to the lower of either £330,000- or six-month's unrestricted expenditure. The Trustees consider six months to be an appropriate period for outstanding liabilities to be met and ensure orderly winding down of the charity if necessary.

The attached financial statements show that the charity has restricted reserves of £125,872 (2021: £154,128), designated reserves of £29,538 (2021: £142,671) and unrestricted free reserves of £167,483 (2021: £111,231) (total unrestricted funds less designated and funds that are represented by Fixed Assets). The Trustees continue to seek ways to increase the free reserves in the future by considering all options. There are no reserves held in the subsidiary company.

Investment Policy

The Board's investment powers are subject to such conditions and consents as may for the time being be imposed by law. The policy of the Board is to hold all cash surpluses on bank deposit or other similar secure and readily accessible accounts.

Phab Limited
Year ended 31 March 2022
Trustees' Report (continued)

Risk Review

The Board has a continuous process of risk assessment, maintains a risk register and is aware that for Phab, risk is not just a financial matter but covers 5 headings: Governance and Management, Operational, Financial, Environmental and External, Compliance.

The Board considers that the areas where the impact of risk could be highest are:

- loss of key staff
- abuse of vulnerable persons
- computer crash
- change of relationship with fundraisers leading to a fall in income

Systems are updated as necessary to mitigate identified risks. Internal risks are minimised by the use of procedures for authorisation of all transactions and projects and to ensure consistent delivery of all operational matters. The processes are periodically reviewed to verify their value. There are procedures covering compliance with health and safety of staff and volunteers.

Disclosure & Barring Service (DBS) formerly Criminal Records Bureau (CRB) checks are conducted for all staff and volunteers. Staff and Board Members undertake appropriate training courses in order to keep up to date with changes in legislation and practice. The Board is not aware of any major sources of income being withdrawn, nor of any missed opportunities of a fundraising nature or any other.

Plans and Key objectives for the future/Post Balance Sheet events

The CV-19 pandemic has delayed the implementation of the summer and autumn projects and various events until 2021.

Fundraising has been affected but support has remained strong from individuals and organisations alike.

Charities and Public Benefit

The trustees confirm that they comply with their duty to have regard to the Charity Commission guidance on public benefit in exercising their power and duties and deciding what activities the charity should undertake. As can be seen in this report, and within the objectives on page 3, the charity has charitable purposes or 'aims' that continue to be and are carried out for the public benefit. The trustees also believe that the opportunity to benefit is not unduly restricted, that people in poverty are not excluded, that there is no detriment or harm arising from carrying out Phab's aims, and that any private benefits received, other than as a beneficiary, are incidental.

Phab Limited
Year ended 31 March 2022
Trustees' Report (continued)

Statement of Trustees' Responsibilities

The trustees (who are also directors of Phab Limited 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).

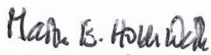
Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

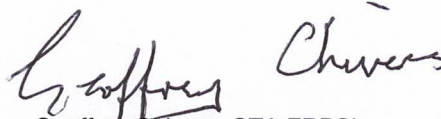
By Order of the Trustees



Martin Holdsworth
Company Secretary

Date:

21st September 2022



Geoffrey Chivers, CTA FRPSL
Treasurer

**Independent examiner's report
To the trustees of
Phab Limited.**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022 set out on pages 11 to 23.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102)].

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



Miriam Hickson CTA FCA
Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Date: 11 October 2022

Phab Limited
Statement of Financial Activities for the year ended 31 March 2022
Including the Income and Expenditure account

		<i>Unrestricted</i>	<i>Restricted</i>		<i>Unrestricted</i>	<i>Restricted</i>	
		<i>Funds</i>	<i>Funds</i>	<i>Total</i>	<i>Funds</i>	<i>Funds</i>	<i>Total</i>
		<i>2022</i>	<i>2022</i>	<i>2022</i>	<i>2021</i>	<i>2021</i>	<i>2021</i>
<i>Note</i>		<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Income from:							
Donations and legacies		301,817	61,500	363,317	299,121	74,540	373,661
Other trading activities		2,475	-	2,475	507	-	507
Investments		2,214	-	2,214	17,366	-	17,366
Charitable activities		39,322	5,000	44,322	18,896	5,000	23,896
Other income		<u>50,058</u>		<u>50,058</u>	<u>133,888</u>	-	<u>133,888</u>
Total income	3	<u>395,886</u>	<u>66,500</u>	<u>462,386</u>	<u>469,778</u>	<u>79,540</u>	<u>549,318</u>
Expenditure on:							
Raising funds		184,911	-	184,911	302,913	-	302,913
Charitable activities		<u>279,401</u>	<u>94,756</u>	<u>374,157</u>	<u>309,337</u>	<u>1,000</u>	<u>310,337</u>
Total expenditure	4	<u>464,312</u>	<u>94,756</u>	<u>559,068</u>	<u>612,250</u>	<u>1,000</u>	<u>613,250</u>
Net gains on investments	10	-	-	-	58,500	-	58,500
Net income/(expenditure)		(68,426)	(28,256)	(96,682)	(83,972)	78,540	(5,432)
Transfers between funds	13	-	-	-	-	-	-
Net movement in funds		(68,426)	(28,256)	(96,682)	(83,972)	78,540	(5,432)
Reconciliation of funds							
At 1 April 2021		<u>712,478</u>	<u>154,128</u>	<u>866,606</u>	<u>796,450</u>	<u>75,588</u>	<u>872,038</u>
At 31 March 2022		<u>644,052</u>	<u>125,872</u>	<u>769,924</u>	<u>712,478</u>	<u>154,128</u>	<u>866,606</u>

All gains and losses in both years arise from continuing operations and are recognised in the Statement of Financial Activities

The notes on pages 13-23 form part of these accounts.

Phab Limited
Balance Sheet
Company Number 1598587
As at 31 March 2022

	Note	2022	2021
		£	£
Fixed Assets			
Tangible assets	9	121,931	133,476
Investments	10	325,100	325,100
		<u>447,031</u>	<u>458,576</u>
Current Assets			
Stocks		-	2,044
Current asset investments		240,509	238,343
Debtors	11	42,007	42,987
Cash at bank and in hand		91,877	206,981
		<u>374,393</u>	<u>490,355</u>
Liabilities			
Creditors falling due within one year	12	(42,920)	(39,476)
Net Current Assets		<u>331,473</u>	<u>450,879</u>
Total assets less current liabilities		<u>778,504</u>	<u>909,455</u>
Provisions for liabilities and charges	19	(8,580)	(42,849)
Net Assets		<u>769,924</u>	<u>866,606</u>
Funds			
Unrestricted funds		614,514	569,807
Designated funds	14	29,538	142,671
Restricted funds	13	125,872	154,128
Total Funds	17	<u>769,924</u>	<u>866,606</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006 relating to small companies, for the year ended 31 March 2022. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Geoffrey Chivers 21 September 2022

Treasurer

The notes on pages 13-23 form part of these accounts

Geoffrey Chivers

Phab Limited
Notes to the financial statements
For the year ended 31 March 2022

1 Status

Phab Limited is a company limited by guarantee and has no share capital. Its registered office is Summit House, Wandle Road, Croydon, CR0 1DF. In the event of a winding-up each person that is either a member at that date or ceased to be a member within one year is liable to contribute a sum not exceeding £10 towards the liabilities of the company. For these purposes, the trustees are the members of the company. The company is a registered charity.

2 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of investments to market value, with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the Companies Act 2006, Charities Statement of Recommended Practice (Charities SORP 2015 (FRS 102)) and Financial Reporting Standard 102 (FRS 102). Figures are presented in pounds sterling rounded to the nearest pound.

Phab Limited meets the definition of a public benefit entity under FRS 102.

Fund Accounting

The charity has various types of funds for which it is responsible and which require separate disclosure. These are as follows:

Restricted Funds – Donations and grants which are earmarked by the donor for specific purposes are recorded as restricted funds and may be utilised only in accordance with the specific purposes.

Designated Funds – The designated fund represents monies put aside by the trustees for special purposes such as closed club income being retained for the regeneration of Phab activity in the area (see note 14).

Unrestricted Funds – Unrestricted funds are those which are expendable at the discretion of the trustees in furtherance of the objects of the charity. These resources arise from the accumulated surpluses and deficits on general charitable activities.

Going concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income Recognition

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Income from commercial trading activities is recognised as earned. Investment income is recognised on a receivable basis.

Income from the Coronavirus Job Retention Scheme is recognised in the period to which the underlying staff costs relate.

Volunteers and donated services

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the trustees' annual report. Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

Phab Limited
Notes to the financial statements
For the year ended 31 March 2022 (continued)

2 Accounting Policies (continued)

Expenditure

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

Cost of raising funds comprises the costs incurred in inducing others to make voluntary contributions to the charity, including those incurred in trading activities that raise funds. Charitable expenditure comprises all expenditure relating to the objects of the charity, including both the direct costs and support costs relating to these activities and projects.

Governance Costs comprises compliance with constitutional and statutory requirements.

Pension Costs

The charity operates a defined contribution pension scheme which is fully compliant with Auto-Enrolment legislation: all eligible staff are enrolled. The funds of the scheme are administered by the Pensions Trust. Contributions to the scheme are charged against the results of the year for which they are payable. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

Deficit contributions due to the scheme have been provided in the accounts and discounted to present value.

Grants payable

Grants payable are made in furtherance of the charitable objects of Phab Limited. No grants are made to individuals from general funds.

Tangible Fixed Assets, Depreciation and Amortisation

Tangible fixed assets are stated at historic cost less accumulated depreciation or amortisation. Depreciation and amortisation are provided to write off the cost less the estimated residual value of tangible fixed assets by equal annual instalments over their estimated useful economic lives as follows:

Freehold buildings	2%
Leasehold holiday units	over the life of the lease
Building alterations	2% to 25%
Office equipment	20% to 25%
Computer equipment	33%

Only items in excess of £500 are capitalised. Freehold land is not depreciated.

Stock

Stock consists of badges, stickers, limited edition prints, clothing for resale and fund raising kits. It is stated at the lower of cost and net realisable value.

Investments

Investments are stated in the balance sheet at their market value as at the balance sheet date. Investments in subsidiaries are included at cost. All movements in value arising from investment changes or revaluation are recognised in the statement of financial activities.

Employee benefits

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

Termination benefits are recognized immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Cash and cash equivalents

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

Phab Limited
Notes to the financial statements
For the year ended 31 March 2022 (continued)

2 Accounting Policies (continued)

Debtors

Fees and extras receivable and accrued income are included at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount. Provisions are recognised by discounting the settlement amount according to the likely timing of the payments.

Financial instruments

The charity only has financial assets and 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.

Value Added Tax

Phab Limited is not registered for VAT, therefore Phab is unable to reclaim the VAT it suffers. The irrecoverable VAT is charged to the statement of financial activities, or capitalised as part of the cost of the related asset, where appropriate.

Operating leases

Rental charges are charged on a straight-line basis over the terms of the lease.

3 Income

Donations and legacies

	2022	2021
	£	£
Other donations	358,159	346,984
Legacies	5,158	1,677
Council Grant	-	25,000
	363,317	373,661

Other trading income

This income is from the following trading activities:

	2022	2021
	£	£
Raffles	-	447
Affiliation fees from Phab clubs	2,010	60
Other income	465	-
	2,475	507

Investment Income

All the group's investment income arises from rental income and interest-bearing deposit & reserve accounts in the UK. There was no rental income in the year under review.

Phab Limited
Notes to the financial statements
For the year ended 31 March 2022 (continued)

3 Income (continued)

Income from charitable activities

This income is from the following activities

	2022	2021
	£	£
Independent Living Experiences, Jubilee Sailing Trust, Skills for Independence	14,980	10,000
Waterside Holiday Units rental	28,060	13,896
Profit on Sale of Holiday Unit	1,282	-
	44,322	23,896

Other income

	2022	2021
	£	£
HMRC CJRS grants	48,558	133,524
Kick Start Scheme	1,500	-
Merchandising sales	-	364
	50,058	133,888

Included in total income for 2021/22 were larger donations from the following supporters:

Quies Trust	£25,500
The Ron Hancock Foundation	£25,000
Edward Gostling Foundation	£20,000
Ashfield Trust	£10,000
Central Beds Council	£ 9,000
Florian Charitable Trust	£ 5,000
Beatrice Laing Trust	£ 3,000
Hospital Saturday Fund	£ 2,000
Souter Charitable Trust	£ 2,000
Sylvia Adams Charitable Trust	£ 2,000

Phab Limited
Notes to the financial statements
For the year ended 31 March 2022 (continued)

4 Expenditure

	Activities undertaken directly £	Grants £	Support Costs £	2022 Total £	2021 Total £
Raising funds					
Marathon costs	133,597	-	17,260	150,857	256,763
Events	29,032	-	5,022	34,054	46,150
	162,629	-	22,282	184,911	302,913
Charitable Activities					
Residential projects	183,873	-	19,469	203,342	106,418
Holiday units	18,255	-	-	18,255	18,892
Regional and club events	29,837	-	7,651	37,488	46,017
National events	14,753	-	3,963	18,716	28,523
Club support	52,991	29,130	14,235	96,356	110,487
	299,709	29,130	45,318	374,157	310,337
Total expenditure	462,338	29,130	67,600	559,068	613,250

Support costs

Head office and central costs	52,223
Depreciation	7,727
Governance (see note 5)	7,650

52,223

7,727

7,650

67,600

Apportioned to:

Residential projects	19,469
Regional and club events	7,651
Club network support	14,235
National events	3,963
Marathon	17,260
Events	5,022

19,469

7,651

14,235

3,963

17,260

5,022

67,600

Grants were paid in the year to 15 Phab groups from general funds and to 0 Phab group and 1 individual from restricted funds.

Phab Limited
Notes to the financial statements
for the year ended 31 March 2022 (continued)

5 Governance costs

	2022	2021
	£	£
Auditor's remuneration – audit services inclusive of VAT	-	7,600
Auditor's remuneration – under or over provision in the year	530	(40)
Independent examiner remuneration – independent examination inclusive of VAT	3,300	-
Governance and professional support for trustees	3,820	4,411
	<u>7,650</u>	<u>11,971</u>

6 Directors, staff numbers and costs

The aggregate payroll costs were as follows:	2022	2021
	£	£
Wages and salaries	236,045	282,426
Social security costs	18,595	20,438
Pension contributions	20,430	21,103
Pension costs of defined benefit pension schemes (note 19)	(23,426)	2,606
	<u>251,644</u>	<u>326,573</u>

No employee earned over £60,000 in the year, nor in the previous financial year. The average number of persons employed by the charity during the year was 8 (2021 – 11).

Termination payments of £NIL (2021: £12,166) were made in the year and are included above. These are recognised when legal agreement is reached.

Key Management Personnel

The total employee benefits of the key management personnel of the charity as listed on page 2 were £87,945 (2021: £83,555).

7 Operating Lease Commitments

The charitable company's total future minimum lease payments under operating leases were payable as set out below:

	2022	2021
	£	£
Within one year	-	-
Within two to five years	-	-
	<u>-</u>	<u>-</u>

The operating lease charges for the year were:

	2022	2021
	£	£
Hire of plant and machinery	<u>-</u>	<u>-</u>

8 Taxation

The company is exempt from tax on its charitable activities.

Phab Limited
Notes to the financial statements
For the year ended 31 March 2022 (continued)

9 Tangible Fixed Assets

	Freehold Property* £	Leasehold Property £	Office Equipment £	Computer Equipment £	TOTAL £
Company					
Cost					
At beginning of year	144,456	112,504	5,646	5,652	268,258
Additions	-	-	-	-	-
Disposals	-	(53,422)	-	-	(53,422)
At end of year	144,456	59,062	5,646	5,652	214,816
Depreciation and Amortisation					
At beginning of year	50,244	73,245	5,646	5,647	134,782
Charge for year	1,816	5,906	-	5	7,727
Released on disposal	-	(49,624)	-	-	(49,624)
At end of year	52,060	29,527	5,646	5,652	92,885
Net Book Value					
At 31 st March 2022	92,396	29,535	-	-	121,931
At 31 st March 2021	94,212	39,259	-	5	133,476

*Included in freehold property is land costing £48,000 which is not being depreciated.

10 Fixed Asset Investments

	2022 £	2021 £
Shares in subsidiary undertaking at cost	100	100
Investment property	325,000	325,000
	325,100	325,100

Investment property

The investment property comprises the ground floor of Summit House, 50 Wandle Rd, Croydon CR0 1DF. This was valued by Elliott & Co chartered surveyors on 12 April 2016 at £266,500. During the previous year using advice from agents, the trustees estimated that the value had increased by £58,500 to £325,000. The trustees are content that there are no factors which would contribute to a material change in the valuation as at 31 March 2022 or subsequently.

Subsidiary undertaking

The charity's investment in its subsidiary company consists of 100 ordinary shares of £1 each. The subsidiary undertaking, Phab UK Enterprises Limited (company no. 02564098), which is wholly owned, is registered in England and Wales. It was used for non-charitable activities to raise funds for the charity. Phab UK Enterprises Limited was involved in producing magazines for the group, for operating the group's telesales operations, for contracts with local authorities, and for handling all the marathon-type events for Phab. Phab UK Enterprises Limited gifts its taxable profits to Phab. From 01 April 2017 it became dormant. There has been no trading activity and it holds net assets £100 at year end. The subsidiary does not hold any fixed assets.

Phab Limited
Notes to the financial statements
For the year ended 31 March 2022 (continued)

11 Debtors

	2022 £	2021 £
Prepayments	33,435	21,217
Other debtors	8,572	21,770
	<u>42,007</u>	<u>42,987</u>

12 Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	2,007	263
Accruals and deferred income	27,581	30,413
Taxation and social security	13,332	8,800
	<u>42,920</u>	<u>39,476</u>

13 Restricted Funds

	Balance 1.4.2021 £	Income £	Expenditure £	Transfer £	Balance 31.3.22 £
EETPU Centenary Fund	10,696	-	(250)	-	10,446
Willie Booth Fund	4,219	-	-	-	4,219
Midland Development Work	7,800	-	-	-	7,800
South East Development Work	2,000	-	-	-	2,000
Freedom in the Air	12,562	5,000	-	-	17,562
ILX	113,294	61,500	(94,506)	-	80,288
MTS Joint Fund	3,557	-	-	-	3,557
	<u>154,128</u>	<u>66,500</u>	<u>(94,756)</u>	<u>-</u>	<u>125,872</u>

	Balance 1.4.2020 £	Income £	Expenditure £	Transfer £	Balance 31.3.21 £
EETPU Centenary Fund	10,696	-	-	-	10,696
Willie Booth Fund	4,219	-	-	-	4,219
Midland Development Work	7,800	-	-	-	7,800
South East Development Work	2,000	-	-	-	2,000
Freedom in the Air	7,562	5,000	-	-	12,562
ILX	39,754	74,540	(1,000)	-	113,294
MTS Joint Fund	3,557	-	-	-	3,557
	<u>75,588</u>	<u>79,540</u>	<u>(1,000)</u>	<u>-</u>	<u>154,128</u>

Phab Limited
Notes to the financial statements
For the year ended 31 March 2022 (continued)

13 Restricted Funds (continued)

EETPU Centenary Fund consists of donations received which are to be used to provide grants to private individuals and organisations with electrical trade union connections to assist disabled young people.

The **Willie Booth Fund** was set up by a transfer agreed by the Trustees, in anticipation of gifts in memory of a former vice president, who died in June 2009. The aim of the fund was to buy a minibus, initially for use by the Phab club at Westminster School. The trustees and the school have now agreed that it can be used for providing transport bursaries to enable disabled people to travel to special events.

Midland Development Work supporting Phab Clubs in the Birmingham and West Midlands area, organising regional events to bring Phab Clubs together, and promoting Phab Clubs, Projects and wheelchair accessible holiday homes to Club members and people with disabilities locally.

South East Development Work supporting Phab Clubs in the South East, organising regional events to bring Phab Clubs together, and promoting Phab Clubs, Projects and wheelchair accessible holiday homes to Club members and people with disabilities locally.

Freedom in the Air is an opportunity funded by the Florian Charitable Trust for a young person with disabilities to undertake a National Private Pilot's Licence Scholarship. The transfer in the year recognised unrestricted expenditure on staff who spent time working on this project.

ILX represents grants and donations toward Phab's Inclusive Living Experience (ILX) Residential Projects Programme.

MTS Joint Fund represents a partnership between Merchant Taylors' School and Phab to promote volunteering by young people who are at school or at university and the development of new Phab Clubs led by young people. The transfer of funds represents Phab Limited's portion of unspent funds initially transferred from the general fund.

14 Designated funds

	Balance 1.4.2021 £	Income £	Expenditure £	Transfers £	Balance 31.3.2022 £
Former club funds	103,409	16,295	-	(119,704)	-
Holiday units	39,262	-	(5,906)	(3,818)	29,538
	142,671	16,295	(5,906)	(123,522)	29,538

	Balance 1.4.2020 £	Income £	Expenditure £	Transfers £	Balance 31.3.2021 £
Former club funds	102,232	1,177	-	-	103,409
Holiday units	48,984	-	(9,722)	-	39,262
	151,216	1,177	(9,722)	-	142,671

The former club funds represent funds that have been earmarked for regions where the clubs in the region have since closed down. The holiday unit fund was set up to represent the purchase price of the leasehold holiday units at Waterside Park. The cost is shown in note 9 above. Amortisation is set against the original balance of the fund.

Phab Limited
Notes to the financial statements
For the year ended 31 March 2022 (continued)

15 Connected Charities

Phab provides support and services to a network of around 140 independent Phab Clubs and county and regional organisations.

16 Contingent Liabilities

The company is party to a guarantee in favour of the National Westminster Bank plc in respect of borrowings by the company and its subsidiary Phab UK Enterprises Limited. At 31 March 2022 these borrowings stood at £Nil (2021 - £Nil).

17 Analysis of net assets between fund balances

	At 31st March 2022			At 31st March 2021		
	UR Funds £	R Funds £	Total £	UR Funds £	R Funds £	Total £
Fixed assets	447,031	-	447,031	458,576	-	458,576
Cash at bank and in hand	91,877	-	91,877	52,853	154,128	206,981
Other net current assets	113,724	125,872	239,596	243,898	-	243,898
Provisions	(8,580)	-	(8,580)	(42,849)	-	(42,849)
	644,052	125,872	769,924	712,478	154,128	866,606

18 Transactions with Trustees and Related Parties

No trustee received any emoluments (2021: nil). Expenses reimbursed to NIL trustees during the year (2021: £145 to 1 trustees). These expenses were incurred for travel and expenditure on the charity's behalf.

Members of the close family of the key management personnel received salary of £21,657 (2021: £20,641), employer's pension contributions of £1,086 (2021: £960) and were paid £230 (2021: £120) for IT support. This figure includes the supply of materials.

19 Pension Scheme

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

Phab Limited
Notes to the financial statements
For the year ended 31 March 2022 (continued)

19 Pension Scheme (continued)

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

Deficit contributions from 1 April 2022 to 31 January 2025: £3,312,000 per annum payable monthly.

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions from 1 April 2019 to 30 September 2025: £11,243,000 per annum payable monthly and increasing by 3% each on 1st April.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	£
Provision brought forward	42,849
Payments made in the year	(10,843)
Adjustment to liability from change in discount rate and contributions due	<u>(23,426)</u>
Provision carried forward	<u>8,580</u>

Rate of discount for the year ended 31 March 2022: 2.35% per annum

Rate of discount for the year ended 31 March 2021: 0.66% per annum

Rate of discount for the year ended 31 March 2020: 2.53% per annum

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.

Contributions made to the ongoing scheme were £10,843 (2021: £10,527).