

# Annual Report

2021



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“I am able to enjoy outings and visits without having to rely on family members.”

## A word from the Chair

2020 - 21 has been another tough and unprecedented year for Penderels Trust, as it has been for everyone. It seemed that we'd turned a corner with the virus in Summer 2020, only for restrictions and lockdowns to be reintroduced and run on into Summer 2021.

It is a demonstration of the power of good teamwork and leadership that the organisation has not only continued to deliver services throughout, but has developed new services and approaches and ends the year in a positive and stable financial position.

Working from home has been a dramatic change during the pandemic and while beneficial for some, has been hugely challenging for others, as has returning to the office and the Trustees and I recognise how flexible and helpful staff have been throughout this difficult period and thank you all for your support and commitment.

Some of the changes that have been necessary because of the restrictions have led to beneficial outcomes, such as the use of technology to hold virtual Trustee meetings, which has enabled the opening up of Trustee recruitment beyond those who can access Coventry. The Board was pleased to welcome two new Trustees: Jane Heppel and Kire Jordanoski earlier this year, both of whom bring a range of skills and experience to the Board. Unfortunately long standing Trustee, John Finnie, has been unable to continue in the role and the Board will now be actively seeking to recruit a Trustee who can offer a service user's perspective.

At a time when many carers are under great pressure and often feel undervalued and unsupported, one of this year's most exciting projects is the development of a web based resource for Personal Assistants (PAs) where we hope we can help PAs to network, gain peer support and feedback and access resources and advice to help them in their work and we look forward to the launch later in the year.

The coming year also brings a major test for Penderels Trust in the form of the replacement of the existing Payroll system, which is no longer fit for purpose. The Payroll service is a key element of Penderels Trust services and we hope that this will provide an opportunity to improve provision to service users and streamline some of the Trust's internal processes, whilst of course focussing on maintaining service continuity throughout the implementation process.

*V. A Cotterill*

Veronica Cotterill  
Chair

# Chief Executive's Report

Thank you for taking the time to read Penderels Trust's annual report after what has been another challenging year for everyone working in the charitable and social care sectors. In this report, I will talk about the impact of the pandemic upon our work, what we have done to adapt to the new ways of working that we have all had to embrace, and go on to look at how this will shape the future of the organisation.

In my report last year I talked about some of the actions that we had taken as an organisation in the months since March 2020, when the full effects of the Covid-19 pandemic were starting to be felt. As reported then, we took swift and decisive action in respect of enabling our staff to work from home, mitigating the impact of the lockdown on everyone who uses our services. We cannot pretend that this was an easy period, and certainly during the initial stages we had to manage the expectations of what could be delivered whilst we were adjusting to the new reality. That we managed to come through this period relatively quickly and managed to maintain services throughout is testament to the hard work and resilience of all of our teams.

As you will see later in the report, Penderels Trust was very quick to understand that there was a lack of information and guidance being provided to Direct Payment (DP) and Personal Health Budget (PHB) users in the early stages of the pandemic. In particular, we identified that there was a gap around access to Personal Protective Equipment, which meant that users receiving personal care were potentially being put at risk. We worked alongside

**“It has made me see the world in a whole different way.”**

our statutory partners to address this gap and have maintained a database of up-to-date information that all DP and PHB users could access, not just those who directly use Penderels Trust services. We have also worked in close partnership with the Department for Health and Social Care, and other organisations such as Skills for Care and Think Local, Act Personal (TLAP) to again ensure that all of the latest information is available to those who need it. In addition, these partnerships have enabled us to raise the profile of our users, ensuring that their needs have been considered and included by local and national government as the year has progressed.

Whilst the response to the challenges of the pandemic have understandably occupied a large proportion of our efforts during 2020-21, it is important to note that this year has again seen the organisation continue to grow, and our results for the year have been outstanding. A lot of the changes that have been made over this 12 months will undoubtedly lead to new ways of working that continue into the future. In terms of our flexibility, resilience and adaptations to new technologies this is almost certainly a watershed year, not just for ourselves but also for our users, other organisations and our wider communities. Online and flexible ways of working that have been

talked about for many years have, out of necessity, become a reality and we feel it is likely that many of these will remain a feature of day to day life from now on. This is not to say that face to face contact will be replaced, but that the process of learning that we have all had to undertake over the last year is something that will potentially enable us all to communicate in new ways that enable improvements to be seen by all.

In terms of our services, we have continued to expand with new contracts having been successfully secured, and expansion in the range of support we can provide. We are particularly proud this year of the growth in our Appointeeship and Money Management services, which go from strength to strength. Penderels Trust now offers a fully flexible range of advice and guidance around these services, from light touch support and advice through to the fully managed Appointeeship service. This enables users to retain as much independence in their financial management as possible, whilst also ensuring that they receive all income they are entitled to and are able to manage these incomes safely and without risk of falling into debt or homelessness. These are now integral parts of our purpose, and we hope to expand services to new areas over the next 12 months.

This year has also seen us undertake a great deal of planning for the future, with a number of important considerations on our agenda. During the year, we undertook investment planning exercises, with the aim of formulating a full strategic plan for the use of the organisation's resources. At the top of our priority list is the continued

development of our payroll service, and in particular the investment in a new system that supports our team to process payrolls whilst increasing functionality and flexibility for our payroll customers. We are responsible for providing a payroll services to thousands of DP users and their Personal Assistants (PAs), and so we must do all we can to ensure this is run as effectively as possible. As a result, we are making a large, long-term commitment to a new payroll system that we hope to have in place for the start of the 2022-23 financial year.

**“It has given me control, independence and freedom.”**

In the past 12 months we have also seen the impact of the upper level tribunal judgment on the application of VAT to payroll services. Whilst this outcome is something we continue to believe will negatively impact upon people's choice to become an employer using Direct Payments, it is something that must be applied and so again is an important consideration in the investment of funds in an up-to-date payroll system.

Support for PAs remains a high priority for both Penderels Trust and the sector as a whole. Attracting and retaining new people for these vital roles is one of the biggest challenges faced by DP users. Whilst there are undoubtedly many positive aspects that attract people to becoming PAs, they can face isolation and a lack of support in these highly individualised roles. Later in this report, you will see information about a hugely exciting project that Penderels Trust is launching at the end of 2021, the PA Virtual Community Centre. Alongside our other initiatives aimed at supporting the PA workforce, we believe we will have a sector leading offer that be invaluable to both PAs and their employers.

This year will also see the relaunch of our Beecham Award scheme, named in memory of the Beecham Family who left a bequest to the organisation in 2018. The money that has been invested from this generous gift is now returning an annual income to the organisation, which we plan to share amongst users who have needs that cannot be met from other sources. The relaunched Beecham Award is another way in which Penderels Trust intends to use our resources to meet the needs of our users, and will hopefully be a scheme that the Trust can offer in perpetuity.

I would like to thank all of our staff for the work that they have undertaken over the last 12 months to ensure that Penderels Trust has continued to run efficiently during the most difficult of times. I would also like to thank Veronica Cotterill and the Board of Trustees for their support of the organisation, and for their engagement in the decision-making processes we have had to undertake to enable us to continue to function effectively. Finally, I would like to thank all of our customers and users for understanding of some of the difficulties we have had to endure, and hope that we have repaid this understanding with the way in which we have been able to support you this year.

“It has enabled my daughter to choose what she wants to do and when.”

Lincolnshire direct payment user



## Governance

During the period of this annual report, the Trust has been governed by a total of 9 Trustees.

We wish to thank all Trustees for their valuable contribution.

**Veronica Cotterill**  
(Chair)

**Dick Harris**  
(Vice Chair, resigned November 2020)

**Yvonne Barnes**  
(Vice Chair, from November 2020)

**Andrew Ford**  
**Andrew Reece**

**Philip Collis**

**John Finnie**

**Kire Jordanoski**  
(joined January 2021)

**Jane Heppel**  
(joined March 2021)



## Social Value

The Social Value Act 2012 sets out the requirement that all public sector contract specifications must include the evidence of the economic, social and environmental wellbeing the provider will deliver as a benefit of the delivering the contracted service.

Whilst the Act is not new, recently there has been a much greater emphasis and focus on social value in service specifications. The National Themes, Outcomes and Measurements (TOMs) framework allocates a numerical value to each element of social value so that

different benefits can be compared to give an overall score; the TOMs framework is widely regarded as the 'gold standard' of social value measurement. We have adapted the TOMs framework as our own measuring tool for social value output.

# Supporting the PA Workforce

Choice and control underpins the ethos of having a direct payment. For many people, this means employing their own personal assistant (PA) to provide care and support.

At Penderels Trust, we recognise that having the right PA is so important and we are working hard to develop and promote the role, to help potential PAs find the right job and to support PAs to provide person-centred care.

Being a PA is different to other roles in care, they often work just one-to-one with their employer. Whilst this gives them the opportunity to build an excellent working relationship with the person they support and make a real difference to their lives, it can also potentially be isolating as they don't have contact with any other PAs nor the support of a larger organisation.

We have a PA Recruitment and Development Team who are solely dedicated to our work to support PAs.

This year, we have introduced a number of initiatives to further support PAs and to encourage more people to consider the role.

## PA Community Centre

Launching in late 2021, we are developing a 'virtual community centre' website just for PAs. It will provide an online centre of resources for PAs that is easy to use, free to access and totally relevant to them. It is also available to those people who are thinking of being a PA.

There is an overwhelming amount of information available on the internet on topics that may be of interest or value to the PA. This centre will provide a 'one-stop-shop' of useful resources that they can access quickly and easily. All content on the site will be tried and tested by experienced Penderels Trust staff. We will refresh content regularly ensuring all items are current. PAs are able to provide feedback and suggestions easily through the site so we can add new resources and features that they will find useful moving forwards. Resources are clearly grouped and labelled so the PA will know what they are committing to before they start e.g. a link to a training course will have a summary detailing the training provider, length of course, course style and any costs. Most items are free, a few are low cost. There is no charge from Penderels Trust in accessing any of the information.

As well as providing resources that help PAs in their role, there is also a Wellbeing section with resources that may be of interest at a personal level.

Most of the pages will be accessible to anyone but we have also created 'Local Rooms' and 'Networking' links for specific contract locations where PAs will be required to register and login to access these areas which will contain useful resources specific to their own location. We will expand on these areas moving forwards.

The PA Community Centre is completely separate to our main Penderels Trust website which is direct payment user focused. We acknowledge that direct payment employers want to train their PA to suit their own needs; the PA Community Centre does not offer a set path of training, it is a resource that PAs can dip in and out of and can provide a valuable addition to any training plan provided by the employer.

## PA Promotional Videos

There is a shortage of personal assistants (PAs) with direct payment users being unable to fill vacancies easily or quickly. This is reflective of the recruitment situation in the social care sector as a whole.

We wanted to create material that gives a simple and quick introduction to the role of the PA. It needed to be easy to watch and follow for people who have no care sector experience. The aim is to attract people with the right values and behaviours to consider the role and give them contact details to investigate further.

We have created two short videos which promote the PA role as a rewarding and values based career option. Both tell the story of a PA journey as a 'career switcher', which we feel is representative of the current national unemployment issue.

Video one tells the story of Jenny who has been made redundant from a restaurant and follows her journey after seeing our PA Finder advertisement, she gains employment with Mike. The second follows Ravinder's journey switching from a job he finds unfulfilling to becoming a long term PA to Chris, who is autistic. Both stories are easily related to and highlight the fact that working as a PA is varied and rewarding.

They are animated to tell the story in a simple and visual way. Whilst there are text speech or thought bubbles, we feel the story can be followed even if someone is not able to easily understand the written words.

They have been produced in line with the social model of disability, the employer is at the centre of decision-making and the PA has an enabling role - doing things with not for their employer.

As well as generic versions that can be used anywhere, we have co-produced variants with our local authority partners



to include iconic imagery for that area and local contact details. The videos will be distributed in spaces and via channels where people may be looking for work; this will vary locally but will include community websites, local e-newsletters, via Job Centre Plus, job fairs, careers services, employment and re-employment services.

### Create your Own Job Advert

We place over 250 advertisements per quarter on behalf of our direct payment employers who are seeking a new PA. These are placed on our website and shared on major job sites.

Our independent living adviser (ILA) works with the employer to draw up an advert using our template document. The PA Recruitment and Development Team then quality check (for consistency and key search words) and publish the advert.

We have now developed a new interactive and inclusive online personal assistant (PA) job advertisement system that enables the employer's direct involvement in the creation of their own job advertisement. This is currently on a phased roll out across our areas and will be available in all areas by the end of 2021.

The employer can use the system either with the support of their ILA or independently if they wish. The portal leads the employer through a series of pre-populated questions which they complete to build their advert. The template includes common elements such as hourly rates and times. It also includes free text boxes so the employer can personalise their advert.

Once created, the advert is emailed to our PA Recruitment and Development Team for checking before it goes live. Their system keeps the employer automatically updated on progress, such as how many applications have been received.

### PA Finder

Our PA Finder service is our online PA register service. The service continues to grow and is recognised as a vital part of a direct payment support service, regularly appearing as a requirement in contract specifications.

A successful PA register does require regular promotion, auditing and reporting, all of which is undertaken by our dedicated PA Recruitment and Development Team. Each local area has a dedicated marketing plan, built from a template which was created by the PA Recruitment and Development Team, combining local knowledge with sector expertise.

All PAs registered on our PA Finder service receive regular updates from the team and will be invited to our PA Community Centre when it is launched.

### Self Employed PAs and Micro Enterprises

We recognise that the PA market is becoming more diversified with a place for self-employed PAs and the development of micro enterprises. Whilst the employment status of an individual is determined by HMRC criteria, and we still believe that most PAs providing personal care should be employed by the person they work for, there are some arrangements under which self-employment is appropriate. We also know that there is a growth in micro enterprises in local communities.

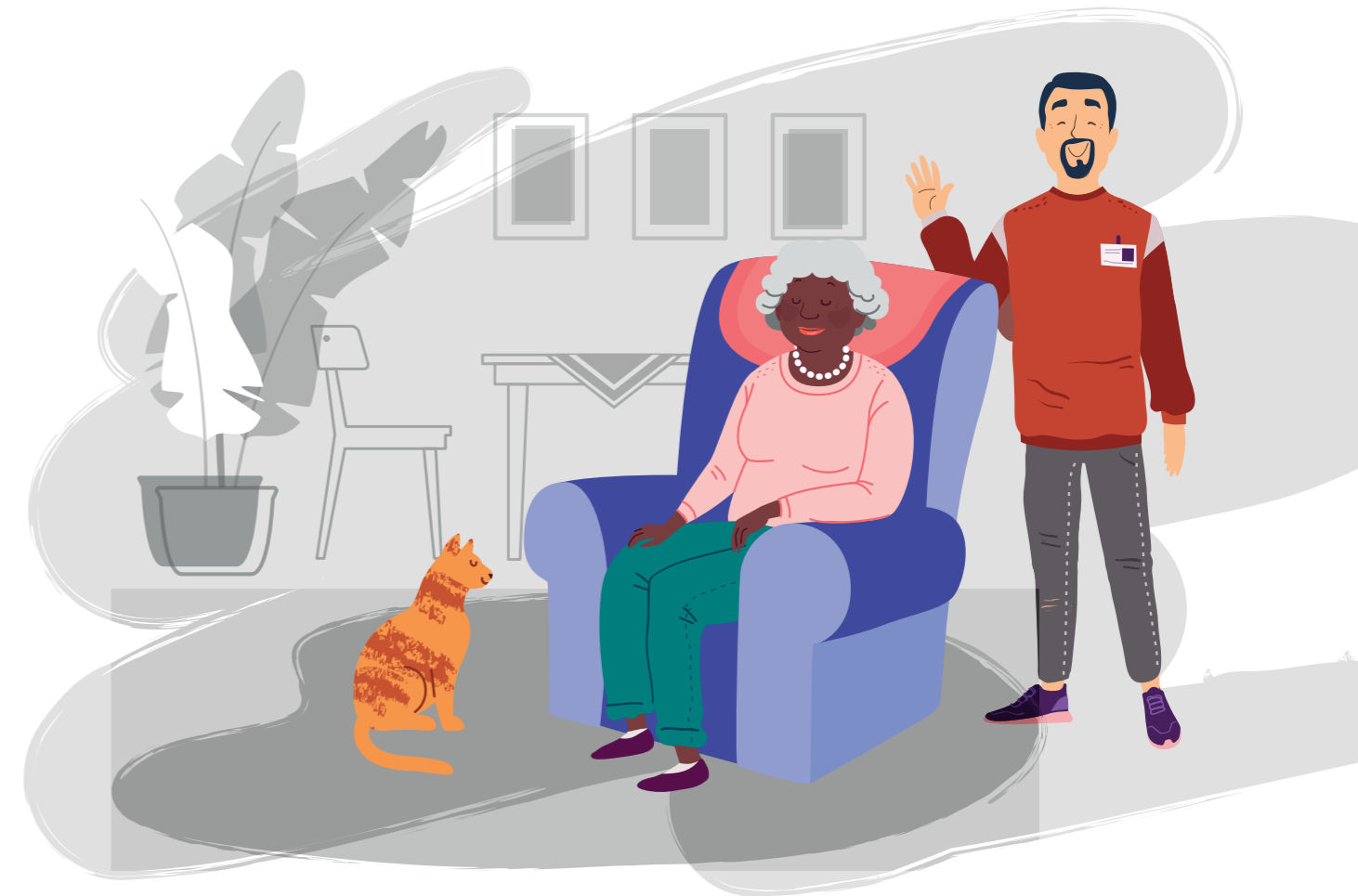
We are planning to extend our suite of information and support to cover these groups including business mentorship and the development of a self-employed PA toolkit.



**1,182**  
jobs advertised  
in the last 12 months

**1,477**  
PA job applications  
received in the  
last 12 months

**359**  
PAs registered on  
PA Finder in the  
last 12 months



# Lessons from the Pandemic

## Supporting our customers

As mentioned in the Chief Executive's report, the Covid-19 pandemic has continued to impact us all for longer and in more ways than we ever anticipated back in Spring 2020.

In last year's annual report, we spoke of the need to adjust our way of working quickly and effectively to ensure our customers remained supported and informed during the difficult times of lockdown and high case numbers. This year, we start to reflect on the lessons we have learned during this time, some of which will have a positive and lasting change to the way we work.

Much of what we did last year, we continue to do. Our Covid-19 section on our website still remains, having been updated many times to ensure direct payment users and the people who

work for them have access to accurate and timely information that is relevant to them. We have built closer relationships with other organisations in the sector to ensure information we share is consistent and available to all direct payment users and their PAs, not just those in our own contract areas.

When it was announced that all frontline social care workers including personal assistants (PAs) were eligible for the Covid-19 vaccination, the challenge for local authorities was in finding a way to contact them quickly. In areas where we offer our payroll services, our team worked with our software provider to generate a list of all PAs paid through the service. We could then provide our local authority partners with the information they needed to directly contact c. 12,000 PAs to book their vaccinations, helping to keep themselves and the people they work for safe.

Our 2020 Annual Quality Review focused on our services during Covid-19 and was sent to all direct payment users. Over 900 responses were received. Despite the challenges of the pandemic, customers said we had continued to deliver a high quality service and supported them to manage their direct payment well and safely.

The research supports our thinking that those people with internet access were better informed during the pandemic than those who are digitally excluded. In the coming year, we will focus on how we encourage those who may be able to access digital resources but don't currently are supported to do so and also how we need to communicate effectively with those who are not able to access them and are unlikely to do so in the future.

We are already doing this on a local level by linking up with community initiatives, such as the Cyber Buddies in Derbyshire which saw a 227% increase in online communication in a short period of time. Across the organisation, our staff teams have provided coaching to support customers to set up an email address or access video-calling applications, not only helping them to manage their direct payment more easily, but enabling them to keep in touch with their family and friends.

We also need to maintain the more efficient processes we have put in place and continue to build on this, such as the electronic submission of payroll timesheets and receipt of payslips. We have significantly increased our use of social media channels and will continue to offer virtual peer support meetings as well as face-to-face groups to maximise the reach of these sessions.

Where staff teams are fully home working, we have made sure that our customers are still able to meet us. In Wakefield, we run a regular programme of drop in surgeries in the district's libraries. These have been very successful so far, with a local advocacy organisation now joining us to make this a really useful pop up centre of expertise within the community.

## Supporting our staff

All our teams have worked incredibly hard during this year to ensure our customers have continued to receive a high quality, person-centred service despite the restrictions of the pandemic. Our customer review shows that they achieved that.

As pandemic restrictions have been removed, we have moved to a mixed office and home-working arrangement. Some teams are now permanently based at home. All team managers regularly meet with their teams either virtually or face-to-face to ensure staff members feel supported and included. The hybrid working approach is also helping us to achieve our environmental aims for the year in reducing car usage.

We have continued to update staff on a weekly basis with an email update from the Chief Executive keeping teams informed of organisational and sector changes as well as celebrating local good news and achievements.

We re-designed our induction programme to work online, creating short departmental videos to welcome new staff and give an introduction to our roles. We will continue with this approach as not only could new staff watch them in their very early days at the Trust, rather than wait for a scheduled induction day, the videos also



provide a handy refresher for existing staff. We have recently received the Workplace Wellbeing Foundation Award from Thrive at Work to recognise our initiatives for improving staff health and wellbeing. We have appointed two staff members as Health and Wellbeing Champions who regularly share tips and campaigns as well as access to useful resources.

### Informing Research Projects

A number of research projects have been set up to better understand the impact of Covid-19 across the care sector and we have been involved with some of these to ensure the experiences and opinions of the relatively small and disparate group of direct payment users, individual employers and PAs are gathered and listened to. Our support includes the sharing of online survey links, supporting direct payment users and PAs to attend virtual research groups and participating in research interviews as a direct payment support organisation ourselves.

#### These projects include:

- **Improving Adult Care Together (IMPACT)**, a £15 million centre set up to make a difference to adult social care both for those who draw on services and those who work in the sector;
- **Kings College, London** - research focused on the support available to PAs during the pandemic;
- **University of Exeter** - care sector research on how the need for digital skills has changed during the pandemic
- **University College London** - the Coronavirus Chronic Conditions and Disabilities Awareness Studies, with particular focus on how the pandemic affected migrants, asylum seekers and minoritised ethnicities.

### Sector Expertise

A key benefit of the pandemic has been the cementing of existing relationships and the building of new links with sector partners, including Skills for Care, In Control and Department of Health & Social Care (DHSC).

During the year, we have taken part in webinars to support direct payment employers and provided guidance to share on sector-wide platforms. Regional manager, Claire Bickford, continues to hold a place on the board of the PA Framework Steering Group at Skills for Care and the advisory board of DHSC



promoting the interests of direct payment employers and their PAs. We continue to promote national campaigns such as 'Every Action Counts' which reminds people that it is still important to prevent the spread of Covid-19.

We have also worked closely with our local authority partners, mutually sharing information and keeping customers informed of local arrangements. As a trusted partner organisation, we have secured a number of contract extensions and renewed contracts this year with both local authorities and clinical commissioning groups.

### Moving Forwards

Our business plan aligns with the strategic aims of the National Disability Strategy and we are clear on what good personalised care should look like as detailed in the Think Local Act Personal (TLAP) Insight Group's report 'A Telling Experience'. Social care and the challenges of the sector are now making headline news and we are committed to making sure that direct payment users and their PAs are kept informed, involved and supported as these changes come into force.

### Case example: Money Management

As mentioned in the Chief Executive's report, our money management service has grown significantly this year. Our standard money management service means we support an individual to retain responsibility for their own finances and hopefully prevent the need for an ongoing appointeeship service.

#### How did we support?

One of the benefits Lisa had applied for had not been processed and she had not felt confident to find out why. Supported by her independent living adviser (ILA), Lisa now had the confidence to chase up the application and the claim was successful, including back payment. The ILA also supported Lisa to set up a savings account as she now had some money left over. Lisa set up a direct debit to pay a small but regular sum into the savings account.

#### Who did we support?

Lisa is a lady in her 30s who has a mental health condition. She lives on her own with her cats. She had been referred to our money management service in March 2020 but had refused to engage with us at that point as her mental health was not good. We closed the case. Over the next year, Lisa's mental health improved and she was re-referred into our service in February 2021. This time, Lisa was fully engaged with the programme and wanted to regain control of her finances. At this time, she had significant debt and was not claiming the benefits she was entitled to. She was also a very generous lady and gave large sums to charity, some by direct debit.

#### Positive Outcomes

Lisa has now regained full control of her finances and is receiving all the benefits to which she is entitled. Her savings account is growing. She continues to enjoy improved mental health. Her ILA felt she was doing well enough to move her onto our 'light touch' service which means we only get involved if Lisa feels she needs support and check in occasionally to see how she is doing.



# Areas of support

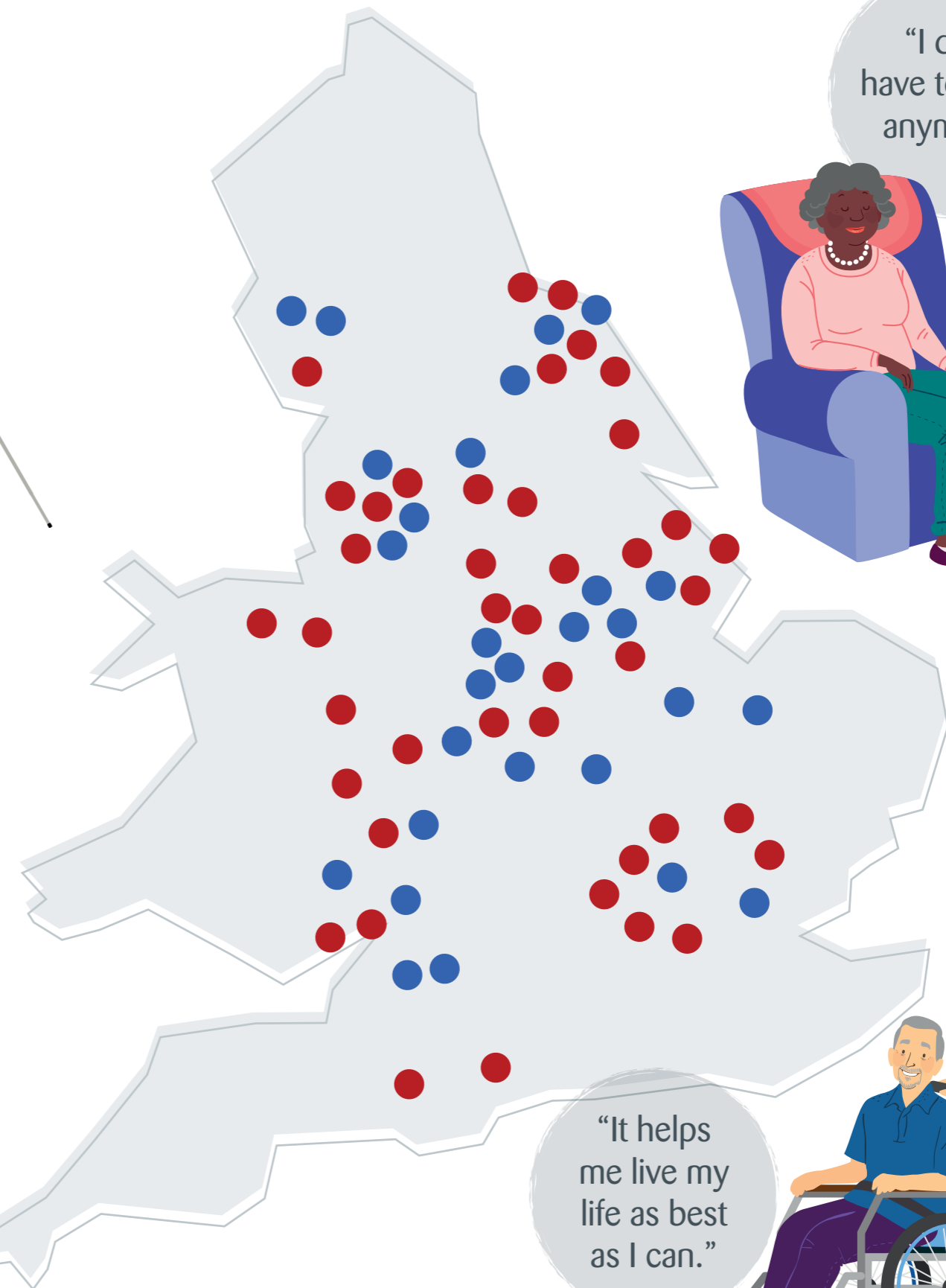
## Local Authorities

- Barnsley
- Bath & North East Somerset
- Birmingham
- Bolton
- Bracknell Forest
- Brent
- Bristol
- Bury
- 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
- Trafford
- Wakefield
- Wandsworth
- Warwickshire
- Westminster
- Worcestershire
- Wrexham

“Very easy to control, all straightforward.”



“I don’t have to worry anymore.”



“It has given me freedom to carry on with my life.”



“It helps me live my life as best as I can.”



## Clinical Commissioning Groups

(Personal Health Budgets support)

- Bath and North Somerset
- Birmingham
- Bolton
- Bristol
- Bury
- Cambridgeshire & Peterborough
- Coventry & Warwickshire
- Croydon
- Gloucestershire
- Greater East Midlands
- Hartlepool
- Herefordshire
- Lincolnshire
- London Wandsworth & Merton
- Manchester
- Middlesbrough
- Midlands & Lancashire
- Nottinghamshire and Bassetlaw
- Northamptonshire
- North Cumbria
- North Tees
- Salford
- Sandwell
- Sheffield
- South Gloucestershire
- South Warwickshire
- Wakefield
- Worcestershire

# Trustees' Report and Financial Statements

For the year ended 31st March 2021

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 2021.

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 January 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 deputyships 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 Person service

Charitable services and activities provided are overseen from our head office in Coventry, and delivered from 6 regional offices in England, 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
  - 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.

## Strategic Report

### Achievement and performance

**Development, activities and achievements**  
The trustees consider the performance of the charitable company to be satisfactory.

In this our 32nd year of operation, officer time has been provided to assist 16,461 (2019/20: 14,600) individuals nationally.

The number of local authority areas has remained stable at 42 local authority areas (2019/20: 39), 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 28 NHS or CCG commissioning areas (although there is an overlap in some areas), supporting them with the delivery of personal health budgets.

**Managed accounts service**  
We support over 6,000 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 of 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 1,750 (2019/20: 1,420) individuals, spread across the country.

### Suitable person

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 Penderels 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, with 7,310 actively receiving support in this financial year. 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.

### **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 £1,126,153 (2020: £1,371,601) 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 £17,294 (2020: £7,452 deficit).

##### **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 (TPSA) and administrative services such as payroll (Unrestricted funds). During the year this generated an income of £4,174,445 as compared to 2020 income of £3,486,682, which was then applied for the advancement and aim of the charity's objectives.

Additional income of £67,883 (2020: £118,948) was generated from the bank deposits.

The continued growth in the number of service users contributed to us making a surplus of £613,301 (including donations) (2020: £332,792) 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.

The Trust reserves policy is such that there are no investments in the medium to long term. Should the need arise the existing Investment Policy will be amended.

#### **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 2021 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 £3,234,453, 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**

We were informed by HMRC that some of our services were liable for VAT. We formally challenged this assumption to the point that a tribunal hearing was scheduled. This tribunal has now taken place where we were 'sitting behind' another not for profit organisation at their tribunal. As a result of this tribunal, 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 by HMRC.

Changes to anti money-laundering legislation mean that Penderels Trust must implement some changes in the provision of Appointeeship services, specifically the implementation of individual bank accounts for each Appointeeship client. This will involve additional investment in both IT and staff resources, the extent of which is currently unclear.

Other risks include:

- the continued reduction in the number of block contracts available, and therefore a reduction in predictable income
- a reduction in the number of providers available to deliver services
- our dependence on local authority funded business
- local authorities returning services to in-house provision
- reduction in income from investments

## 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 enable us to provide a digital payroll service which 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.

### *All About People (AAP)*

AAP offers the Trust the opportunity to deliver services that would have a much more direct commercial focus (e.g. delivery of payroll to private companies, other charitable trusts and training companies etc.) that would sit outside the current constitution of the organisation. It also

provides an option for us to split any services which may be subject to VAT.

### *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 with culturally diverse needs. We now provide this service in nine geographical areas of the country, sometimes under contract and occasionally as an 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. By the end of 2021, we will be launching an online PA 'Community Centre', which will provide access to support, peer knowledge and training for people already working as PAs, or thinking about becoming PAs.

### *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.

**“It really helps me look after my disabled son. I couldn't manage without it.”**

## 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 all 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 via a specialist recruitment service. 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.

In 2020/21 we amended our Articles of Association to reflect the need to hold virtual and/or hybrid Board meetings. These changes mean that we hope to be able to attract a much more diverse range of Trustees, by removing the restrictions that may be inadvertently presented by travel and physical attendance at meetings. In 2021/22 we will be promoting the Trustee role to our existing user group with the aim of recruiting new Trustees with lived experience of Penderels Trust services.

### 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, Deborah Burrows, Human Resources Manager, Kate Soanes, Contracts and Business Development Manager and Paula Walkington, Business Support Manager. They in turn are supported by four 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

In 2010, All About People (Coventry) Limited (AAP) was formed with the objectives of securing additional income for Penderels Trust by broadening the range of services available to disabled

individuals. Veronica Cotterill, Yvonne Barnes and Gary Jones are the directors of the Company. During the year 2020/21 there was no trading activity between AAP and Penderels Trust. The Penderels Trust owns 100% of the issued share capital of AAP.

## 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

V A Cotterill	Chairperson
R J Harris	Vice-Chairperson/Director - resigned 11.11.2020
G S Jones	Director
P Collis	Director
A M Reece	Director
J Finnie	Director - resigned 28.06.2021
A J Ford	Director
Y A Barnes	Vice-Chairperson/Director
J T Heppel	Director - appointed 10.03.2021
K Jordanoski	Director - appointed 13.01.2021

### Auditors

Armstrongs Accountancy Ltd  
Chartered Accountants and  
Statutory Auditor  
1 & 2 Mercia Village, Torwood Close,  
Westwood Business Park  
Coventry 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,  
Contracts and Business  
Development Manager  
Deborah Burrows,  
Human Resource Manager  
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.

## 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 10th November 2021 and signed on the board's behalf by:



V A Cotterill -Trustee

“Being able to employ my own carers has been a complete game-changer....”

# 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 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its 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.

### Auditors' 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.

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 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: 10<sup>th</sup> November 2021



## Statement of Financial Activities

(Incorporating an income and expenditure account)  
for the year ended 31 March 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	727	-	727	6,624
<b>Charitable activities</b>	4				
Direct payments support services		2,640,251	1,126,153	3,766,404	2,683,343
Payroll & administration services		1,534,194	-	1,534,194	2,174,940
Investment income	3	67,883	-	67,883	118,948
Other income		1,590	-	1,590	-
<b>Total</b>		<b>4,244,645</b>	<b>1,126,153</b>	<b>5,370,798</b>	<b>4,983,855</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	5				
Direct payments support services		2,964,124	1,108,859	4,072,983	3,955,711
Payroll & administration services		717,007	-	717,007	695,352
<b>Total</b>		<b>3,681,131</b>	<b>1,108,859</b>	<b>4,789,990</b>	<b>4,651,063</b>
Net gains on investments		32,493	-	32,493	-
<b>NET INCOME</b>		<b>596,007</b>	<b>17,294</b>	<b>613,301</b>	<b>332,792</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>2,530,419</b>	<b>90,733</b>	<b>2,621,152</b>	<b>2,288,360</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>3,126,426</b>	<b>108,027</b>	<b>3,234,453</b>	<b>2,621,152</b>

# Balance Sheet

At 31 March 2021

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	13	18,512	29,167
<b>CURRENT ASSETS</b>			
Debtors	14	1,426,442	1,113,314
Investments	15	532,494	1
Cash at bank and in hand		1,842,027	1,839,573
		<u>3,800,963</u>	<u>2,952,888</u>
<b>CREDITORS</b>			
Amounts falling due within one year	16	(585,022)	(360,903)
		<u>3,215,941</u>	<u>2,591,985</u>
<b>NET CURRENT ASSETS</b>		<u>3,215,941</u>	<u>2,591,985</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,234,453</u>	<u>2,621,152</u>
<b>NET ASSETS</b>		<u>3,234,453</u>	<u>2,621,152</u>
<b>FUNDS</b>			
	18		
Unrestricted funds:			
General fund		3,126,426	2,530,419
Restricted funds:			
Restricted Funds		108,027	90,733
<b>TOTAL FUNDS</b>		<u>3,234,453</u>	<u>2,621,152</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 10<sup>th</sup> November 2021 and were signed on its behalf by:



V A Cotterill -Trustee



Y A Barnes -Trustee

# Notes to the Financial Statements

For the year ended 31 March 2021

## 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 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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 charity has applied Updated Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

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 the 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 the Trustees' Report.

### Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

### 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.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

### Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where the support costs cannot be directly attributed to a 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 include 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 £1,500 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. VAT is charged on payroll services and VAT is partially recoverable by the Charity on some of the costs.

### 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.

**“It takes all the pressure off me.”**

Lincolnshire direct payment user

## 2. Donations and Legacies

	2021	2020
	£	£
Donations	217	703
Grants	510	5,921
	<u>727</u>	<u>6,624</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Other grants	<u>510</u>	<u>5,921</u>

## 3. Investment Income

	2021	2020
	£	£
Other investment income	1,118	-
Deposit account interest	66,765	118,948
	<u>67,883</u>	<u>118,948</u>

## 4. Income from Charitable Activities

	Activity	2021	2020
		£	£
Service contracts	Direct payments support services	3,766,404	2,683,343
Admin fee income	Payroll & administration services	1,534,194	2,174,940
		<u>5,300,598</u>	<u>4,858,283</u>

## 5. Charitable Activities Costs

	Direct costs (See note 6)	Support costs (See note 7)	Totals
	£	£	£
Direct payments support services	2,827,082	1,245,901	4,072,983
Payroll & administration services	433,677	283,330	717,007
	<u>3,260,759</u>	<u>1,529,231</u>	<u>4,789,990</u>

“It has saved me from going into a care home.”

Birmingham direct payment user

## 6. Direct cost of Charitable Activities

	2021	2020
	£	£
Staff costs	2,785,986	2,589,308
Equipment hire & maintenance	61,005	22,541
Property costs	141,635	161,409
Travelling and subsistence	11,496	57,338
Telephone	65,943	76,565
Printing, postage & stationery	45,139	76,585
Repair and maintenance	20,150	29,229
Other expenses	120,852	96,401
Recruitment costs	-	2,791
Staff training	5,419	6,692
Legal and professional charges	-	(948)
Advertising and promotion	186	-
Depreciation	2,948	5,014
	<u>3,260,759</u>	<u>3,122,925</u>

## 7. Support Costs

	Management	Governance costs	Totals
	£	£	£
Direct payments support services	1,162,181	83,720	1,245,901
Payroll & administration services	283,330	-	283,330
	<u>1,445,511</u>	<u>83,720</u>	<u>1,529,231</u>

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	Direct payments support services	Payroll & administration services	2021	2020
	£	£	£	£
Wages	736,132	98,254	834,386	787,610
Equipment hire & maintenance	127,742	13,189	140,931	134,997
Property costs	52,175	37,834	90,009	98,751
Insurance	32,101	-	32,101	18,605
Repair and maintenance	201	118	319	25,592
Telephone	12,842	8,177	21,019	25,507
Printing, postage & stationery	20,877	75,415	96,292	133,867
Bad debts	67,359	-	67,359	2,569
Travelling & subsistence	828	-	828	21,119
Staff training	33,571	5,303	38,874	50,706
Legal and professional charges	22,566	44,999	67,565	48,587
Other expenses	44,991	41	45,032	95,614
Advertising and promotion	140	-	140	1,015
Depreciation of tangible and heritage assets	10,656	-	10,656	7,019
Loss on sale of intangible fixed assets	-	-	-	1,602
	<u>1,162,181</u>	<u>283,330</u>	<u>1,445,511</u>	<u>1,453,160</u>

## Governance cost

	2021 Direct payments support services £	2020 Total activities £
Wages	54,465	47,394
Auditors' remuneration	7,889	7,514
Insurance	3,368	3,207
Legal & professional charges	17,498	16,363
Other management expenses	500	500
	<b>83,720</b>	<b>74,978</b>

## 8. Net Income (expenditure)

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

	2021 £	2020 £
Auditors' remuneration	7,889	7,514
Depreciation - owned assets	10,655	12,034
Hire of plant and machinery	201,936	157,538
Surplus/(deficit) on disposal of fixed assets	(1,590)	1,602

## 9. Trustees' Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

### Trustees' expenses

Expenses totalling £82 (2020 £721) were paid to trustees during the year ending 31st March 2021.

## 10. Staff Costs

	2021 £	2020 £
Wages and salaries	3,349,572	3,142,905
Employers' NI contributions	251,841	229,022
Staff pension contributions	65,622	52,461
	<b>3,667,035</b>	<b>3,424,388</b>

No employee received emoluments of more than £60,000 in either year.

## 10. Staff Costs continued

### Staff categories:

	2021 No.	2020 No.
Full time staff		
Independent living services	20	24
Management and administration	65	57
Total number of full-time staff	<b>85</b>	<b>81</b>
Part time staff		
Independent living services	41	40
Management and administration	55	54
Total number of part time staff	<b>96</b>	<b>94</b>
<b>TOTAL NUMBER OF EMPLOYEES</b>	<b>181</b>	<b>175</b>

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 (2020: 24 hours per week).

“Just easier,  
you can pick  
who you want  
to care for  
you, what  
carer you like  
and know.”



## 11. Comparatives for the Statement of Financial Activities

	Unrestricted fund £	Restricted fund £	Totals fund £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	6,624	-	6,624
<b>Charitable activities</b>			
Direct payments support services	1,311,742	1,371,601	2,683,343
Payroll & administration services	2,174,940	-	2,174,940
Investment income	118,948	-	118,948
<b>Total</b>	<b>3,612,254</b>	<b>1,371,601</b>	<b>4,983,855</b>
EXPENDITURE ON			
<b>Charitable activities</b>			
Direct payments support services	2,576,658	1,379,053	3,955,711
Payroll & administration services	695,352	-	695,352
<b>Total</b>	<b>3,272,010</b>	<b>1,379,053</b>	<b>4,651,063</b>
NET INCOME/(EXPENDITURE)	340,244	(7,452)	332,792
RECONCILIATION OF FUNDS			
Total funds brought forward	2,190,175	98,185	2,288,360
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>2,530,419</b>	<b>90,733</b>	<b>2,621,152</b>

## 12. Pension Costs

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 employers' 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 employers' contribution is 3%.

The company also has a Norwich Union Stakeholder Pension Scheme with employers' contribution rate of 3% of pensionable pay, a Scottish Widow Pension Scheme with employers' contribution rate of 6% of pensionable pay and a Scottish Equitable Pension Scheme with employers' contribution rate of 3% of pensionable pay.

## 13. Tangible Fixed Assets

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2020 and 31 March 2021	23,254	64,800	208,824	296,878
DEPRECIATION				
At 1 April 2020	17,440	54,827	195,444	267,711
Charge for year	5,814	1,495	3,346	10,655
At 31 March 2021	23,254	56,322	198,790	278,366
NET BOOK VALUE				
At 31 March 2021	-	8,478	10,034	18,512
At 31 March 2020	5,814	9,973	13,380	29,167

## 14. Debtors: amounts falling due within one year

	2021 £	2020 £
Trade debtors	487,471	294,527
Other debtors	938,971	818,787
	<b>1,426,442</b>	<b>1,113,314</b>

## 15. Current Asset Investments

	2021 £	2020 £
Shares in group undertakings	1	1
Money market investments	532,493	-
	<b>532,494</b>	<b>1</b>

The Penderels Trust owns 100% issued share capital of All About People (Coventry) Limited divided into 1 Ordinary share of £1 each.

“It means I can have a full and fruitful life with the support I need.”

Doncaster direct payment user

## 16. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	212,426	121,403
Social security and other taxes	63,685	58,260
Other creditors	308,911	181,240
	<u>585,022</u>	<u>360,903</u>

## 17. Analysis of Net Assets between funds

	Unrestricted fund	Restricted fund	2021 Total funds	2020 Total funds
	£	£	£	£
Fixed assets	18,512	-	18,512	29,167
Current assets	3,693,100	107,863	3,800,963	2,952,888
Current liabilities	(585,186)	164	(585,022)	(360,903)
	<u>3,126,426</u>	<u>108,027</u>	<u>3,234,453</u>	<u>2,621,152</u>

## 18. Movement in funds

	At 1.4.20	Net movement in funds	At 31.3.21
	£	£	£
<b>Unrestricted funds</b>			
General fund	2,530,419	596,007	3,126,426
<b>Restricted funds</b>			
Restricted funds	90,733	17,294	108,027
<b>TOTAL FUNDS</b>	<u>2,621,152</u>	<u>613,301</u>	<u>3,234,453</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	4,244,645	(3,681,131)	32,493	596,007
<b>Restricted funds</b>				
Restricted funds	1,126,153	(1,108,859)	-	17,294
<b>TOTAL FUNDS</b>	<u>5,370,798</u>	<u>(4,789,990)</u>	<u>32,493</u>	<u>613,301</u>

## 18. Movement in funds continued

Comparatives for movement in funds

	At 1.4.19	Net movement in funds	At 31.3.20
	£	£	£
<b>Unrestricted funds</b>			
General fund	2,190,175	340,244	2,530,419
<b>Restricted funds</b>			
Restricted funds	98,185	(7,452)	90,733
<b>TOTAL FUNDS</b>	<u>2,288,360</u>	<u>332,792</u>	<u>2,621,152</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	3,612,254	(3,272,010)	340,244
<b>Restricted funds</b>			
Restricted funds	1,371,601	(1,379,053)	(7,452)
<b>TOTAL FUNDS</b>	<u>4,983,855</u>	<u>(4,651,063)</u>	<u>332,792</u>

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

	At 1.4.19	Net movement in funds	At 31.3.21
	£	£	£
<b>Unrestricted funds</b>			
General fund	2,190,175	936,251	3,126,426
<b>Restricted funds</b>			
Restricted funds	98,185	9,842	108,027
<b>TOTAL FUNDS</b>	<u>2,288,360</u>	<u>946,093</u>	<u>3,234,453</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
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	7,856,899	(6,953,141)	32,493	936,251
<b>Restricted funds</b>				
Restricted funds	2,497,754	(2,487,912)	-	9,842
<b>TOTAL FUNDS</b>	<u>10,354,653</u>	<u>(9,441,053)</u>	<u>32,493</u>	<u>946,093</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 2021.

## 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

Charity was informed by HMRC that some of our services were liable for VAT. We formally challenged this assumption to the point that a tribunal hearing was scheduled. This tribunal has now taken place where we were 'sitting behind' another not for profit organisation at their tribunal. As a result of this tribunal, 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 by HMRC.



## 22. Managed Accounts

	2021 £	2020 £
<b>Receipts</b>		
Community care contributions	73,929,534	66,776,570
Personal contributions	5,113,765	4,357,452
<b>Total receipts</b>	<b>79,043,299</b>	<b>71,134,022</b>
<b>Payments</b>		
Care staff wages	30,921,133	29,025,862
Care staff wages-agency	47,595,246	41,611,587
Employers NI contributions	526,920	496,573
<b>Total payments</b>	<b>79,043,299</b>	<b>71,134,002</b>
Surplus/(deficit)	-	-

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.

	2021	2020
<b>Current assets</b>		
Charities bonds	-	-
Cash at bank	43,676,465	34,787,138
	<b>43,676,465</b>	<b>34,787,138</b>
<b>Current liabilities</b>		
Trade creditors	822,751	619,750
Social security and other taxes	2,004,643	1,445,192
Other creditors	168,987	196,847
Deferred income	40,680,084	32,525,348
	<b>43,676,465</b>	<b>34,787,138</b>
Net assets/liabilities	-	-

“I’ve been given the opportunity to have normality without the stress.”

Middlesbrough direct payment user



## Penderels Trust

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