

TURNING LIVES AROUND LTD
(A company limited by guarantee)

Trustees' Report and Financial Statements
For the year ended 31 March 2021

Charity number 515300
Company number 1790817

TURNING LIVES AROUND
(A company limited by guarantee)

Financial statements for the year ended 31 March 2021

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Legal and administrative information

Charity name	Turning Lives Around Ltd
Charity registration number	515300
Company registration number	1790817
Registered office and Administration address	4 Ashbrooke Business Park Parkside Lane Leeds LS11 5SF
Supervisory Board	<div> <div> Mr. I. Livingstone Mr. M. Ford Mr. D. Penman Mr. M. Meadowcroft Mrs. E. R. Tebbs-Ogutu Mr. R. Lamborn Mrs. M. A. Ballance Mr. M. White Mrs. S. Jewitt Mrs. G. Laidler Mr. N. Mather (appointed 4th May 2021) </div> <div> Chair Vice Chair </div> </div>
Chief Executive	Ms. J Spencer
Finance Director and Company Secretary	Mr. A D Marriott BA FCCA
Auditors	Brown Butler Chartered Accountants Leigh House 28 – 32 St. Paul's Street LEEDS LS1 2JT
Bankers	Lloyds Bank plc PO Box 128 69 Albion Street LEEDS LS1 1YX
Solicitors	Weightmans LLP 100 Old Hall Street Liverpool L3 9QJ

Report of the Supervisory Board

The members of the Supervisory Board present their report and the audited financial statements for the year ended 31 March 2021.

Members of the Supervisory Board

The members of the Supervisory Board during the year were as follows:-

Mr. I. Livingstone	Mr. M. Ford
Mr. D. Penman	Mr. M. Meadowcroft
Mrs. E.R.Tebbs-Ogutu	Mr. R. Lamborn
Mrs. M. A. Ballance	Mr. M. White (appointed 5 th May 2020)
Mrs. S. Jewitt (appointed 3 rd November 2020)	Mrs. G. Laidler (appointed 2 nd February 2021)

Members of the Supervisory Board are directors of the company for the purpose of company law, and trustees for the purpose of charity law.

Accounts

The members of the Supervisory Board submit the audited financial statements of the group for the year ended 31 March 2021. As set out on page 16, the net incoming resources for the year amount to a surplus of £82,008 (a surplus of £56,851 in 2020) and are dealt with as shown in the statement of financial activities. General funds are reporting a surplus for the year of £16,637. Restricted funds showed a surplus for the year of £51,467. Designated funds showed a surplus for the year of £13,904.

Impact Statement

As a result of the company having to comply with the requirements of FRS102 regarding Retirement Benefits within the financial statements, we are required to report the pension liabilities for the legacy staff from Leeds City Council that are members of the West Yorkshire Pension Fund (WYPF). The WYPF scheme is presently reporting a deficit, however, due to the long term nature of pensions this deficit is understood by the regulatory bodies such as the Charities Commission to have little or no impact on the viability of the charity.

Status

Turning Lives Around is a company limited by guarantee and has no share capital. At 31 March 2021, there were 27 members (2020 - 29), each of whom has guaranteed to contribute an amount not exceeding £1 in the event of the winding up of the company. The company is a registered charity number 515300.

The company has two wholly owned subsidiaries Flowerpots Day Nursery Limited and Business 900 Community Interest Company, both subsidiaries results are consolidated in the financial statements.

The company is governed by its Memorandum and Articles of Association which outlines the objects and powers of the charitable company. Under the company's Articles of Association, one third of the members of the Supervisory Board retires by rotation at the AGM and are eligible for re-election.

Report of the Supervisory Board (continued)

Governing body – Skills of Supervisory Board

The charity's work focuses upon accommodating and supporting vulnerable homeless people. The Supervisory Board seeks to ensure that the needs of the service users are appropriately reflected through the diversity of membership. To enhance the potential pool of trustees, the charity has, through selective advertising, sought to identify potential trustees.

The more traditional business skills are well represented on the Supervisory Board. In an effort to maintain this broad skill mix, members of the Supervisory Board are requested to provide a list of their skills (and update it each year). In the event of particular skills being lost due to retirement, the charity will seek to recruit new members to the Board possessing those skills.

Pay and remuneration of key management personnel is set by reviewing the market rates for those positions and also to compare rates with competitors in the same locality and sector.

Trustee induction and training

New trustees are encouraged to attend an induction programme, which includes meetings with the Chief Executive (explanation of operational procedures) and Finance Director (explanation of budgets and accounts). This would be followed by visits to each of the charity's schemes.

Operational Structure

TLA has a Supervisory Board of up to seven members who meet quarterly and are responsible for the strategic direction and policy of the charity. At present the Board has seven members from a variety of professional backgrounds, relevant to the work of the charity. The Secretary also sits on the Board but has no voting rights. The Supervisory Board is supported by an Executive Board that meets monthly.

A scheme of delegation is in place and day-to-day responsibility for the provision of the services rest with the Chief Executive and Finance Director. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. Senior Managers who report directly to the Chief Executive, have responsibility for day-to-day operational care of the charity, individual supervision of the staff team and also for ensuring that the teams continue to develop their skills and working standards in line with good practice.

Insurance

In accordance with normal commercial practice, the charitable company has purchased insurance to protect the directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on charitable company business. The insurance provides cover up to £5m on any claim. It is not possible to quantify the directors and officers indemnity element from the overall cost of the commercial insurance policy. The cost of this insurance forms part of the total insurance cost.

Objectives and Activities

The charity's objectives are:

- To relieve poverty, sickness, infirmity, in old age in particular, but not exclusively by means of a provision of accommodation and the provision of advice and counseling.
- The advancement of education, including by (but not limited to) the provision of advice and training and advancing the educational development and care of children especially those under the age of five and advancing the education of those responsible for their day to day care.

Report of the Supervisory Board (continued)

Activities

The principal activities of Turning Lives Around during the year continued to be the provision of supported housing for single homeless people and day/community care facilities.

Turning Lives Around continues to provide supported housing and floating support services throughout the cities of Leeds and Wakefield, for which demand remains high.

The principle activity of the charity's subsidiary, Flowerpots Day Nursery Limited, was the provision of high quality child care and learning facilities in the south of Leeds.

Flowerpots Day Nursery Limited ceased to operate after 31 December 2020.

The principal activity of the charity's subsidiary, Business 900 Community Interest Company is the provision of cleaning services.

During the year no material goods or services were donated to the charity to further its objectives or activities.

The strategies employed to assist the charity to meet its objectives include the following:

- Providing a range of services that are reflective of relevant quality standards and addressing the potential issues related to drug and alcohol misuse.
- Providing a floating support service to men and women at risk of losing their tenancies as a result of drug and alcohol abuse.
- Providing accommodation with support, advice and basic skills training for young people.
- Providing accommodation and support to men and women who display a number of long standing support needs, which prevent them from living safely and independently within the community.

Partner Agencies

Accent Group	Leeds Federated Housing Association
Children in Vulnerable Accommodation (CHIVA)	Leeds Metropolitan University
Connect Housing	Leeds University
Drugs & Offender Management Unit (DOMU)	Leeds Youth Offending Team (YOT)
Huddersfield University	Places for People
Leeds Children's Fund	Sanctuary Housing Association
West Yorkshire Probation Service	Foundation UK
Gipsil	Lota Properties
Unity Homes	V Demir Homes
Touchstone	Invest North Ltd
Leeds City Council	Wakefield City Council

Financial Review and Funding Sources

As everyone will be aware the 2020-2021 year has been a very challenging and busy year to say the least. All our colleagues should be congratulated for their sterling efforts and diligence in continuing to support all the vulnerable parties that have come through TLA's doors.

All our services have performed very well during the year and we have managed to successfully get through the year in a sound financial position.

The future still looks challenging, however, the organization continues to look at other funding opportunities from all regions in Yorkshire. The organization will also continue with fundraising activities aimed at the private sector, philanthropic organizations and individuals.

Report of the Supervisory Board (continued)

The Flowerpots Day Nursery closed in December 2020 and the Financial Statements year ended 31 March 2021 includes the results for the nursery up to this date.

The stand-alone SOFA of the main charity made a surplus of £9,741 in the year, the subsidiary Flowerpots Day Nursery Limited made a loss in the year of £37,541, whilst the subsidiary Business 900 Community Interest Company made a profit of £6,590. See the reserves policy set out below for the impact this has had on the charity's reserves.

Principal Funding Sources

Leeds City Council Neighbourhoods and Housing Department
Leeds City Council Social Services Department
Wakefield City Council Housing Sustainment Pathway

Capital Funding

The Community Fund (Potterdale Community Resource Centre)
Right to Buy Replacement Program Funding

Other Charity Funding

- The Clothworkers Foundation
- Henry Smith Charity
- Leeds Womens Aid
- J Paul Getty Trust Charitable Trust
- Huddersfield University
- Leeds Community Foundation
- Leeds Mind
- The Wilmington Trust

Achievements and Performance

The Services

The main area of charitable activities continues to be provision of accommodation with support and outreach work for vulnerable homeless people. TLA works across all the geographical locations in Leeds and Wakefield.

TLA provides housing and support services to people struggling to cope with a broad range of issues including mental health, learning difficulties, drug and alcohol abuse, domestic violence, refugees and offending integration. Our aim is to support people in developing the skills, knowledge and confidence necessary to live successfully and safely in their own homes and to engage effectively within their community.

Every year we regularly seek the views of all our stakeholders by means of a questionnaire. The returned questionnaires are analysed and any suggested improvements to our services are addressed. Performance in all contracts has been successful and the charity continues to strive for and safeguard healthy reserves.

Measures or indicators to assess performance include: monthly Management Accounts compared to budgets, cash flow management and forecasts, void performance by service and for the organisation, planned outcomes, client outcomes, complaints and incidents, utilisation levels of properties and staff attendance.

Report of the Supervisory Board (continued)

Safeguarding

TLA continues to place the Safeguarding of adults and children central to all the work we do. We have highly experienced and well trained Senior Managers who lead on Safeguarding issues and all staff regularly receives Safeguarding training.

Future Plans

Following the closure of the Flowerpots Day Nursery, the charity plans to dissolve the subsidiary Flowerpots Day Nursery Limited in due course, otherwise the charity plans to continue all other existing activities and is committed to continuous improvement in all the services. TLA plans to further its work in related areas and to extend its services further into different regions within Yorkshire. TLA seeks to advance its commitment to a social enterprise and now operates a work-focused initiative to employ and train existing service users.

Fixed assets

Movements in fixed assets are shown in note 15 in the financial statements.

Reserves policy

In line with the Charity Commission guidelines the Members of the Supervisory Board have formulated a reserves policy to ensure that a minimum level of reserves is maintained to ensure that Turning Lives Around can continue to provide a level of service having regard to possible future fluctuations in both income and expenditure.

As set out and explained in note 21, the charity has a number of designated reserves to meet specific expenditure as well as an unrestricted general reserve.

These reserves are set out below;

	2021		2020	
	Charity	Consol'd	Charity	Consol'd
	£	£	£	£
Restricted Funds (note 20)	303,743	303,743	252,276	252,276
Designated Reserves (note 21)	52,852	52,852	38,948	38,948
General Reserves	493,090	515,548	367,720	408,972
Total before pension liability	849,685	872,143	658,944	700,196
Pension Reserve	(808,000)	(808,000)	(627,000)	(627,000)
	41,685	64,143	31,944	73,196

The deficit in the Local Government Pension Scheme of £808,000 is recognised in the balance sheet. However, due to the long term nature of the deficit it is not expected to have any material impact on the viability of the charity.

Report of the Supervisory Board (continued)

Risk management

The Supervisory Board has conducted its own review of the major risks to which the Charity is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a forward plan which has allowed and will allow for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the Charitable Company. These procedures were reviewed during the year to ensure that they still meet the needs of the Charity and also to identify new areas in which the Charity could contribute to the disadvantaged of the city.

Statement of the responsibilities of the members of the Supervisory Board

The trustees (who are also directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report 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 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 charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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 charitable company will continue in business; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Report of the Supervisory Board (continued)

Statement as to disclosure of information to auditors

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution proposing that Brown Butler Chartered Accountants be reappointed as auditors of the charity will be put to the Annual General Meeting.

Public benefit

The Supervisory Board have had regard to the Charity Commission's guidance on public benefit and confirm that this guidance forms the basis of planning decisions at both strategic and operational levels.

The report of the members of the Supervisory Board was approved on 2nd Nov 2021 and signed on their behalf by:



Mr. A D Marriott BA FCCA
Secretary

Independent Auditor's Report to the Members of Turning Lives Around Ltd

Opinion

We have audited the financial statements of Turning Lives Around Ltd (the "charitable parent company") and its subsidiaries (the "group") for the year ended 31 March 2021, which comprise the Consolidated and Company Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and charitable parent company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006;
- have been properly prepared in accordance with the Charities SORP FRS102 (October 2019) and the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and charitable parent 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 group's or charitable parent 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.

Continued on next page

Independent Auditor's Report to the Members of Turning Lives Around Ltd

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Other matters

The prior period amounts relating to Business 900 Community Interest Company were not audited.

Other information

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

We have nothing to report in this regard.

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 annual report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent company's 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.

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Independent Auditor's Report to the Members of Turning Lives Around Ltd

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Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the group's and charitable parent 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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

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

Capability of the audit in detecting irregularities, including fraud

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 key laws and regulations we have considered in this context included the Companies Act 2006, the Charities Act 2011, pension and tax legislation together with the Charities SORP FRS102 (October 2019). In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's and charitable parent company's ability to operate or to avoid a material penalty. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Using our general commercial and sector experience and through discussions with the trustees and other management, we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements as well as those arising from management's own assessment of the risks that irregularities may occur either as a result of fraud or error.
- We examined the group's and charitable parent company's regulatory and legal correspondence and discussed with the trustees and other management any known or suspected instances of fraud or non-compliance with laws and regulations.

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Independent Auditor's Report to the Members of Turning Lives Around Ltd

Continued from previous page

Capability of the audit in detecting irregularities, including fraud - continued

- We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- In addressing the risk of management override of controls, we tested the appropriateness of journal entries. We also challenged assumptions and judgements made by management in their significant accounting estimates and judgements. We also discussed related party relationships and transactions involving them.

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

Use of our report

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



Mark Dearnley (Senior Statutory Auditor)
For and on behalf of Brown Butler
Chartered Accountants and Statutory Auditor
Leigh House
28-32 St Paul's Street
Leeds
LS1 2JT

S. Naveen 2021

Charity only Statement of Financial Activities
(incorporating an Income and Expenditure Account)
For the year ended 31 March 2021

	Notes	Unrestricted			TOTAL 2021 £	TOTAL 2020 £
		General Funds £	Designated Funds £	Restricted Funds £		
INCOME FROM :						
Donations and legacies	4	59,783	23,881		83,664	22,172
Charitable activities:						
Contract funding	5	2,249,647		49,343	2,298,990	2,117,006
Income from rent	5	3,174,310			3,174,310	2,899,130
Investments	7	15,464			15,464	24,000
Total		5,499,204	23,881	49,343	5,572,428	5,062,308
EXPENDITURE ON :						
Raising funds	8	47,633			47,633	35,175
Charitable activities:						
Support Services	8	2,466,187	7,853		2,474,040	2,285,654
Housing Management	8	2,937,795			2,937,795	2,665,307
Other Charitable Services	8	-			-	-
Total		5,451,615	7,853	-	5,459,468	4,986,136
Net Income		47,589	16,028	49,343	112,960	76,172
Gross transfer between funds		-	(2,124)	2,124	-	-
Net Income		47,589	13,904	51,467	112,960	76,172
Other recognised gains & losses						
Gain/(loss) on revaluation of assets		18,939			18,939	(30,000)
Actuarial losses on defined benefit pension scheme		(110,000)			(110,000)	(28,000)
Exceptional Item						
Flowerpots Debtor Impairment		(12,158)			(12,158)	(54,624)
Net movement in Funds		(55,630)	13,904	51,467	9,741	(36,452)
Reconciliation of funds						
Funds at 1 April 2020		(259,280)	38,948	252,276	31,944	68,396
Funds at 31 March 2021		(314,910)	52,852	303,743	41,685	31,944

All the charitable company's activities derive from continuing operation during the above financial periods.

The notes on pages 20 to 44 form part of these financial statements.

Consolidated Statement of Financial Activities
(incorporating an Income and Expenditure Account)
For the year ended 31 March 2021

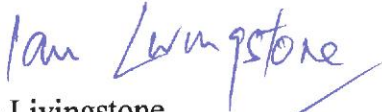
	Notes	General Funds Continuing operations £	Unrestricted General Funds Discontinued operations £	General Funds Total £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
INCOME FROM :								
Donations and legacies	4	59,783		59,783	23,881		83,664	22,172
Charitable activities:								
Contract funding	5	2,249,647		2,249,647		49,343	2,298,990	2,117,006
Income from rent	5	3,174,310		3,174,310			3,174,310	2,899,130
Other trading activities	6	72,086	110,545	182,631			182,631	300,873
Total		5,555,826	110,545	5,666,371	23,881	49,343	5,739,595	5,339,181
EXPENDITURE ON :								
Raising funds	8	150,889	160,401	311,290			311,290	393,450
Charitable activities:								
Support Services	8	2,466,756		2,466,756	7,853		2,474,609	2,285,654
Housing Management	8	2,869,570		2,869,570			2,869,570	2,602,508
Other Charitable Services	8	-					-	-
Other costs								
Corporation Tax	8, 11	2,118		2,118			2,118	718
Total		5,489,333	160,401	5,649,734	7,853	-	5,657,587	5,282,330
Net Income		66,493	(49,856)	16,637	16,028	49,343	82,008	56,851
Gross transfer between funds		-			(2,124)	2,124	-	-
Net Income		66,493	(49,856)	16,637	13,904	51,467	82,008	56,851
Other recognised gains & losses								
(Loss)/gain on revaluation of assets				18,939			18,939	(30,000)
Actuarial losses on defined benefit pension scheme				(110,000)			(110,000)	(28,000)
Net movement in Funds				(74,424)	13,904	51,467	(9,053)	(1,149)
Reconciliation of funds								
Funds at 1 April 2020				(218,028)	38,948	252,276	73,196	74,345
Funds at 31 March 2021				(292,452)	52,852	303,743	64,143	73,196

Other than the discontinued operations of 2021, all the charitable company's activities derive from continuing operation during the above financial periods.

Company Number 1790817
Charity only Balance sheet as at 31 March 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Intangible assets	14	4,865	7,297
Tangible assets	15	605,805	483,018
Investments	16	<u>150,000</u>	<u>155,000</u>
		760,670	645,315
CURRENT ASSETS			
Debtors	17	530,009	461,068
Cash at bank and in hand		<u>312,475</u>	<u>120,030</u>
		842,484	581,098
CURRENT LIABILITIES			
Creditors – amounts falling due within one year	18	<u>582,950</u>	<u>420,062</u>
		582,950	420,062
NET CURRENT ASSETS		<u>259,534</u>	<u>161,036</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,020,204	806,351
Creditors – amounts falling due after one year	19	170,519	147,407
NET ASSETS excluding pension liability		<u>849,685</u>	<u>658,944</u>
Defined pension scheme liability	27	808,000	627,000
NET ASSETS incl pension liability		<u>41,685</u>	<u>31,944</u>
THE FUNDS OF THE CHARITY			
Restricted Funds	20	303,743	252,276
Unrestricted Funds	21	545,942	406,668
Pension Reserve	21	(808,000)	(627,000)
Total Funds		<u>41,685</u>	<u>31,944</u>

These financial statements were approved and authorised for issue by the Supervisory Board on 21/11/2021 and signed on its behalf by :-


Ian Livingstone

The notes on pages 20 to 44 form part of these financial statements.

Company Number 1790817
Consolidated Balance sheet as at 31 March 2021

	Note	2021	2020
		£	£
FIXED ASSETS			
Intangible assets	14	4,865	7,297
Tangible assets	15	<u>761,583</u>	<u>648,496</u>
		766,448	655,793
CURRENT ASSETS			
Debtors	17	537,976	448,406
Cash at bank and in hand		<u>327,341</u>	<u>172,167</u>
		865,317	620,573
CURRENT LIABILITIES			
Creditors – amounts falling due within one year	18	<u>585,452</u>	<u>423,445</u>
		585,452	423,445
NET CURRENT ASSETS		<u>279,865</u>	<u>197,128</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,046,313	852,921
Creditors – amounts falling due after one year	19	174,170	152,725
NET ASSETS excluding pension liability		<u>872,143</u>	<u>700,196</u>
Defined pension scheme liability	27	808,000	627,000
NET ASSETS incl pension liability		<u>64,143</u>	<u>73,196</u>
THE FUNDS OF THE CHARITY			
Restricted Funds	20	303,743	252,276
Unrestricted Funds	21	568,400	447,920
Pension Reserve	21	(808,000)	(627,000)
Total Funds		<u>64,143</u>	<u>73,196</u>

These financial statements were approved and authorised for issue by the Supervisory Board on ~~2nd Nov~~ 2021 and signed on its behalf by :-


 Ian Livingstone

The notes on pages 20 to 44 form part of these financial statements.

Consolidated cash flow statement for the year ended 31 March 2021

	Note	2021	2020
		£	£
Net cash flow from operating activities	26	240,842	80,879
Corporation tax		-	(718)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		<u>(67,414)</u>	<u>(199,325)</u>
Net cash flow from investing activities		<u>(67,414)</u>	<u>(199,325)</u>
		173,428	(119,164)
Cash flow from financing activities			
New loans		-	122,000
Loan repayments		(8,957)	(6,662)
Repayment of finance leases		(1,667)	(2,000)
Interest paid		<u>(7,630)</u>	<u>(4,185)</u>
Net cash flow from financing activities		<u>(18,254)</u>	<u>109,153</u>
Net increase / (reduction) in cash		155,174	(10,011)
Cash at 1 April 2020		<u>172,167</u>	<u>182,178</u>
Cash at 31 March 2021		<u>327,341</u>	<u>172,167</u>

The notes on pages 20 to 44 form part of these financial statements.

Notes to financial statements for the year ended 31 March 2021.

1. General information

Turning Lives Around is a private company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £1.

The charity is incorporated in England & Wales, is registered as a charity with the Charity Commissioners and is also a public benefit entity as defined by Financial Reporting Standard 102 the "Financial Reporting Standard Applicable in the UK and Republic of Ireland" (FRS 102).

Its registered office and principal place of business is:-

4 Ashbrooke Business Park
Parkside Lane
Leeds
LS11 5SF

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards including FRS 102 (2018), the 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) (SORP (FRS 102) issued October 2019) and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The presentation currency is £ sterling and the financial statements have been rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.2 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Notes to financial statements for the year ended 31 March 2021.

2.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and these require a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, they can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Grants received for the acquisition of fixed assets are accounted for as restricted funds. The restricted fund is reduced by the depreciation or amortisation charges made over the expected useful life of the asset concerned. Other grants are treated as income and, where applicable, they are accounted for as restricted funds. Where the grant covers future accounting periods, the amount relating to future periods is deferred and recognised in the correct period.

2.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

2.5 Support costs allocation

Support costs are those costs that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 8.

• **Notes to financial statements for the year ended 31 March 2021.**

2.6 Intangible fixed assets

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives. The annual rates and method of amortisation are as follows:-

Asset class	Amortisation method and rate
Website	20% straight line basis

2.7 Tangible fixed assets

Freehold property and leasehold property are measured at fair value at each reporting date with changes in fair value recognised in the SoFA.

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in the SoFA.

Other tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Other than freehold, leasehold and investment properties, depreciation is provided on tangible fixed assets on a straight line basis, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows;

Leasehold improvements	- 5 years
Furniture and equipment	- 2-10 years

2.8 Impairment of fixed assets

Fixed assets are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in the SoFA. The reversal of an impairment loss is recognised immediately in the SoFA.

2.9 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, if fair value can be measured reliably, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

Notes to financial statements for the year ended 31 March 2021.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any impairment.

2.11 Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

2.12 Leases

Fixed assets acquired under finance lease contracts are included in the balance sheet at cost and an appropriate provision made for depreciation. The outstanding liabilities under such agreements less interest not yet due are included in creditors.

Interest attributable to each period is charged to the profit and loss account.

Operating lease rentals are charged to the profit and loss account as incurred.

2.13 Pensions

The charity operates a defined benefit pension scheme with the Local Government Pension Scheme (LGPS) and a defined contribution pension scheme. The assets of both schemes are held in separate trustee administered funds and those in the LGPS are subject to actuarial valuation.

The assets and liabilities of the LGPS are measured using the roll forward approach. This approach is a method of approximately calculating pension scheme assets and liabilities by making adjustments to the results of the last full actuarial valuation exercise. The last full actuarial valuation was performed at 31 March 2019 and is due to be performed again in 2022. The amounts charged to the SoFA are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the SoFA and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The pension costs charged to the SoFA regarding the defined contribution scheme are the premiums payable in respect of the accounting period.

2.14 Taxation

The charity considers that it meets the definition of a charitable company for UK corporation tax purposes and is accordingly potentially exempt from tax in respect of its income and gains.

Notes to financial statements for the year ended 31 March 2021.

2.15 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2.16 Critical accounting estimates and assumption

The charity makes estimates and assumptions concerning the future and the resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The main areas of estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year relate to the estimates used in valuing the Local Government Pension Scheme (LGPS) and the properties held at fair value.

The present value of the LGPS defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost/income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions assets and liabilities at 31 March 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The carrying amount of the properties held at fair value are disclosed in notes 15 and 16.

3 Prior year adjustment

During the year it was discovered that due to a change in the directorships of Business 900 Community Interest Company (Business 900 CIC), in February 2019, Business 900 CIC became a subsidiary. As a result of this finding the consolidated comparatives of Turning Lives Around Limited have been restated accordingly.

4 Donations and legacies

Charity and Consolidated

	Unrestricted			Total	Total
	General	Designated	Restricted	2021	2020
	£	£	£	£	£
Donations	-	950	-	950	678
Job retention scheme grants	29,978	-	-	29,978	-
Other grants	29,805	22,415	-	52,220	11,924
Sundry income	-	516	-	516	9,570
	59,783	23,881	-	83,664	22,172

Income from donations and legacies in the year ended 31 March 2020 was £22,172 of which £5,000 was attributable to general funds and £17,172 attributable to designated funds.

Notes to financial statements for the year ended 31 March 2021.

5 Charitable activities Charity and Consolidated

Contract funding	Unrestricted General £	Designated £	Restricted £	Total 2021 £	Total 2020 £
Leeds City Council Neighborhood's and Housing Strategy & Commissioning Wakefield City Council Housing Sustainment Pathway Other grants	1,776,072	-	-	1,776,072	1,513,775
	470,412			470,412	463,075
	3,163	-	49,343	52,506	140,156
	2,249,647	-	49,343	2,298,990	2,117,006

Income from contract funding in the year ended 31 March 2020 was £2,117,006 all of which was attributable to general funds.

Income from rent

Turning Lives Around provides accommodation for single homeless people. For the majority of residents their only financial support is state benefit. Turning Lives Around charges rents to its residents. The rate at which rent is charged is regulated by the housing associations that it works in partnership with.

	Unrestricted General £	Designated £	Restricted £	Total 2021 £	Total 2020 £
Rent receivable	3,494,773	-	-	3,494,773	3,246,110
Voids	(292,113)	-	-	(292,113)	(312,267)
Bad debts written-off	(28,350)	-	-	(28,350)	(34,713)
	3,174,310	-	-	3,174,310	2,899,130

Income from rent in the year ended 31 March 2020 was £2,899,130 all of which was attributable to general funds.

6 Other trading activities Consolidated

	Unrestricted General £	Designated £	Restricted £	Total 2021 £	Total 2020 £
Nursery income	110,545	-	-	110,545	200,150
Cleaning services	44,099	-	-	44,099	65,622
Grant income	27,987	-	-	27,987	35,101
	182,631	-	-	182,631	300,873

Other trading activities in the year ended 31 March 2020 was £300,873 all of which was attributable to general funds.

Notes to financial statements for the year ended 31 March 2021.

7 Income from investments Charity only

	Unrestricted General £	Designated £	Restricted £	Total 2021 £	Total 2020 £
Rent from subsidiary entity	15,464	-	-	15,464	24,000
Bank interest received	-	-	-	-	-
	15,464	-	-	15,464	24,000

Income from investments in the year ended 31 March 2020 was £24,000 all of which was attributable to general funds.

8 Expenditure on Charity only

	Unrestricted General £	Designated £	Restricted £	Total 2021 £	Total 2020 £
Raising funds					
<i>Costs re investment properties</i>	8,843	-	-	8,843	5,816
<i>Fund raising activities</i>	38,790	-	-	38,790	29,359
Charitable Activities:					
Contract Funding					
<i>Support Services</i>	2,466,187	7,853	-	2,474,040	2,285,654
<i>Housing Management</i>	2,937,795	-	-	2,937,795	2,665,307
Other Charitable Activities	-	-	-	-	-
	5,451,615	7,853	-	5,459,468	4,986,136

Expenditure for the year ended 31 March 2020 was £4,986,136 of which £4,983,041 was attributable to general funds, £3,095 was attributable to designated reserves.

Governance Costs included within support costs

	2021 £	2020 £
Audit and accountancy fees	10,560	10,320
Legal and professional fees	20,656	23,483
Annual general meeting costs	-	2,336
	31,216	36,139

CHARITY ONLY
NOTES ON THE ACCOUNTS - 31 MARCH 2021

8 EXPENDITURE ON:

BASIS OF ALLOCATION	CONTRACT FUNDING WITH SERVICE LEVEL AGREEMENTS				OTHER CHARITABLE ACTIVITIES				FUND RAISING ACTIVITIES				TOTAL 2021	TOTAL 2020				
	SUPPORT SERVICES		HOUSING MANAGEMENT		DAY CARE		WATOTO		COMMUNITY INTEREST BROKERAGE		TOTAL		INVESTMENTS		FUND RAISING		TOTAL	
	£		£		£		£		£		£		£		£		£	
Costs directly allocated to activities																		
Direct	1,924,296		915,471		0		0		0		0		36,871		36,871		2,876,638	2,726,883
Direct	108,725																108,725	44,654
Direct	7,043		1,604														8,647	7,894
Direct	1,747		1,110,795														1,112,542	954,795
Direct	9,716		42,035														51,751	45,914
Direct	4,556		115,709										1,826		1,826		122,091	126,912
Direct			185,477									369		369		185,846	175,889	
Direct	3,274		103,825				0		0		0		1,127		1,127		108,226	72,767
Direct	52,552		1,277									251		251		53,829	67,249	
Direct	12,914		4,019									201		201		17,184	24,000	
Direct	40,182		4,356				0		0		0		3,161		3,161		44,739	49,647
Direct	32,925		142,360													178,446	138,812	
Direct	12,917		5,485													18,402	23,370	
Direct	1,484															1,484	1,658	
Direct			5,587									1,406		1,406		6,993	3,548	
Direct	11,025		52,167						0		0	172		172		63,364	48,386	
Direct																0	0	
Direct	15,000															15,000	12,000	
	2,238,356		2,690,167		0		0		0		0		8,513		36,871		4,973,907	4,524,378
Support costs allocated to activities																		
Pro-rata	129,935		122,721												1,919		254,575	246,396
Pro-rata	9,640		9,105														18,745	9,862
Pro-rata	105		100														205	281
Pro-rata	2,015		1,904														3,919	4,087
Pro-rata	10,623		10,033														20,656	23,483
Pro-rata	24,425		23,068														47,493	46,450
Pro-rata	19,475		18,394														37,869	43,484
Usage	5,104		13,892									330		330		19,326	19,705	
Pro-rata	26,405		24,940													51,345	27,987	
Pro-rata	5,431		5,129													10,560	10,320	
Pro-rata	214		202													416	3,262	
Pro-rata	91		85													176	520	
Pro-rata	0		0													0	2,336	
Pro-rata	789		746													1,535	3,398	
Pro-rata	1,432		17,309													18,741	20,187	
	235,684		247,628		0		0		0		0		330		1,919		485,561	461,758
	2,474,040		2,937,795		0		0		0		0		8,843		38,790		5,459,468	4,986,136

Notes to financial statements for the year ended 31 March 2021.

8 Expenditure on, continued from page 27
Consolidated

	Unrestricted		Restricted	Total	Total
	General	Designated		2021	2020
	£	£	£	£	£
Raising funds					
Trading costs	272,500	-	-	272,500	364,091
Fund raising activities	38,790	-	-	38,790	29,359
Charitable Activities:					
Contract Funding					
Support Services	2,466,756	7,853	-	2,474,609	2,285,654
Housing Management	2,869,570	-	-	2,869,570	2,602,508
Other Charitable Activities	-	-	-	-	-
	5,647,616	7,853	-	5,655,469	5,281,612
Other costs					
Corporation Tax	2,118	-	-	2,118	718
	5,649,734	7,853	-	5,657,587	5,282,330

Expenditure for the year ended 31 March 2020 was £5,282,330 of which £5,279,235 was attributable to general funds, £3,095 was attributable to designated reserves.

Consolidated governance Costs included within support costs

	2021	2020
	£	£
Audit and accountancy fees	17,010	15,080
Legal and professional fees	21,349	24,075
Annual general meeting costs	-	2,336
	36,639	41,491

CONSOLIDATED
NOTES ON THE ACCOUNTS - 31 MARCH 2021

8 EXPENDITURE ON :

BASIS OF ALLOCATION	CONTRACT FUNDING WITH SERVICE LEVEL AGREEMENTS				OTHER CHARITABLE ACTIVITIES			FUND RAISING ACTIVITIES				TOTAL 2021	TOTAL 2020
	SUPPORT SERVICES		HOUSING MANAGEMENT	DAY CARE	WATOTO	COMMUNITY INTEREST BROKERAGE	TOTAL	TRADING COSTS	FUND RAISING	TOTAL	£	£	
	£	£	£	£	£	£	£	£	£	£			
Costs directly allocated to activities													
Staff costs	Direct	1,924,296	915,471					180,325	36,871	217,196	3,056,963	2,971,218	
Agency staff	Direct	108,725						8,270		8,270	116,995	50,917	
Recruitment	Direct	7,043	1,604								8,647	7,894	
Premises	Direct	1,747	1,110,795					2,097		2,097	1,114,639	957,408	
Insurance	Direct	9,716	42,035					5,428		5,428	57,179	52,044	
Maintenance	Direct	4,556	104,810					3,050		3,050	112,416	110,815	
Furniture & renewals	Direct		185,477					369		369	185,846	175,889	
Heat and light	Direct	3,274	103,825					3,982		3,982	111,081	74,936	
Travel	Direct	52,552	1,277					7,485		7,485	61,314	76,926	
Printing, Postage & Stationery	Direct	12,914	4,019					89		89	17,022	25,066	
Communications	Direct	40,182	4,356					1,709		1,709	46,247	51,257	
Cleaning	Direct	32,925	84,570					4,055		4,055	121,550	94,976	
Training & conferences	Direct	12,917	5,485					905		905	19,307	23,619	
Translation & Interpretation	Direct	1,484									1,484	1,658	
Loan interest	Direct		5,587					1,406		1,406	6,993	3,548	
Service users' welfare	Direct	11,025	52,167					10,806		10,806	73,998	79,656	
Finance lease interest	Direct							637		637	637	637	
Finance cost re LGPS Pension	Direct	15,000									15,000	12,000	
		2,238,356	2,621,478	0	0	0	0	230,613	36,871	267,484	5,127,318	4,770,464	
Support costs allocated to activities													
Office and finance staff costs	Pro-rata	129,935	122,721					28,267	1,919	30,186	282,842	274,314	
Agency staff	Pro-rata	9,640	9,105								18,745	9,862	
Books & publications	Pro-rata	105	100								205	281	
Subscriptions	Pro-rata	2,015	1,904					426		426	4,345	4,540	
Legal & professional	Pro-rata	10,623	10,033					693		693	21,349	24,075	
Operating lease rentals	Pro-rata	24,425	23,068								47,493	46,450	
Computer costs	Pro-rata	19,475	18,394					141		141	38,010	45,169	
Depreciation	Usage	5,062	13,779					5,617		5,617	24,458	33,966	
Consultancy	Pro-rata	26,405	24,940								51,345	27,987	
Audit and accountancy fees	Pro-rata	6,042	5,706					5,262		5,262	17,010	15,080	
Bank charges	Pro-rata	214	202								416	3,262	
Publicity	Pro-rata	91	85								176	520	
Annual general meeting	Pro-rata	0	0								0	2,336	
Refreshments	Pro-rata	789	746								1,535	3,398	
Other costs	Pro-rata	1,432	17,309					1,481		1,481	20,222	19,908	
		236,253	248,092	0	0	0	0	41,887	1,919	43,806	528,151	511,148	
		2,474,609	2,869,570	0	0	0	0	272,500	38,790	311,290	5,655,469	5,281,612	

Notes to financial statements for the year ended 31 March 2021.

9 Net incoming/(outgoing) resources for the year

	2021		2020	
	Charity	Consol'd	Charity	Consol'd
	£	£	£	£
Depreciation	16,893	22,226	17,271	31,533
Amortisation	2,432	2,432	2,433	2,433
Operating lease charges	47,827	47,827	47,053	47,053
Interest on loans	6,993	7,630	3,548	4,185
Finance costs on LGPS Pension	15,000	15,000	12,000	12,000

10 Auditor's remuneration

	2021	2020
	£	£
Audit fee in respect of the financial statements	8,715	8,300
Other fees payable to auditor:		
Audit of the charity's subsidiaries	4,790	2,510
Tax compliance services	360	180
Non audit services	1,335	1,980
	6,485	4,670

**11 Tax on net income
Consolidated**

	2021	2020
	£	£
Current taxation		
UK Corporation tax	2,118	455
Adjustment to prior year	-	623
	2,118	1,078
Deferred taxation		
Origination and reversal of timing differences	-	(360)
Tax on net income	2,118	718

The tax charge for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

The differences are reconciled below:

	2021	2020
	£	£
Net income before tax	82,008	56,851
Corporation tax at standard rate	15,582	10,802
Effects of net income exempt from taxation	(21,060)	(14,336)
Expenses not deductible for tax purposes	1,013	2,017
Effect of taxation losses	6,583	1,612
Adjustment to prior year	-	623
Total tax charge	2,118	718

Notes to financial statements for the year ended 31 March 2021.

12 Material transfers between funds

There were no material transfers between funds.

13 Staff costs and numbers

	2021		2020	
	Charity £	Consol'd £	Charity £	Consol'd £
Salaries and wages	2,746,887	2,940,097	2,602,876	2,858,014
Social Security costs	238,056	248,592	218,394	233,098
Pension contributions :-				
Contributions to defined contribution scheme	78,265	83,111	72,948	79,758
Operating costs re defined benefit scheme	56,000	56,000	76,000	76,000
	3,119,208	3,327,800	2,970,218	3,246,870

The above figures include £45,079 made in respect of redundancy and termination payments.
(2020: £Nil)

	2021 £	2020 £
Employees paid between £60,001 and £70,000	1	1

No remuneration was paid during the year to any member of the Supervisory Board, nor were there any expenses reimbursed to them.

In addition, during the year, M White charged the charitable company £5,300 (2020: £Nil) in respect of consultancy fees.

The average weekly number of employees during the year, analysed by function, was:

Number of employees	2021		2020	
	Charity	Consol'd	Charity	Consol'd
Support Services and Housing Management	108	108	112	112
Other Charitable Services	-	17	-	21
Support costs	9	9	9	9
	117	134	121	142

Notes to financial statements for the year ended 31 March 2021.

14 Intangible fixed assets

Parent and Consolidated

	Website £	Total £
Cost		
At 31 March 2020	12,162	12,162
At 31 March 2021	12,162	12,162
Amortisation		
At 31 March 2020	4,865	4,865
Charge for the year	2,432	2,432
At 31 March 2021	7,297	7,297
Net Book Value		
At 1 April 2020	7,297	7,297
At 31 March 2021	4,865	4,865

The amortisation charge for the year is included within the SoFA heading of expenditure on charitable activities.

The intangible fixed assets have been pledged as security for liabilities of the charity.

15 Tangible fixed assets

Charity only

	Freehold Properties £	Leasehold Improvements £	Furniture & Equipment £	Total £
Valuation / cost				
At 1 April 2020	438,061	10,977	430,264	879,302
Additions during year			115,741	115,741
Disposals during year			(105,480)	(105,480)
Revaluation	23,939			23,939
At 31 March 2021	462,000	10,977	440,525	913,502
Depreciation				
At 1 April 2020	-	10,977	385,307	396,284
Charge for year			16,893	16,893
Relating to disposals			(105,480)	(105,480)
At 31 March 2021	-	10,977	296,720	307,697
Net Book Value				
At 1 April 2020	438,061	-	44,957	483,018
At 31 March 2021	462,000	-	143,805	605,805

The tangible fixed assets have been pledged as security for liabilities of the charity.

The freehold properties were revalued on 31 March 2021 by an independent valuer, Bramleys LLP, who are RICS registered. The basis of this valuation is fair value using the vacant possession method.

Notes to financial statements for the year ended 31 March 2021.

15 Tangible fixed assets, continued from page 32

The historical cost of the properties included at valuation is as follows:-

	Freehold properties £	Total £
Cost	453,456	453,456
Accumulated depreciation	7,492	7,492
	<u>445,964</u>	<u>445,964</u>

Consolidated

	Freehold Properties £	Leasehold Property £	Leasehold Improvements £	Motor Vehicles £	Furniture & Equipment £	Total £
Valuation / cost						
At 1 April 2020	438,061	155,000	31,808	10,700	436,720	1,072,289
Additions during year					116,374	116,374
Disposals during year			(20,831)		(111,293)	(132,124)
Revaluation	23,939	(5,000)				18,939
At 31 March 2021	<u>462,000</u>	<u>150,000</u>	<u>10,977</u>	<u>10,700</u>	<u>441,801</u>	<u>1,075,478</u>
Depreciation						
At 1 April 2020	-	-	30,247	3,121	390,425	423,793
Charge for year			1,561	2,229	18,436	22,226
Relating to disposals			(20,831)		(111,293)	(132,124)
At 31 March 2021	<u>-</u>	<u>-</u>	<u>10,977</u>	<u>5,350</u>	<u>297,568</u>	<u>313,895</u>
Net Book Value						
At 1 April 2020	<u>438,061</u>	<u>155,000</u>	<u>1,561</u>	<u>7,579</u>	<u>46,295</u>	<u>648,496</u>
At 31 March 2021	<u>462,000</u>	<u>150,000</u>	<u>-</u>	<u>5,350</u>	<u>144,233</u>	<u>761,583</u>

The tangible fixed assets have been pledged as security for liabilities of the charity.

Note 15 is continued on page 34

Notes to financial statements for the year ended 31 March 2021.

15 Tangible fixed assets, continued from page 33

The freehold properties and leasehold property were revalued on 31 March 2021 by an independent valuer, Bramleys LLP, who are RICS registered. The basis of this valuation is fair value using the vacant possession method. The historical cost of the properties included at valuation is as follows:

	Freehold property £	Leasehold Property £	Total £
Cost	453,456	185,091	638,547
Accumulated depreciation	7,492	7,222	14,714
	<u>445,964</u>	<u>177,869</u>	<u>623,833</u>

16 Investments held as fixed assets Charity only

	Leasehold investment property £	Subsidiary undertakings £	Total £
Valuation			
At 1 April 2020	155,000	-	155,000
Revaluation	(5,000)	-	(5,000)
At 31 March 2021	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Net book value			
At 1 April 2020	155,000	-	155,000
At 31 March 2021	<u>150,000</u>	<u>-</u>	<u>150,000</u>

The leasehold property was revalued on 31 March 2021 by an independent valuer, Bramleys LLP, who are RICS registered. The basis of this valuation is fair value using the vacant possession method. The historical cost of the property is £185,091. The leasehold investment property has been pledged as security for liabilities of the charity.

Note 16 is continued on page 35

Notes to financial statements for the year ended 31 March 2021.

16 Investments held as fixed assets, continued from page 34 Charity only

Details of undertakings

In the opinion of the trustees, the aggregate value of the company's investment in the subsidiary undertakings is not less than the amount included in the balance sheet.

Undertaking	Flowerpots Day Nursery Limited	Business 900 Community Interest Company
Company number	09308460	06913644
Holding	1 Ordinary share	-
Proportion of voting rights and shares held	100%	100%
Principal activity	Day nursery	Cleaning services
Aggregate assets, liabilities and funds	(67,294)	22,972
Trading summary:		
- Turnover	110,545	112,788
- Expenditure	148,086	106,198
- (Loss)/profit	(37,541)	6,590

Both undertakings have the same registered office address, being:-

4 Ashbrooke Business Park
Parkside Lane
Leeds
West Yorkshire
LS11 5SF

17 Debtors

	2021		2020	
	Charity £	Consol'd £	Charity £	Consol'd £
Due within one year:				
Net rents in arrears	264,100	264,100	259,374	259,374
Amounts owed by group undertaking	30,944	-	40,760	-
Other debtors	128,115	164,669	57,605	78,674
Prepaid expenses	106,850	109,207	103,329	110,358
	530,009	537,976	461,068	448,406

The debtor balances of £530,009 (Charity) (2020: £461,068) have been pledged as security for liabilities of the charity.

Notes to financial statements for the year ended 31 March 2021.

18 Creditors

	2021		2020	
	Charity	Consol'd	Charity	Consol'd
	£	£	£	£
Amounts falling due within one year:				
Bank loans	10,560	10,560	9,989	9,989
Obligations under finance lease	16,320	18,669	-	2,349
Amounts owed to group undertaking	18,146	-	24,892	-
Trade creditors	191,677	192,773	87,394	88,548
Other creditors	130,944	133,811	108,713	114,102
Social security and other taxes	58,888	65,083	53,689	67,146
Accruals and deferred income	156,415	164,556	135,385	141,311
	582,950	585,452	420,062	423,445

The bank loans are secured by way of fixed and floating charges over the assets of the company.

The finance lease is secured by the finance company's title to the assets financed, which have a carrying value of £48,960.

19 Creditors - Amounts falling due after one year:

	2021		2020	
	Charity	Consol'd	Charity	Consol'd
	£	£	£	£
Bank loans	137,879	137,879	147,407	147,407
Finance loan creditor	32,640	36,291	-	5,318
	170,519	174,170	147,407	152,725

The bank loans are secured by way of fixed and floating charges over the assets of the company.

The finance lease is secured by the finance company's title to the assets financed, which have a carrying value of £48,960.

The bank loans include £97,400 (2020: £105,490) which fall due after five years and are repayable by instalments.

Notes to financial statements for the year ended 31 March 2021.

20 Restricted funds

Charity and Consolidated

	Balance 01.04.2020 £	Incoming Funds £	Outgoing Funds £	Gains, losses and transfers £	Balance 31.03.2021 £
(i) Dewsbury Road Day Centre Fund	155,060	-	-	-	155,060
(ii) Sahara Nationality Fund	3,500	-	-	-	3,500
(iii) Sahara Women Without Recourse Fund	11,118	-	-	-	11,118
(iv) Sinclair DAT Fund	29,120	-	-	-	29,120
(v) LCC Refurbishment Fund	666	-	-	-	666
(vi) Tempest Road Development Fund	5,092	-	-	-	5,092
(vii) Right to Buy Fund	47,720	9,517	-	-	57,237
(viii) Computer/IT Fund	-	39,826	-	2,124	41,950
	252,276	49,343	-	2,124	303,743

	Balance 01.04.2019 £	Incoming Funds £	Outgoing Funds £	Gains, losses and transfers £	Balance 31.03.2020 £
(i) Dewsbury Road Day Centre Fund	155,060	-	-	-	155,060
(ii) Sahara Nationality Fund	3,500	-	-	-	3,500
(iii) Sahara Women Without Recourse Fund	11,118	-	-	-	11,118
(iv) Sinclair DAT Fund	29,120	-	-	-	29,120
(v) LCC Refurbishment Fund	666	-	-	-	666
(vi) Tempest Road Development Fund	5,092	-	-	-	5,092
(vii) Right to Buy Fund	-	47,720	-	-	47,720
	204,556	47,720	-	-	252,276

- (i) The **Dewsbury Road Day Centre Fund** is created to account for capital grants received from the Community Fund and Leeds City Council, in connection with the construction and equipping of the new Day Centre premises.
- (ii) The **Sahara Nationality Fund** is to provide funding for the assistance of women with problems relating to their nationality and immigration status.
- (iii) The **Sahara Women Without Recourse Fund** is used to assist women without recourse to any state benefits and/or those women whose applications for state benefits are still pending.
- (iv) The **Sinclair DAT Fund** relates to a grant received from 'Drugs Action Team' to pay towards the cost of setting up new offices for the Sinclair scheme.
- (v) The **LCC Refurbishment Fund** has been set up to provide funds for the refurbishment and setting up of properties to be acquired from Leeds City Council.
- (vi) The **Tempest Road Development Fund** is created to account for a donation received from Harrogate Grammar School to assist in the refurbishment of 12 Tempest Road.
- (vii) The **Right to Buy Fund** is created to account for grants received to assist with the purchase of new social housing projects.
- (viii) The **Computer / IT Fund** is created to account for funding received from the Lottery and BT to assist with IT upgrades.

Notes to financial statements for the year ended 31 March 2021.

**21 Unrestricted Funds
Charity only**

	Balance 01.04.2020 £	Incoming Funds £	Outgoing Funds £	Gains and Losses £	Transfers £	Balance 31.03.2021 £
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture/Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,770	-	(363)	-	-	3,407
(e) Scheme Funding	33,998	23,881	(7,490)	-	(2,124)	48,265
	38,948	23,881	(7,853)	-	(2,124)	52,852
General Funds	367,720	5,499,204	(5,380,615)	6,781	-	493,090
	406,668	5,523,085	(5,388,468)	6,781	(2,124)	545,942
Pension reserve	(627,000)	-	(71,000)	(110,000)	-	(808,000)
	(220,332)	5,523,085	(5,459,468)	(103,219)	(2,124)	(262,058)

	Balance 01.04.2019 £	Incoming Funds £	Outgoing Funds £	Gains and Losses £	Transfers £	Balance 31.03.2020 £
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture/Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,795	-	(25)	-	-	3,770
(e) Scheme Funding	19,896	17,172	(3,070)	-	-	33,998
	24,871	17,172	(3,095)	-	-	38,948
General Funds	349,343	4,997,416	(4,895,041)	(84,624)	626	367,720
Revaluation reserve	626	-	-	-	(626)	-
	374,840	5,014,588	(4,898,136)	(84,624)	-	406,668
Pension reserve	(511,000)	-	(88,000)	(28,000)	-	(627,000)
	(136,160)	5,014,588	(4,986,136)	(112,624)	-	(220,332)

**Unrestricted Funds
Consolidated**

	Balance 01.04.2020 £	Incoming Funds £	Outgoing Funds £	Gains and losses £	Transfers £	Balance 31.03.2021 £
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture/Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,770	-	(363)	-	-	3,407
(e) Scheme Funding	33,998	23,881	(7,490)	-	-	48,265
	38,948	23,881	(7,853)	-	(2,124)	52,852
General Funds	408,972	5,666,371	(5,578,734)	18,939	-	515,548
	447,920	5,690,252	(5,586,587)	18,939	(2,124)	568,400
Pension reserve	(627,000)	-	(71,000)	(110,000)	-	(808,000)
	(179,080)	5,690,252	(5,657,587)	(91,061)	(2,124)	(239,600)

Note 21 is continued on page 39

Notes to financial statements for the year ended 31 March 2021.

21 Unrestricted funds, continued from page 38

	Balance 01.04.2019 £	Incoming Funds £	Outgoing Funds £	Gains and losses £	Transfers £	Balance 31.03.2020 £
(a) General Maintenance Fund	-	-	-	-	-	-
(b) Furniture/Renewals Fund	-	-	-	-	-	-
(c) Redundancy Fund	1,180	-	-	-	-	1,180
(d) Welfare Fund	3,795	-	(25)	-	-	3,770
(e) Scheme Funding	19,896	17,172	(3,070)	-	-	33,998
	24,871	17,172	(3,095)	-	-	38,948
General Funds	355,292	5,274,289	(5,191,235)	(30,000)	626	408,972
Revaluation reserve	626	-	-	-	(626)	-
	380,789	5,291,461	(5,194,330)	(30,000)	-	447,920
Pension reserve	(511,000)	-	(88,000)	(28,000)	-	(627,000)
	(130,211)	5,291,461	(5,282,330)	(58,000)	-	(179,080)

- (a) **General Maintenance Fund** is designated to provide for the cost of property and cyclical maintenance, for which the company may be liable under management agreements with third parties.
- (b) **Furniture/Renewals Fund** is designated to cover the cost of essential refurbishment of properties including a general furniture provision.
- (c) **Redundancy Fund** is designated to provide towards redundancy costs in the event of a staff restructure or reduction in staffing numbers.
- (d) **Welfare Fund** is designated to cover exceptional payments, made within the established policy of the company, to residents who are in financial difficulty.
- (e) **Scheme Funding** the net funds of schemes that are designated to be utilised by those schemes whose efforts raised those funds.

Pension Reserve

The deficit in the Local Government Pension Scheme of £808,000 is recognised in the balance sheet. However, due to the long term nature of the deficit it is not expected to have any material impact on the viability of the charity

22 Analysis of net assets between funds excluding pension liability Charity only

	General Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Fixed assets	610,670	150,000	760,670	645,315
Current assets	688,741	153,743	842,484	581,098
Creditors, falling due within one year	(582,950)	-	(582,950)	(420,062)
Creditors, falling due more than one year	(170,519)	-	(170,519)	(147,407)
Net Assets	545,942	303,743	849,685	658,944

Note 22 is continued on page 40

Notes to financial statements for the year ended 31 March 2021.

22 Analysis of net assets between funds excluding pension liability, continued from page 39

Consolidated

	General Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Fixed assets	616,448	150,000	766,448	655,793
Current assets	711,574	153,743	865,317	620,573
Creditors, falling due within one year	(585,452)		(585,452)	(423,445)
Creditors, falling due more than one year	(174,170)		(174,170)	(152,725)
Net Assets	568,400	303,743	872,143	700,196

23 Charitable status

The company is a registered charity no 515300 and is exempt from income tax and corporation tax. The company is a limited company by guarantee and has no share capital. In the event of the winding up of the company, the liability of members is limited to a maximum of £1 each.

24 Commitments

At 31 March 2021 the company had future minimum operating leases payments as follows:

	2021 £	2020 £
Within one year	49,096	45,245
Between one and five years	124,241	150,797
	<u>173,337</u>	<u>196,042</u>

25 Related party transaction

The company has taken advantage under FRS 102 not to disclose details of its transactions with its subsidiaries.

During the year, M White charged the charitable company £5,300 (2020: £Nil) in respect of consultancy services.

	2021 £	2020 £
Key management personnel compensation	<u>144,687</u>	<u>141,854</u>

Notes to financial statements for the year ended 31 March 2021.

26 Reconciliation of net expenditure to net cash flow from operating activities

	2021	2020
	£	£
Net income / (expenditure) for the year	82,008	56,851
Pension scheme adjustment	71,000	88,000
Interest paid	7,630	4,185
Depreciation and amortisation charges	24,658	33,965
Corporation tax	2,118	718
(Increase) in debtors	(89,570)	(150,496)
Increase in creditors	142,998	47,656
	<u>240,842</u>	<u>80,879</u>

26.1 Analysis of changes in net debt

	01.04.2020	Net cash flows	Non cash movements	31.03.2021
	£	£	£	£
Cash	172,167	155,174	-	327,341
Debt due within one year	(12,338)	(571)	(16,320)	(29,229)
Debt due after one year	(152,725)	11,195	(32,640)	(174,170)
	<u>7,104</u>	<u>165,798</u>	<u>(48,960)</u>	<u>123,942</u>

27 Pensions

As explained at note 2.12 the company operates both a defined benefit pension scheme and a defined contribution pension scheme.

The company is a member of the West Yorkshire Pension Fund (the Fund) which is part of the Local Government Pension Scheme (LGPS). The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the Funds Funding Strategy Statement. The last actuarial valuation was at 31 March 2019.

The Fund Administering Authority, City of Bradford Metropolitan Council, is responsible for the governance of the Fund.

The key assumptions used by the actuary in updating the latest valuation of the Fund for FRS102 purposes were:-

	2021	2020
	%	%
Discount rate for liabilities	2.10	2.30
Pension increases	2.70	2.00
Pension accounts revaluation rate	2.70	2.00
Salaries increases	3.95	3.25
CPI Inflation	2.70	2.00

Notes to financial statements for the year ended 31 March 2021.

27 Pensions, continued from page 41

Mortality assumption

The mortality assumptions are based on the actual mortality experience of members within the Fund based on analysis carried out as part of the 2019 valuation and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

	2021	2020
Males		
Member aged 65 at accounting date	21.9	21.8
Member aged 45 at accounting date	22.6	22.5
Females		
Member aged 65 at accounting date	24.7	24.6
Member aged 45 at accounting date	25.8	25.7

The approximate split of the assets of the Fund is as set out below:-

	2021 %	2020 %
Equities	79.7	77.5
Property	3.8	4.5
Government bonds	8.3	9.6
Corporate bonds	4.6	5.1
Cash	2.0	1.9
Other	1.6	1.4
	<u>100.0</u>	<u>100.0</u>

The actual returns on assets are set out below:-

	2021 £	2020 £
Interest income on assets	41,000	48,000
Gains/(Losses) on assets	378,000	(194,000)
Actual return on assets	<u>419,000</u>	<u>(146,000)</u>

Notes to financial statements for the year ended 31 March 2021.

27 Pensions, continued from page 42

The changes in the fair values of the assets were:-

	2021 £	2020 £
Opening fair value of assets	1,841,000	2,028,000
Interest income on assets	41,000	48,000
Re-measurement gains/(losses) on assets	378,000	(194,000)
Members contributions	10,000	10,000
Net benefits paid out	(92,000)	(51,000)
	<u>2,178,000</u>	<u>1,841,000</u>
Closing fair value of assets		

The changes in the present values of the defined benefit obligations:-

	2021 £	2020 £
Opening present value of liabilities	2,468,000	2,539,000
Current service costs	56,000	58,000
Interest expense on defined benefit obligations	56,000	60,000
Members contributions	10,000	10,000
Actuarial losses/(gains) on liabilities	488,000	(166,000)
Net benefits paid out	(92,000)	(51,000)
Past service costs	-	18,000
	<u>2,986,000</u>	<u>2,468,000</u>
Closing present value of liabilities		

The reconciliation of the funded status of the Fund to the balance sheet is as follows:-

	2021 £	2020 £
Fair value of assets	2,178,000	1,841,000
Present value of funded defined benefit obligations	2,986,000	2,468,000
	<u>(808,000)</u>	<u>(627,000)</u>
Net pension liability		

The split of the liabilities at the last valuation between the various categories of members is as follows:-

Active members	46%
Deferred Pensioners	25%
Pensioners	29%

Note 27 is continued on page 44

Notes to financial statements for the year ended 31 March 2021.

27 Pensions, continued from page 43

The pension costs recognised in the statement of financial activities are made up as follows:-

	2021 £	2020 £
Operating Costs :-		
Current service cost	56,000	58,000
Past service cost	-	18,000
Finance costs :-		
Interest costs on pension liabilities	15,000	12,000
	<u>71,000</u>	<u>88,000</u>
Actuarial losses	110,000	28,000
	<u>181,000</u>	<u>116,000</u>

Sensitivity Analysis :-

	Base figure £	+0.1% £	-0.1% £
Discount Rate			
Present value of total obligation	2,986,000	2,926,000	3,049,000
Projected service cost	75,000	73,000	77,000
Rate of increase in salaries			
Present value of total obligation	2,986,000	2,995,000	2,977,000
Projected service cost	75,000	75,000	75,000
Rate of increase in pensions			
Present value of total obligation	2,986,000	3,037,000	2,935,000
Projected service cost	75,000	77,000	73,000
Post retirement mortality assumption		-1 year	+1 year
Present value of total obligation	2,986,000	3,096,000	2,879,000
Projected service cost	75,000	78,000	72,000

28 Non-adjusting events after the financial period.

Following the year end, the government lockdowns to combat Covid-19 have gradually been eased. The Trustees have ensured there are safe working conditions and as such, the charity has been able to continue with little disruption. The charitable company has maintained its activities at sufficient levels enabling it to meet its overheads and commitments. The Trustees feel that the charitable company has sufficient reserves to fund the charity through this period of uncertainty.