



**OPTIONS FOR LIFE**  
(A Company limited by Guarantee)

**Financial Statements**

**Year ended 31 March 2021**

## **OPTIONS FOR LIFE**

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## **OPTIONS FOR LIFE**

### **CHARITY INFORMATION**

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#### **Directors**

Alan Daffern  
Harriet Moat  
Deborah White  
Nicholas Kirby  
Alma Aganovic  
Rebekah Roebuck

#### **Charity Number**

1064848

#### **Company Number**

3341420

#### **Charity correspondence address**

Oak Green Lodge  
Oak Green Way  
Oldbury  
West Midlands  
B68 8LR

#### **Auditors**

Mazars  
First Floor  
Two Chamberlain Square  
Birmingham  
B3 3AX

#### **Bankers**

Lloyds Bank plc  
125 High Street  
Birmingham  
B17 9NP

#### **Chief Executive Officer**

Nicola Thomson

## **OPTIONS FOR LIFE**

### **DIRECTORS' AND TRUSTEES' REPORT**

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The Directors present their report and financial statements for the year ended 31 March 2021.

#### **Governing Document**

The organisation is a charitable company limited by guarantee, incorporated on 27 March 1997 and registered as a charity on 13 October 1997. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up the members are required to contribute an amount not exceeding £1.

#### **Directors and Trustees**

The Board of Trustees is the governing body of the charity. The Board of Directors is the governing body of the company. Selection of Trustees is by application to the Board of Trustees and is managed by the Chair and brought to Board of Trustees Meetings for approval. Selection of Directors is by a vote of the Trustees. The policy is to recruit people to be Trustees with knowledge, skills and experience relevant to the aims and objectives of the charity. Documents detailing the legal structure, organisation, finances and management of the company, which are regularly reviewed, are provided to all Board of Trustee members to facilitate effective governance of the charity. In addition, they are provided with training support and practical experience of the day to day running of the charity.

The Board of Trustees meets on a regular basis to manage the affairs of the charity and formulate policy. The Chief Executive manages the day to day running of the charity assisted by full time and part time employees.

No Trustee receives any payment for carrying out their duties and none of the trustees has any beneficial interest in the company.

#### **Risk Management**

A finance committee, which includes representation from the Board of Trustees, meets regularly to assess financial planning matters and review measures to control risk. A comprehensive risk register is carried out annually and reviewed bi-annually.

External risks, which primarily concern funding, are continually addressed by closely managing the quality and cost effectiveness of all our contracts, identifying areas for new grant applications and ensuring adequate cash reserves are constantly maintained.

An on-going review of key operational and financial processes and procedures combine to mitigate against any potential internal control weaknesses.

#### **Mission and Vision Statement**

"We help people with learning disabilities and/or autism to fulfil their potential and live a full and happy life within their community"

#### **Objectives of the Charity**

The charity's objectives are to enable people with learning disabilities to advance their personal development and lead a full life within the community.

The aims and policies adopted in furtherance of these objectives are: -

- To work in partnership with, and complementary to, other service providers.
- To promote equality of leisure, social, work and recreational opportunities within the community for people with a learning disability and/or autism.
- To increase public awareness of the positive contribution that people with a learning disability can make.
- To recognise different abilities and needs and aim to respond to these on an individual basis.
- To treat staff, volunteers and people with learning disabilities and/or autism with equal value.

These were changed and adopted by special resolution on 20 February 2017 and are now as follows: -

The Charity's Objects are for the public benefit:

- The enablement of people with learning disabilities and/or autism to and advance their personal development and to integrate into and lead a full life within the community.
- The advancement of public awareness of the needs of the contribution made by people with learning disabilities and/or autism.
- The development and dissemination of good practice in relation to the support and personal development of people with learning disabilities and/or autism.

#### **Review of Activities and the Impact of the Covid 19 outbreak**

The charity normally operates from a number of locations across Sandwell, providing support and opportunities for people with learning disabilities and/or autism. On Monday 23<sup>rd</sup> March 2020 Sandwell Council announced that all day centres were to close and subsequently all support activities had to stop. This had a huge detrimental impact not only for Options for Life but also to our participants.

All support staff were placed on furlough leaving 9 head office staff working from home. During that time the priority was to adapt our service to be in a position to offer support to our most vulnerable participants. On July 2<sup>nd</sup> 2020, we began offering an Outreach service. This service was offering our participants the opportunity to have one to one support out in the community from 1 to 6 hours per day, 5 days per week (depending on contracts). This proved successful, however with the additions of local/national lockdowns some families/carers didn't feel confident sending their loved ones out for support. This impacted on the hours of support which fluctuated from July 2020 – March 2021. However it has steadily grown, in July 2020 we were providing support to 42 participants (890 hours per month) compared to 71 participants having 2,260 hours of support in March 2021.

In the early days of the new outreach support the knock on effect from this was not enough hours of work for all support staff. In November 2020 we unfortunately took the decision to announce that all support worker jobs were at risk of redundancy. In total we had 5 resignations, 7 voluntary redundancies and 6 compulsory redundancies while 5 full time support workers requested to drop one day a week. This was a total full time equivalent reduction of 19 support workers.

The charity had operated a social business, Oak Green Services, which provided DIY and gardening services to the local community. The supervisor handed their notice in 2 weeks prior to the covid outbreak and due to the initial lockdown a decision was made to not re-employ and continue with this venture. Oak Green Services ceased in April 2020.

Achievements made in the year included:

- Sign off of the new Business Development Plan.
- Submission of CQC registration for domiciliary support.
- Successful 2<sup>nd</sup> year accreditation with Investors in People.
- Grant funded new "Sensory Garden" at Acorn Lodge including a wheelchair swing and percussion instruments.
- General maintenance improvements and re-decoration across all our building hubs.
- Successfully moved forward offering Outreach support.
- Registered with Kickstart for 2 new apprentices.
- New IT hardware installed across the organisation to include Windows 10.

#### **Public Benefit**

In planning our activities, the Trustees and management team keep in mind the Charity Commission's guidance on public benefit. We welcome all clients regardless of personal background, faith, gender or personal circumstances and we believe this philosophy of openness to all enriches everyone through the sharing of skills aptitudes and life experiences of our client group. Our objectives and funding limit the services we provide mostly to adults with learning disabilities and/or autism. We are aware that adults with learning disabilities and/or autism have relatively poor access to health services in relation to the public as a whole and we have a strong focus on breaking down the barriers to access these in order to improve both the quality of life and life expectancy of our participants. The ages of the adults with learning disabilities and/or autism that we support has gradually increased as life expectancy has increased over the last ten years. This has presented new challenges as they have had to cope with an increase in age related health conditions. The impact of the work that Options for Life does, goes far beyond the individual

participants that we support as their families are able to cope for far longer than they would otherwise be able on their own.

#### **Review of financial position**

The income of the charity for 2020/21 was £1,653,167 (2019/20: £2,195,728) and expenditure was £1,359,885 (2019/20: £2,109,400). This resulted in a net income surplus of £293,282 reducing to £285,036 if the restricted funds surplus of £8,246 is excluded (2019/20 net surplus £86,328). The charity's balance sheet reflects an increase in funds due to the 2020/21 surplus.

There was considerable uncertainty at the start of the financial year as funding arrangements with our main commissioners during closure were being discussed. In the meantime Options For Life started to claim monthly Job Retention Scheme grant from April 2020 for our furlough staff. We continued to claim this grant up to the end of October 2020.

By October Sandwell Council (SMBC) had confirmed their financial support package, continuing to make payments based on our level of provision prior to the Covid 19 outbreak and closure. This welcome financial support provided stability. The continued SMBC support and government grant assistance has offset our reduced operational costs during 20/21 and is the main reason for the final surplus for 2020/21.

#### **Reserves policy**

It is the policy of the charity to establish designated reserve funds to manage any potential financial risks to the viability of the organization. The level of reserves links to our financial assessment of risks that the organization faces over the medium term 2-3 year period. In the light of the Covid-19 virus outbreak the charity faced unprecedented financial uncertainty and in 2019/20 the level of designated reserves was significantly increased to £685,000. This reflected increased potential operational deficits from reduced income as well as provisions for statutory obligations to staff if the organization was forced to close and potential additional on-going costs from the rising National Living Wage over coming years.

The basis of the reserves has been reviewed for this statement and our biggest financial threat is maintaining our level of income to cover all costs especially while doubts over re-opening dates of buildings and capacity levels, returning participant numbers and future contract terms are uncertain. We know there will be challenges presented from continuing financial austerity to local councils and local Clinical Commissioning Groups (CCG) from where much of our funding is derived. We have taken account of these factors and potential reduced income within our 2 year budget projections and considered other on-going risks such as the National Living Wage rises. As a result of these risks it is now considered prudent to set aside £712,000 within our designated reserves for the period from 20/21 onwards.

The Senior Leadership Team and our trustees will continue to monitor closely our risks and financial performance during 2021/22.

#### **Future Developments**

On 5<sup>th</sup> November 2020 at an EGM meeting with the trustees a new Business Development Plan proposal was agreed and took place with immediate effect. This considered a new business model and offer of our services in a post Covid world and included a restructure of services and staff.

This will modernise and redesign our offer with the aim of becoming the leading provider of services to people with learning disabilities and/or autism in Sandwell. We will have moved away from the notion of being a 'building based' service and focus on a fully community integrated, person-centered delivery service.

We want to ensure that we tackle the impact of social isolation and loneliness for people with learning disabilities, by enabling independence through work experience, paid employment and volunteering. We recognise the impact that self-directed support can offer people with learning disabilities and/or autism to have greater choice and control in their lives. We want to support our participants to develop new skills and hold on to existing skills, whether this is supporting them in their own home or accessing community sessions.

There is likely to be a move away from daily rates towards the introduction of hourly rates for 1:1 support (cost dependent on levels of support needed). Hours of services will be defined through parents/carers, participants and Social Workers/Local Authority and CCG. Any new support workers employed to meet demand are likely to join Options for Life on flexible working contracts, rather than Mon – Friday, 9 till 5. This will give us more flexibility to better meet the future needs of our participants.

**Employees and Remuneration**

The charity operates policies based on a range of issues including those to ensure that no discrimination is made against any employee or participant based on their disabilities, age, gender or ethnicity.

Due to financial uncertainty arising from Covid 19 outbreak it was agreed by the trustees that no pay award could be agreed for staff from 1 April 2020.

During 2020/21 all support worker and other staff on furlough have been paid at least 80% pay even whilst our buildings have been closed. Any worked hours and accrued leave has been paid at 100%.

**Withdrawal of the United Kingdom from the European Union**

The Trustees have considered the effect of the withdrawal of the United Kingdom from the European Union and to date it has not had any material impact on the business of the charity.

**Directors / Trustees**

The Directors, who served during the period, are shown below and all are trustees.

Alan Daffern

Deborah White

Nick Kirby

Harriet Moat

Alma Aganovic

Rebekah Roebuck (appointed 20 July 2020)

**Indemnity provision for Directors**

Indemnity insurance has been taken out for all Directors and Trustees for any potential claim risk to value of £2 million (2020 £2,000,000).

**Responsibilities of Directors / Trustees**

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

UK company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for the system of internal control, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the financial statements and comply with the charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice (FRS102), "Accounting and Reporting by Charities" (effective October 2019).

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

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

## OPTIONS FOR LIFE

### DIRECTORS' AND TRUSTEES' REPORT

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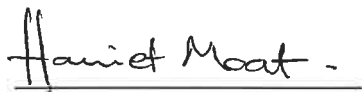
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

#### Auditor

Mazars LLP acted as auditor of the company throughout the year and will continue in office in accordance with the Companies Act 2006 section 487(2).

In preparing this report, the Directors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

Approved by the board on 18 October 2021 and signed on its behalf by



Harriet Moat  
Co Chair of the Board of Trustees



Nicola Thomson  
Chief Executive Officer.



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OPTIONS FOR LIFE**

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We have audited the financial statements of Options for Life (the 'charity') for the year ended 31 March 2021 which comprise Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows 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, 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 2021 and of 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 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**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Directors and Trustees Report, other than the financial statements and our auditor's report 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 Directors' and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' and Trustees' Report has been prepared in accordance with applicable legal requirements.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OPTIONS FOR LIFE**

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

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' and Trustee's Report

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

- adequate and proper 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 specific by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Directors' were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' and Trustees' Report and from the requirement to prepare a Strategic Report.

### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 6, 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 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 the Act and relevant regulations made or having effect thereunder.

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 the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Group and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the anti-bribery, corruption and fraud, money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act 2011.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to fund accounting, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OPTIONS FOR LIFE

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- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 the audit report

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and regulations made or having effect thereunder. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Vincent Marke (Senior Statutory Auditor)

for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
First Floor  
Two Chamberlain Square  
Birmingham  
B3 3AX

17 December 2021

## OPTIONS FOR LIFE

### STATEMENT OF FINANCIAL ACTIVITIES (incorporating Income and Expenditure Account) For the year ended 31 March 2021

	Notes	Restricted funds £	Designated funds £	Un-restricted funds £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Donations & legacies		-	-	5,189	5,189	2,590
Charitable activities	2	16,183	-	1,616,872	1,633,055	2,176,534
Other trading activities	2	-	-	10,500	10,500	12,185
Investments		-	-	4,423	4,423	4,419
		<u>16,183</u>	<u>-</u>	<u>1,636,984</u>	<u>1,653,167</u>	<u>2,195,728</u>
<b>Expenditure on:</b>						
Charitable activities	3	7,937	-	1,351,948	1,359,885	2,109,400
		<u>7,937</u>	<u>-</u>	<u>1,351,948</u>	<u>1,359,885</u>	<u>2,109,400</u>
Net income		<u>8,246</u>	<u>-</u>	<u>285,036</u>	<u>293,282</u>	<u>86,328</u>
Transfer between funds	11	-	27,000	(27,000)	-	-
Net movement in funds		8,246	27,000	258,036	293,282	86,328
<b>Reconciliation of funds:</b>						
Total funds brought forward		<u>23,230</u>	<u>685,000</u>	<u>1,461,224</u>	<u>2,169,454</u>	<u>2,083,126</u>
Total funds carried forward		<u>31,476</u>	<u>712,000</u>	<u>1,719,260</u>	<u>2,462,736</u>	<u>2,169,454</u>

The notes on pages 13 to 23 form part of these financial statements.

There were no recognised gains or losses other than those in the Statement of Financial Activities.

All surpluses are a result of continuing activities as one-off activities are structured so as to produce no surplus or deficit.

OPTIONS FOR LIFE

**BALANCE SHEET**  
As at 31 March 2021

Company No. 3341420

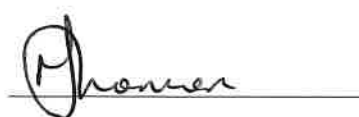
	Notes	£	2021 £	£	2020 £
<b>Fixed assets</b>					
Tangible assets	7		1,265,441		1,284,495
Investments	7		-		10
<b>Current assets</b>					
Debtors	8	32,687		175,568	
Cash at bank and in hand	9	1,214,446		788,833	
		<u>1,247,133</u>		<u>964,401</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due in less than one year	10	(49,838)		(79,452)	
<b>Net current assets</b>			<b>1,197,295</b>		<b>884,949</b>
<b>Total assets</b>			<b><u>2,462,736</u></b>		<b><u>2,169,454</u></b>
<b>The Funds of the charity</b>					
<b>Restricted funds</b>	11		<b>31,476</b>		<b>23,230</b>
<b>Unrestricted funds</b>					
Designated funds	11		712,000		685,000
Unrestricted funds	11		1,719,260		1,461,224
			<u>2,462,736</u>		<u>2,169,454</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

**Approved and authorised for issue by the Board on 18th October 2021  
and signed on their behalf by:**



Harriet Moat  
Co Chair of the Board of Trustees.



Nicola Thomson  
Chief Executive Officer.

The notes on pages 13 to 23 form part of these financial statements.

**OPTIONS FOR LIFE****CASH FLOW STATEMENT**  
**As at 31 March 2021****Company No. 3341420**

	2021 £	2020 £
<b>Cash flows from operating activities:</b>		
Net cash used in operating activities	449,203	123,966
<b>Cash flows from investing activities:</b>		
Dividends, interest and rent from investments	4,424	4,419
Proceeds from the sale of investments	10	-
Purchase of property, plant and equipment	(28,024)	(28,944)
Net cash provided by investing activities	(23,590)	(24,525)
<b>Reconciliation of net cash flow to movement in funds</b>		
Change in cash and cash equivalents in the year	425,613	99,442
Cash and cash equivalents at 1 April	788,833	689,391
Cash and cash equivalents at 31 March	1,214,446	788,833
<b>Reconciliation of next movement in funds to net cash outflow from operating activities</b>		
Net movement in funds for the year ended 31 March 2021	293,282	86,328
<b>Adjustments for:</b>		
Depreciation	47,077	40,681
Dividends, interest and rent from investments	(4,424)	(4,419)
Decrease/(Increase) in debtors	142,881	7,726
Increase in other creditors	(29,613)	(6,349)
<b>Net cash used in operating activities</b>	449,203	123,967
<b>Analysis of cash and cash equivalents</b>		
Notice deposits (less than 3 months)	636,740	313,825
Notice deposits (more than 3 months)	542,621	427,616
Cash in hand	35,085	47,390
Cash and cash equivalents	1,214,446	788,833

The notes on pages 13 to 23 form part of these financial statements.

**1 Accounting policies**

Options for Life is incorporated as a company limited by guarantee, registered in England and Wales (No. 3341420)

**Basis of Accounting**

The financial statements are prepared under the historical cost convention, in accordance with Accounting and Reporting by Charities; the Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1<sup>st</sup> January 2019) – (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

**Income**

Income is predominantly grants, charitable service contracts and income from social business activities and is recognised in the Statement of Financial Activities when received or on completion of the delivery of the specified terms of the Service Level Agreement.

**Expenditure**

All expenditure is accounted for on an accruals basis and is recognised where there is a legal or constructive obligation to pay. Expenditure has been classified under headings that aggregate all costs related to that category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and includes both the direct and support costs relating to these activities.

Support costs consist of central administration and property costs. They would normally be allocated equitably between activities but due to covid 19 closures these costs are simply disclosed in Note 4.

**Governance**

Governance costs of the charity include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charitable company. Details on governance costs are shown in Note 4.

**Fund Accounting**

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of the objectives of the Charity unless the funds have been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes or to meet potential financial risks or pressures that the charity may face.

Restricted funds are subject to specific terms and conditions by donors as to how they may be used.

**Grants and donations**

Grants and donations are only included in the Statement of Financial Activities when the charity has unconditional entitlement to the resources.

**Donated services and facilities**

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

**Judgments in applying accounting policies and key sources of estimation uncertainty**

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The trustees confirm there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## OPTIONS FOR LIFE

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

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#### 1. Accounting policies (continued)

##### Value Added Tax

VAT has been treated as irrecoverable by the Charity, due to the scale and type of activities being regarded as exempt. To ensure the charity complies with HMRC's regulatory requirements both the sources of income and the aggregate amounts that could constitute taxable supplies, are frequently reviewed.

##### Tangible fixed assets and depreciation

Tangible fixed assets for use by the charity are stated at cost less depreciation. Since April 2019 individual items costing less than £5,000 are written off in the Statement of the Financial Activities.

Depreciation is provided at rates calculated to write off the cost less estimated residual value, over their expected useful lives.

Office equipment - 25% on a straight line basis

Motor vehicles - 25% on a straight line basis

Building – Leasehold - 10% on a straight line basis

Building – Freehold - 2% on a straight line basis

Freehold land is not depreciated

##### Pension costs

The charity fulfilled its legal obligation in adopting the Government's Workplace Pension Scheme Auto-Enrolment in October 2014 integrating this with the defined contributions pension scheme that was already part of the remuneration policy. Those employees who have opted for the minimum contribution of 5% of pensionable salary under auto-enrolment rules enjoy an employer's contribution of 4%, this increases to 5% after 10 years service.

##### Employee Benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity has committed to terminate the employment of an employee or to provide termination benefits.

##### Going concern

At the time of preparing the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue its operational existence for the foreseeable future. There are no other material uncertainties that may cast a significant doubt about the Charity's ability to continue as a going concern. Therefore, the accounts have continued to be prepared on the going concern basis of accounting.;

There will be significant future challenges to be faced by the Charity. It is clear that the Charity won't go back to operating its services as they did before the outbreak but there is now in place a revised staff and business model looking to deliver new and flexible ways of service delivery.

##### Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

##### Operating leases

Rental costs under operating leases are charged to the income and expenditure account in equal annual amounts over the period of the lease.



# **OPTIONS FOR LIFE**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2021**

<b>2</b>	<b>Income</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	<b>Restricted income</b>		
	<b>Charitable activities</b>		
	Baily Thomas Charitable Fund	10,000	-
	Skipton Building Society Charitable Foundation	1,983	-
	Sandwell MBC – Apprenticeship Scheme	-	3,824
	Sandwell MBC re notional ground rent	4,200	4,200
	Edward Gostling Trust	-	3,550
	Sandwell MBC – Town Grants	-	2,409
	Rowlands Trust	-	1,000
	Groundwork UK	-	1,000
	Clothworkers Foundation	-	15,000
	Richardson Brothers Foundation	-	3,000
	Alfred Haines Trust	-	1,000
	Total restricted income from charitable activities	<u>16,183</u>	<u>34,983</u>
	<b>Unrestricted income</b>		
	<b>Charitable activities</b>		
	Adult social care – Sandwell MBC	1,104,944	1,197,549
	Coronavirus Job Retention Scheme grant - HMRC	336,054	-
	Additional Restrictions Support Grant - SMBC	98,500	-
	Direct payments	68,138	449,574
	NHS Sandwell & West Birmingham CCG	-	427,554
	Social business income	(20)	52,712
	Neighbourly Community Fund	400	-
	W.E.D Charitable Trust	500	-
	One to One Support – Sandwell MBC	8,356	11,412
	Communities in Sync – Better Care Fund	-	2,750
	Total unrestricted income from charitable activities	<u>1,616,872</u>	<u>2,141,551</u>
	Total income from charitable activities	<u>1,633,055</u>	<u>2,176,534</u>
	<b>Other trading activities income</b>		
	Activities, fund raising and sales of work	-	9,223
	Insurance settlement	9,800	-
	Room hire charges	-	2,412
	Surplus on disposal of assets	700	550
		<u>10,500</u>	<u>12,185</u>

# **OPTIONS FOR LIFE**

## **NOTES TO THE FINANCIAL STATEMENTS** **For the year ended 31 March 2021**

<b>3</b>	<b>Expenditure</b>	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
	<b>Charitable Service Operational Costs</b>		
	Direct staffing costs	<b>837,002</b>	1,345,085
	Severance costs	<b>26,690</b>	11,591
	Indirect staff related costs	<b>19,868</b>	26,021
	Premises, repairs and running costs	<b>35,588</b>	75,680
	Cleaning, personal protective equipment and waste disposal	<b>14,651</b>	17,745
	Vehicle and transport costs	<b>39,436</b>	104,913
	Activities and materials	<b>4,607</b>	96,844
	IT and office costs	<b>8,530</b>	13,394
	Depreciation costs	<b>41,649</b>	28,762
	Oak Green Services materials	-	14,983
	<b>Total charitable operational costs</b>	<b>1,028,021</b>	1,735,018
	<b>Management and Support Costs</b>	<b>312,806</b>	355,098
	<b>Governance costs</b>	<b>19,058</b>	19,284
	<b>Total charitable expenditure</b>	<b>1,359,885</b>	2,109,400

# **OPTIONS FOR LIFE**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2021**

### **4 Expenditure – Charitable activities**

	2021 £	2020 £
<b>Management support costs</b>		
Salaries	227,141	254,960
Staff recruitment, training, travel, other	8,010	4,184
Office costs	45,537	61,881
External professional support	9,452	14,303
Miscellaneous	2,375	2,889
Equipment depreciation	5,428	3,965
Vehicle costs	2,449	-
Premises related costs	12,414	12,916
	<u>312,806</u>	<u>355,098</u>

### **Governance costs**

	2021 £	2020 £
Audit	9,743	8,366
Other insurance costs	5,795	3,805
Bank charges	1,268	934
Professional & consultancy fees	2,160	6,124
Miscellaneous	92	55
	<u>19,058</u>	<u>19,284</u>

### **5 Net movement in funds for the year**

	2021 £	2020 £
The net movement in funds for the year is stated after charging:		
Depreciation of tangible assets	47,077	40,681
Operating lease expenditure	33,568	37,108
Audit	9,743	8,366

## OPTIONS FOR LIFE

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

6	Staff costs	2021	2020
		£	£
	Wages & salaries	981,968	1,483,866
	Social security costs	49,855	77,553
	Pension costs	32,320	43,189
		<u>1,064,143</u>	<u>1,604,608</u>
		Number	Number
	The average monthly number of staff employed by the charity during the year was as follows:		
	Administrative	8	10
	Project based	60	81
		<u>68</u>	<u>91</u>

#### Employer benefits to Senior Management Team Members

During the year to 31 March 2021 payments to key members of the management team in the form of salary and pensions amounted to £127,296. This compares with £124,527 for the prior year.

There were no employees whose annual emoluments were £60,000 or more.

#### Termination Payments

In 2020/2021 there were total termination payments of £28,999 relating to redundancy, notice period and settlement payments for eighteen former employees. In 2019/20 there were termination payments of £17,464.

#### Payments to Directors/Trustees

In 2020/21 no remuneration was paid to any trustees.

There were expense reimbursements of £92 paid to trustees in performing their duties in 2020/21. There were trustee expenses of £5 in 2019/20.

# OPTIONS FOR LIFE

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

### 7 Tangible fixed assets for use by the charity

	Freehold properties £	Leasehold Improve- ments £	Office equipment / fixtures & fittings £	Vehicles £	2021 Total £
<b>Cost</b>					
As at 1 April 2020	1,585,963	19,492	159,141	55,050	1,819,646
Additions	-	-	28,023	-	28,023
Disposals	-	-	-	(24,900)	(24,900)
As at 31 March 2021	<u>1,585,963</u>	<u>19,492</u>	<u>187,164</u>	<u>30,150</u>	<u>1,822,769</u>
<b>Depreciation</b>					
As at 1 April 2020	358,697	4,085	117,319	55,050	535,151
Charge for the year	27,519	1,949	17,609	-	47,077
Disposals	-	-	-	(24,900)	(24,900)
As at 31 March 2021	<u>386,216</u>	<u>6,034</u>	<u>134,928</u>	<u>30,150</u>	<u>557,328</u>
<b>Net Book Value</b>					
As at 31 March 2021	<u>1,199,747</u>	<u>13,458</u>	<u>52,236</u>	<u>-</u>	<u>1,265,441</u>
As at 31 March 2020	<u>1,227,266</u>	<u>15,407</u>	<u>41,822</u>	<u>-</u>	<u>1,284,495</u>

Land at cost carried forward £210,000 is not depreciated (2020 - £210,000)

### Investment

	2021 £	2020 £
Investment	<u>-</u>	<u>10</u>

This investment was created from the formation of the company Options For Work and comprised share capital of 10 shares at £1 each. The registered company (number 07373367) was dissolved on 16/3/21 and the £10 investment was returned back to Options For Life.

# **OPTIONS FOR LIFE**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2021**

<b>8</b>	<b>Debtors</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Trade debtors	11,273	154,788
	Prepayments & sundry debtors	21,414	20,780
		<u>32,687</u>	<u>175,568</u>
<b>9</b>	<b>Bank and cash</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Bank accounts	1,211,884	782,220
	Petty cash	2,562	6,613
		<u>1,214,446</u>	<u>788,833</u>
<b>10</b>	<b>Creditors: Amounts falling due in less than one year</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Trade creditors	6,474	26,659
	Accrued expenses	23,677	26,450
	Tax and social security	11,038	14,935
	Pensions	5,364	7,753
	Other creditors	3,285	3,655
		<u>49,838</u>	<u>79,452</u>

# OPTIONS FOR LIFE

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

### 11 FUNDS

	1 April 2020 £	Income £	Expenditure £	31 March 2021 £
<b>Restricted Funds</b>				
Sandwell MBC	-	4,200	(4,200)	-
Clothworkers Foundation	15,000	-	(2,186)	12,814
Richardson Brothers	3,000	-	-	3,000
Turner Trust	1,038	-	(346)	692
Edward Gostling Foundation	3,342	-	(355)	2,987
Alfred Haines Charitable Trust	850	-	(850)	-
Baily Thomas Charitable Fund		10,000	-	10,000
Skipton Charitable Foundation		1,983	-	1,983
<b>Total restricted funds</b>	<b>23,230</b>	<b>16,183</b>	<b>(7,937)</b>	<b>31,476</b>

#### Further information on the purpose grants received in 2020/21 :

Sandwell MBC	A notional grant for payment of rent for land at Oak Green Lodge
Baily Thomas Charitable Fund	Being a contribution towards renovation improvements at the Ashes Centre.
Skipton Charitable Foundation	A grant towards the new outdoor sensory garden at Acorn Lodge centre.

### 11 Unrestricted funds

	2021 £	2020 £
Unrestricted capital funds brought forward	1,461,224	1,824,197
Movement for the year	285,036	87,027
Transfer to/from Designated Funds	(27,000)	(450,000)
Unrestricted funds carried forward	1,719,260	1,461,224
<b>Designated funds</b>		
	2021 £	2020 £
Designated funds brought forward	685,000	235,000
Movement in the year	27,000	450,000
Total designated funds carried forward	712,000	685,000
<b>Total unrestricted funds</b>	<b>2,431,260</b>	<b>2,146,224</b>

## OPTIONS FOR LIFE

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

#### 12 Analysis of net assets between funds

	<b>Tangible fixed assets £</b>	<b>Other net assets/ liabilities £</b>	<b>Total £</b>
<b>Restricted</b>	-	31,476	<b>31,476</b>
<b>Unrestricted funds</b>			
Designated funds	-	712,000	<b>712,000</b>
Unrestricted funds	1,265,441	453,819	<b>1,719,260</b>
	<u>1,265,441</u>	<u>1,197,295</u>	<u><b>2,462,736</b></u>

#### 13 Commitments under operating leases

At 31 March 2021 the Company had commitments under non-cancellable leases in respect of minibuses and photocopiers:

	<b>2021 £</b>	<b>2020 £</b>
Within one year	<b>31,678</b>	32,579
Within two to five years	<b>39,665</b>	71,374
	<u><b>71,343</b></u>	<u>103,953</u>

#### 14 Post balance sheet events

There are no events that occurred after 31 March 2021 that are likely to significantly change what is presented in the financial statements or have an impact upon the status of the organisation as a going concern.

#### 15 Pension Commitments

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost represents contributions payable by the Charity to the fund and amounted to £32,320 (2020 £43,189). At 31 March 2021 contributions amounting to £5,364 (2020: £7,753) were payable to the fund and are included in creditors.



# **OPTIONS FOR LIFE**

## **NOTES TO THE FINANCIAL STATEMENTS** **For the year ended 31 March 2021**

### **16 Statement of financial activities 2020**

	Notes	Restricted funds £	Designated funds £	Unrestricted funds £	Total funds 2020 £
<b>Income from:</b>					
Donations & legacies		-	-	2,590	<b>2,590</b>
Charitable activities	2	34,983	-	2,141,551	<b>2,176,534</b>
Other trading activities	2	-	-	12,185	<b>12,185</b>
Investments		-	-	4,419	<b>4,419</b>
		<u>34,983</u>	<u>-</u>	<u>2,160,745</u>	<u><b>2,195,728</b></u>
<b>Expenditure on:</b>					
Charitable activities	3	<u>35,682</u>	<u>-</u>	<u>2,073,718</u>	<u><b>2,109,400</b></u>
Net (expenditure) / income		<u>(699)</u>	<u>-</u>	<u>87,027</u>	<u><b>86,328</b></u>
Transfer between funds	11	-	450,000	(450,000)	-
Net movement in funds		(699)	450,000	(362,973)	<b>86,328</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>23,929</u>	<u>235,000</u>	<u>1,824,197</u>	<u><b>2,083,126</b></u>
Total funds carried forward		<u><u>23,230</u></u>	<u><u>685,000</u></u>	<u><u>1,461,224</u></u>	<u><u><b>2,169,454</b></u></u>

