



Supporting people with learning disabilities and autism

TRUSTEES ANNUAL REPORT

Trustees Annual Report and Financial Statements
Year Ending 31st March 2021

2021

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Chairman's Report

The Havencare Board of Trustees works to serve and protect the people we support by ensuring that the organisation is run in a safe and financially sustainable way. As Trustees our mandate is to govern the strategic direction of the Charity, maintain the integrity and transparency of our standards of support, employment, and financial reporting, and ensuring that we are compliant with applicable laws and regulations.

2021 Annual Report from the Chair – Havencare Homes and Support Limited

2020 to 2021 has been dominated by the "C-word". COVID-19 has brought unprecedented challenges to our sector, and the resolve of our workforce and the resilience of the people we connect with has been humbling to see. Through 2020-2021, Havencare did not see any outbreaks from transmission in services and only had a handful of individual staff cases. However, the workload increase was extraordinary –new policies, absences from isolation, testing, PPE, vaccines, and administration. Havencare's Trustees join our CEO, Phil Morris, in paying an unreserved tribute to the sacrifices and diligence of our staff, the people we support and to their respective families, to help keep people safe and well.

Havencare's drive for growth, security and sustainability has not rested. We are proud to have completed a merger with a specialist housing charity Brook Housing Limited, to become Havencare Homes and Support Limited. We have achieved a surplus that builds our reserves and the merger bringing owned properties has grown our total reserves.

This provides an exciting platform for future growth, including investment in people's homes. There is such a shortage of bespoke homes for people with learning disabilities and autism and Havencare will try to play a small role in addressing this gap in the localities we work in. We will invest in people's homes and work with landlords on sustainable agreements to develop our portfolio. However, we must continue to move with caution as the indirect longer-term cost of the COVID-19 Pandemic and Brexit on critical things like recruitment and retention of staff is likely to be realised next year.

Our Plymouth and Cornwall provisions continue to grow and develop. We continue to drive Positive Behaviour Support as the right values-based model of delivery for people with learning disabilities and autism. As we have come to expect, there were many incredible outcomes reported this year, including people learning new skills, gaining new independence, and achieving lifegoals.

The merger has given us chance to review our progress against our strategy and think about our longer-term plans. Our new strategic aims are: Provide Specialist Homes; Provide Outstanding Support; Be an Employer of Choice; Be a Leader in Learning. To achieve all this, Havencare will continue to invest in our people, places, and practice.

Thank you to my fellow Trustees, all our staff, the people we support, their friends and families and to our partners, who together, make Havencare such a special charity to serve.

Stephen Reynolds

Stephen Reynolds
Chair of the Board of Trustees

Objectives & Activities

Objects of the Charity

To benefit the public by the provision of relief to those in need by reason of any form of disability primarily but not exclusively learning, sensory disability or mental illness, this relief being provided by all forms of support to enable them to live the lives they choose and in particular by support in the home, by support in the community and the work place, and by the provision of residential accommodation and in particular but not exclusively those persons living within the South West of England.

Vision

"A world where people with learning disabilities and autism are able to live their lives through opportunity and choice."

Mission

"Supporting individual journeys that empower the person to realise their potential and direct their own life."

Values

Our values are simple and clear and will transform culture. They flow through every decision we make and every action we take.

Transparency – "trust is built on telling the truth"

Engagement – "treat people like they make a difference, and they will"

Quality – "don't just do it, do it well"

Havencare's Key Performance Indicators 2018-2021

Our strategic drives were measured and reported on against the following **8 Key Performance Indicators**:

Survive & Thrive

1. Respond to sector challenges with resourcefulness to assure the future of Havencare: Survive
2. Stabilise finances with effective resourcing and grow our services, achieving 5% surplus: Thrive

Be Outstanding

3. Achieve CQC rating of Outstanding in our registered services

Attract, Retain & Engage People

4. Attract people; with a less than 10% job vacancy rate
5. Retain our valued people; with a retention rate of 80%
6. Engage our people; shown by a NPS of 60

Have Presence & Impact

7. Win awards, raise awareness, be active in networks, develop volunteers and speak up for our people
8. Achieve outcomes with people through outstanding Practice Leadership

Activities > from April 2020 to March 2021

Havencare Homes and Support Limited (formerly Havencare (South West) Limited) is registered with the Care Quality Commission (CQC) for Domiciliary Care and Residential Care. Our stated specialisms are:

Learning disabilities; Personal care; Caring for adults under 65yrs; Caring for adults over 65yrs; Mental health conditions; Accommodation for persons who require nursing or personal care, learning disabilities.

+ **Support (Plymouth, Cornwall, Devon & Torbay)**

During this year, Havencare directly supported 98 people across the South West.

The support Havencare offered this year ranged from 24/7 care and support, to a few hours of enabling support to achieve specific independence or skill development outcomes.

Havencare use various models to best support individuals in their communities. These include residential homes, supported living in the community (people who rent or own their own homes), extra-care housing (sometimes called supported housing) where usually shared support is on-site, and enabling support where people are helped for a few hours per week to achieve specific independence outcomes.

Havencare also deliver a supported lifestyles model across 3 services in Cornwall. This innovative combined approach offers "core background support" from a "support hub" in close reach of people's homes. This approach also utilises assistive technology to maximise independence and reduce restrictions, whilst also providing essential contact support needs such as personal care and keeping people safe. This core background support is then

complimented with “personalised outcomes-focused support” where each person is supported one-to-one to achieve their own outcomes.

+ **Homes (Plymouth, Devon & Torbay)**

During this year, Havencare Homes worked with 45 tenants across 29 properties that are either owned by Havencare, leased, or on a Company Let arrangements across 11 landlord/letting agent partners. Havencare directly supports 36 of these 45 tenants and works with other providers who directly support the remaining 9 tenants.

+ **Learning & Development**

Havencare continues to invest in workforce development, including leadership development and innovation, focusing on being a leader in Positive Behaviour Support.

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Achievements & Performance

Performance Against Strategic Objectives

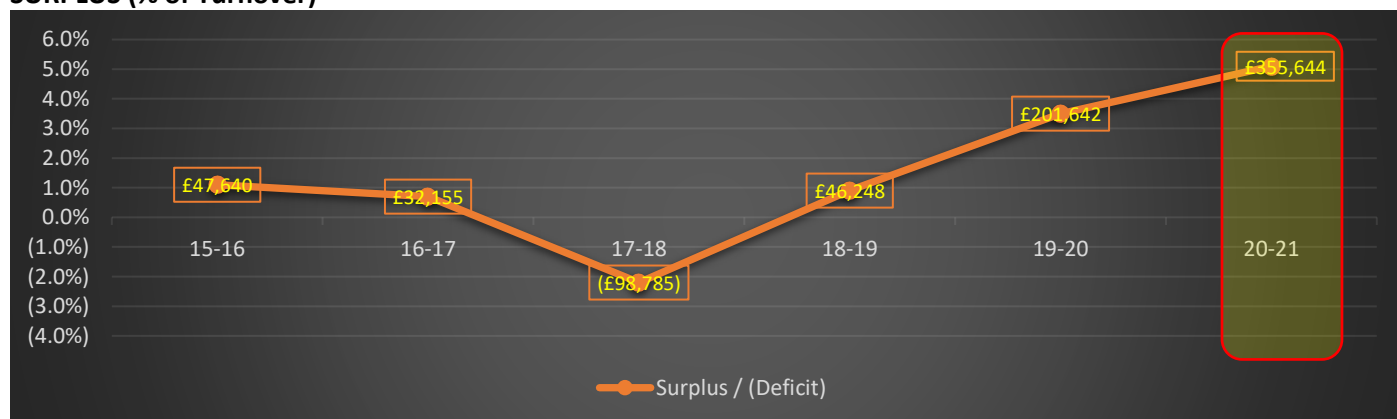
Survive & Thrive

1. Respond to sector challenges with resourcefulness to assure the future of Havencare: Survive
2. Stabilise finances with effective resourcing and grow our services, achieving 5% surplus: Thrive

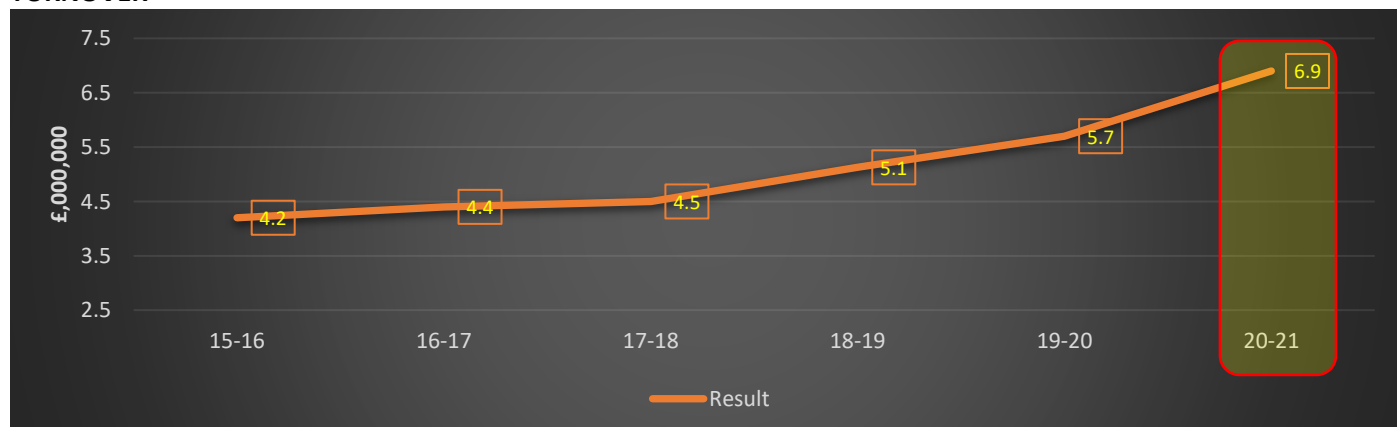
1. Havencare achieved a £356k surplus. This is an outstanding result and continues to strengthen our reserves position after the challenges of 2013-2015 and 2017-2018, and the impending difficulties COVID-19 and Brexit may bring. With continued growth the merger strengthening our Balance Sheet, the future is exciting.
2. We achieved a surplus of 5.1% of turnover. Havencare is supporting 98 people with learning disabilities and autism in the community across the South West, from Penzance to Dawlish. This is 7 more people than we supported last year and 42 more people than we supported in 2017-2018. We are proud to be continuing to reach more people.

The following figures shows financial achievements of 2020-2021 against the performance of previous years:

SURPLUS (% of Turnover)



TURNOVER



Be Outstanding

3. Achieve CQC rating of Outstanding in our registered services

3. We achieved an overall “Good” rating in Botchill House from an inspection in August 2019.

Due to COVID-19, no inspections were carried out in 2020. The following remains the most recent inspection ratings:

| Service | Inspection Report Date | Current Rating | | | | | |
|-----------------------------------|------------------------|----------------|-----------|------------|----------|------------------|-------------|
| | | Safe | Effective | Responsive | Well-Led | Caring | OVERALL |
| Supported Living Plymouth & Devon | 01/02/2019 | Good | Good | Good | Good | ★ Outstanding | <u>GOOD</u> |
| Supported Living Cornwall | 03/03/2018 | Good | Good | Good | Good | Good | <u>GOOD</u> |
| Deanbrook | 22/05/2018 | Good | Good | Good | Good | Good | <u>GOOD</u> |
| Botchill House | 30/08/2019 | Good | Good | Good | Good | Good | <u>GOOD</u> |
| The Firs | 31/10/2018 | Good | Good | Good | Good | Good | <u>GOOD</u> |

Attract, Retain & Engage People

4. Attract people; with a less than 10% job vacancy rate

5. Retain our valued people; with a retention rate of 80%

6. Engage our people; shown by a NPS of 60

4. Havencare achieved a Job Vacancy Rate of 7% in 2020-2021.

*[Job Vacancy Rate = number of job vacancies / (number of occupied posts + number of job vacancies) * 100]*

This is a 1% improvement on 2019-2020, although we anticipate a significant increase in vacancies due to the continuing impact of COVID-19 and Brexit next year.

5. Havencare achieved a retention rate of 70%.

*[Employee Retention Rate = (total employees – employees that left) / total employees * 100]*

This is 4% better than 2019-2020 and exceeds sector averages, although not quite reaching the aspirational 80%

6. Havencare achieved a combined (people we support, their families, and our staff) NPS of 57.

[Net promoter score (NPS) = see figures below]

This is ‘Great’. This result continues our improving trend over 3 years, and we want to keep working towards achieving ‘Excellent’.

Have Presence & Impact

7. Win awards, raise awareness, be active in networks, develop volunteers and speak up for our people

8. Achieve outcomes with people through outstanding Practice Leadership

7. Phil Morris, Havencare's CEO continued in his role as the Chairperson of the Board of Trustees for the Association for Real Change (ARC UK – a membership body for Learning Disability Providers across the 4 UK Countries). This has enabled Phil to represent Havencare in national networks and widen our influence on national issues such as responding to and providing guidance during COVID-19 pandemic. Registered Managers have been active in local networks including provider forums, and the Director of Support has engaged in a Test for Change working group to develop commissioning strategies for people in secure hospitals needing to come home to bespoke community support.
8. So many incredible outcomes were achieved by the people we support. The following is just one example:

Nigel recruited his support worker

"I was involved in putting the advert out for my support staff. My Practice Leader filmed a clip of me talking about myself to go with the advert so people can meet me and know what I like. I was involved and present at the interview stage. I made my own decision and chose the person I wished to be my 1-1 support. I have wanted to learn to ride a moped for many years but have not had the support needed. I am very excited to be able to do this."

Nigel's feedback on his new support worker - Sarah

"I feel we are working well together; she knows her job well. My flat is not like a bomb has hit it; everything is in the right place clearer like a home. The best thing I have done is ride a moped. I've enjoyed everything I've done so far, and I am pleased I chose Sarah as she is good for me."

Getting ready for the interviews:



Moped lesson:



Sorting his kitchen and home:



Financial Review

Investment Policy

The Board of Trustees has a duty to consider various forms of investment for any surplus funds, held from time to time, above the total of the reserves policy.

The Trustees ensure that any surplus funds are invested to:

1. achieve a return so they can further the Charity's aims
2. directly further the Charity's aims with programme related investment

This investment policy is achieved by Trustees sustaining a risk appetite to invest surplus to reserves policy in:

1. People
2. Places
3. Practice

The Trustees will not authorise any investment that conflicts with the Charity's aims or ethos. The Trustees will seek appropriate professional advice prior to making investment decisions.

No investments outside of short-term cash savings were made in this reporting year due to the requirement of building unrestricted reserves to the minimum level outlined in the reserves policy.

Reserves Policy

The Board of Trustees review the value of reserves retained in the form of investments, assets, cash and cash equivalents not held for restricted purposes. The Board consider the charity's exposure to major risks in terms of their likely impact on income sources and planned expenditure, in the short to medium term, as well as assessing the best way to manage such risks.

The reserves policy is calculated as follows:

- Total Reserves: Three months of all operating costs
- Cash Reserves: One month of all operating costs

Holding these reserves is essential to the sustainability of Havencare and the ability to be responsive and effective in times of risk and crisis.

Under this formula a minimum Total Reserves of £1.7m is required to be held at 31st March 2021. Total reserves were built to £2.5m as at 31st March 2021, largely due to revaluation of property transferred on merger with Brook Housing.

Financial Results

At year ending 31st March 2021, Havencare achieved a surplus of £355,644. Havencare has continued the positive trend of rebuilding reserves and creating a platform to continue our progress. This is a remarkable testament to Havencare's resilience and ability to survive and thrive under the most challenging of circumstances.

Risk Review

The Trustees have examined the major internal and external risks that the charity face and a risk register is in place. Systems are in place to monitor and control these risks and to mitigate any impact that they may have on the Charity in the future. The business risk register documents the likelihood and potential impact (severity) of any organisational risks. The robust Business Continuity Plan details planned actions in the event of a significant disruption to operational delivery.

The significant risks facing Havencare in 2021, at the time of writing, are:

- the impact and uncertainty of the COVID-19 pandemic
- the indirect impact of Brexit
- the future (long-term) sustainability of residential service, Botchill House
- the long-term funding position for Social Care

Plans for Future Periods

2021-2024

Over the next 3 years Havencare embark on a new strategy to:

- Provide Specialist Homes
- Provide Outstanding Support
- Be an Employer of Choice
- Be a Leader in Learning


To help achieve this, Havencare will cautiously invest surplus to reserves policy statements in 3 P's: People, Places, and Practice.

In 2021-2022, Havencare will continue to manage emergence from the COVID-19 pandemic and all its lasting consequences. We will focus on attracting, retaining, and engaging our workforce in ever-more challenging circumstances.

We will develop our "Homes" division separately to our "Support" division with new policies procedures and processes as a framework to become a Registered Housing Provider. We will engage with Housing Benefits office to gain funding for intensive housing management for all the work currently undertaken at Havencare's cost.

We will close and sell Botchill House, our largest and oldest residential service and invest in new homes in the community for the people who currently live at Botchill. This enables people to have their own home, their own tenancies and choose who they live with. We will continue to engage commissioners in Devon in this process and hope that they support this opportunity for people to have a better life.

Havencare Homes and Support continues to make bold choices to challenge the status quo. As every challenge in society is exacerbated in social care, we will continue to stand up and shout loud for the benefit of people that we support.



Phil Morris, CEO

Structure, Governance & Management

Governing Document

The charity is a charitable company limited by guarantee, governed by a Memorandum and Articles of Association. The Articles were last updated on 12 May 2015 by special resolution. The Charity is also registered with the Charity Commission. Its members are Directors, each of whom agrees to pay an amount of up to £100 in the event of the charity winding up. If assets remain after the company has been wound up, these will be distributed to other charities with similar objectives within the former Plymouth Health Authority.

Company Name

On 16th May 2020 under the Companies Act 2006 Havencare (South West) Limited changed its name to **Havencare Homes and Support Limited**. This change of name was in response to a merger with fellow charity Brook Housing Limited and the Trustees felt the name change clearly reflects the Charity's activities.

Trustee Recruitment, Appointment and Election

The Constitution provides for a minimum of 3 and a maximum of 10 trustees, of which a third retire annually. Trustees are elected to the Board at the AGM. Potential candidates for the Trustee Board are introduced to the company and inducted by the Chief Executive, which includes visiting all the homes, meeting managers and people supported. Trustees receive a job description and a copy of the Charity Commission Guide 'The Essential Trustee'.

Organisation

Overall responsibility for the management of the Charity is vested in the Trustees who, by reason of incorporation of the Charity, are Directors of the Company. The names of the Directors are set out in **page 13**: "Reference and Administrative Details". The Memorandum of Association precludes the Trustees (non-executive Directors) from receiving remuneration or benefits as a result of their being trustees or directors.

Phil Morris as Chief Executive Officer (CEO) and Company Secretary, reports to Steve Reynolds, the Chair of Trustees and the wider Board of Trustees. Angela Martin, Director of Support (Nominated Individual for CQC); Emma Glover, Director of Business and Finance; Emma Greaves, Housing Manager; and Lisa Halliday, HR Business Partner; are the Executive Leadership Team who report directly to the CEO.

Related Party

Havencare Homes and Support Limited signed a merger agreement with Brook Housing Limited on the 9th April 2020 effective from 1st April 2020. In the previous reporting period, Brook Housing Limited owned the properties that Havencare used for residential care provision. Rent was charged by Brook Housing on these properties together with maintenance and other services. Havencare charged Brook Housing for administrative services.

From 1st April 2020 both previous organisations are accounted for under Havencare Homes and Support Limited's accounts.

Reference & Administrative Details

Charity Name

Havencare Homes and Support Limited
...also referred to as 'Havencare'

Charity Number

299901

Company Number

2198233

Company Address

Havencare Homes and Support Limited
10-12 Union Street
Plymouth
PL1 2SR

Trustees

| | | |
|-------------------|---|---|
| Stephen Reynolds | - | Chair |
| Kathleen Cuthbert | | |
| Neil Moorman | - | Treasurer |
| Caroline Cassidy | | |
| Nicholas Holman | - | appointed 9 th April 2020 |
| David May | - | resigned 16 th February 2021 |

Executives (*and Leadership Team*)

| | | |
|---------------|---|--|
| Philip Morris | - | Chief Executive (& Company Secretary) |
| Angela Martin | - | Director of Support (CQC Nominated Individual) |
| Emma Glover | - | Director of Business and Finance |
| Emma Greaves | - | <i>Housing Manager</i> |
| Lisa Halliday | - | <i>HR Business Partner</i> |

Auditors

Lang Bennetts Audit Limited
The Old Carriage Works
Moresk Road
Truro
TR1 1DG

Bankers

Barclays Bank Plc
20 Lemon Street
Truro
TR1 2NB

Havencare Homes and Support Limited

Statement of Trustees' Responsibilities

Year Ended 31 March 2021

Statement of Trustees' Responsibilities

Law applicable to Charities in England requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its operations.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with applicable Law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

In so far as the officers are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the officers have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Board on 14/10/2021 and signed on its behalf by:



S J Reynolds

Chairman



C Cassidy

Trustee

Report of the Independent Auditors to the Members of Havencare Homes and Support Limited

Opinion

We have audited the financial statements of Havencare Homes and Support Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its result, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Report of the Independent Auditors to the Members of Havencare Homes and Support Limited

Our opinion on the financial statements does not cover the other information and 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, 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.

Report of the Independent Auditors to the Members of Havencare Homes and Support Limited

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

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant are those that relate to health and safety, employment matters and laws and regulations specific to the sector in which the charity operates.

We assessed the risks of material misstatement in respect of fraud as follows:

- we made enquiries of the trustees and management of any non-compliance of laws and regulations, potential litigation and claims or any knowledge of actual, suspected or alleged fraud.
- we reviewed the charity's risk register and minutes of trustee meetings.
- we considered the adequacy of insurance cover.
- we reviewed the operation of controls in relation to local authority grants relating to Coronavirus measures.
- we reviewed information in relation to key operating compliance matters including a review of reports from the regulatory body.
- we considered the risk of fraud through management override.

Based on the results of our risk assessment, we designed our audit procedures to identify and to address material misstatements in relation to fraud, as follows:

- we reviewed legal fees to identify any potential non-compliance with laws and regulations.
- we reviewed the minutes of trustee meetings to identify any significant matters arising.
- we reviewed material manual journal entries for evidence of management override or fraud.
- we reviewed the operation of service user bank accounts.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of Havencare Homes and Support Limited

Use of our report

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



Jonathan Mashen
Senior Statutory Auditor
For and on behalf of Lang Bennetts Audit Limited
Statutory Auditors
The Old Carriage Works
Moresk Road
TRURO
Cornwall
TR1 1DG

Date: 20/10/2021

Havencare Homes and Support Limited

Statement of Financial Activities

(Incorporating Income and Expenditure Account & Statement of Recognised Gains & Losses)

Year Ended 31 March 2021

| | Notes | Unrestricted Funds £ | Designated funds £ | Restricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|---|-------|-------------------------|-----------------------|-----------------------|--------------------------|--------------------------|
| Income from: | | | | | | |
| Charitable activities | 2 | 6,713,324 | - | - | 6,713,324 | 5,903,162 |
| Investments | 3 | 449 | - | - | 449 | 906 |
| Other income | 4 | 124,839 | - | 129,976 | 254,815 | 10,864 |
| Total | | 6,838,612 | - | 129,976 | 6,968,588 | 5,914,932 |
| Expenditure on: | | | | | | |
| Charitable activities: | | | | | | |
| Direct staff costs | | 5,147,353 | - | 67,835 | 5,215,188 | 4,552,315 |
| Other direct costs | | 963,832 | - | 63,056 | 1,026,888 | 846,603 |
| Support costs | 6 | 370,868 | - | - | 370,868 | 366,146 |
| Total | 5 | 6,482,053 | - | 130,891 | 6,612,944 | 5,765,064 |
| Reconciliation of funds | | | | | | |
| Net income for the year | | 356,559 | - | (915) | 355,644 | 149,868 |
| Transfers between funds | | (320,915) | 320,000 | 915 | - | - |
| Net income after transfers | | 35,644 | 320,000 | - | 355,644 | 149,868 |
| Surplus on revaluation of property | | 751,390 | - | 971,876 | 1,723,266 | - |
| Net income after revaluation surplus | | 787,034 | 320,000 | 971,876 | 2,078,910 | 149,868 |
| Total funds brought forward | | 1,765,477 | 260,000 | 442,494 | 2,467,971 | 2,318,103 |
| Total funds carried forward | | 2,552,511 | 580,000 | 1,414,370 | 4,546,881 | 2,467,971 |

Havencare Homes and Support Limited

Balance Sheet

Company Number 2198233

At 31 March 2021

| | Notes | 2021 £ | 2020 £ |
|--|-------|------------------|-----------|
| Fixed assets | | | |
| Tangible assets | 10 | 3,484,397 | 1,715,753 |
| Current assets | | | |
| Cash at bank and in hand | 11 | 1,200,742 | 681,640 |
| Debtors | 12 | 542,921 | 583,366 |
| | | 1,743,663 | 1,265,006 |
| Creditors | | | |
| Amounts falling due within one year | 13 | 620,456 | 444,498 |
| | | 1,123,207 | 820,508 |
| Net current assets | | | |
| Creditors: Amounts falling due after more than one year | 14 | 60,723 | 68,290 |
| Net assets | | 4,546,881 | 2,467,971 |
| The funds of the charity | | | |
| Unrestricted funds | | 2,552,511 | 1,765,477 |
| Designated funds | | 580,000 | 260,000 |
| Restricted funds | | 1,414,370 | 442,494 |
| Total charity funds | 18 | 4,546,881 | 2,467,971 |

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

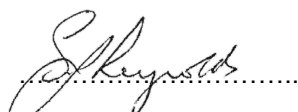
Havencare Homes and Support Limited

Balance Sheet

Company Number 2198233

At 31 March 2021

The financial statements on pages 20 to 35 were approved by the trustees on 14/10/2021
and were signed on its behalf by:



S J Reynolds

Chairman



C Cassidy

Trustee

Havencare Homes and Support Limited

Cash Flow Statement

Year ended 31 March 2021

| | Notes | 2021 £ | 2020 £ |
|---|-------|-------------------------|-----------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | <u>636,853</u> | <u>558,938</u> |
| Net cash provided by (used in) operating activities | | <u>636,853</u> | <u>558,938</u> |
| Cashflows from investing activities | | | |
| Purchase of tangible fixed assets | | (111,202) | (39,179) |
| Sale of tangible fixed assets | | 445 | 5,133 |
| Interest received | | <u>449</u> | <u>906</u> |
| Net cash provided by (used in) investing activities | | <u>(110,308)</u> | <u>(33,140)</u> |
| Cashflows from financing activities | | | |
| Repayment of bank loan | | <u>(7,443)</u> | <u>(8,787)</u> |
| Net cash provided by (used in) financing activities | | <u>(7,443)</u> | <u>(8,787)</u> |
| Change in cash and cash equivalents in the reporting period | | 519,102 | 517,011 |
| Cash and cash equivalents at the beginning of the reporting period | 2 | <u>681,640</u> | <u>164,629</u> |
| Cash and cash equivalents at the end of the reporting period | 2 | <u>1,200,742</u> | <u>681,640</u> |

Havencare Homes and Support Limited

Notes to the Cash Flow Statement

Year ended 31 March 2021

1. Reconciliation of net income to net cash flow from operating activities

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| Net income for the reporting period (as per the statement of financial activities) | 2,078,910 | 149,868 |
| Adjustments for: | | |
| Depreciation charges | 62,394 | 82,599 |
| Revaluation of property | (1,723,266) | - |
| Loss on sale of fixed asset | 2,982 | 7,167 |
| Interest received | (449) | (906) |
| Decrease in debtors | 40,445 | 166,296 |
| Increase in creditors | 175,837 | 153,914 |
| | | |
| Net cash provided by (used in) operating activities | <u>636,853</u> | <u>558,938</u> |

2. Analysis of cash and cash equivalents

| | 2021 £ | 2020 £ |
|---------------------------------|------------------|----------------|
| Cash at bank and in hand | <u>1,200,742</u> | <u>681,640</u> |
| Total cash and cash equivalents | <u>1,200,742</u> | <u>681,640</u> |

Havencare Homes and Support Limited

Notes to the Financial Statements

Year ended 31 March 2021

Accounting policies

Basis of preparation

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

This represents supplementation, fees receivable and supporting people income. Income is accounted for on an accruals basis.

Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any non-recoverable VAT.

Operating leases

Operating leases are accounted for according to the period to which the payments relate.

Governance costs

Governance costs have all been allocated to charitable activities as the amount attributable to governance is insignificant to the charity as a whole.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition.

The charity's policy is to depreciate the cost of an asset less its residual value over the useful economic life of that asset, using the following rates:

| | |
|-------------------------------|--|
| Leasehold improvements | 50% straight line |
| Office leasehold improvements | Over the length of the lease, 10 years |
| Freehold property | 2% straight line, after deducting the value of land and the residual value of property |
| Head office equipment | 15% reducing balance |
| Computers and equipment | 25% reducing balance |
| Motor vehicles | 25% reducing balance |

Funds

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

Restricted Funds: Funds received which the donor earmarks for specific purposes. Such purposes are within the overall aims of the organisation.

Havencare Homes and Support Limited

Notes to the Financial Statements

Year ended 31 March 2021

Unrestricted Funds: Funds which are expendable at the discretion of the trustees in the furtherance of the objects of the charity.

Designated funds: Unrestricted funds set aside by the trustees for specific purposes.

True and Fair Override: Following the merger between Brook Housing and Havencare Homes and Support Limited, for the overriding purpose of showing a true and fair view, merger accounting has been applied as outlined in the notes to the accounts.

1. Net income for the year

Net income for the year is after charging:

| | 2021 | 2020 |
|----------------------------------|--------|--------|
| | £ | £ |
| Depreciation of owned assets | 62,397 | 82,401 |
| Loss on disposal of fixed assets | 3,428 | 7,167 |
| Auditors' remuneration for: | | |
| Audit services | 10,286 | 10,286 |
| Non-audit services | | |

2. Income from charitable activities

| | 2021 | 2020 |
|-----------------|-----------|-----------|
| | £ | £ |
| Fees receivable | 6,429,191 | 5,673,900 |
| Private fees | - | 1,904 |
| Training | 2,038 | 5,007 |
| Rents | 218,544 | 184,021 |
| Other | 63,551 | 38,330 |
| | 6,713,324 | 5,903,162 |

3. Income from investments

| | 2021 | 2020 |
|--|------|------|
| | £ | £ |
| Interest receivable and similar income | 449 | 906 |

Havencare Homes and Support Limited

Notes to the Financial Statements

Year ended 31 March 2021

4. Other income

| | | | 2021 | 2020 |
|---------------------|--------------------|------------------|---------|--------|
| | Unrestricted funds | Restricted funds | Total | Total |
| | £ | £ | £ | £ |
| Sundry other income | 124,839 | 129,976 | 254,815 | 10,864 |

5. Expenditure

| | | | 2021 | 2020 |
|-----------------------------------|--------------------|------------------|------------------|------------------|
| | Unrestricted funds | Restricted funds | Total | Total |
| | £ | £ | £ | £ |
| Direct staff costs | 5,147,353 | 67,835 | 5,215,188 | 4,552,315 |
| Support costs | 370,868 | - | 370,868 | 350,446 |
| Depreciation and asset disposals | 65,825 | - | 65,825 | 90,202 |
| Other staffing costs | 95,275 | 11,813 | 107,087 | 101,133 |
| Administration costs | 55,885 | - | 55,885 | 50,000 |
| General running costs | 121,240 | 20,115 | 141,355 | 96,261 |
| Professional fees & subscriptions | 132,048 | 4,043 | 136,091 | 97,178 |
| Bad debts | 460 | - | 460 | 43,999 |
| Property costs | 490,927 | 27,085 | 518,011 | 380,438 |
| Loan interest | 3,164 | - | 3,164 | 3,092 |
| | 6,482,053 | 130,891 | 6,612,944 | 5,765,064 |

Havencare Homes and Support Limited

Notes to the Financial Statements

Year ended 31 March 2021

Staff costs

The aggregate payroll costs were as follows:

| | Charitable activities 2021 £ | Support costs 2021 £ | Total 2021 £ | Total 2020 £ |
|--------------------|---------------------------------------|-------------------------------|--------------------|--------------------|
| Wages and salaries | 4,636,776 | 326,186 | 4,962,962 | 4,168,043 |
| Social security | 365,773 | 31,417 | 397,190 | 332,549 |
| Pension costs | 80,066 | 13,265 | 93,331 | 72,730 |
| | 5,082,615 | 370,868 | 5,453,483 | 4,573,322 |

The charity is prohibited by its constitution from paying any salaries, remuneration or benefits in money or monies worth to its trustees or any dividends, bonus or share of profits to its members. No expenses have been reimbursed to trustees during the year.

No employees earned more than £60,000.

The average number of full and part time employees during the year was as follows:

| | 2021 | 2020 |
|------------------------|------------|------------|
| Care and support staff | 241 | 192 |
| Administration | 16 | 12 |
| Maintenance | - | 1 |
| Total staff | 257 | 205 |

6. Support costs

| | 2021 £ | 2020 £ |
|-------------------------------|----------------|----------------|
| Support staff costs | 370,869 | 333,404 |
| Other administrative expenses | - | 17,042 |
| Total support costs | 370,869 | 350,446 |

7. Taxation

The company is a registered charity. As such it is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the charity's primary objectives provided that these profits and surpluses are applied solely for charitable purposes.

Havencare Homes and Support Limited

Notes to the Financial Statements

Year ended 31 March 2021

8. Pension scheme

The charity pays into a defined contribution pension scheme. Amounts are charged to the Statement of Financial Activities as they are incurred.

9. Comparatives for the Statement of Financial Activities

| | Notes | Unrestricted Funds £ | Designated funds £ | Restricted Funds £ | Total Funds 2020 £ |
|------------------------------------|-------|-------------------------|-----------------------|-----------------------|--------------------------|
| Income from: | | | | | |
| Charitable activities | 2 | 5,903,162 | - | - | 5,903,162 |
| Investments | 3 | 906 | - | - | 906 |
| Other income | 4 | 10,864 | - | - | 10,864 |
| Total | | 5,914,932 | - | - | 5,914,932 |
| Expenditure on: | | | | | |
| Charitable activities: | | | | | |
| Direct staff costs | | 4,552,315 | - | - | 4,552,315 |
| Other direct costs | | 833,764 | - | 12,839 | 846,603 |
| Support costs | | 366,146 | - | - | 366,146 |
| Total | 5 | 5,752,225 | - | 12,839 | 5,765,064 |
| Reconciliation of funds | | | | | |
| Net income for the year | | 162,707 | - | (12,839) | 149,868 |
| Transfers | | (10,000) | 10,000 | - | - |
| Total funds brought forward | | 1,612,970 | 250,000 | 455,133 | 2,318,103 |
| Total funds carried forward | | 1,765,677 | 260,000 | 442,294 | 2,467,971 |

Havencare Homes and Support Limited

Notes to the Financial Statements

Year ended 31 March 2021

10. Tangible fixed assets

| | Property £ | Equipment £ | Motor Vehicles £ | Total £ |
|--------------------------|------------------|----------------|------------------------|------------------|
| Cost or valuation | | | | |
| At 31 March 2020 | 2,285,855 | 252,517 | 50,011 | 2,588,383 |
| Additions | 26,655 | 71,392 | 13,125 | 111,172 |
| Revaluation | 1,217,379 | - | - | 1,217,379 |
| Disposals | | (16,887) | - | (16,887) |
| At 31 March 2021 | 3,529,889 | 307,052 | 63,136 | 3,900,077 |
| Depreciation | | | | |
| At 31 March 2020 | 670,436 | 160,731 | 41,463 | 872,630 |
| Charge for year | 20,890 | 36,088 | 5,419 | 62,397 |
| Revaluation | (505,887) | - | - | (505,887) |
| Disposals | - | (13,460) | - | (13,460) |
| At 31 March 2021 | 185,439 | 183,359 | 46,882 | 415,680 |
| Net book amount | | | | |
| At 31 March 2021 | 3,344,450 | 123,693 | 16,254 | 3,484,397 |
| At 31 March 2020 | 1,615,419 | 91,786 | 8,548 | 1,715,753 |

Property is included in the accounts at a valuation and was valued by the Trustees on 31 March 2021 using their knowledge of the property market, estate agent valuations and other valuation tools.

The valuation adjustment arising in the year was £1,723,266.

If property had not been revalued it would be included in the accounts at an historic cost of £2,089,621, accumulated depreciation of £547,679 and a net book value of £1,541,942. Until 31 March 2020 the depreciation policy was 2% straight line on cost, which would have given rise to a depreciation charge on the historic cost of £41,792.

11. Bank and cash

The charity holds several bank accounts in trust on behalf of service users. These accounts are not included in the financial statements as they are not the charity's assets.

Havencare Homes and Support Limited

Notes to the Financial Statements

Year ended 31 March 2021

12. Debtors

| | 2021 | 2020 |
|--------------------------------|----------------|----------------|
| | £ | £ |
| Trade debtors | 468,953 | 487,524 |
| Other debtors | 11,532 | 31,564 |
| Prepayments and accrued income | 62,436 | 64,278 |
| | 542,921 | 583,366 |

13. Creditors - Amounts falling due within one year

| | 2021 | 2020 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Bank loans and overdrafts | 9,393 | 9,272 |
| Trade creditors | 83,250 | 53,308 |
| Other creditors | 370,330 | 254,500 |
| Taxation and social security | 132,640 | 88,128 |
| Accruals and deferred income | 24,843 | 39,290 |
| | 620,456 | 444,498 |

14. Creditors - Amounts falling due after more than one year

| | 2021 | 2020 |
|-----------|---------------|---------------|
| | £ | £ |
| Bank loan | 60,723 | 68,290 |
| | 60,723 | 68,290 |

Havencare Homes and Support Limited

Notes to the Financial Statements

Year ended 31 March 2021

The bank loan is repayable by instalments as follows:

| | 2021 | 2020 |
|-------------------|---------------|---------------|
| | £ | £ |
| Within 1 year | 9,393 | 9,272 |
| 2-5 years | 37,571 | 41,059 |
| More than 5 years | 23,152 | 27,231 |
| | 70,116 | 77,562 |

15. Secured debts

| | 2021 | 2020 |
|-----------|---------------|---------------|
| | £ | £ |
| Bank loan | 70,116 | 77,562 |

The bank loan is secured by way of a fixed charge over the property to which it relates.

16. Company status

The company is limited by guarantee with no share capital and is a registered charity. The registered office is in England.

17. Operating lease commitments

The Charity is committed to paying the following annual rentals under non-cancellable operating leases.

| | 2021 | | 2020 | |
|----------------------------|--------------------|--------------|--------------------|--------------|
| | Land and buildings | Other | Land and buildings | Other |
| | £ | £ | £ | £ |
| On leases expiring: | | | | |
| Within one year | 25,000 | 1,053 | 25,000 | 1,053 |
| Between two and five years | 100,000 | - | 100,000 | - |
| After five years | 41,667 | - | 66,667 | - |
| | 166,667 | 1,053 | 191,667 | 1,053 |

Havencare Homes and Support Limited

Notes to the Financial Statements

Year ended 31 March 2021

18. Movement in funds

| | Unrestricted | Designated | Restricted | Total |
|---|------------------|----------------|------------------|--------------------|
| | £ | £ | £ | £ |
| At 1 April 2020 | 1,765,477 | 260,000 | 442,494 | 2,467,971 |
| Incoming resources | 6,838,612 | - | 129,976 | 6,968,588 |
| Resources expended | (6,482,053) | - | (130,891) | (6,612,944) |
| Transfers | (320,915) | 320,000 | 915 | - |
| Gain on revaluation | 751,390 | - | 971,876 | 1,723,266 |
| Net increase/(decrease) in funds | 787,034 | 320,000 | 971,876 | 2,078,910 |
| At 31 March 2021 | 2,552,511 | 580,000 | 1,414,370 | 4,546,881 |

Represented by:

| | | | | |
|--|------------------|----------------|------------------|------------------|
| Fixed assets | 2,070,027 | - | 1,414,370 | 3,484,397 |
| Debtors | 542,921 | - | - | 542,921 |
| Cash at bank and in hand | 620,742 | 580,000 | - | 1,200,742 |
| Creditors due within one year | (620,456) | - | - | (620,456) |
| Creditors due after more than one year | (60,723) | - | - | (60,723) |
| | 2,552,511 | 580,000 | 1,414,370 | 4,546,881 |

Havencare Homes and Support Limited

Notes to the Financial Statements

Year ended 31 March 2021

Comparatives for movement in funds

| | Unrestricted | Designated | Restricted | Total |
|---|------------------|----------------|-----------------|--------------------|
| | £ | £ | £ | £ |
| At 1 April 2019 | 1,612,770 | 250,000 | 455,333 | 2,318,103 |
| Incoming resources | 5,914,932 | - | - | 5,914,932 |
| Resources expended | (5,752,225) | - | (12,839) | (5,712,386) |
| Transfers | (10,000) | 10,000 | - | - |
| Net increase/(decrease) in funds | 152,707 | 10,000 | (12,839) | 149,868 |
| At 31 March 2020 | 1,765,477 | 260,000 | 442,494 | 2,467,971 |

Represented by:

| | | | | |
|--|------------------|----------------|----------------|------------------|
| Fixed assets | 1,273,459 | - | 442,294 | 1,715,753 |
| Debtors | 357,951 | 225,415 | - | 583,366 |
| Cash at bank and in hand | 647,055 | 34,585 | - | 681,640 |
| Creditors due within one year | (444,498) | - | - | (444,498) |
| Creditors due after more than one year | (68,290) | - | - | (68,290) |
| At 31 March 2020 | 1,765,677 | 260,000 | 442,294 | 2,467,971 |

Havencare Homes and Support Limited

Notes to the Financial Statements

Year ended 31 March 2021

Current year 12 months and prior year 12 months combined movement in funds

| | Unrestricted | Designated | Restricted | Total |
|---|------------------|----------------|------------------|---------------------|
| | £ | £ | £ | £ |
| At 1 April 2019 | 1,612,770 | 250,000 | 455,333 | 2,318,103 |
| Incoming resources | 12,753,544 | - | 129,976 | 12,883,520 |
| Resources expended | (12,234,278) | - | (143,730) | (12,378,008) |
| Transfers | (330,915) | 330,000 | 915 | - |
| Gain on revaluation | 751,390 | - | 971,876 | 1,723,266 |
| Net increase/(decrease) in funds | 939,541 | 330,000 | 959,237 | 2,228,778 |
| At 31 March 2021 | 2,552,511 | 580,000 | 1,414,370 | 4,546,881 |

Purposes of funds

Previously a designated fund of £210,000 was set aside by the trustees for a new project within Devon and £50,000 was set aside funds in respect of the anticipated costs of the merger of Havencare Homes and Support Limited with Brook Housing Limited in the year 2020/21. These funds have now been spent and the trustees have set aside the sum of £580,000 in order to purchase new property.

19. Related party transactions

The remuneration comprising salaries and employer pension contributions paid to Key Management Personnel comprising four (2020: four) individuals in the year was £177,755 (2020: £167,060).

20. Post Balance Sheet Events

The legal completion of the transfer of certain property from Brook Housing did not take place until after the year end, however as the property forms part of the merged entity, the property has been included in these accounts. The property had a market value of £1,400,000 at the year end date.

21. Merger with Brook Housing

Following the completion of the merger of Brook Housing Limited and Havencare Homes and Support Limited, these accounts include the merged Balance Sheets and Statements of Financial Activities of the two entities on the basis that they have always operated as a single entity.

As noted in the accounting policies in note 1 of the accounts, this is a departure from the requirements of the Companies Act but is considered necessary to show a true and fair view.

The financial impact of the merger is the inclusion in brought forward net assets of the sum of £1,413,996 which previously related to Brook Housing Limited along with income of £251,290 and expenditure of £303,064 which has been included in the comparatives in the Statement of Financial Activities.