



Annual Report and  
Accounts  
2019/20





### **Chairman's report**

Sadly, this has been a year of growing restriction upon our activities in both Approved Premises on account of forces not only beyond our control but beyond our imagining. Our Chief Executive report describes how in the spring of 2019 visitors joined celebrations in the gardens of both premises and gives accounts of collaboration with local organisations and institutions. Residents paid visits to places of interest in the city of Leeds and beyond and pursued a variety of occupations from painting to woodwork within the APs. A year later none of this was possible; initially because of the restrictions following two terrorist attacks in London and finally because of the arrival of COVID-19 and lockdown. This has dramatically changed the way in which staff can work with residents and much attention has been given to ensuring the safety of both. Thorough risk assessments have guided our policies. We hope that we can return to our normal practices and so provide a richer experience for residents.

As a Board of Trustees, we are indebted to our staff for their commitment and latterly bravery, in providing a service to residents. They have been particularly stretched since February and I should like to pay tribute to them all, especially Louise, Emma and Clare as the management team, who have provided exceptional leadership in exceptional circumstances.

We do not yet know whether we shall be negotiating a new contract with MoJ from April 2021 but we do know that the charity has a large pension deficit which will seriously erode the capital funds which we had hoped to spend on further services for the offenders in our care.

During the year David Burgess, Lynn Hague and Adrian Lodge all came to the end of their term as trustees. David and Adrian had given us much with their business experience and Lynn was valued for her work with residents on craft projects. We are grateful to them. We are glad to welcome Dr. Emma Wincup, Mrs. Sara Mondon and Mr. Roy Brook as new trustees.

Thanks are due to Tricia Gradys who has provided such efficient support as Company Secretary and to Patrick Heaton and his team at Gibson Booth as our auditors.

I am thankful that the charity has a Board of Trustees who give willingly of their expertise and

a well-organised, loyal and proactive staff. Both groups are committed to providing an opportunity for those who come to Cardigan or Ripon House to abandon the world of offending in favour of useful lives as responsible citizens. It is a large step for many to take; strong support and encouragement are needed. We trust that in the coming months we can move back to providing a more stimulating and less restricted environment and we shall use our best efforts to achieve that safely.

Jill Dilks,  
Chairman



## Chief Executive's Report

### Introduction

It has been an interesting year for both approved premises with many positive achievements. National events have had an influence on our services in terms of what we are able to offer residents and as I write Covid 19 is having a big impact on residential premises across the country. All staff have worked incredibly hard during 2019-2020 to enable residents to benefit from their stay and move-on to a life that is stable and hopefully offence free.

### Move to New Directorate

Prior to November 2019 all approved premises identified with their local probation division. However, in November 2019 all approved premises moved to Residential (AP/BASS) and Accommodation Support Services (RASS), which is part of the Directorate of Reducing Reoffending, Partnerships and Accommodation. The aim of this is to try and develop consistent policy and practice across all approved premises. It is too soon to say what the impact of this may be, but it is very important that we maintain our connections with all the local probation offices. Ripon House is a national resource, but Cardigan House mainly takes residents local to Leeds and West Yorkshire.

### Highlights of 2019-20

#### Naloxone

There has been much to celebrate at both premises over the past year. For several years we have been very concerned about the numbers of residents using heroin and other opioids and the potential for them to overdose and die. It is a particular issue amongst the women at Ripon House. We were very pleased to work with Forward Leeds to introduce Naloxone and to have a supply on both our sites. Naloxone is a medication used to block the effects of opioids and hence prevent death from overdose. Forward Leeds had trained 50% of our staff in the use of Naloxone, before training was put on hold because of Covid 19. We are hopeful that this addition to our toolkit will prove beneficial for residents and staff in preventing accidental deaths.

## **Celebrations**

Cardigan House's year got off to a good start in spring 2019 with a concert to mark International Happiness Day. This included music and art, all performed by residents and the opportunity to view the 'Living A Happy Life Programme', developed to help residents focus on important issues in their lives.

In June 2019, an event was held in the gardens to celebrate Cardigan House achieving the Enabling Environments Award. Residents enjoyed the cream teas and showing off the bird boxes, benches and planters that they had made in the workshop. Ripon House has maintained its Enabling Environments award following an interim report in 2019. A full assessment is due again later in 2020.

Ripon House held a successful summer fare showcasing music, spoken word poetry, artwork and crafts. This also showed the success of two projects aimed at improving communication skills, one with the Royal Literary Fund and the other with local performance poets. The poetry was particularly powerful with some of the women talking emotionally about their journeys from prison to Ripon House and beyond.

In January 2020 residents joined representatives of Opera North in a celebration at Everyman Cinema, acknowledging the end of a twelve month's partnership arrangement enabling residents to attend performances with no or low-cost tickets to operas and workshops. A number of charities had been selected to be involved and a service user from each place had sung a lullaby that Opera North had recorded to document the year. It was fantastic to witness the premier of the video with the Ripon House singer present. Six in house workshops for residents had been facilitated by performers and educationalists during the year, which enabled Ripon House to work with residents to enhance their confidence, self-esteem, and general well-being via involvement in the arts.

## **Training**

There has been a variety of different training events for staff ranging from diversity, suicide and self-harm prevention to understanding personality disorders and being trauma informed. All have greatly benefited staff.

The managers took part in a year of coaching and development facilitated by Barbara Nixon, which was fun, supportive and enlightening. Hopefully, we have all developed new skills and our reflective practice.

Both teams have enjoyed bonding on staff development days. Ripon House went to Herd Farm and experienced a guided blindfold walk, an activity course involving various problem solving and pottery making. Cardigan House tried out some Escape Rooms, in Leeds City Centre. A great learning experience that no teams managed to crack. Fortunately, all were let out for a celebratory pizza. These days are invaluable as they bring together all staff and managers who often do not have the opportunity to work together.

## **Challenges of 2019-20**

### **Deaths**

Two residents died during 2019, one at each premise. Both died of natural causes and were investigated by the Prison and Probation Ombudsman. Thankfully both reports were very positive about staff involvement and concluded that staff responded immediately, appropriately followed procedures, but sadly in both cases there was nothing that they could have done. They made no recommendations re policy or practice. It is always very difficult for staff and other residents whenever residents die, but it is a comfort for staff to know that they did all they could to help.

### **London Bridge and Streatham Attacks**

The events at London Bridge in 2019 when two students were killed by a terrorist offender have had a serious impact on our work. In the aftermath of this we were instructed not to hold any events outside the approved premises, which involved interaction with the public. This resulted in the cancellation of many activities, particularly at Ripon House and residents becoming frustrated that staff could not take them to participate in events. This was just beginning to ease when there was a further incident in Streatham, again connected to terrorism and with the added complication that the offender was resident in an approved premise at the time. This comes at a time when approved premises are increasingly being asked to manage those in the community that the prison service struggles to manage in custody. It raises the question of whether approved premises are equipped to safely manage offenders who are intent on committing serious further offences and those who are a real danger to themselves and others because of serious mental health issues.

### **Covid 19**

From the latter part of February onwards both premises were busy preparing for Covid 19. This involved the purchasing of sufficient personal protective equipment, making changes to enable social distancing and the education of staff and residents in order to ensure that the risks of transmission were reduced and that we were able to keep our services open. Following thorough risk assessments at both premises we have been operating at reduced occupancy to assist social distancing and maintain some empty rooms in case of residents needing to self-isolate because of symptoms or a positive test result. Visitors are currently prohibited, and we are running on minimum staffing with temperature checks for anyone entering the premises. To date we have not lost any staff or residents, although it is clear that Covid 19 is going to impact on what we are able to deliver for the foreseeable future.

### **Staffing**

The management team, finance team and house staff have remained unchanged for another consecutive year, which promotes stability in the staff teams. All continue to contribute to the further development of the premises and the regimes bringing creativity, enthusiasm and innovation to their roles.

We have experienced some changes in the staff teams owing to positive events, with one

member of staff having a baby and another adopting a baby. Three members of staff have suffered serious illness, which has resulted in long term absence. We wish them a speedy recovery. We have welcomed two new operational staff, Odelya Yechezkel and Beth Collett.

We said goodbye and good luck to Gail Lewis and Rebecca Sellan who have moved on to new jobs during the past year.

We are grateful to the Trustees for their ongoing guidance and support. One of the many positive things about being an independent approved premise is that the Trustees are there during the good and the challenging times, offering their skills, time and investment on a voluntary basis. We are thankful for all that they bring.

Thanks go to our relief pool of staff, who cover holidays and sickness, sometimes with little notice. We would not be able to maintain our services without them and the energy and commitment that they bring.

Finally, a big thank you to all staff, residents and partner agencies who have been involved with Cardigan House and Ripon House over the past year. We value all that you do to keep the approved premises positive places to be.

### **The Future**

At the time of writing we are waiting to hear whether our contract will be rolled over for a final year, or whether we will have a new contract from April 2021. These periods are always unsettling.

The National Probation Service, which was split in two following the changes made by Transforming Rehabilitation in 2014, is now in the process of being re-unified. Community Rehabilitation Companies will cease to exist, with all the changes expected to be in place by June 2021. It seems that for several years the service has been in a constant state of flux. Let us hope that there is now a period of stability.

Despite the challenges our services continue to offer residents a safe and positive environment to enable them to change and develop. Our activities and opportunities allow them to develop their skills and improve their employability, which improves their self-esteem and their confidence to move-on and live independently. Hopefully the next year will see the premises continue to provide a first class service assisting and enabling residents to progress to a better future.

Louise Cantley,  
Chief Executive Officer,  
July 2020



## **Structure, governance, and management**

### **Governing Document**

Progress to Change (formerly known as the Ripon and Leeds Diocesan Council for Social Concern) is a Company Limited by Guarantee and incorporates the work of the two Approved Premises - Ripon House and Cardigan House - and their related assets and liabilities. Our registered charity number is 1065423. The charity has its office at 20 New Market Street, Leeds, LS1 6DG.

Social Concern was incorporated on 3 December 1996. Following a special resolution, the company was incorporated under the revised name of Ripon & Leeds Diocesan Council for Social Concern with effect from 27 December 2000.

As a result of the creation of the Diocese of Leeds in 2014, and following a special resolution, the company was incorporated under the revised name of Progress to Change with effect from 15 August 2015.

During 2015, the Trustees further reviewed and updated the Articles of Association of the Company. These were amended by a special resolution dated 22 September 2015.

### **Recruitment and appointment of Trustees**

The Trustees of Progress to Change and the Board members are the same people. Under the requirements of the Articles of Association Trustees are appointed for a period of four years, after which they can be re-appointed for one further term of four years. Five are appointed by the Bishop of Leeds and four are appointed by the Board of Trustees.

Members have a wide range of backgrounds and skills, bringing expertise in business, finance, education, the legal system, social work and the Church.

To ensure a broad skills mix, Trustees are asked to provide a CV and list of skills on their application form. A skills inventory is maintained and, in the event of particular skills being lost due to retirement, efforts are made to recruit individuals with a similar skills base. Progress to Change this year has created an application pack for interested parties.

### **Organisational structure**

The Board of Trustees, of up to 9 members, has overall responsibility for the management, strategic direction and policy of the charity. Board Meetings are held nine times a year.

Day to day management of the two Approved Premises (APs) is delegated to the Chief Executive and Operational Managers. The Managers have responsibility for operational management of the APs, individual supervision of staff and ensuring that the staff teams continue to develop skills and working practices in line with best practice.



## **Trustee induction and training**

New Board members are provided with an information pack. Additionally, gaps in knowledge are identified by individual members and visits and training are organized to enable members to have sufficient information about the work of the charity to contribute effectively.

## **Remuneration Policy**

Introduction: Progress to Change is committed to paying its employees fairly so that the best people for the job are attracted and retained.

Employee Salaries: The pay and benefits of senior employees are reviewed on a regular basis and are benchmarked against the salary scales used within the Probation Service for equivalent roles.

Payments to Trustees: All trustees give their time freely and do not receive any pay or recompense other than for reasonable out of pocket expenses.

Remuneration Committee: The Remuneration Committee reviews the remuneration of all senior employees and makes recommendations to the Board of Trustees for implementation.

The Remuneration Committee comprises the Treasurer of the charity along with at least two other trustees. The Treasurer will act as chair of the Remuneration Committee. The Committee will:

- Make salary recommendations to the Board for all senior employees
- Review any recommendations for pay increases for Hostel employees that are put forward by the Chief Executive & Finance Manager in advance of presentation to the Board.
- Make recommendations to the Board in respect of cost of living increases

Recommendations of the Remuneration Committee must be ratified by the Board of Trustees.

## **Risk management**

The Trustees maintain a Risk Register of the potential risks which the charity is exposed to. The risks are grouped under three main headings – Governance Risks, Financial Risks and Operational Risks. For each risk existing control procedures have been identified along with proposed improvements in controls. In September 2019, the Risk Register was reviewed in full by the Trustees with regard to the identification of any changes to the potential risks and progress on the implementation of identified actions to mitigate risks. The Trustees have put in place steps to mitigate the risks the charity faces.

In light of COVID-19 an additional COVID-19 section has been added to the Risk Register for the financial year 2020/21. Risks have again been grouped under the three main headings of Governance Risks, Financial Risks and Operational Risks. Going forward this will be reviewed and updated on a regular basis.

As explained under 'Objectives and Activities', the principal activity of the two Approved Premises is to provide enhanced supervision in a residential setting, including rehabilitation, risk management, and monitoring. The majority of offenders are on license following release

from custodial sentences. There are particular risks associated with this work. The charity has a team of appropriately qualified key management personnel who undertake regular training as well as working closely with the Ministry of Justice and the National Probation Service.

Robust Risk Management procedures are in place in all aspects of the charity's day to day activities in this regard. Policies and procedures are in place to ensure compliance with health and safety regulations, food hygiene regulations and fire regulations. The risk management systems and procedures are continually reviewed by the key management team.

All the identified risks are managed by regular training and awareness for staff working on day to day operations and by ensuring accreditation is up to date and having robust policies and procedures in place.

### **Related parties**

In so far as it is complementary to the charity's objects, the charity is guided by local and national policies. The APs work in association with the regional Probation Service, Community Rehabilitation Companies, local GP practices, local housing organisations, alcohol and drugs services and other third sector organisations.

Nationally, the APs work collaboratively with their funders, the Ministry of Justice, and Her Majesty's Prison & Probation Service. We are also a member of the National Approved Premises Association (NAPA), ensuring that national standards are constantly attained.

The Trustees thank all of our partner agencies for their commitment to and assistance with our work.

### **Objectives and activities**

The charity's purposes, as set out in the objects contained in the company's Articles of Association, are:

- to maintain the premises known as Ripon House and Cardigan House as Approved Premises within the meaning of the Offender Management Act 2007
- to support and further all or any charitable activities carried out in connection with the Church of England in the Diocese of Leeds and in particular:
- the promotion of temperance and of higher standards of moral life in the individual, the family and the community.
- the rehabilitation of offenders and in particular those addicted to drugs or alcohol or otherwise in need of help.
- the relief of distress or suffering arising from offending behaviour.

These objects were last reviewed and updated in 2015. The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

### **The focus of our work**

The charity supports those individuals who are on post custody licence, community order or bail. Cardigan House mainly works with men assessed as posing a high risk of harm to the public. Ripon House works with women assessed as posing a high or medium risk of harm to the public.

Our qualified Approved Premises Managers and trained staff team liaise closely with the Probation Service and Ministry of Justice. Staff work with residents to help them address their offending behaviour, and so reduce the risk of re-offending and the risk of harm to the public.

### **Achievements and performance**

Each year the Trustees agree targets and objectives for the coming year. The Chief Executive also prepares a Business Plan which is approved and monitored by the Management Board. The Trustees have appraised the performance of the Key management personnel over the past year. They together with both Approved Premises, have met their targets.



## Financial review

An annual budget for each AP is submitted to the Board of Trustees for approval. Budget Reviews take place at every Management Board meeting (a minimum of six such meetings per year). Both APs continue to manage their finances in a prudent and resourceful way.

The amount received from the Ministry of Justice, who fund the activities of the Charity, increased to £1,834,998 (2019:

£1,782,469) during the past year. Overall income for 2020 amounted to £1,912,922 (2019: £1,858,968). Expenditure during the past year increased to £1,942,042 (2019: £1,715,473). The Charity's investment portfolio increased in value in line with an improvement in investment valuations during the year. The net gains on investments during the year was £10,209 (2019: £137,462). As set out in note 19 "Pensions and other benefits" following an actuarial review a gain of £115,000 has been reflected in this year's Statement of Financial Activities (2019: loss of £122,000).

The net movement in funds for 2020 was a gain of £796,089 (2019: gain of £158,957).

During the year, the Trustees appointed Sanderson Weatherall in Leeds to undertake a revaluation of the Charity's two properties Ripon House and Cardigan House. The revaluation has increased the carrying value by £700,000 at 31 March 2020.

### a) Principal Funding Sources

The Ministry of Justice is the principal funder of both Cardigan House and Ripon House. Detailed information on this and the Charity's finances is set out in the Financial Accounts at the end of this Report. The charity does not currently undertake any additional fundraising activities. Should this situation change, regard would be taken of the Charities (Protection and Social Investment) Act 2016.

### b) Reserves Policy

Following a review of the Charity's Reserves Post Balance Sheet and in the light of the world wide COVID-19 pandemic and lockdown in the U.K. on 23 March 2020 and having regard to the fact that the Charity's current contract with the MOJ ends on 31 March 2021 and uncertainty regarding the Charity's pension deficit with WYPF arising out of the 31 March 2019 Triennial

Review, the Trustees consider it prudent to make a transfer in these accounts from Unrestricted Reserves to Designated Reserves of £854,100 as set out in the Designated Reserves note. The Trustees have established a policy whereby the funds of the Approved Premises not committed or invested in tangible fixed assets ('the free reserves') are maintained at a level which the Board feels is sufficient to maintain the continuing activities of the Charity on the basis of the funding arrangements with the Ministry of Justice. The level of reserves is reported to the Ministry of Justice via the Charity's Annual Report.

### Why reserves are needed

As part of its Business Risk Assessment, the Board has established that the Charity needs to maintain short-term and long-term reserves to reduce the impact of risks from internal and external factors.

- As owner of the two properties known as Cardigan House and Ripon House, the Board needs to hold sufficient central reserves to cover major building works.
- The Approved Premises need to hold short-term reserves to meet the costs of unplanned events and planned internal maintenance of the buildings.
- The Board also has overall responsibility for the employment of staff and, should income sources be disrupted, needs to have sufficient reserves to meet ongoing costs and commitments until further funding is secured.
- Reserves are required to meet Defined benefit pension plan liabilities.

### **Level of reserves**

Given the stated background as to why reserves are needed, the trustees are of the view that the level of unrestricted income reserves of £1,811,021 (2019: £1,732,932) are at an acceptable level to enable the charity to meet its objectives and develop its plans for future charitable activities.

### **Investment of reserves**

The reserves of the Charity are held in the freehold property, investments managed by CCLA, and short term bank accounts.

With regard to risk, as the balance of the Central Reserves Fund increases, investment advice will be sought by the trustees when necessary.

## **c) Investment Policy**

### **Objectives**

The investment policy's objectives are:

- effective management of the charity's assets that are not required for imminent use
- to protect the reserves of the charity and maximise investment income

The investment objectives are to:

- produce the best financial return within an acceptable level of risk
- produce a total return of at least RPI plus 3% over the long term

### **Approval and Review**

The policy has regard to areas of Risk, Liquidity, Time Horizon, the charity's Ethical Policy, Management, Reporting and Monitoring.

This policy has been approved by the Trustees and will be reviewed annually.

### **Plans for future periods**

As set out in last year's note and following completion of the 31 March 2019 Triennial Review of the WYPF scheme the charity was advised that its deficit on the scheme is £1,370,000. With the assistance of a specialist Pensions advisor the Trustees post 31 March 2020 have started to consider how best to address the pension deficit going forward. Consideration in this regard is ongoing.

The Charity also continues to investigate future outreach work with residents once they have left the Approved Premises.

### **Post balance sheet events**

A worldwide COVID-19 Pandemic was confirmed during March 2020. The Charity has continued to deliver its primary activities

Post Balance Sheet and its income stream from the MOJ has not changed. The Charity's staff and residents have strictly adhered to the guidance issued by the Government and the MOJ. Both Ripon House and Cardigan House operated with a reduced team of staff for a number of weeks and there were fewer residents. The MOJ has agreed to reimburse the Charity for the additional costs of PPE. Overall, the COVID-19 Pandemic has not had a significant financial effect on the Charity and its financial viability.

### **Trustees' responsibilities statement**

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

### **Auditor**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and

- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

A resolution to reappoint Gibson Booth as auditors for the ensuing year will be proposed at the forthcoming annual general meeting.

### **Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The trustees' annual report was approved on 15 September 2020 and signed on behalf of the board of trustees by:

Mrs J Dilks  
Trustee



## **Independent Auditor's Report to the Members of Progress to Change Year ended 31 March 2020**

### **Opinion**

We have audited the financial statements of Progress to Change (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and 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 charity's affairs as at 31 March 2020 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;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

### **Basis for opinion**

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

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 charity'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.

### **Other information**

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

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

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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 of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to 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 as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that 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 located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Gibson Booth  
Chartered Accountants & Statutory Auditor  
New Court  
Abbey Road North  
Shepley  
Huddersfield, HD8 8BJ

October 2020

Gibson Booth is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.



## Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2020

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

		2020		2019
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
<b>Income and endowments</b>				
Donations and legacies	5	300	300	900
Charitable activities	6	1,904,509	1,904,509	1,850,192
Investment income	7	8,113	8,113	7,876
<b>Total income</b>		<u>1,912,922</u>	<u>1,912,922</u>	<u>1,858,968</u>
<b>Expenditure</b>				
Expenditure on charitable activities	8,9	(1,942,042)	(1,942,042)	(1,715,473)
<b>Total expenditure</b>		<u>(1,942,042)</u>	<u>(1,942,042)</u>	<u>(1,715,473)</u>
Net gains on investments	11	10,209	10,209	137,462
<b>Net (expenditure)/income</b>		<u>(18,911)</u>	<u>(18,911)</u>	<u>280,957</u>
<b>Other recognised gains and losses</b>				
Gains from revaluation of fixed assets	15	700,000	700,000	–
Actuarial gains/(losses) on defined benefit pension schemes	19	115,000	115,000	(122,000)
<b>Net movement in funds</b>		<u>796,089</u>	<u>796,089</u>	<u>158,957</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>1,515,045</u>	<u>1,515,045</u>	<u>1,356,088</u>
<b>Total funds carried forward</b>	20	<u>2,311,134</u>	<u>2,311,134</u>	<u>1,515,045</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible fixed assets	<b>15</b>	2,003,782	1,246,705
Investments	<b>16</b>	1,371,556	1,349,347
		<u>3,375,338</u>	<u>2,596,052</u>
<b>Current assets</b>			
Debtors	<b>17</b>	543,746	72,736
Cash at bank and in hand		295,073	321,625
		<u>838,819</u>	<u>394,361</u>
<b>Creditors: amounts falling due within one year</b>	<b>18</b>	(587,023)	(141,368)
<b>Net current assets</b>		<u>251,796</u>	<u>252,993</u>
<b>Total assets less current liabilities</b>		<u>3,627,134</u>	<u>2,849,045</u>
<b>Net assets excluding defined benefit pension plan liability</b>		3,627,134	2,849,045
Defined benefit pension plan liability	<b>19</b>	(1,316,000)	(1,334,000)
<b>Net assets including defined benefit pension plan liability</b>		<u>2,311,134</u>	<u>1,515,045</u>
<b>Funds of the charity</b>			
Unrestricted funds:			
Revaluation reserve		1,816,113	1,116,113
Defined benefit pension reserve		(1,316,000)	(1,334,000)
Other unrestricted income funds		1,811,021	1,732,932
<b>Total unrestricted funds</b>		<u>2,311,134</u>	<u>1,515,045</u>
<b>Total charity funds</b>	<b>20</b>	<u>2,311,134</u>	<u>1,515,045</u>

For the year ending 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Trustees' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and

- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

These financial statements were approved by the board of trustees and authorised for issue on 15 September 2020, and are signed on behalf of the board by:

Mrs J Dilks  
Trustee



**The Trustees would like to thank the residents of both Ripon House and Cardigan House for the amazing artwork they contributed to the Annual Report.**