

Annual Report

2023



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“We are able to have much needed family time and it gives us a much needed break as caring 24/7 takes its toll and you need that break and respite.”

Direct payment recipient



A word from the Chair

This is the first year that I have the privilege of being Chair of Penderels Trust. I would firstly like to pay tribute to Veronica for her past leadership and continuing support which has been invaluable during the early days of my tenure.

During the past year we have faced challenges both anticipated and completely unforeseen. The return of rising inflation and all the personal financial impacts that come with it has put increased pressure on everyone. As Penderel Trust's clients are amongst the more vulnerable in society, we have seen a marked increase in the demand for our specialist independent living support services. The ability of the organisation to cope with this additional stress and adjust and adapt its operation to fulfil these demands is a real tribute to our support teams.

The quality of the service that we provide for our clients has, as always, been at the heart of our activity this year. This is evidenced in the relationships we have with NHS and Local Authority partners, most of whom we have been working with for many years. We were also delighted to be awarded the direct payment support services contract in Essex starting from July 2023.

Finally, on behalf of the Trustees I would like to thank the management team for their strong leadership and support. I would also like to thank all of the Penderels Trust employees for the part they play in making the place our clients call home safer, healthy and happier every single day.



Andrew Ford
Chair

Chief Executive's Report

Thank you for taking the time to read this year's annual report. This has been another busy year for Penderels Trust, with continued growth particularly in our money management and Appointeeship services. We have seen the impact of high inflation upon the cost of living having a direct effect on vulnerable individuals and those with need of additional support and have looked at ways in which we can develop our infrastructure to help manage this.

As you will see in this report, the growing demand for this kind of financial support is having a direct impact upon the shape of Penderels Trust as an organisation, with financial support service becoming an increasingly vital part of our offer.

In the last year, we have worked with 39 Local Authorities and also seen some changes in our work with the NHS with the introduction of Integrated Care Systems (ICS) that have replaced the Clinical Commissioning Groups (CCGs) that we have worked with. These changes are designed to bring community organisations, the Third Sector and individual recipients of services closer to the decision-making process - the speed of this change varies around England, but there certainly appears to be progress being made in this area.

Direct Payment support remains at the heart of our work, and in the last year we have sought to develop the services we are able to offer our customers. The development of our payroll offer has moved forward, with the introduction of our 'My View' service meaning that individual employers and their employees are now able to view their

payroll information online. The next step in the development of this service will enable Personal Assistants (PAs) to directly input timesheet information into My View, speeding up processes considerably and relieving a significant admin burden generated by processing around 20,000 employees' payroll information each month.

Providing advice and guidance to DP users continues to constitute most of our services and provides the bulk of organisational income. Understanding the issues that individual employers face, negotiating the legislative landscape and ensuring our users remain compliant in their obligations becomes a more complex task with each passing year. There are

conflicting pressures from local authorities and NHS bodies who have ever tighter budgetary constraints, a squeezed labour market meaning fewer PAs are available and the need to comply with legislation. This is why the work that Penderels Trust undertakes is so important - we have the ability to understand all of these conflicts and support

individuals to receive support in the way they choose. At our heart, providing individuals with disabilities and long-term health conditions is all about maintaining

“It has given me independence going out with support and taught me new life skills.”

that key element that everyone wants in their own lives, the ability to retain choice and control.

With this in mind, we also continue to develop our services to attract new people to become PAs. People become PAs for many reasons, however it is increasingly difficult to attract new entrants to the sector when there are so many competing roles in this and other areas that offer higher wages, more training opportunities and scope for career development. Over the last couple of years, we have developed our virtual PA Community Centre to address some of these issues and continue to work on providing better access to peer support and other networks that will provide PAs with greater support in what can at times be an isolated role. This must all take place alongside our primary function in providing DP users with support, however we know that both of these elements need to work together in order for there to be a successful Direct Payment market.

As referred to in my opening statement, something that has seen a rapid increase over the last few years has been our provision of Money Management services and advice. As the cost-of-living crisis has continued to bite following on from the pandemic, increasing numbers of individuals are requiring support to manage their day-to-day finances. These people may be at risk of court action, eviction and homelessness without the support that Penderels Trust provides. We have tough conversations about budgets

and priorities, making sure food and shelter is paid for before anything else. We can also be the voice of our clients, putting repayment plans in place with utility companies and landlords. You can read in our Money Management case study in this report how we helped a young person regain control of her finances and avoid eviction with the support of our Independent Living Adviser.

**“In many ways,
having my PAs to
support me is life
changing.”**

Our work in financial money management services has grown from our longer-standing provision of Appointeeships. We now provide Appointeeship services in 8 locations, and

work with a range of organisations to offer this vital assistance. Those individuals we support through an Appointeeship can be vulnerable for a whole host of reasons and this is a vital tool in helping them to keep their lives on track.

2022 saw the reintroduction of our Beecham Award, which makes small amounts of funding available for Penderels Trust clients who require additional support that may not be available through other routes. The background of the award is outlined later in the annual report, and we are pleased to write that in 2022-23 we were able to help 8 individual clients with the purchase of equipment and activities that have had a small but significant impact upon their quality of life. The Beecham Award is an ongoing commitment, and awards for 2023 will be announced at our Annual General Meeting in November.

In the final part of my report, I want to focus on important work we are doing at Penderels Trust to implement a new People Strategy as we strive to make this a place that people want to work. The nature of our work means that we are truly reliant on having a positive and engaged staff team who are able to support our customers through difficult times. To this end, we have always tried to encourage a positive approach to staff engagement, and this is evidenced by our long-term achievement of Investors in People, and more recently 'Thrive' accreditation. This year, however, we intend to make more proactive strides in improving the offer to our staff in terms of benefits and career progression.

In 2022, we implemented a Reward and Recognition panel that comprises of members of our Trustee Board, Senior Management Team, and staff teams to look at all aspects of reward. Traditionally, in common with much of the Third Sector, Penderels Trust has taken a very simplistic view of staff reward. In the modern workplace, we are aware that staff reward and recognition takes on a much broader definition and this is something that we want to reflect. Later in this year's annual report, you will be able to read more about the work that we are undertaking in this area.

I want to finish my report by thanking everyone who has helped in making this another successful year for Penderels Trust despite the difficult climate we continue to face. Our Trustee Board provide their knowledge, experience and assistance throughout the year and have played a vital

role in the development of the organisation this year in respect of our People Strategy, developments in governance and input to our operational aims. I want to acknowledge the essential contributions made by our Senior Management Team of Asitha Hingulage, Kate Soanes and Deborah Burrows throughout this year - we have met a number of challenges relating to organisational development and have been dependent upon their expertise to negotiate this period. Alongside them, we thank the rest of our management team for their daily support in completing all of the tasks that are asked of us.

Finally, thank you to all of our partners and customers for their support and patience throughout the year. As an organisation, we are undergoing many changes in the ways we work, which will be in the long-term interest of everyone who works with us. These changes include the ongoing implementation of the new payroll system, developments in our PA support services alongside ongoing refinement of processes and structures to make the whole package easier to navigate. Social care and direct payments can be a difficult area to negotiate with few people having experience of these areas until they are required to use support for themselves or their family or friends. We still believe, however, that direct payments are a vital tool in enabling everyone to have the choice and control over their own lives, and it is our mission to ensure the continual improvement of this option as a vehicle to improve the quality of people's lives.

“My direct payment has given me a lifeline and support to access outside activities that I previously could not.”

Direct payment recipient

Governance

During the period of this annual report, the Trust has been governed by a total of 8 Trustees.

We wish to thank all Trustees for their valuable contribution.

Andrew Ford
(Chair from
November 2022)

Yvonne Barnes
(Vice Chair)

Veronica Cotterill
(resigned as Chair in
November 2022)

Andrew Reece

Philip Collis

Kire Jordanoski

Jane Heppel

Kenneth Cupid
(joined March 2023)

Payroll Update

MyView Online Service

This year has seen the full launch of our online payroll service called My View. This service allows payroll customers (employers) and their personal assistants (PAs) to view and download their payslips instead of waiting for them to arrive by post or email.

Employers and PAs are able to access their account via a secure login. As well as viewing payslips, they can view other pay documents such as their P60.

We now have over 700 payroll customers successfully using My View. Following a rolling programme of introduction which allowed us to resolve any teething issues with the process, we are now in a position to offer My View to all payroll customers. We know for some people that using an

online system can be daunting but we have prepared easy-to-follow user guides for both employers and PAs and have our My View team on-hand to resolve any queries that arise.

We have also created a separate page on our website with the user guides and link to the My View home page just a click away. This can be reached via www.penderelstrust.org.uk/myview.php



Beecham Family Award

Last year, we were delighted to be able to re-launch the Beecham Family Award.

The Beechams were a family whose children, Julie and Jonathan, were born with cerebral palsy and were supported by the Trust to live full, independent lives. Jonathan passed away in 2000 and Julie lived until 2011. Following the death of Jonathan, their parents, Terry and Jean Beecham, established an award in his honour which was given out each year to people with disabilities to improve the quality of their lives.

In 2018, following the deaths of Terry and Jean within a few months of one another, Penderels Trust received a bequest in their will in recognition of the support we had given Jonathan and Julie. We have used this to set up a permanent fund, which has allowed us to re-establish the Beecham Award and offer grants to users of Penderels Trust services on a yearly basis.

Beecham Award 2022 Winners

We were overwhelmed with the number of applications we had, with over 400 received before the deadline. This made the job of choosing only a few award winners an incredibly difficult task for our committee.

There were so many deserving applications. After much deliberation, the grants were awarded to the following amazing people:

Thomas from Worcestershire
(sensory mat)

Chana from Salford
(bedroom equipment)

Callum from Dorset
(electric clothes dryer)

Lynn from Sunderland
(mobile scooter repair)

Matilda from Warwickshire
(support seat)

Craig from Sheffield
(lightweight wheelchair)

Katie from Sheffield
(weekend away for young people)

Sophie from Sunderland
(sleep support equipment)



Here is Matilda on her new chair.

Katie had a great time on her weekend away with her friends.



Beecham Family Award 2023

The award was opened again for 2023 for Penderels Trust users to apply for up to £500 to cover the total cost of something that will improve wellbeing and independence. As last year, applicants were asked to answer a few questions about why they would like to win the award.

They could do this by completing the form electronically, by hand or via video or audio message if they preferred. The Beecham Award committee once again have a very difficult job of deciding the winners which will be announced at our Annual General Meeting on Wednesday 29th November 2023.

Our People Strategy

As mentioned in the CEO report earlier in this Annual Report, we are working hard to make Penderels Trust a positive, flexible place to work with more opportunities for career development open to all staff.

During the year, we were assessed by Investors in People and we were thrilled to achieve We Invest in People Silver Accreditation. This is a great achievement and shows that we have the right principles in place and that we are making active efforts to make sure we are consistent and fair. The assessment was a great opportunity for us to hear from our staff and we learnt a lot from what they told us.

"This really is the best place I have worked. I am trusted, the work is varied, and I can see the difference I make to my customers in giving them more independence."

From what staff told us, we've got recommendations and an action plan so that we can keep making changes, keep improving and keep moving forward.

Our new People Strategy is a big part of that action plan. Our Reward and Remuneration Panel asked staff what was important to them, and we have taken their suggestions on board.

We know that pay is always important, and we are fully aware of the impact that the increasing cost of living is having and we have tried to reflect this in the pay award this year. We are fortunate at Penderels Trust that we have continued to grow despite all of the difficulties faced during and following the pandemic, and in the uncertain economic climate that has prevailed since. Our work is more important now than ever, and it is vital that this is reflected in how we value our staff.

In addition to salary uplifts, we have introduced a couple of other smaller measures. Going forward, an additional

day's annual leave will be awarded to staff reaching 15- and 20-years' length of service. This benefit will be applied retrospectively. Other elements introduced include all staff being able to take a paid day off to volunteer for an organisation/project of their choice, budget for team building events and a vouchers/reward scheme for suggestions.

This year we looked at a wider definition for Reward and Recognition. Making Penderels Trust a good place to work does not just rest on remuneration, but also about understanding that staff feel valued in their work and have the opportunity to develop. We consulted with staff about what we could do to improve our offer. Whilst we have introduced a number of these suggestions, not all are possible at this time. We are still working on our systems which will allow more flexible options on annual leave, salary sacrifice schemes and improved benefits packages. Some would not be possible at all, for example where the suggestion would have a negative tax implication for employees.

This year, we announced the following changes that will enable new opportunities for staff progression:

- In 2024, we will be commencing a formal management development programme. Initially, this programme will be open to 10-12 staff at service manager or equivalent level and will aim at building and developing key management skills. The programme will run each year, enabling a range of staff to participate which will help towards any future career progression.

- We are aware that career progression should not just be limited to those seeking to progress into line management roles. In 2024, we will be creating a number of 'specialist' roles, which will be available to experienced staff in different departments. These roles will come with additional responsibilities alongside higher grade salaries and will support the growth of

the organisation by better utilising the skills our people have developed in the unique jobs that we do.

We will continue to seek feedback from our staff members and will take further suggestions to our Reward and Recognition Panel and our Board of Trustees in 2024 and beyond.

Case example: Appointeeship

Our appointeeship service is designed to support vulnerable adults. An appointee manages the welfare benefit payments of individuals who lack capacity to manage their own financial affairs. Appointees act in the best interests of their clients, offering support such as safeguarding checks, financial advocacy and benefit checks.

Who did we support?

Jeff is a 54-year old man with extreme anxiety, severe mental health issues and who had been financially abused for most of his adult life. He had been 'cuckooed'* out of his property which was now being used by criminals for drug dealing, he had nothing and nowhere to live; he was staying on park benches and in hostels. He was suicidal and had very low self esteem.

How did we support?

We had a referral from the local hospital to help Jeff. We claimed benefits for him that he had never had before, including Personal Independence Payment, Employment and Support Allowance (ESA) and housing benefit. We were able to help him find a new rental property that he

could call home. Due to his vulnerabilities, it wasn't safe to give him cash. He wasn't happy about this but it wasn't safe so he was given a payment card so he could still buy food and other items for himself.

Positive Outcomes

Supported by his appointee, Jeff is receiving his full benefit entitlement. He feels safe and much happier in his own home. He has been able to furnish his property from the 'posh shops' (his words!). He also went on holiday for the first time (to Weymouth), he has new clothing and is also the very proud owner of a Breville toaster! He has substantial savings and feels settled for the first time in his adult life.

Whilst Jeff was very unhappy at first at the thought of an appointeeship, gradually he could see how we were helping him. He still doesn't particularly like us but he knows his life is so much better now.

*Cuckooing is a form of action in which the home of a vulnerable person is taken over by a criminal usually in order to use it for their illegal activities, often drug related. It takes the name from cuckoos who take over the nests of other birds.

Areas of support

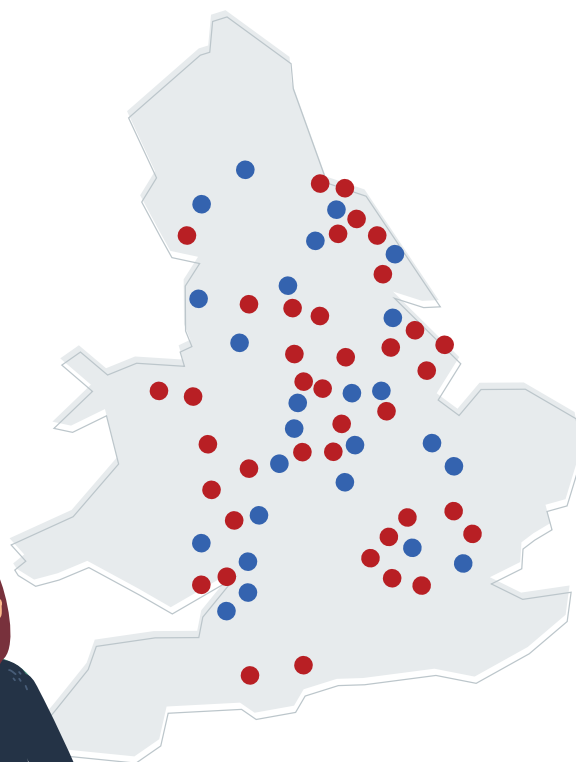
Local Authorities

- Barnsley
- Bath & North East Somerset
- Birmingham
- Bracknell Forest
- Brent
- Bristol
- Cambridgeshire
- City of London
- Coventry
- Cumbria
- Derby
- Derbyshire
- Doncaster
- Dorset
- Ealing
- East Riding of Yorkshire
- Flintshire
- Hartlepool
- Herefordshire
- Lincolnshire
- Middlesbrough
- Newport
- Nottingham City
- Nottinghamshire
- North East Lincolnshire
- North Lincolnshire
- Poole
- Rotherham
- Salford
- Sheffield
- Shropshire
- South Gloucestershire
- Sunderland
- Wakefield
- Wandsworth
- Warwickshire
- Westminster
- Worcestershire
- Wrexham



NHS/Integrated Care Boards

- Arden and GEM
- Birmingham & Solihull
- Bristol, North Somerset & South Gloucestershire
- Cambridgeshire & Peterborough
- Coventry & Warwickshire
- Greater Manchester
- Hartlepool
- Herefordshire and Worcestershire
- Middlesbrough
- Northern Lincolnshire, Humber and North Yorkshire
- Nottinghamshire & Bassetlaw
- Sheffield
- South Warwickshire
- Wakefield



“I am able to live my life happily.”

Case example: Money Management

Our money management service continues to grow. Our standard model of money management aims to support vulnerable individuals in becoming financially independent, thus preventing the need for an ongoing appointeeship service. Unlike an appointeeship, the individual continues to hold their own money. We work with them to work out their finances, to put a budget in place and develop tools to keep control.

Who did we support?

Jade is a 23-year-old lady who lives alone in rented accommodation. She had a lot of debt with her landlord for the rent and was facing eviction, she was on her final notice when she was referred to us by her social worker.

How did we support?

At our first visit, Jade was very secretive regarding her finances saying it was her money and her private information and she didn't want to share this. Without this information, however, it is not possible to provide a good service. This reaction is not uncommon. Our independent living adviser (ILA) worked hard to find common ground with Jade to build a rapport with her and open up communication. For the second visit, the ILA said they would just pop in for a coffee.

Jade had a support worker, Dave, who really supported our input and helped to put a positive perspective on what we were trying to do. This support helped persuade Jade to open up to us. On the third visit, Jade shared her bank statements with the ILA, a really big step for her. Talking through her spending, she could see for herself how much she was spending on certain products that she didn't need to. We suggested buying certain items only every other day rather than every day which Jade felt was manageable.

Positive Outcomes

We visited Jade a few weeks later and we were delighted to see that she had managed to save a bit of money and could see the benefits of the programme we had put in place for her.

With our support, she was able to negotiate with her landlord to pay the outstanding debt on her rent in instalments and set up a standing order for the first time ever.

Jade is still in debt but she has managed to keep her flat as her landlord can see she is slowly paying off her rent arrears. She doesn't have much money but she has a home and is much happier. She is now able to budget so she doesn't get into debt again. Jade knows she can come back to us any time she needs support in the future.

Trustees' Report and Financial Statements

For the year ended 31st March 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2023.

The trustees have adopted the provisions of 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 October 2019).

Objectives and Activities

Principal activities, aims and objectives

Penderels Trust was established with the objective of enabling disabled individuals to live independent lives in the community by employing personal care assistants or agency support. More recently, with the implementation of personal budgets and personal health budgets, Penderels Trust has enabled individuals to establish and achieve personal life objectives in addition to a care-based support. Originally services were only delivered with the City of Coventry but, in line with our Articles, have now expanded nationally.

The principal activity of the charity is to enable disabled individuals to live independently in the community and achieve pre-determined life outcomes. In order to support them Penderels Trust provides a range of services, namely:

- Costing services, assisting with the recruitment of privately employed care staff or helping to set up agency support
- Payroll and auto enrolment services
- Managed accounts
- Appointeeship and Deputyship support
- Light-touch bills management and advice services

- Support planning and brokerage
- Training for professionals and advice on training for disabled individuals
- PA Finder service
- Peer and network support
- Suitable Persons services

Charitable services and activities provided are overseen from our head office in Coventry, and delivered from 6 regional offices in England and Wales, some of which provide services to one or more local authority or NHS areas.

Strategic aims

Our strategic aims are to:

- Continue to deliver high quality services that enable disabled people to live independent lives in the community via;
- Personal Health Budgets
- Managed Accounts
- Appointeeship and Deputyship services
- Money Management Support services
- Continue to develop partnerships with both not for profit and private companies in order to strengthen our offering
- Develop our PA Recruitment offer and services for PAs.

Public benefit and significant activities

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing charity's aims and objectives and in planning future activities. The trustees have also considered how planned activities will contribute to the aims and objectives of the charity.

Penderels Trust is of benefit to the public as it supports adults with physical and learning disabilities, sensory impairments, and mental health support needs. We also support older people, children with disabilities and their families, carers and those of any age with special needs. Individuals are enabled to live independently by providing them with information, advice and support on independent living issues including how to employ their own staff or contact those from an agency. We also support

individuals to achieve their personal aspirations and life goals by assisting them to access services that meet their stated needs, or by purchasing equipment or services that assists them to maintain their independence.

We provide a payroll service to ensure individuals comply with their legal obligations as employers, particularly with regard to auto enrolment into a pension scheme. For those individuals who are the most vulnerable, we work in partnership with local authorities, the NHS and the Department for Work and Pensions to assist them to maintain their independent lifestyle without the anxiety created by money management. This may include debt management.

We engage with individuals in their own homes or by setting up support groups to enable them to discuss relevant issues and thereby act as a self-help group.

Strategic Report

Achievement and performance

Development, activities and achievements

The trustees consider the performance of the charitable company to be satisfactory.

In this our 34th year of operation, officer time has been provided to assist around 14,983 (2021/22: 15,468) individuals nationally.

The number of local authority areas has remained stable at 39 local authority areas (2021/22: 38), with framework agreements being more prevalent than block contracts. We therefore provide services in just over a quarter of all of local authority areas in England and Wales. We also provide services in 15 NHS commissioning areas (2021/22: 17) (although there is an overlap in some areas), supporting them with the delivery of personal health budgets.

Managed accounts service

We support over 6,400 individuals through our Managed Accounts service. Those in receipt of a managed account are often individuals who may have experienced difficulty in managing their care and/or associated finances and are only able to maintain their independence with our support. All managed monies are held in a separate account and are audited annually.

Appointeeship services

We are appointed representative for the Department for Work and Pensions which enables us to deliver an appointeeship service. Individuals are supported to manage their state benefits with issues such as debt management and budgeting. The service is provided nationally and is likely to continue growing with referrals from private companies who are no longer able to provide an appointeeship service. We now work with around 2,700 (2021/22: 2,100) individuals, spread across the country.

Suitable persons

We work in partnership with local authorities by acting as a Suitable Person for those who are most at risk. We sign contracts on their behalf with both the local authority and care agencies and ensure that all services are provided to a high standard. Monthly client visits are often provided.

Deputyship services

For those who are the most vulnerable individuals in society, we work in partnership with a firm of solicitors whereby Penderel's Trust is responsible for collecting information and undertaking associated tasks such as arranging care support, whilst the ultimate responsibility rests with the solicitor.

Payroll Bureau services

The number of people registered to receive support from the payroll bureau was circa 8,000. All employers, no matter how few staff they employ, must make a pension scheme available to their employees. Staff passing the relevant earnings threshold must be automatically enrolled. As a result of consulting with local authorities, pensions providers (the People's Pension and NEST), the Department for Work and Pensions (DWP) and the Pensions Regulator we have established the staging dates for all of our existing service users and have developed a pricing structure that is dependent upon the specific outcomes required for each individual.

Money Management Service

Alongside our established Appointeeship service, we have now developed a suite of money management services to support individuals who find it difficult to manage their own financial affairs whilst enabling them to retain responsibility for their own money. This service is delivered via our specialist money management team providing a centre of expertise. We offer three levels of support: Bills Management, Standard Money Management and Enhanced Money Management. We deliver this service to a local authority as well as a housing association. We will continue to develop this service.

Personal Assistant (PA) Recruitment and Support Services

We have a well-developed PA Finder service which is providing innovative solutions to local problems such as recruitment of staff to meet culturally diverse needs. We now provide this service in nine geographical areas of the country, sometimes under contract and occasionally as added value to an existing piece of work. We will continue to develop this service, both geographically and by looking to meet the needs of local groups. In 2021, we launched our online PA 'Community Centre', which provides access to support, peer knowledge and training resources for people already working as PAs or thinking about becoming PAs.

Financial review

Principal funding sources

Restricted funds

The charity continued to receive an income via service level and grant agreements (restricted funds). During the year an income of £608,076 (2022: £555,425) was received from this source, which was then applied to the purposes specified under the terms of the respective agreements. After net expenditure on restricted funds, the total result for the year was a surplus of £8,569 (2022: £37,118).

Unrestricted funds

The charity continued with the stable growth of income from service level and grant agreements, the spot purchase of Direct Payment Support Services (Managed Accounts) and administrative services such as payroll (Unrestricted funds). During the year this generated an income of £5,523,350 as compared to 2022 income of £5,230,210, which was then applied for the advancement and aim of the charity's objectives.

Additional income of £348,363 (2022: £32,688) was generated from the bank deposits.

The continued growth in our services contributed to us making a surplus of £357,676 (including donations) (2022: £443,813) for combined restricted and unrestricted funds.

Investment policy and objectives

Penderels Trust's Articles authorises trustees to make and hold investments using the general funds of the charity. The board has approved an Investment Policy to ensure funds are not put at risk, are protected from inflation and earn the best possible income to protect the charity's finances from unexpected or increased fees and charges.

Funds may only be invested in financial institutions previously approved by the trustees. Any new financial institution submitted for trustees' approval must be a recognised financial institution that has a first-class reputation and is authorised and supervised by the Bank of England or the Building Society Commission. Only institutions with the highest short-term credit rating will be considered.

Reserves policy

The Charities Commission defines reserves as 'that part of the charity's income funds which can be made available to spend for any or all of the charity's purposes once it has met its commitments and covered other planned expenditure'. The trustees are aware of the general legal duty to apply charitable funds within a reasonable time of receiving them.

Therefore, to justify the holding of reserves the charity needs a reserves policy which is based on a realistic assessment of the required reserves.

Income from restricted funds (income which must be applied to the purposes specified under the terms of the agreement or contract for which they were given), cannot be set aside for use in line with the reserves policy as any unused funds must be returned, carried forward or applied in line with the funding agencies requirements.

Unrestricted funds (money generated as a result of fees and charges, or interest on monies invested), is expendable at the discretion of the trustees in furthering the objects of the charity.

The board of trustees has identified that a minimum level of unrestricted funds should be set to counter balance trading uncertainty and provide a base level for stability. A target level of unrestricted funds has been set to allow for growth and for the charity to take advantage of strategic opportunities for the future growth.

The Board reviewed our Reserves policy in March 2023 in order to ensure it remains appropriate for our current requirements. It was agreed that the level of unrestricted funds kept should be set at a minimum level of three months operating costs plus an additional fund to cover redundancy costs for all staff plus legal costs associated with winding up of the Company.

The board of trustees has approved Charity's reserves policy and identified the following reasons to hold reserves:

- To provide financial stability to enable us to continue to achieve our objective during challenging trading periods.
- To allow us to take advantage of strategic development opportunities and plan for future growth.
- To enable us to make investment decisions in accordance with the investment policy and enable us to consider opportunistic investments which may not be within the strategic plan.

Trustees also feel that additional funds should be set aside to meet longer term commitments such as leases and redundancy payments. With reserves for this financial year of £4,035,942, the trustees believe sufficient funds exist to allow the continued operation of the company in the event of a significant drop in funding. Funds not required on an immediate basis will be invested in line with the investment policy. Trustees review this policy formally on an annual basis.

Principal risks and uncertainties

As a result of HMRC's decision, we are now charging VAT on payroll services. We are still awaiting a decision from HMRC as to whether any back tax will be levied.

Other risks include:

- a reduction in the number of providers available to deliver services
- pressure on local authority budgets affecting the viability of services
- our dependence on local authority funded business
- reduction in income from investments
- changes being made to relevant statutory bodies, such as HMRC, impacting upon the services we deliver

Financial and risk management objectives and policies

The trustees regularly assess and review the major risks to which the charity is exposed, in particular those related to the operations, business and finances of the Charity. The trustees are satisfied that systems are in place to mitigate exposure to the major risks.

A large proportion of the Trust's financial commitments are salary payments, including those at head office. However, maintenance of a strong infrastructure is essential to enable us to bid for new business, sustain our current service delivery, develop new initiatives, and maintain the quality service and high standards we are known for.

The austerity measures imposed by central government continue to have an impact on the market as local authorities look for innovative ways to provide social care that meets the needs of the community as a whole.

Plans for the future periods

Payroll Bureau

Our challenge for the next financial year will be the roll out of our new payroll platform, which will allow us to provide a digital payroll service. This enables customers to upload their information electronically in addition to dealing with the challenges of auto enrolment. This will be more cost effective and flexible, and ultimately provides greater market opportunities for the future. This will also enable us to align our service more closely with the requirements of statutory bodies such as HMRC and the Pensions Regulator.

Social Value

We have made a series of commitments to social value to promote our role in the communities in which we work. Commitments include the offer of meeting and training room facilities at our Head Office to small local groups and charities at no cost, the creation of a new garden area at our Head Office, and a commitment to allowing all staff to spend one day per year working on community projects in their local areas across the whole organisation. We are also offering bid writing expertise to small charitable organisations to help them secure small grants in a number of contract areas.

Other Opportunities

We plan to continue building relationships with organisations outside of our usual commissioning partners. We have continued to develop already established successful relationships with a firm of solicitors in the delivery of Deputyship services, and are increasingly working with housing and Supported Living providers in the provision of appointeeship services. We will also seek to extend our provision of 'light-touch' money management services, expanding this to include work with third-party organisations such as housing providers and supported living services.

Structure, Governance and Management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Penderels Trust is a charitable company not having a share capital as defined by the Companies Act 2006. It is controlled by its Articles of Association. It was registered with the Charities Commission on 10th May 1988 and incorporated as a company limited by guarantee on 1st May 1998. It was established with the objective of enabling disabled people to live independent lives in the community. The governing document was revised in 2011 and again in 2014 to ensure the company complied with new legislation and the challenges facing the not-for-profit sector.

The board of trustees is named on page seven. A number of the trustees have previously been users of our services and bring with them a wealth of experience regarding living independently as a person with a disability. Other trustees have business skills combined with an interest in shaping services for disabled individuals. They are from diverse backgrounds and varying locations around England. The board is responsible for the overall direction of the company's operations, its compliance with legislative requirements and financial stability. As a minimum, the board meets five times per year to approve strategic and operational recommendations from the senior management team.

Recruitment and appointment of new trustees

Replacement trustees are recruited as a result of the retirement, resignation or death of a member of the board. Vacancies are highlighted in our newsletter, on our website, by word of mouth, by personal invitation and on one occasion by advertising in the national press. Anyone expressing an interest can contact the CEO or Chair prior to submitting a formal expression of interest in writing to the board, stating relevant work or life experiences. Potential candidates may also receive a visit by a senior member of staff or meet with some of the trustees in an informal group. Individuals are then invited to attend a board meeting and make a brief presentation in addition to answering any queries existing board members may have. A vote will then be taken. After appointment, trustees are subject to a period of induction, part of which includes meeting senior staff. They are also given the opportunity to attend relevant training events.

Organisational structure

The board of trustees is supported by the executive board consisting of Gary Jones, Chief Executive who is supported by Asitha Hingulage, Director of Finance, Kate Soanes, Head of Operations, Deborah Burrows, Head of Human Resources, and Paula Walkington, Business Support Manager. They in turn are supported by five regional managers, plus marketing manager and bid writer. The regional managers are responsible for a number of service managers located in regional offices who oversee field and administrative teams.

Related parties

There have been no related party transactions.

Reference and Administrative Details

Registered Company number
03560335 (England and Wales)

Registered Charity number
1073513

Registered office
1A Brandon Lane, Coventry CV3 3GU
www.penderelstrust.org.uk

Trustees

A J Ford	Chairperson
Y A Barnes	Vice-Chairperson/Director
V A Cotterill	Director
G S Jones	Director
P Collis	Director
A M Reece	Director
J T Heppel	Director
K Jordanoski	Director
K Cupid	Director

Auditors

Armstrongs Accountancy Ltd
Chartered Accountants and
Statutory Auditor
1 & 2 Mercia Village, Torwood Close,
Westwood Business Park
Coventry, West Midlands, CV4 8HX

Bankers

National Westminster Bank Plc
Coventry City Branch
24 Broadgate, Coventry CV1 1ZZ

Administration

Gary Jones,
Chief Executive/Director

Asitha Hingulage,
Director of Finance

Kate Soanes,
Head of Operations

Deborah Burrows,
Head of Human Resources

Paula Walkington,
Business Support Manager

Funds held as custodian for others

The trust holds and manages a considerable sum of money on behalf of a number of local authorities referred to as Managed Accounts. Funding is paid out upon the receipt of appropriate authorisation to staff or agencies thereby enabling vulnerable individuals to remain in the community. The funds are closely monitored by senior managers and independently audited on an annual basis.

As per the requirements of the charities SORP (FRS102), the receipts, payments, assets and liabilities relating to these funds are not included in the Statement of Financial Activities (SOFA) and Balance Sheet of the Charity. The detailed information of these funds is provided in note 22 of the notes to the financial statements.

Going concern

The trustees have considered the reserves policy above and the working capital requirements for the period of 12 months from the date of this report and have reasonable expectation that the Charity has adequate resources to continue its operations for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis for the preparation of the annual report and accounts.

Trustees' Responsibility Statement

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

Company law requires the trustees to prepare financial statements for each

financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

“If I did not have direct payments to pay for support, I feel I could not manage to maintain everyday life.”

Direct payment recipient

Statement as to disclosure of information to auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees 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.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Statutory auditor

The auditors, Armstrongs Accountancy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 29th November 2023 and signed on the board's behalf by:



A Ford -Trustee



Independent Auditors' Report to the members of The Penderels Trust Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Penderels Trust Limited (the 'charitable company') for the year ended 31 March 2023 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).

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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all the future events or conditions can be predicted, this statement is not a guarantee as to the Charity's ability to continue as going concern.

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.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of 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 Trustees' Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities for the financial statements and the audit

Trustees responsibilities for the financial statements

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

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

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Performing audit work over the risk of understatement of income including substantive testing and obtaining corroborated explanations from Management.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

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.

M Shabbir (Senior Statutory Auditor)
for and on behalf of Armstrongs
Accountancy Ltd
Chartered Accountants and Statutory
Auditor
1 & 2 Mercia Village
Torwood Close
Westwood Business Park
Coventry
West Midlands
CV4 8HX

Date: 29th November 2023

Statement of Financial Activities

(Incorporating an income and expenditure account)
for the year ended 31 March 2023

	Notes	Unrestricted fund £	Restricted fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	3,624	-	3,624	5,904
Charitable activities	4				
Direct payments support services		4,623,391	608,076	5,231,467	4,991,677
Payroll & administration services		899,959	-	899,959	793,958
Investment income	3	348,363	-	348,363	32,688
Other income		-	-	-	-
Total		5,875,337	608,076	6,483,413	5,824,227
EXPENDITURE ON					
Charitable activities	5				
Direct payments support services		4,268,958	599,710	4,868,668	4,546,321
Payroll & administration services		1,213,443	-	1,213,443	840,775
Total		5,482,401	599,710	6,082,111	5,387,096
Net gains on investments		(43,829)	203	(43,626)	6,682
NET INCOME		349,107	8,569	357,676	443,813
RECONCILIATION OF FUNDS					
Total funds brought forward		3,616,542	61,724	3,678,266	3,234,453
TOTAL FUNDS CARRIED FORWARD		3,965,649	70,293	4,035,942	3,678,266

Balance Sheet

At 31 March 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	13	178,630	229,784
CURRENT ASSETS			
Debtors	14	1,667,653	1,807,358
Investments	15	494,344	538,173
Cash at bank and in hand		<u>2,086,382</u>	<u>1,784,171</u>
		4,248,379	4,129,702
CREDITORS			
Amounts falling due within one year	16	<u>(391,067)</u>	<u>(681,220)</u>
NET CURRENT ASSETS			
		<u>3,857,312</u>	<u>3,448,482</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>4,035,942</u>	<u>3,678,266</u>
NET ASSETS			
		<u>4,035,942</u>	<u>3,678,266</u>
FUNDS			
	18		
Unrestricted funds:			
General fund		3,965,649	3,616,542
Restricted funds:			
Restricted Funds		<u>70,293</u>	<u>61,724</u>
TOTAL FUNDS			
		<u>4,035,942</u>	<u>3,678,266</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 29th November 2023 and were signed on its behalf by:



A Ford -Trustee



Y A Barnes -Trustee

Cash Flow Statement

For the year ended 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(37,391)</u>	<u>201,085</u>
Net cash (used in)/provided by operating activities		<u>(37,391)</u>	<u>201,085</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(8,761)	(292,061)
Sale of tangible fixed assets		-	434
Interest received		<u>348,363</u>	<u>32,688</u>
Net cash provided by/(used in) investing activities		<u>339,602</u>	<u>(258,939)</u>
Change in cash and cash equivalents in the reporting period		302,211	(57,856)
Cash and cash equivalents at the beginning of the reporting period		<u>1,784,171</u>	<u>1,842,027</u>
Cash and cash equivalents at the end of the reporting period		<u><u>2,086,382</u></u>	<u><u>1,784,171</u></u>

Notes To The Cash Flow Statement

For the year ended 31 March 2023

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

	2023	2022
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	357,676	443,813
Adjustments for:		
Depreciation charges	59,915	76,091
Losses/(gain) on investments	43,829	(5,680)
Loss on disposal of fixed assets	-	4,267
Interest received	(348,363)	(32,688)
Decrease in debtors	139,705	(380,916)
(Decrease)/increase in creditors	(290,153)	96,198
Net cash (used in)/provided by operations	(37,391)	201,085

2. Analysis of changes in net funds

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	1,784,171	302,211	2,086,382
	<u>1,784,171</u>	<u>302,211</u>	<u>2,086,382</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	538,173	(43,829)	494,344
	<u>538,173</u>	<u>(43,829)</u>	<u>494,344</u>
Total	2,322,344	258,382	2,580,726

Notes to the Financial Statements

For the year ended 31 March 2023

1. Accounting Policies

General information and 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 October 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.

The financial statements are prepared on a going concern basis under historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

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

The Penderels Trust is a charitable company, limited by guarantee, registered in England & Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is 1a Brandon Lane, Coventry, CV3 3GU. The nature of charity's operations and principal activities

are to enable disabled individuals to live independently in the community and achieve pre-determined life outcomes, detailed objectives are listed in Trustees' Report.

Preparation of consolidated financial statements

The financial statements contain information about The Penderels Trust Limited as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Income recognition

All incoming resources are recognised in the Statement of Financial Activities once 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 this requires 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.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS102). Further detail is given in the Trustees' Report.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it 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.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed, and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

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.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange of supplying goods and services in order to raise funds and is recognised when the entitlement occurred.

Investment income from interest on deposits is recognised when the amount can be measured reliably.

Expenditure recognition

All Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Support cost allocation

Support cost are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where the support costs cannot be directly attribute to particular activity they have been allocated to the charitable activities on the basis consistent of use of the resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

- Improvements to property
25% on cost
- Fixtures and fittings
15% on reducing balance
- Computer equipment
25% on reducing balance

The expected useful lives of the assets to the business are reassessed periodically.

Tangible fixed assets are stated at historic cost less accumulated depreciation. Costs includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. All expenditure of a capital nature is capitalised at cost as fixed assets with items costing below £1500 being fully depreciated during the year of purchase.

Taxation

The charity is exempt from corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the Charity and is therefore included in the relevant costs in the Statement Of Financial Activities (SOFA).

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees and which have not been designated for other purposes.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The cost of raising and administering such funds are charged against the specific fund.

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Investments

Investments in subsidiaries are measured at cost less impairment.

Funds held as custodian for others

The Charity holds TPSA funds under custodian arrangements. In accordance with the SORP, these receipts and payments and assets and liabilities are not included in the Statement of Financial activities (SOFA) and Balance Sheet of the Trust.



“Taken away all the stress about paying for care. Your support means as my needs change you are flexible and helpful.”

Direct payment recipient

2. Donations and Legacies

	2023	2022
	£	£
Donations	3,624	5,904
	3,624	5,904

3. Investment Income

	2023	2022
	£	£
Deposit account interest	348,363	32,690
	348,363	32,690

4. Income from Charitable Activities

	Activity	2023	2022
		£	£
Service contracts	Direct payments support services	5,231,467	4,991,677
Admin fee income	Payroll & administration services	899,959	793,958
		6,131,426	5,785,635

5. Charitable Activities Costs

	Direct costs (See note6)	Support costs (See note7)	Totals
	£	£	£
Direct payments support services	3,329,300	1,539,368	4,868,668
Payroll & administration services	603,767	609,676	1,213,443
	3,933,067	2,149,044	6,082,111



6. Direct cost of Charitable Activities

	2023	2022
	£	£
Staff costs	3,373,400	3,063,514
Equipment hire & maintenance	42,263	44,226
Property costs	79,154	78,676
Insurance	(2,519)	874
Travelling and subsistence	25,813	16,688
Telephone	52,163	61,380
Printing, postage & stationery	48,271	41,639
Repair and maintenance	8,690	10,080
Other expenses	285,419	230,769
Staff training	11,648	9,973
Legal and professional charges	1,545	1,995
Advertising and promotion	-	3,996
Depreciation	7,220	-
	3,933,067	3,563,810

7. Support Costs

	Management	Governance costs	Totals
	£	£	£
Direct payments support services	1,421,342	118,026	1,539,368
Payroll & administration services	609,676	-	609,676
	2,031,018	118,026	2,149,044

Support costs are allocated in direct proportion to the Full Time Equivalent (FTE) hours for each service area. Support costs, included in the above, are as follows:

Management		2023	2022
	Other trading activities	Direct payments support services	Totals
	£	£	£
Wages	913,355	151,037	1,064,392
Equipment hire & maintenance	174,261	9,442	183,703
Property costs	55,218	27,127	82,345
Insurance	35,151	-	35,151
Repair and maintenance	160	-	160
Telephone	11,764	8,376	20,140
Printing, postage & stationery	20,381	91,845	112,226
Bad debts	(18,896)	-	(18,896)
Travelling & subsistence	4,421	21	4,442
Staff training	53,047	5,696	58,743
Legal and professional charges	16,085	304,017	320,102
Other expenses	103,700	12,115	115,815
Advertising and promotion	-	-	-
Depreciation of tangible and heritage assets	52,695	-	52,695
Loss on sale of intangible fixed assets	-	-	-
	1,421,342	609,676	2,031,018
			1,717,830

Governance cost

	2023	2022
	Direct payments support services £	Total activities £
Wages	59,677	56,269
Auditors' remuneration	8,698	8,284
Insurance	3,713	3,536
Legal & professional charges	45,938	36,869
Other management expenses	-	500
	<u>118,026</u>	<u>105,458</u>

8. Net Income (expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Auditors' remuneration	8,698	8,284
Depreciation - owned assets	59,915	76,090
Hire of plant and machinery	225,966	216,393
Deficit on disposal of fixed assets	-	4,267
	<u>-</u>	<u>4,267</u>

9. Trustees' Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

Expenses totalling £74 (2022: £0) were paid to trustees during the year ending 31st March 2023.

10. Staff Costs

	2023	2022
	£	£
Wages and salaries	4,104,934	3,686,042
Employers' NI contributions	316,041	282,113
Staff pension contributions	76,494	70,547
	<u>4,497,469</u>	<u>4,038,702</u>

One employee received emoluments of more than £60,000 in 2022/23 (One in 2021/22).

10. Staff Costs continued

Staff categories:

Full-time staff	2023	2022
	No.	No.
Independent living services	25	23
Management and administration	73	65
	<hr/>	<hr/>
Total number of full-time staff	<u>98</u>	<u>88</u>
Part-time staff	No.	No.
Independent living services	40	39
Management and administration	56	56
	<hr/>	<hr/>
Total number of part time staff	<u>96</u>	<u>95</u>
TOTAL NUMBER OF EMPLOYEES	<u>194</u>	<u>183</u>

Penderels Trust's staff working 37 hours per week is categorised as full-time staff and any member of staff working any less hours than the normal working hours is categorised as part time staff. The average number of hours worked by part time staff is 24 hours per week (2022: 24 hours per week).

Gives me flexibility to go out with my carers and flexibility to make choices on where I would like to go.

Direct payment recipient



11. Comparatives for the Statement of Financial Activities

	Unrestricted fund £	Restricted fund £	Totals funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	5,904	-	5,904
Charitable activities			
Direct payments support services	4,436,252	555,425	4,991,677
Payroll & administration services	793,958	-	793,958
Investment income	32,688	-	32,688
Total	5,268,802	555,425	5,824,227
EXPENDITURE ON			
Charitable activities			
Direct payments support services	4,028,014	518,307	4,546,321
Payroll & administration services	840,775	-	840,775
Total	4,868,789	518,307	5,387,096
Net gains on investments	6,682	-	6,682
NET INCOME	406,695	37,118	443,813
RECONCILIATION OF FUNDS			
Total funds brought forward	3,126,426	108,027	3,234,453
Transfer between funds	83,421	(83,421)	-
TOTAL FUNDS CARRIED FORWARD	3,616,542	61,724	3,678,266

12. Pension Schemes

The Charity has one employee who is a member of the West Midlands Pension Fund (Multi-Employer Defined Benefit Final Salary Scheme). The Fund is administered for the benefit of Local Authority employees and other bodies and is managed in accordance with the Local Government Pension Schemes Regulations 1997 (as amended). The current rate of employer's contribution is 21.6%.

In addition, the company participates in the People's Pension Scheme (run by B&CE HSM Ltd), into which it has auto enrolled its staff as appropriate since September 2014. The current rate of employer's contribution is 3%.

The company also has a Norwich Union Stakeholder Pension Scheme with employer's contribution rate of 3% of pensionable pay, and a Scottish Equitable Pension Scheme with employer's contribution rate of 3% & 6% of pensionable pay as contracted.

13. Tangible Fixed Assets

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2022	23,254	55,794	500,887	579,936
Additions	-	-	8,761	8,761
At 31 March 2023	<u>23,254</u>	<u>55,794</u>	<u>509,648</u>	<u>588,697</u>
DEPRECIATION				
At 1 April 2022	23,254	52,583	274,314	350,152
Charge for year	-	1,081	58,834	59,915
At 31 March 2023	<u>23,254</u>	<u>53,664</u>	<u>333,148</u>	<u>410,067</u>
NET BOOK VALUE				
At 31 March 2023	<u>-</u>	<u>2,130</u>	<u>176,500</u>	<u>178,630</u>
At 31 March 2022	<u>-</u>	<u>3,211</u>	<u>226,573</u>	<u>229,784</u>

14. Debtors: amounts falling due within one year

	2023 £	2022 £
Trade debtors	361,704	486,074
Other debtors	1,305,949	1,321,284
	<u>1,667,653</u>	<u>1,807,358</u>

15. Current Asset Investments

	2023 £	2022 £
Shares in group undertakings	1	1
Money market investments	494,343	538,172
	<u>494,344</u>	<u>538,173</u>

16. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	153,837	354,627
Social security and other taxes	-	67,986
Other creditors	237,230	258,607
	<u>391,067</u>	<u>681,220</u>

17. Analysis of Net Assets between funds

	Unrestricted fund	Restricted fund	2023 Total funds	2022 Total funds
	£	£	£	£
Fixed assets	178,630	-	178,630	229,784
Current assets	4,248,379	-	4,248,379	4,129,702
Current liabilities	(461,360)	70,293	(391,067)	(681,220)
	<u>3,965,649</u>	<u>70,293</u>	<u>4,035,942</u>	<u>3,678,266</u>

18. Movement in funds

	At 1.4.22	Net movement in funds	At 31.3.23
	£	£	£
Unrestricted funds			
General fund	3,616,542	349,107	3,965,649
Restricted funds			
Restricted funds	61,724	8,569	70,293
TOTAL FUNDS	<u>3,678,266</u>	<u>357,676</u>	<u>4,035,942</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	5,875,337	(5,482,401)	(43,829)	349,107
Restricted funds				
Restricted funds	608,076	(599,710)	203	8,569
TOTAL FUNDS	<u>6,483,413</u>	<u>(6,082,111)</u>	<u>(43,626)</u>	<u>357,676</u>

18. Movement in funds continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	3,126,426	490,116	3,616,542
Restricted funds			
Restricted funds	<u>108,027</u>	<u>-46,303</u>	<u>61,724</u>
TOTAL FUNDS	<u>3,234,453</u>	<u>443,813</u>	<u>3,678,266</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	5,264,806	(4,780,369)	5,679	490,116
Restricted funds				
Restricted funds	<u>555,427</u>	<u>(602,733)</u>	<u>1,003</u>	<u>46,303</u>
TOTAL FUNDS	<u>5,820,233</u>	<u>(5,383,102)</u>	<u>6,682</u>	<u>443,813</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.21 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	3,126,426	839,223	3,965,649
Restricted funds			
Restricted funds	<u>108,027</u>	<u>(37,734)</u>	<u>70,293</u>
TOTAL FUNDS	<u>3,234,453</u>	<u>801,489</u>	<u>4,035,942</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	11,144,139	(10,351,190)	(37,147)	839,223
Restricted funds				
Restricted funds	<u>1,163,503</u>	<u>(1,118,019)</u>	<u>203</u>	<u>(37,734)</u>
TOTAL FUNDS	<u>12,307,642</u>	<u>(11,469,209)</u>	<u>(36,944)</u>	<u>801,489</u>

Restricted funds

Restricted funds represent unspent balances received from service level and grant agreements with the purposes specified under the terms of the respective agreements.

19. Related Party Disclosures

There were no related party transactions for the year ended 31 March 2023.

20. Ultimate Controlling Party

Penderels Trust is a charitable company limited by guarantee. The members of the company have agreed to contribute £1 each to the assets of the company in the event of company being wound up.

Ultimate control of the company rests with the trustees who are also directors and members of the company.

21. Contingencies

As a result of HMRC's decision, the charity is now charging VAT on payroll services. However, the charity is still awaiting a decision from HMRC as to whether any back tax will be levied.



22. Third Party Supported Accounts

	2023	2022
	£	£
Receipts		
Community care contributions	91,740,890	81,572,863
Personal contributions	6,380,036	6,250,429
	<u>98,120,925</u>	<u>87,823,292</u>
Total receipts	98,120,925	87,823,292
Payments		
Care staff wages	31,308,388	30,435,718
Care staff wages-agency	66,010,186	57,156,982
Employers NI contributions	802,351	230,592
	<u>98,120,925</u>	<u>87,823,292</u>
Total payments	98,120,925	87,823,292
Surplus/(deficit)	<u>-</u>	<u>-</u>

The Penderels Trust Limited has agreed to take on the payment of support monies under custodian arrangements. Local Authorities pay the required support monies directly to the Trust at varied time periods and The Trust disburses the support monies to the users of the services either weekly, fortnightly or monthly based on the arrangement. The receipts and payments and assets and liabilities regarding the TPSA funds are not shown as part of SOFA and Balance Sheet of the Trust as per Charities SORP.

	2023	2022
Current assets		
Charities bonds	-	-
Cash at bank	58,702,539	49,495,820
	<u>58,702,539</u>	<u>49,495,820</u>
Current liabilities		
Trade creditors	234,563	384,638
Social security and other taxes	1,507,963	1,700,239
Other creditors	155,097	80,509
Deferred income	56,804,915	47,330,434
	<u>58,702,539</u>	<u>49,495,820</u>
Net assets/liabilities	<u>-</u>	<u>-</u>



Penderels Trust

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