

Company Registration No. **2270299** (England and Wales)

Charity No. **299889**



CENTRE 404

**A company limited by guarantee
and not having a share capital**

**Financial Statements
31st of March 2022**

Our Mission

Centre 404 is working towards a world where people with learning disabilities, Autism, and their families have the support they need to enjoy the same rights, freedoms, responsibilities, respect, choices, and quality of life as people within the wider community.



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Financial Statements for the year ended on 31st of March 2022

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Reference and Administrative Information

Trustees/Directors

Paul Formosa	(Chairperson)
Samantha Dunne	(Vice Chair)
Derek Weist	(Treasurer)
Etienne Makosso	(Appointed on 2 nd of September 2021)
Copeland Ingram	
Susan Pearson	
Tara Willson	
Deborah Spencer	(Formally Leech)
Jean Wilson	(Resigned on 2 nd of September 2021)

Company Secretary

Paul Formosa

Chief Executive Officer

Linda McGowan

Registered office and business address

404 Camden Road
Islington
London
N7 0SJ

Auditor

Moore Kingston Smith LLP
6th Floor
9 Appold Street
London
EC2A 2AP

Solicitors

Reculver Solicitors
12-16 Clerkenwell Road
London
EC1M 5PQ

Bankers

Lloyds Bank plc
31/33 Holloway Road
London
N7 8JU

Company Number

2270299

Charity number

299889

Trustees' Annual Report (incorporating a Directors' Report)

The Trustees (who are also the directors) are pleased to present their report for the year ended on 31st of March 2022.

This report describes what Centre 404 is set up to do and what we have been doing in the last year. It also explains our structure and governance processes. It includes our annual accounts and explains our plans for the coming year. Additional information about our activities can be found in our Annual Review, which can be obtained from our main office and our website.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Centre 404 for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 of the Charity's SORP
- Make judgments and accounting estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charity's auditor is unaware
- The Trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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.

Auditor

In accordance with the Companies Act 2006, a resolution proposing that Moore Kingston Smith LLP will be officially appointed as the auditor will be put to the Annual General Meeting.

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Trustees' Annual Report (incorporating a Directors' Report)

Structure and Legal Status

Centre 404 is a registered charity and constituted as a company limited by guarantee. The instruments governing the charity are the Memorandum and Articles of Association.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The Trustees are members of the charitable company, but this entitles them only to voting rights.

The charity is governed by a Board of Trustees collectively referred to as the Trustees. These Trustees are also the Directors of the company for Companies Act purposes.

Governance

Trustees are members of the Executive Committee. In addition, they chair the following sub-committees: Independent Living, Supporting Families, Learning and Leisure, Learning and Leisure Reference Group, Personnel and Finance. These sub-committees are directly accountable to the Executive Board and are jointly responsible for advising and overseeing the work of the organisation's service areas. The Executive Committee meets at least five times a year and is attended by the Chief Executive and the Finance Manager. The Heads of Service attend when requested. The sub-committee for each service area meets every six to eight weeks, and minutes of these meetings are presented to the Executive Committee.

As outlined in the Articles of Association, the number of Directors/Trustees forming the Executive Committee (including Officers) shall be not less than eight, or more than fifteen.

The Executive Committee may at any time appoint any member of the Charity as a Trustee of the Executive board. Trustees so appointed shall retain their office only until the next Annual General Meeting, where they shall be eligible for re-election.

The Executive Committee reviews its membership annually to ensure it is representative of the service users and the community we serve. The Board of Trustees comprises a mixture of individuals from a wide range of backgrounds including family carers of children or adults with a learning disability, current service users, individuals with specific professional skills and individuals from the charitable and housing sectors. Centre 404 needs to keep this balance as we are committed to the organisation having strong service user involvement at all levels and being user-directed.

The Executive Committee also reviews the skills and professional expertise of Trustees to ensure there are no knowledge or experience gaps which would put the strategic management and development of the organisation at risk. The training needs of Trustees are reviewed throughout the year and at away days. Trustees are regularly kept up-to-date with training opportunities and conferences that will further enhance their knowledge and confidence in their role.

Potential candidates for the Board of Trustees receive a briefing pack about the roles and responsibilities of a Trustee and have the opportunity to attend a Board meeting and visit Centre 404 to understand its work before being elected. Trustees are invited to meet senior staff members and visit as many activities or projects as they are able to once they are elected.

Management

The Executive Committee is responsible for the overall strategy and management of the organisation. The day-to-day management of the charity, including staff and financial matters, is delegated to the Chief Executive Officer (CEO). The CEO is supported by a senior management team comprising the Finance Manager and Heads of Service for the following areas of our work: Supporting Families, Learning and Leisure Supported Living, and Central Services. The senior management team report directly to the CEO. The Centre 404 remuneration committee is made up of the Chair, vice Chair, and the treasurer. They meet when required to review the salary of the CEO and other key management personal. The committee carefully benchmarks these senior salaries against similar roles in similar organisations and where possible aim for the median salary. They also utilise the annual ACEVO pay survey. The length of service, qualifications, experience, and specialist knowledge of the person are also taken into consideration when deciding a final salary.

Trustees' Annual Report (incorporating a Directors' Report)

Risk Assessment

The charity has in place a risk management process to assess potential areas of risk and to implement strategies to ensure that these are managed and minimised. This involves identification of the types of risk the charity faces, prioritising them in terms of potential impact, the likelihood of occurrence and identifying and tracking the progress of measures to mitigate them. The risk register, which records this information, is regularly reviewed by the relevant sub-committees and senior management team in the light of any changing circumstances. The Trustees review the risk register annually and satisfy themselves that adequate systems and procedures are in place to manage the risks identified. The financial risk register was reviewed and updated in March 2022. The personnel risk assessment was also reviewed and agreed in the last financial year in February 2021.

The major risks identified in for the period April 2021 – March 2022 are the following:

- **Difficulties in staff recruitment and retention of quality staff.** The combined forces of the pandemic and Brexit have introduced considerable uncertainty and pressures nationally on how organisations attract talent and support existing staff with training and development. UK unemployment levels are decreasing, and employment rates are increasing, according to the latest ONS figures. The challenges in recruitment are significant and especially in certain sectors including social care. The November 2021 Barometer report from The Open University and Institute of Directors found that 63% of decision makers agree their organisation has found recruiting difficult as candidates didn't have the required skills for the role. Almost a quarter (24%) believe that finding staff with the right skillsets remains the single biggest challenge facing organisations in the next five years.
- **Over-reliance on narrow streams of funding** which could increase dependency and undermine sustainability.
- **The impact of a return of a national pandemic** (Covid-19) resulting in the closure of some non-statutory services.
- **Managing the current inflationary climate** which is putting upwards pressure on wages, increasing overhead costs and energy prices.

With regards to the above, we have a robust and detailed action plan in place to mitigate these risks. Plans and targets to increase the effective recruitment and retention of quality staff have been implemented. We are confident we will be successful in managing these risks and to greatly reduce any adverse impact.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Mission and Vision

Centre 404 is working towards a world where people with learning disabilities and their families have the support they need to enjoy the same rights, freedom, responsibilities, respect, choices, and quality of life as people within the wider community. We aim to contribute to this vision by providing excellent quality services and by supporting people with learning disabilities and their families to get their voices and views heard.

To achieve our mission, we provide the following:

- Social and educational activities for adults with learning disabilities
- Clubs for children with learning disabilities and their siblings
- Support and advice for parents and carers
- Supported housing to enable people to live as independently as possible within their own homes
- Social functions and outings for children and adults with a learning disability and their carers
- Group activities and personalised services for people in receipt of personal budgets or direct payments

The above activities fit into the following three main service delivery areas: Independent Living, Learning and Leisure, and Supporting Families.

Outlined in the sections under each service heading is a report on the achievements and performance of that area of our work and plans for the coming year.

Trustees' Annual Report (incorporating a Directors' Report)

Achievements, Performance and Future Plans

Independent Living and Specialist Services

Support is provided through our Supported Living, Outreach Services, and Positive Behaviour Support (PBS) Frameworks.

We remain registered as domiciliary care with the Care Quality Commission (CQC) and are rated as "Good" with the last inspection date in November 2017. Over the last year we have received regular emails from the CQC to say they have assessed our data and we are not prioritised for inspection currently.

Our **service users** have a wide range of needs, and some have high and/or complex needs, additional physical disabilities, sensory impairments, autism, behaviour support needs, dementia, or a dual diagnosis. We also provide support for end-of-life care.

Supported Living (largely delivered through the Dynamic Purchasing System (DPS) in Islington) is where people with learning disabilities are supported to live either in their own home or in shared accommodation. Centre 404 is commissioned to provide the support for the person to live a fulfilled life and be as independent as possible. Funding for these services is through core support payments to Centre 404 and ISF's (Independent Service Fund) for the service users to purchase support and activities. This model enables more choice and control for service users in how their money is spent.

The Positive Behaviour Support Framework in Haringey is also signed up to by several other London Boroughs, namely Camden and Islington. This enables us to set up small bespoke packages of PBS support for people living in their own home, in shared accommodation, through day opportunities, and as outreach support.

Outreach Services in Islington and Camden provide community-based support to people living in their own homes and assist with developing specific independent living skills. The focus is very much on teaching skills and coping strategies, whilst getting people engaged and linked in with their community and developing support networks that are not paid services. Whilst the people we support will always need some level of input, the focus is on enablement and independence, reducing paid support over time.

Our **Islington drop-in service** started over the last year, providing support and information sessions to some of our outreach service users as well as the wider learning disability community in the borough. This is a service that helps connect people and create community links with signposting to relevant services. We support with correspondence, benefit queries and applications, as well as general advice to help people with their finance or other issues.

Our annual operational objectives for the service are monitored through the CEO, the Board of Trustees, and the Centre 404 Independent Living sub-committee, which meets bi-monthly.

We maintain tight monitoring of income and expenditure with the Director meeting fortnightly with the Finance Manager. This ensures a quick response to any budgetary needs and enables us to plan ahead for service development and investment.

Current Contracts

Over the last year we have continued to receive the Infection Prevention Control Grant Funding and the Recruitment and Retention Workforce Development Funding. This has enabled us to continue to fully support safe practice, continue isolation in shared settings where we have had positive Covid-19 cases, and deliver additional support hours. We have also chosen to make reward payments to staff who have continued to work hard and be committed during such challenging times.

Anson Road, Kiver Road, Tollington Way, and Mildmay Avenue have maintained excellent services which were verified with outstanding reports from the User-Led Monitoring team in Islington. At the end of the financial year, we have one vacancy at Anson Road and one at Mildmay Avenue.

Leigh Road and Vivian Comma Close were retained from May 2021 and have also switched to a core and ISF model. Service users' needs were reviewed over the last year and some additional hours were approved to meet needs.

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Our **Islington Outreach Service** is now fully under the Islington 1:1 DPS contract. This is supported by the Drop-in service and Activities Coordinator post so we can still connect people and arrange group trips and activities.

Our **Floating Support Service in Camden North** continues to receive very positive feedback and is achieving good outcomes for people. We have started several new support packages and are still receiving referrals and hold a waiting list, with the service growing.

Kendal House and **Queensland Road** are delivered on a spot purchase arrangement with London Borough of Islington. Both services support people with complex health conditions and end-of-life care. We had one vacancy at Kendal House at the end of the financial year, and a new service user is due to move in.

We also provide a small number of **domiciliary care packages** to service users in Camden. These were people who fell just outside the remit of the floating support contract, but we were able to provide a service to meet their needs.

Work in Other Boroughs

We were successful in being awarded a contract in Brent for two Supported Living Services. The start of these services has been delayed, but we are recruiting and planning to fully implement and start service delivery in summer 2022. These services will also follow a core and ISF funding model and use PBS approaches.

The DPS in Waltham Forest, which is also open to surrounding boroughs, has not offered any relevant contracts but we continue to monitor any opportunities.

We remain on a DPS and PBS framework in Haringey, which is open to several other boroughs. Developing work in other Boroughs remains a primary objective for the service.

Quality

Over the last year, we have returned the focus to more in-person checks and attendance at schemes, whilst maintaining Covid-19 and infection control compliance. This helped the Senior Management Team connect with staff teams again, following the more severe restrictions of the pandemic. This has enabled attendance at team meetings, file checks and audits, and coaching and training sessions.

We have maintained a mix of online activities whilst increasing the number of those offered in-person, to support service users back to a 'normal' level of activity and lifestyle. As a team, we have been sharing pictures and case studies to encourage and motivate all to take part and generate new activity ideas.

Our **safeguarding group** continued throughout the year. It was successful in receiving some funding and was the target of a Centre 404 fundraising activity to boost and enable continued engagement from the group. We delivered several service user events including a relationship group, men's group, kung fu barbecues, coffee mornings, as well as coaching and support for staff. The group has had a positive social impact with service users addressing cuckooing and coercive friendships.

Our **in-house PBS and Autism Team** have continued to develop best practice and have designed new PBS plans and interventions over the last year for all relevant people we support. The team have completed training for functional assessments and Team Teach and are currently in the process of having our training accredited. We utilised the skills of a kick-starter to design new data capture systems for the service to help analyse quality and this work will be continued in the future through an apprenticeship.

Learning and Leisure Services

Over the past year, the Learning and Leisure Service has continued to support **children, young people, and adults** across four London Boroughs **to access the support they need to socialise, learn, and have fun**. We have successfully continued to adapt our offer in response to Coronavirus and delivered sessions in-person but also via online and telephone support.

This year we were successful in purchasing a brand-new electric vehicle, which meant we were able to support service users that cannot use public transport to access community activities.

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We have continued offering **PBS support** for children and young people in Enfield and Islington. We have also been awarded a new contract to deliver PBS support in Camden from April 2022. In 2021, we have increased our Playscheme attendance to 36 children and young people in Islington and Enfield.

Day Opportunities have continued to grow, and despite the lockdown and restrictions, we have increased support for the people already attending the service. Since Summer 2021 we have also been able to start offering support in our Haringey Opportunities Project after Covid-19, offering support to 4 individuals with the aim of supporting 20 people by the summer of 2023.

Day Opportunities currently run from 3 different bases: Camden Road, Brickworks Community Centre, and Haringey. We are pleased to announce that, from May 2022, we are looking to start offering support from our 4th base in Tower Hamlets. We will continue developing our work in Tower Hamlets over the upcoming year.

The Personal Support Worker Finding and Matching Service has been greatly affected by Coronavirus and recruitment related difficulties, but the service was able to adapt and offer person-centred support so that we are now slowly increasing the support to pre-Covid levels. This year the service joined Centre 404's Independent Living service in the development of an Unwise Friendships Group, which focuses on safeguarding vulnerable adults that are at risk of developing friendships and relationships of concern.

Over the last year, we have successfully continued running **Learning & Leisure Forum** meetings, enabling both service users and family carers to participate in the review and design of the service. This has resulted in pre-employment and volunteer opportunities, as well as new personal budget groups, drop-in's and workshops. In 2022, we are looking forward to running a Young People Forum.

In late 2021, the service was successful in the tendering process with London Borough of Enfield, which will enable us to deliver playschemes until 2027. The service was also awarded a contract to deliver homebased and community one-to-one support for children and young people in Camden from April 2021 - this is a 3-year contract, with possible 2-year extension.

Supporting Families Services

The Supporting Families Service provides **specialist advice, information, and support** to families who care for a child or adult with learning disabilities or Autism. We also run regular support groups, workshops and activities, empowering family carers in speaking up for their own rights and those of other carers.

The Children and Families Act 2014 includes a duty for each Local Authority to provide an information, advice, and support service to support children, young people and their parents on matters relating to a child or young person's special educational needs or disability (SEND) from birth to 25 years. Our service offer is independent from the Local Authority, delivering free, confidential, and impartial services. We are also providing a **direct telephone helpline, support through our website or emails, 24-hour voicemail, call backs, and one-to-one appointments**. The service is an all-year-round flexible service, open during normal office hours.

We also operate a **signposting service** directing clients to like-minded network organisations who provide free advice and support on a range of matters relating to SEN and Disability in England, who make up the Special Educational Needs and Disabilities Information Organisations group known as SENDIOG. It includes organisations whose support is impairment specific which children, young people, parents, and professionals can access. The network includes organisations such as The Advisory Centre for Education (ACE), Contact, Down's Syndrome Association, National Autistic Society, National Deaf Children's Society, Sense, and SOS SEN.

Our support to family carers is vital to many London families and our projects heavily rely on funding from charitable trusts.

We continue to support and engage with families across **several London boroughs** including Islington, Camden, Haringey, Hackney, and City of London. We expanded our work to 3 more boroughs – Enfield, Waltham Forest, and Tower Hamlets. Together with our Learning and Leisure service, we have been successful in a contract for a short breaks provision in Tower Hamlets, in which Supporting Families will be delivering a bi-monthly parent group. We are also pleased to report the success of our projects for Wellbeing Activities such as yoga.

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Supporting Families Service aftermath of the COVID-19 pandemic

Since Covid -19 restrictions have been lifted, the Supporting Families team are operating on a hybrid model. We are offering parents and family carers the opportunity of meeting our caseworkers either virtually or face to face, providing a service which is more accessible and reflective of the current climate. This affords our service to deliver more convenient support to carers with busy and demanding lifestyles.

As the service grows and Centre 404 becomes prevalent in other London boroughs, so does our workload. Looking forward, we plan to fundraise for a new caseworker in September 2022 to help the family carers registered with Supporting Families services to access support and advice, maximise incomes, strengthen resilience, and reduce the risk of isolation.

Achievements and Performance

In November 2021, the **Enfield Special Educational Needs and Disabilities Information Advice and Support Service (SENDIASS)** joined the Centre 404 team. In January 2022, the **Waltham Forest SENDIASS** joined the Centre 404 team. These services are open to any resident aged 0-25 years with special educational needs, their parents and carers, and professionals who support these families. This service is impartial, confidential, and free to use. It includes a phone line open 9am – 5pm, Monday – Friday, and evening appointments available for families unable to access the service during business hours.

One-to-one and group support is available face to face, over the phone, through email, and online on matters relating to special education needs and disabilities such as:

- Statutory duties, eligibility, and referrals to local service provision.
- Rights of parents, children, and young people.
- Support with applications, form filling and drafting letters.
- Complex documentation including needs assessment, reviews and Education Health and Care Plans (EHCPs).
- Arranging and attending meetings in schools or with local authority professionals.
- Support with disagreement resolutions – including support with complaints, referral to mediation services and support with appeals.
- Advice relating to school and college placements and exclusions.
- Information on complaint procedures and mediation.
- Independent advocacy around decision making; discrimination; rights and entitlements.

We will also be offering workshops and information sessions to parents and carers, drop-in sessions for parents and carers in community centres across the borough and focus groups for young adults to ensure that they are consulted with and included in the design of service provision.

Income Maximisation Work

During this period family carers received support in the following areas:

- Welfare benefits
- Practical support around grants
- Emotional Support,
- Housing Advice,
- Health and Social Care advice and information
- Blue Badge applications
- Welfare benefits entitlements

Our funding from Cloudesley Principal Grants allowed us to continue supporting families in or at risk of poverty. We support families with advice, information, and support such as:

- Disability Living Allowance claims
- Personal Independence claims
- Blue Badges
- Housing Medical Assessments
- Health and Social Care advice and information

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Looking Forward

In response to the feedback we have received from parents/carers in regard to the importance and positive impact of this work, we will continue to identify sources of funding to maintain and develop vital services around maximising income and improving health and wellbeing.

We continue to look at ways to develop our reach in other boroughs through securing public funding and/or grants and engaging with families and professionals from a wider range of boroughs across London.

Additional Information on Central Administration and Management Activities that Support Frontline Service Delivery

Our People Plans

The focus this year has been on rebuilding many of our ways of working and utilising the skills we have developed from the pandemic, particularly those of agility and a new digital awareness to support staff to be the very best in their roles and deliver an exemplary service to the people we support.

Against a challenging background, we have focussed on:

- **Growing our workforce for the future into new areas of service delivery and locations** as we continue to expand our reach across London.
- **Ensuring that a local approach to recruitment is maintained and reflective of the communities in which we work.**
- **Implementing new initiatives to grow and develop young talent throughout the organisation** by taking part in the Government's Kickstart Scheme and progressing 28.5% of kickstarters from the scheme into apprenticeship programmes. We have also developed partnerships with Traineeships and student placements. In addition, 40.2% of our kickstarters progressed into other employment within Centre 404.
- **Supporting staff who have transferred to Centre 404 through the new contracts** that have been awarded in Enfield, Waltham Forest, Camden and Tower Hamlets by providing access to training and development to enable them to understand Centre 404's culture, values and ways of working.
- **Developed and expanded our induction programme**, increasing trainers' confidence in delivery through train the trainer workshops and increasing organisation-wide collaboration and standardisation through the Training Working Group.
- **Continued to innovate and digitalise HR services** by leveraging technology for improved efficiency and quality. Promoting a quality framework, improving the applicant and staff journey whilst supporting statutory requirements and voluntary accreditations.
- **Developing and facilitating a positive and enabling culture toward all staff, applicants and volunteers** with a mental health condition and physical illness. Our approach has been developed through Manager coaching and feedback from staff and volunteers.

Plans for 2022/23

The focus of the coming year will be to:

- Continue to develop our Recruitment and Retention Strategy to ensure that Centre 404 has a diverse workforce to meet the planned growth throughout London.
- Build on our Training and Development Programmes to help staff and managers achieve their goals, while expanding opportunities for e-learning.
- Ensure our compensation and performance management processes are designed and executed to align and maximise our people's performance with the goals of Centre 404.
- Continue to work towards Great Places To Work certification, improving feedback, strengthening relationships, and investing in our staff.
- Ensure a positive values-based work environment that promotes inclusion, person centred care, continuous improvement, partnership working and safety.
- Developing a wider wellbeing offer, to ensure that staff are supported to stay well and in work.

Trustees' Annual Report (incorporating a Directors' Report)

Volunteering

This year has seen an **increase in numbers of our service users taking the opportunity to volunteer in a range of different roles**. We have successfully re-established volunteering opportunities that were not able to continue through the pandemic, such as our recruitment volunteers who assist in the selection of front-line staff. We relaunched Friday Night Discos, increased the opportunity to gain valuable work experience through our reception placement roles, increased participation in the Have Your Say Group. We introduced new roles for service users in our clubs and groups alongside new admin roles with our Heritage Project, such as scanning and preserving archived documents and photographs.

Work has begun to develop our fledgling corporate volunteering programme. We have recently hosted a **Corporate Gardening Volunteer Day** for a group of 20 volunteers from Metro Bank who have transformed the outdoor space for 19 of our Independent Living tenants.

We successfully **increased the number of volunteers taking part in fundraising events**, with 5 Fundraising events and 49 participants, including a sponsored walk in which our service users participated.

Plans for 2022/2023

The focus of the coming year will be to:

- Work with volunteers and staff to shape the volunteering strategy for our next 5 years, embedding recruitment, induction, and supportive frameworks to support volunteers to succeed in their roles.
- To continue to expand and develop corporate volunteering opportunities. Utilising the national hub for volunteering launched by HEE to support learning, training and development across health, social care, and the third sector.
- Develop plans to enable and support volunteers further who wish to move into employment opportunities across Centre 404.

Digital Transformation

We are pleased to report that we have completed the design and we are now setting up **Centre 404's new HR Information system** (People XCD), thus streamlining and providing a better experience to all staff throughout their work experience with Centre 404.

We were successful in **strengthening Centre 404's IT infrastructure**, including cyber security, GDPR and moved to the cloud and Microsoft 365.

Another achievement was strengthening, growing, and improving the engagement of our **social media presence** through Facebook, Twitter, Instagram, LinkedIn, and Tik Tok. Thus, we enabled more posts to reach the people who need to see it while ensuring that our key messages are always clear.

Plans for 2022/2023

The coming year will focus on:

- Ensuring high quality data is enabled through a single platform providing robust information and supporting decision making
- Developing our strategy to improve accessibility, access, and training to digitally isolated and marginalised service users and their families
- Developing ways and approaches to utilise digital to improve the lives of the people we support

Premises

Our service users have benefitted from the increased space and functionality of our **refurbished head office and community centre**, enabling increased drop-ins, playschemes, after-school activities, and new groups to be held.

Plans for 2022/2023

Throughout the coming year we will focus on:

- Increasing the usage of our building by local organisations and people living with a learning disability or Autism.
- Further enhancing the security of the building and evolving the services that are offered by the Facilities Team.

Trustees' Annual Report (incorporating a Directors' Report)

Financial Review

Centre 404 had another strong year financially, with a **net surplus of £83,096** from its charitable activities.

The Independent Living service continues to provide the majority of Centre 404's income, with revenue of nearly £4.8 million for the year, received predominantly from the London Boroughs of Islington (LBI) and Camden.

The Learning and Leisure service, unlike Independent Living, depends strongly on fundraising and charitable grants to finance its activities. Income for the year was £1.7 million, which is significantly higher than the £1.2 million income generated in 2020/21 as it continues to expand its day opportunities and other activities across several boroughs in north and east London.

The Supporting Families service is also highly dependent on grants and fundraising. Income is currently steady at around £159,000. The team continues to provide many of its extremely important frontline services within budget and is now expanding its services into Enfield and Waltham Forest.

The Charity's balance sheet currently healthy, with **cash reserves of just over £1.8 million and strong liquidity ratios**.

We continuously monitor the effectiveness, quality, and cost-efficiency of all our activities to ensure that our limited resources are put to best use. We remain committed to these activities and committed to subsidising services from Central funds where there is evidence of their need and effectiveness.

Reserves Policy

The reason for holding unrestricted reserves is to protect the charity from unforeseen expenditure and the impact of shortfall in projected income. On 31st of March 2022, Centre 404 had **general funds of £4,756,964**. Our reserves policy is to maintain a sufficient level of funds to enable operating activities to be maintained, taking into account potential risks and contingencies that may arise from time to time. When considering our reserves policy, we look at just the reserves that will be available at short notice to cover potential risks and contingencies.

We, therefore, **exclude the following from the general funds number shown above** when assessing the adequacy of our reserves:

- Restricted funds of £106,111.
- Funds earmarked or designated for essential future spending. Currently this is zero following the successful completion of Phase III of the building contract.
- Any fixed assets that are not readily convertible into cash - £2,760,697 on 31st of March 2022.
- Any long-term loans used for financing long term tangible assets – nil on 31st of March 2022 following the full repayment of the long-term loan.

The **reserves** held by Centre 404 for the purpose of assessing adherence to the Reserves Policy are therefore **£1,996,267**. This figure is approximately £200,000 higher than the free reserves held by Centre 404 on 31st of March 2021.

We take a probability-based approach to determining the appropriate level of reserves, taking into account the predictability of our income flows and the flexibility of our cost base. Newer contracts tend to be spot rather than term, meaning that future cash flow is harder to predict. In addition, inflation and interest rates appear both to be on the increase, which can pose significant risks regarding, for example, higher wage and energy costs.

Set against that, the Phase III building project has been successfully completed and we have now experienced two years of COVID-19 disruption and have managed to adapt to these new circumstances with minimal financial impact.

The Trustees have therefore taken all the above into consideration, along with an assessment of future cost commitments, future growth plans and future material risks and contingencies, when determining the reserves policy. The Trustees considered that given the nature of Centre 404's work and future commitments, ideally, the free funds should be in the region of £1,935,104, or 3 months budgeted future expenditure.

The actual reserves of £1,996,237 equates to just **over 3 months of budgeted future expenditure**.

CENTRE 404

A company limited by guarantee and not having a share capital

Trustees' Annual Report (incorporating a Directors' Report)

The Trustees have considered very carefully the adequacy of the current reserves and are comfortable that they are sufficient to adequately protect Centre 404 from unforeseen expenditure or income shortfalls.

Major Achievements for the Last Year

Below is an **update on the progress and outcomes of the goals we set ourselves in last year's report**. These are only a selection of the objectives and priorities we set for the last financial year. Following on from this are the goals we want to achieve for 2022-2023.

The Goal

Continue our path to Digital Transformation, including a full move to the Cloud, while addressing digital exclusion of our family carers and service users with the aim of a more efficient system and better outcomes for service users.

Outcome

We are pleased to report that we made a full move to the Cloud. We also continue to address digital exclusion for our service users and family carers. We have provided tablets to people who need them and training on how to use them. Our next Five-year Strategic Plan will have Digital Transformation and digital inclusion as a main priority. As part of this transformation, in September 2022 we will introduce an AI-powered analytics HR platform (People XCD), a service users database (Salesforce), and upgrades in our cyber security measures.

The Goal

Complete our new Five-year strategic plan for 2023-2028 – Over the coming months we will continue to consult with service users and other stakeholders as well as analyse the external environment we operate in. This allows us to arrive at an effective, relevant strategy, and a future vision for the organisation.

Outcome

We are just about to complete the Five-year strategic plan. The Strategic Working Group formed of the CEO and four trustees met five times in 2021 and 2022, discussing strategic priorities as well as reviewing the achievements and progress of the current strategic plan. In addition, the Strategic Working Team, comprised of the CEO, the Research and Development Coordinator, and the Executive Assistant & Company Administrator met eight times. This team reviewed the service user and family carers surveys conducted by Centre 404's services, and our Research and Development coordinator conducted stakeholders focus groups. This group also analysed the London boroughs' and Mayor of London's strategies in the following areas: Health & Wellbeing, Children & Families, SEND, and Digital Transformation. Therefore, the work on our new strategic plan is based on the above external analysis and in-house stakeholder feedback. Finally, we feel confident in completing the strategy later this year.

The Goal

Business Development – We want to invest in additional resources in business development in order to broaden our reach, maintain and develop services and explore additional partnerships within the communities we work in.

Outcome

During the year, we had a gap in between our Fundraising Officer leaving and appointing a new person. We are pleased to report that we now have a Fundraising Officer, and we will invest in Business Development. Going forward, the CEO and the trustees wish to invest in business development to continue broadening our reach, maintaining and developing services, and exploring additional partnerships within the communities we work in.

The Goal

This year the charity will be 70 years old so we will be celebrating through the year - We will finally start on our restoration and archiving project to digitally store photos, minutes, and important documents from over the years. We will seek funding so we can record the voices and stories of some of our long-standing families and members. Over the coming years we will look to preserve this body of work not just with us but with an external body.

Outcome

We are pleased to report we employed a Multimedia Content Coordinator who is carrying out our Heritage project. We now have completed the archiving and storage of historical photographs and minutes. We are using some of these minutes and photographs to hold an exhibition at the AGM in summer of 2022. We have also been keeping people up to date with our 70 years celebration activities on social media.

CENTRE 404

A company limited by guarantee and not having a share capital

Trustees' Annual Report (incorporating a Directors' Report)

For the next year we plan to:

1. Complete the next 5-year strategy and implement year 1 of the action plan.
2. Research the potential to enabling greater access to a wider range of services, including working with people with dementia and supporting people with palliative care across London.
3. Commit to achieving the Great Places to Work and Trusted Charity accreditation and the re-accreditations for staff and management (UKIED) and the Advice and Quality Management (AQS).
4. Advance our Digital Transformation effort by fully implementing People XCD, providing digital skills training, updating our conferencing facilities to improve hybrid meetings, and continue to grow and enhance our social media presence.
5. Another strategic priority going forward will be sustainability on all levels. For example, we will develop more training for our staff regarding recycling and a host of other carbon reducing efforts, explore additional solar panels, and seek an external third-party review of our carbon-reducing efforts.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

Approved by the Executive Committee on 28th of July 2022 and signed on their behalf by:

Paul Formosa, Chair



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRE 404

Opinion

We have audited the financial statements of Centre 404 ('the company') for the year ended 31st of March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and 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 of 31st of 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 Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRE 404

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit. 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' exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRE 404

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, 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.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRE 404

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 30 August 2022

6th Floor
9 Appold Street
London
EC2A 2AP

CENTRE 404

A company limited by guarantee and not having a share capital

Statement of financial activities (incorporating an income and expenditure account) for the year ended 31 March 2022

	Note	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Income					
Donations		17,927	-	17,927	11,495
Other trading activities	2	6,783	-	6,783	2,620
Income from charitable activities	3	6,554,727	227,987	6,782,714	6,754,870
Investments income: interest receivable		1,337	-	1,337	1,833
Other income		31,955	-	31,955	4,284
Total income		6,612,729	227,987	6,840,716	6,775,102
Expenditure					
Expenditure on raising funds					
Fundraising and publicity		27,237	-	27,237	35,274
Expenditure on charitable activities	5	6,489,758	240,625	6,730,383	6,123,898
Total Expenditure		6,516,995	240,625	6,757,620	6,159,172
Net income	6	95,734	(12,638)	83,096	615,930
Transfers between funds	13/14	8,969	(8,969)	-	-
Net income/(expenditure) and net movement In funds for the year		104,703	(21,607)	83,096	615,930
Reconciliation of funds					
Total funds brought forward		4,652,261	127,718	4,779,979	4,164,049
Total funds carried forward	13	4,756,964	106,111	4,863,075	4,779,979

All amounts relate to continuing activities.

As all gains and losses are included above, no statement of total recognised gains and losses has been prepared.

The notes on pages 20 to 30 form part of these financial statements.

CENTRE 404

A company limited by guarantee and not having a share capital

Balance Sheet As at 31 March 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	9	2,760,697	2,905,931
		_____	_____
Current assets			
Debtors	10	941,179	533,841
Cash at bank and in hand		1,854,520	1,973,854
		_____	_____
		2,795,699	2,507,695
Creditors: amounts falling due within one year	11	693,321	600,711
		_____	_____
Net current assets		2,102,378	1,906,984
		_____	_____
Total assets less current liabilities		4,863,075	4,812,915
		=====	=====
Creditors: Amounts falling due after 1 year	12	-	32,936
		=====	=====
Net assets		4,863,075	4,779,979
		=====	=====
Funds			
Unrestricted funds	13	4,756,964	4,652,261
Restricted funds	13/14	106,111	127,718
		_____	_____
Total funds	15	4,863,075	4,779,979
		=====	=====

These financial statements have been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

The financial statements were approved by the Executive Committee and authorised for issue on 28th of July 2022 and signed on their behalf by:

PAUL FORMOSA



Chair of Trustees

DEREK WEIST



Trustee and Treasurer

Company Number: 2270299

The notes on pages 20 to 30 form part of these financial statements.

CENTRE 404

A company limited by guarantee and not having a share capital

Statement of Cash Flows For the year ending 31 March 2022

	Notes	2022	2021
Cash used in operating activities (a)		(8,069)	1,392,385
Cash flows from investing activities			
Interest income		1,337	1,833
Purchase of tangible fixed assets		(79,666)	(665,507)
Cash provided by (used in) investing activities		(78,329)	(663,674)
Cash flows from financing activities			
Repayment of borrowing		(32,963)	(2,739)
Cash used in financing activities		(32,963)	(2,739)
Increase/(Decrease) in cash and cash equivalents in the year		(119,334)	(725,972)
Cash and cash equivalents at the beginning of the year		1,973,854	1,247,882
Total cash and cash equivalents at the end of the year		1,854,520	1,973,854
(a) Reconciliation of net expenditure to net cash flow from operating activities			
Net income (expenditure) for the reporting period (as per the statement of financial activities)		83,096	615,930
Depreciation charges		224,900	190,534
Interest income shown in investing activities		(1,337)	(1,833)
Decrease/(increase) in debtors		(407,338)	401,342
Increase /(decrease) in creditors		92,610	186,412
Net cash used in operating activities		(8,069)	1,392,385
(b) Analysis of cash and cash equivalents: Cash at bank and in hand		1,854,520	1,973,854

Notes to the financial statements**For the year ended 31 March 2022****1. Accounting policies****a) Accounting convention**

The financial statements are prepared under the historical cost convention. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2017) – (Charities SORP (FRS 102)) and the Companies Act 2006. There were no changes to accounting policy as a result of the transition to FRS 102.

Centre 404 meets the definition of public benefit entity under FRS 102.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. The trustees have considered the impact of the COVID-19 outbreak and the measures taken to contain it when forming their assessment of going concern. The trustees do not consider that the outbreak will impact the ability of the charitable company to continue its operations and meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements.

b) Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land and property are situated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings, and equipment	33.33% of cost
Motor Vehicles	20.00% of cost
Freehold land and Building	5.00% of cost
The company's policy is only to capitalise assets costing more than £500.	

The original cost of land £89,117 is not being depreciated. In the opinion of the trustees, this represents the land value of the site and hence no depreciation is charged. The property is used by the charity to fulfil its objectives.

c) Income

All income is accounted for in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. All grants and contractual income are included on a receivable basis. The income from fundraising events is shown gross, with associated costs included in fundraising costs.

Funds received for the purchase of fixed assets are accounted for as restricted income. The treatment of the assets provided depends upon the restrictions imposed by the grant and if the fixed assets' acquisition discharges the restriction, then the assets will be held in unrestricted funds. A corresponding transfer of the associated restricted income will be made to the unrestricted fund in the year of purchase.

d) Expenditure

All expenditures are accounted for on an accrual basis and is allocated to the appropriate heading in the financial statements.

Costs of generating funds include the costs incurred in generating voluntary income and the costs of direct publicity intended to raise the profile of the charity.

Notes to the financial statements

For the year ended 31 March 2022

Charitable expenditure comprises services supplied and activities undertaken which are identifiable as wholly or mainly in support of the charity's objectives.

Support costs are those costs which enable fund generating and charitable activities to be undertaken and include finance costs, governance costs and general property maintenance. Where activities incurred relates to more than one cost category, it is apportioned on the most appropriate basis, predominantly with reference to staff time, and on a reasonable and consistent basis.

e) **Value Added Tax**

Value Added Tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

f) **Fund accounting**

The unrestricted general funds are those funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds are those unrestricted funds set aside by the trustees for specific purposes or projects.

Restricted funds are those funds which are to be used in accordance with specific restrictions imposed by the donors.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

g) **Pension Scheme**

The charity offers a Pension Plan to its employees, which is administered by People's Pension. The charity makes contributions into the plan. Employees may also make individual contributions within the limits set by HM Revenue and Customs. Such contributions are held in funds administered completely independently of the Charity's finances. The contributions made by the charity are accounted for on an accruals basis.

h) **Allocation of support costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. Expenditure is allocated to activities based on an estimate of staff time spent on each activity.

i) **Financial Instruments**

The charity 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.

j) **Critical estimates and significant judgements**

With respects to the next reporting period for the year ended 31 March 2022, the most significant areas of uncertainty that affect the carrying value of assets held by the charity are the level cash reserves and tangible fixed assets (see Reserves policy sections of the Trustees' Report for more information)

k) **Cash and cash equivalents**

Cash and cash equivalents represent such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

CENTRE 404

A company limited by guarantee and not having a share capital

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

2.	Other trading activities	2022 £	2021 £
	Local fundraising	6,783	2,620
		<u>6,783</u>	<u>2,620</u>
		<u><u>6,783</u></u>	<u><u>2,620</u></u>

3.	Income from charitable activities	Unrestricted £	Restricted £	2022 £	2021 £
	Learning & Leisure	1,600,351	128,082	1,728,433	1,230,738
	Central	93,405	5,645	99,050	166,774
	Family Support	65,184	94,260	159,444	162,027
	Housing	4,795,787	-	4,795,787	5,195,331
		<u>6,554,727</u>	<u>227,987</u>	<u>6,782,714</u>	<u>6,754,870</u>
		<u><u>6,554,727</u></u>	<u><u>227,987</u></u>	<u><u>6,782,714</u></u>	<u><u>6,754,870</u></u>

4 (i). Analysis of governance and supports costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost Type	Total allocated £	Governance related support costs £	Support costs £	Basis of apportionment
Staff Costs (Note 8)	497,607	23,175	474,432	Staff time
Marketing, fundraising and publication	22,057	794	21,263	Staff time
Human Resources	20,652	1,447	19,205	Staff time
Premises costs	19,582	979	18,603	Staff time
Information technology	166,114	8,306	157,808	Staff time
Office running costs	84,494	4,225	80,269	Staff time
Professional fees and finance costs	27,949	4,312	23,637	Staff time
Others and depreciation	228,735	11,437	217,298	Staff time
	<u>1,067,190</u>	<u>54,675</u>	<u>1,012,515</u>	
	<u><u>1,067,190</u></u>	<u><u>54,675</u></u>	<u><u>1,012,515</u></u>	

CENTRE 404

A company limited by guarantee and not having a share capital

Notes to the financial statements

For the year ended 31 March 2022

4 (ii).	Governance costs	2022 £	2021 £
	Governance and professional support for trustees	9,227	46
	Audit fee	26,009	14,754
	Support costs (based on apportioned staff time Per note 4 (i))	54,675	46,155
		89,911	60,955

4 (ii).	Total governance and support costs	Total £
	Support costs (note 4 (i))	1,012,515
	Governance costs (note 4 (ii))	89,911
		1,102,426

4 (iv).	Allocation of governance and support costs	Staff costs Note 8 £	Other allocated costs £	2022 £	2021 £
	Learning & Leisure	60,624	73,683	134,307	132,123
	Family Support	7,260	8,825	16,085	15,824
	Housing	429,724	522,310	952,034	779,474
		497,608	604,818	1,102,426	927,421

5.	Expenditure on charitable activities	Staff costs Note 8 £	Other direct costs £	Support and governance costs £	2022 £	2021 £
	Fundraising and publicity	24,188	3,049	-	27,237	35,274
	Learning & Leisure	1,326,835	220,435	134,307	1,681,577	920,934
	Central	105,231	6,461	-	111,692	73,893
	Family Support	134,196	21,751	16,085	172,032	196,573
	Housing	3,753,069	59,979	952,034	4,765,082	4,932,498
		5,343,519	311,675	1,102,426	6,757,620	6,159,172

CENTRE 404

A company limited by guarantee and not having a share capital

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

Support and governance costs are apportioned on the basis of time spent on the projects.

Professional support costs include the internal costs of strategic planning and providing training, advice and other support to the trustees.

6. Net movement in funds is stated after charging:

	2022	2021
	£	£
Auditor's remuneration – audit (exclusive of VAT)	16,667	11,250
Under profession of audit fees	6,009	1,254
Depreciation	224,900	190,534

7. Taxation

Centre 404 is a registered charity and is therefore potentially exempt from taxation of its income and gains as Centre 404 falls within the definition of a Charitable Company as defined in Part 1, Schedule 6 of the Finance Act 2010. No tax charge has arisen during the year.

8. Staff costs, trustees, and key management personnel

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	4,315,764	4,059,333
Redundancy and termination costs	23,642	-
Social security costs	329,522	324,063
Pension costs	92,557	112,447
Agency costs	4,761,485	4,495,843
Total	5,841,127	5,467,068

Included within redundancy and termination costs are ex-gratia payments totalling £23,642 (2021 - nil).

During the year the following number of employees whose total remuneration, on an annual equivalent basis, was in the excess of £60,000 were as follows:

	2022	2021
	No	No
£60,001 - £70,000	1	1
£80,001 - £90,000	1	1

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

The key management personnel of Centre 404 comprises the trustees, the Chief Executive Officer, the Head of HR and Resources, the Head of Housing, Head of Family and Head of Learning and Leisure. The total employee benefits of the key management personnel of Centre 404 were £372,605 (2021: £362,750).

The average monthly head count was 248 staff (2021: staff 221) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year was as follows:

	2022	2021
Leisure and Learning	43.2	25.2
Central	18.0	14.0
Family Support	6.0	4.5
Housing	173.9	197.7
	241.1	220.4

No remuneration is paid to the Trustees. No expenses were claimed or paid to Trustees during the year (2021: Nil).

9. Tangible fixed assets

	Freehold property	Motor vehicle £	Furniture & equipment £	Total £
Cost				
At 1 April 2021	3,340,165	107,098	312,672	3,759,935
Additions	-	37,553	42,113	79,666
Disposals	-	(53,000)	-	(53,000)
At 31 March 2022	3,340,165	91,651	354,785	3,786,601
Depreciation				
At 1 April 2021	517,532	85,460	251,012	854,004
Charge for the year	162,552	17,078	45,270	224,900
Disposals	-	(53,000)	-	(53,000)
At 31 March 2022	680,084	49,538	296,282	1,025,904
Net book value				
At 31 March 2022	2,660,081	42,113	58,503	2,760,697
At 31 March 2021	2,822,633	21,638	61,660	2,905,931

All fixed assets are used for direct charitable purposes.

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

10. Debtors	2022 £	2021 £
Trade debtors	752,000	489,024
Prepayments	22,884	14,890
Accrued Income	138,935	1,185
Other debtors	27,360	28,742
	941,179	533,841

11. Creditors: amounts falling due within one year	2022 £	2021 £
Bank loan	-	2,691
Trade creditors	229,653	212,007
Other creditors	116,901	106,466
Accruals	328,330	279,547
Deferred income	18,437	-
	693,321	600,711

12. Long-term loans

The charity has a loan from Lloyds Bank which is secured by charge on the charity's freehold property, 404 Camden Road, London, N7 0SJ. Interest is charged 3.15% above the bank of England base rate which currently is 0.10%. The loan is repayable as follows.

	2022	2021
1 – 2 years	-	2,695
2 – 5 years	-	9,670
Over 5 years	-	20,571
	-	35,67

Notes to the financial statements

For the year ended 31 March 2022

13. Movement in accumulated funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Unrestricted funds					
General funds	1,779,266	6,612,729	(6,516,995)	121,267	1,996,267
Designated Funds:					
Fixed Assets Funds	2,872,995	-	-	(112,298)	2,760,697
Total unrestricted funds	4,652,261	6,612,729	(6,516,995)	8,969	4,756,964
Restricted funds					
Family Support	38,294	94,260	(107,047)	-	25,507
Learning & Leisure	64,316	128,082	(108,239)	(25,976)	58,183
Central	25,108	5,645	(25,339)	17,007	22,421
Total restricted funds	127,718	227,987	(240,625)	(8,969)	106,111
Total funds	4,779,979	6,840,716	(6,757,620)	-	4,863,075

Designated Funds relates to the charity's fixed assets including freehold land and building as these funds do not represent liquid reserves available for the charitable purposes of Centre 404.

The restricted funds are balances of grants given to Centre 404 to carry out specific projects. Restricted funds are shown in more detail in note 14.

Transfers

Transfers between funds are made for a number of reasons:

- The Trustees may designate some General funds to specific projects/designated funds.
- Funds received for the purchase of fixed assets are accounted for as restricted income when received or designated. Where the restriction is discharged when the fixed assets are acquired, a transfer is made from the associated restricted funds to General funds.
- To clear deficits on restricted funds.

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

14. Restricted Funds	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Family Support					
Richard Cloudsley – Welfare Grants Programme	4,585	5,000	(6,612)	-	2,973
Family Carer's Reference Group	1,674	3,335	(5,009)	-	-
Family Tower Hamlet	-	1,163	(1,163)	-	-
Parents Forum	2,069	21,162	(16,698)	-	6,553
D'Oyly Carte	-	3,000	(2,000)	-	1,000
Lottery Award for All	-	10,000	(7,500)	-	2,500
Support for carers of all ages (R. Cloudesley)	7,158	30,000	(29,658)	-	7,500
Older Career Views	-	5,000	(2,500)	-	2,500
Support to carers 65+ (City Bridge Trust)	19,846	10,600	(30,446)	-	-
Hampstead Wells & Camden Trust	-	5,000	(2,449)	-	2,501
Islington Local Initiatives Fund	2,962	-	(2,962)	-	-
Subtotal	38,294	94,260	(107,047)	-	25,507
Learning & Leisure					
BBC CIN – Training Project	-	1,000	-	-	1,000
Jack Petchey – 21 st Birthday Gift	-	-	(125)	125	-
Electric Bus Funding	14,844	48,192	(1,111)	(37,553)	24,372
Jack Petchey	5,399	2,944	(2,860)	-	5,483
Juniors	6,391	14,869	(19,453)	-	1,807
Siblings	2,059	14,675	(16,316)	-	418
Youth Group	2,208	14,475	(17,499)	816	-
Happy Tuesdays	3,171	708	(9,560)	5,681	-
YAG	-	5,675	(4,430)	-	1,245
Wednesday Open	2,119	1,026	(6,584)	3,439	-
Friday Social	-	-	(663)	663	-
Siblings Activities	10,000	-	(552)	-	9,448
Young Catalyst	-	-	(650)	650	-
Music/Cooking Group	4,196	610	(1,330)	-	3,476
Wheelchair Ice Skating	-	-	(99)	99	-
Young Career Club	10,000	1,000	(66)	-	10,934
Out & About	3,929	55	(3,984)	-	-
Big Lottery Covid 19	-	-	(104)	104	-
Funding infection control	-	12,854	(12,854)	-	-
Youth Investment Fund	-	9,999	(9,999)	-	-
Subtotal	64,316	128,082	(108,239)	(25,976)	58,183

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

Central

Volunteer Project	-	5,112	(21,119)	17,007	-
Garden Project	9,637	533	(3,206)	-	6,964
Mayor's Charity - Donations	5,805	-	(14)	-	5,791
Independent Living – A Plus	6,666	-	-	-	6,666
Independent Living – CAF	3,000	-	-	-	3,000
Subtotal	25,108	5,645	(25,339)	(17,007)	22,421
Total restricted funds	127,718	227,987	(240,625)	(8,969)	106,111

Funding sources for the year ended 31 March 2022

Supporting Families Funding

- **Welfare Grants Programme:** Centre 404 is a trusted partner to Cloudesley's Charity. Each year a sum of money is agreed for us to hold and to be distributed when requested to families that fall within the remit of the Trust. Cloudesley agrees this would be a quicker way of getting resources to those in need. Families can only apply for these grants through one of the appointed partners and not directly with Cloudesley.
- **Family Carer Reference Group:** Funded by Islington Council to support carers of adults with learning disabilities to get involved with decision making and policy consultation in Islington.
- **Islington Parents' Forum:** Funded by the Department for Education for parents of children with any special needs and disabilities. We facilitate a forum and focus groups to encourage parent participation in policy consultations and to influence local policy within Islington.
- **Support to family carers age 65+:** A grant was offered by City Bridge Trust to offer outreach and support to carers over the age of 65, across the London boroughs of Camden, City of London, Haringey and Islington.
- **Swiss Cottage drop-ins and information sessions:** This project was funded in July 2019 to provide drop-ins and information sessions to parents of children with learning disability or autism at the Swiss Cottage School and around the Hampstead Area.

Learning and Leisure Funding

- **Jack Petchey:** This funding can only be spent on resources or activities as chosen by six Jack Petchey winners throughout the year.
- **Young Catalyst:** This funding is awarded to young people to access aspirational activities. Funding is to be spent over 3 years.
- **Juniors, Siblings and Youth Groups:** We are now into the second year of a Continuation Funding BBC Children in Need grant that funds these groups.
- **LB Camden Short Breaks:** funding for outreach work with children and young people in Camden.

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

- **LB Enfield:** funding for play schemes, outreach and PBS support for children aged 8-17 years old in Enfield, throughout the year.
- **LB Short Breaks:** Aiming High, Fun Fridays. Funding stopped for these sessions and now we invoice in arrears per child in attendance to deliver group work with children aged 5-18 years, and outreach sessions for children and young people in the same age range who are unable to access group activities. Outreach community and homebased support and PBS support.
- **LB Tower Hamlets:** funding for delivery of 3 afterschool clubs and overnight stay.
- **Minibus Funds:** Restricted for use on anything to do with the minibus; left over from original purchase funds.

Central Funding

- **Garden Project:** A proportion of the Awards for all funding was for this project

15. Analysis of net assets between funds

	Unrestricted		Restricted	Total
	General	Designated		
	£	£	£	£
Tangible fixed assets	-	2,760,697	-	2,760,697
Net current assets	1,996,267	-	106,111	2,102,378
	_____	_____	_____	_____
Net assets	1,996,267	2,760,697	106,111	4,863,075
	=====	=====	=====	=====

16. Members

The ultimate control of the company lies within the members who pledge to pay £1 in the event of the company winding up. There were 86 members at 31st of March 2022 (2021: 86).

17. Related Party Transaction

There has been no related party transaction during this financial year.

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