

COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Mrs D Bassett Mr I Beider Mr M Taylor, Chair Mr R Gofton Mr R Williams Mrs S Sutherland Mrs S Brennan Mr P Cawthron Mr E Probert (resigned 7 April 2021)
Company registered number	02420393
Charity registered number	1007781
Registered office	Beaufort House 51 New North Road Exeter Devon EX4 4EP
Chief executive officer	Mrs E Rainsford
Independent auditors	Bishop Fleming LLP Chartered Accountants 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS

COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the company for the 1 April 2020 to 31 March 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Structure, governance and management

Community Care Trust (South West) Limited is a company limited by guarantee (No. 2420393) and is registered as a charity with the Charity Commission (No. 1007781). The memorandum and articles of association establish the objects and powers of the company and the governance arrangements.

The company became a subsidiary of St Loye's Foundation in 2015, and in 2016 St Loye's Foundation changed its name to Step One to provide a new trading name for the group. Step One is a company limited by guarantee and is registered as a charity with the Charity Commission (No. 235434). Step One controls 75% of the voting rights of CCT and is a corporate member of CCT with the right to nominate a trustee for the CCT Board. CCT also has the right to nominate a member to the company Board. The Boards have agreed to joint meetings whilst retaining separate processes as required for statutory administrative purposes.

The Trustees constitute the Board of Management of the charity and are also directors of the company with overall responsibility for governance. The Board meets to agree strategic and operational plans and monitor progress against them. The Board delegates the day to day running of the charity to an Executive Team, providing advice and guidance as appropriate. Board members may also serve on Committees or operational groups. The following Trustees served during the year:

Mr M Taylor (Chair)
Ms S Sutherland
Ms D Bassett
Mr I Beider
Ms S Brennan
Mr P Cawthron
Mr R Gofton
Mr E Probert
Mr R Williams

Trustee induction and training

The Trustees undergo induction to brief them of their legal obligations under company and charity law, the content of the Articles of Association, the committee and decision making processes, and are provided with information on the company's facilities and services.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Objectives and activities

a. Policies and objectives

The principal object of the organisation is to promote the physical and mental welfare of persons living in South West England.

The Board of Trustees has given regard to the legislative and regulatory requirements for disclosing how its charitable objectives have provided benefit to the public and confirms it has complied with the duties as set out. This report outlines how our achievements during the period have benefited the public.

Throughout this year we have completed a thorough review of our strategy with a focused commitment to further drive our reputation for high quality provision and investment in our staffing resource. We continue to plan to grow our core services whilst developing projects and partnerships which will help us diversify our income sources and enable us to support more people.

CCT activities during 2020-21 remain within Health and Social Care, with a specialism in Mental Health support services. It continues to receive an annual block contract from Devon CCG and a large number of spot contract purchasing for social support services.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategic report

The following sections constitute the strategic report for the purposes of the Companies Act 2006. This strategic report forms part of the Report of the Board.

Achievements and performance

a. Introduction

Entering a new financial year invariably requires reflection on our previous year's achievements and challenges. As the year started it soon became apparent that the COVID-19 pandemic would have a significant effect not only upon individuals but also organisations including ourselves. As a charity affected by the pandemic we quickly needed to adapt the way we delivered our services whilst at the same time adhering to all of the Government's requirements for social distancing during the national lockdown. Throughout a very challenging year for CCT, we have been able to demonstrate considerable resilience and forward thinking whilst delivering all of our services and more during the pandemic.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Achievements and performance (CONTINUED)

b. Main Achievements of the Charity

Over the past year, CCT worked with over 800 people across our wide range of specialist provision in Devon.

(i) Cypress Hospital and Granvue Crisis House

Since the beginning of the year the priority for this service has been to continue to deliver high standards of support and ongoing provision of hospital beds and this has been achieved. As a result of COVID-19 and in order to safeguard adequate and consistent staffing for this service, it was agreed early in the year with commissioners that we close Granvue on a temporary basis. However, as the year progressed we were gradually able to reopen these crisis support beds. Our overall bed occupancy during the year at Cypress was 75% and at Granvue we still achieved overall occupancy of 50% despite having to remain closed during the first quarter of the year.

(ii) Support Living and Community Support

This service continued to deliver support during the year despite the lockdown through either face-to-face support or telephone, according to individual client preference. During the year the service has provided people in Devon with an average of 730 individual support hours each week. The service was able to introduce additional support through a new Torbay Community Access (TCA) pilot from April 2020 funded through the Devon Partnership Trust until March 2021. This service supported over 100 people who were on Community Mental Health Trust waiting lists. Following the success of the TCA pilot, Devon Partnership Trust commissioned us to deliver a similar service in Exeter (ECA) from October 2020. This was funded through another iBCF (Improved Better Care Fund) until March 2021. Whilst disappointingly there was no available funding to carry on these services beyond April 2021, DPT have stated they will apply for further ongoing funding should the opportunity arise.

During the year we relocated our Community Support Team to the vacant wing on the 2nd floor of Beaufort House. This enabled us to provide better protection for the team and clients during lockdown with the larger space enabling better social distancing, especially as we returned to providing more direct face-to-face and daytime support. During the year minor improvement building work was completed at the Keyberry Road house in order for us to increase occupancy from 5 to 6 bedrooms. Apart from the initial minor build work costs, there are no ongoing staff cost implications and we should therefore achieve significant additional income through housing benefit and support hours. The much awaited electronic rota system for our community team was successfully launched in March and is already helping deliver efficiencies to the way we work.

c. Implications of Covid-19

When the Government announced the UK was to go into lockdown on 23 March 2020, social distancing, self-isolation and working from home practices were instantly applied across all of our activities. All services had to make rapid adaptations to the way they delivered services to enable them to continue whilst at the same time comply with all relevant Government requirements.

d. Covid-19 Training and Guidance

The Governance Manager was identified to lead on matters relating to infection control and to provide guidance to all service teams. COVID packs were developed for services to inform of how to manage different scenarios including isolation procedures, testing, using PPE, cleaning schedules and other relevant resources. Infection control refresher training and PPE training was identified and rolled out to all staff working in face to face services. As testing kits became available training in how to undertake throat and nasal swabs was sourced and provided to the nursing team at Cypress so that people could be tested quickly and reduce the need for isolation.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (CONTINUED)

e. Personal Protective Equipment

We responded immediately in identifying PPE needs for all staff across the charity and informing staff about how and when to use with different face to face scenarios. Although we initially faced major challenges in accessing PPE as suppliers struggled to keep up with demand, we soon managed to set up orders for supplies and maintained stock levels to ensure adequate quantities were sustained. We also received great support from the local community who donated large supplies of handmade scrubs as well as supplying us with eye goggles and face visors.

f. Re-structuring of services during the pandemic

Services adapted quickly so that they could continue to deliver with additional infection control measures in place to safeguard people and staff. A summary of these changes to service delivery are shown below:-

- **Community Support** offered telephone support to people who chose to self-isolate or who needed to shield
- **Cypress** worked with DPT wards and crisis teams to revise admission processes and the Clinical Commissioning Group (CCG) agreed the closure of two beds to allow for isolation rooms
- **Granvue** negotiated and agreed with the CCG to close to admissions and were able to close earlier than originally planned to merge staff to support Cypress

g. Going forward and how we will deal with any future pandemic

By learning from what went well, what difficulties we needed to overcome and what we could have done differently has helped us to inform our contingency plans about how we would manage any similar pandemic outbreak in the future. We have been able to identify what we need to do to sustain the work we have achieved so that we can feel more certain that we are in a better position to manage this current pandemic going forward.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves

Financial management procedures and policies are in place to ensure security of assets and financial risk management is considered by the Trustees with input from external advisors where appropriate.

The Trustees consider that a minimum level of unrestricted reserves should be held to support future requirements for maintaining services. At the year-end a balance of £942k was held with unrestricted reserves at £788k and restricted reserves at £154k. Requirements for the reserves level are regularly reviewed within the context of the group structure and the Trustees are satisfied that the current levels are adequate.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

c. Financial review

Income has increased to £2.605m this year from £2.591m in 2020. This includes £1.518m for provision of acute services under contract to an NHS Clinical Commissioning Group. Alongside this, expenditure has decreased to £2.041m compared to £2.224m in 2020. This has resulted in a net surplus of £564k compared to a surplus of £366k in 2020.

The net assets at year end were £942k compared to £378k in 2020.

d. Risks

The organisation has put systems in place to monitor and mitigate major risks to which it may become exposed. This includes risk monitoring systems for clinical presentation and safety of service users, working practices and the working environment, and other external factors or atypical activities.

Structure, governance and management

a. Methods of appointment or election of Trustees

The management of the group and the company is the responsibility of the Trustees who are elected and co-opted under the terms of the memorandum and articles of association.

Plans for future periods

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

In line with our overarching strategy we continue to expand upon core delivery. Targets set for our community service in 2020 were exceeded in spite of a pandemic and we continue to set ambitious targets for the coming year.

To respond to growth and income need, several strands of future work are summarised below:-

Grow from Core Services

Increase community service reach

Develop additional supported living model

Develop partners for Community Mental Health Framework opportunities

Diversify income streams

Deliver Fundraising Strategy

Workforce and infrastructure resilience

Deliver Workforce Development Strategy

Deliver IT strategy

**COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the company 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 21 September 2021 and signed on their behalf by:

Mr M Taylor
Chair

**COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY CARE TRUST (SOUTH WEST) LIMITED

Opinion

We have audited the financial statements of Community Care Trust (South West) Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the 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 are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

**COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY CARE TRUST (SOUTH WEST) LIMITED (CONTINUED)

Opinion 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.
- 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 our 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 in relation to which 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY CARE TRUST (SOUTH WEST) LIMITED (CONTINUED)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

- the nature of the charity sector, control environment and charity performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Charity's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Charity's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Charity ensured it met its obligations arising from it being financed by and subject to the governance requirements, and as such material compliance with these obligations is required to ensure the Charity will continue to receive its funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, purchase ledger and payroll, and identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, The Charities Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or to avoid a material penalty. These included Care Quality Commission Regulation, Health and Social Care Act, data protection regulations, occupational health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of the laws and regulations that Community Care Trust (South West) Limited are subject to;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate

**COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY CARE TRUST (SOUTH WEST) LIMITED (CONTINUED)

risks of material misstatement due to fraud;

- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Tim Borton FCA DChA (Senior statutory auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

26 October 2021

COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	79	97,200	97,279	56,989
Charitable activities	4	2,507,957	-	2,507,957	2,533,930
Total income		2,508,036	97,200	2,605,236	2,590,919
Expenditure on:					
Charitable activities		2,041,187	-	2,041,187	2,224,421
Total expenditure		2,041,187	-	2,041,187	2,224,421
Net movement in funds		466,849	97,200	564,049	366,498
Reconciliation of funds:					
Total funds brought forward		321,202	56,747	377,949	11,451
Net movement in funds		466,849	97,200	564,049	366,498
Total funds carried forward		788,051	153,947	941,998	377,949

The notes on pages 14 to 25 form part of these financial statements.

COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:02420393

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Current assets			
Debtors	10	1,077,718	484,576
Cash at bank and in hand		21,206	12,071
		<u>1,098,924</u>	<u>496,647</u>
Creditors: amounts falling due within one year	11	(135,417)	(91,645)
Net current assets		<u>963,507</u>	<u>405,002</u>
Total assets less current liabilities		<u>963,507</u>	<u>405,002</u>
Net assets excluding pension liability		<u>963,507</u>	<u>405,002</u>
Defined benefit pension scheme liability	14	(21,509)	(27,053)
Total net assets		<u><u>941,998</u></u>	<u><u>377,949</u></u>
Charity funds			
Restricted funds	12	153,947	56,747
Unrestricted funds	12	788,051	321,202
Total funds		<u><u>941,998</u></u>	<u><u>377,949</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 21 September 2021 and signed on their behalf by:

Mr M Taylor
Chari

The notes on pages 14 to 25 form part of these financial statements.

**COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. General information

Community Care Trust (South West) Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 6 September 1989. The charities registered number is 1007781 and the registered office is Beaufort House, 51 New North Road, Exeter, Devon, EX4 4EP.

2. Accounting policies

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Community Care Trust (South West) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 INCOME

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

2.3 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

2.4 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2. Accounting policies (continued)

2.5 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.6 LIABILITIES

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.7 PENSIONS

Define benefit pension schemes

The Company participates in a Pensions Trust scheme, a multi-employer defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme with contributions being charged to the income and expenditure account when payable.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit.

The Company also participates in the NHS pension scheme. This is a multi-employer defined benefit scheme in the UK where it is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme with contributions being charged to the income and expenditure account when payable. The company has no liability under the scheme other than for the payment of these contributions.

Defined contribution pension scheme

The Company operates a defined contribution pension scheme, which requires contributions from both the employees and the Company to be separately invested with an independent Pensions Provider. The required contributions to the scheme are based on advice provided by independent financial advisers. Contributions are charged to the income and expenditure account when payable.

2.8 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	79	-	79	56,989
Legacies	-	97,200	97,200	-
	<u>79</u>	<u>97,200</u>	<u>97,279</u>	<u>56,989</u>
TOTAL 2020	<u>242</u>	<u>56,747</u>	<u>56,989</u>	

4. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Contracts and Grants	2,350,646	-	2,350,646	2,343,561
Local Authority - Housing Support	157,311	-	157,311	190,369
TOTAL 2021	<u>2,507,957</u>	<u>-</u>	<u>2,507,957</u>	<u>2,533,930</u>
TOTAL 2020	<u>2,483,780</u>	<u>50,150</u>	<u>2,533,930</u>	

5. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Community Care Trust	1,661,462	379,725	2,041,187	2,224,421
TOTAL 2020	<u>1,788,488</u>	<u>435,933</u>	<u>2,224,421</u>	

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NOTES TO THE FINANCIAL STATEMENTS
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5. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	1,537,178	1,537,178	1,614,047
Rehabilitation expenses	124,284	124,284	174,441
	<u>1,661,462</u>	<u>1,661,462</u>	<u>1,788,488</u>
TOTAL 2020	<u>1,788,488</u>	<u>1,788,488</u>	

Analysis of support costs

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Support costs	106,932	106,932	126,405
Premises costs	178,361	178,361	221,707
Administration costs	90,811	90,811	81,816
Governance	3,621	3,621	6,005
	<u>379,725</u>	<u>379,725</u>	<u>435,933</u>
TOTAL 2020	<u>435,933</u>	<u>435,933</u>	

6. Auditors' remuneration

	2021 £	2020 £
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>4,800</u>	<u>3,925</u>

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7. Staff costs

	2021 £	2020 £
Wages and salaries	1,394,350	1,469,358
Social security costs	106,873	104,553
Contribution to defined contribution pension schemes	35,955	40,136
	<u>1,537,178</u>	<u>1,614,047</u>

The average number of persons employed by the company during the year was as follows:

	2021 No.	2020 No.
Management	2	2
Community services	75	77
	<u>77</u>	<u>79</u>

No employee received remuneration amounting to more than £60,000 in either year.

The total amount of employee benefits received by key management personnel for their services was £18,231 (2020: £17,874).

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

9. Taxation

As a charity, Community Care Trust (South West) Limited is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 and section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

10. Debtors

	2021 £	2020 £
DUE WITHIN ONE YEAR		
Trade debtors	71,296	78,652
Amounts owed by group undertakings	989,995	374,158
Prepayments and accrued income	16,427	31,766
	<u>1,077,718</u>	<u>484,576</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	53,052	18,594
Other taxation and social security	26,020	24,068
Other creditors	5,105	8
Accruals and deferred income	51,240	48,975
	135,417	91,645

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
UNRESTRICTED FUNDS				
General Funds	321,202	2,508,036	(2,041,187)	788,051
RESTRICTED FUNDS				
South Devon Community Housing	56,747	-	-	56,747
Cypress Legacy	-	97,200	-	97,200
	56,747	97,200	-	153,947
TOTAL OF FUNDS	377,949	2,605,236	(2,041,187)	941,998

Restricted Funds

South Devon Community Housing

This represents funds received from South Devon Community Housing Society to provide support to people aged over 16 in South Devon.

Cypress Legacy

For funding of nursing and patient care at Cypress Hospital.

COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Balance at 31 March 2020 £
UNRESTRICTED FUNDS				
General Funds	9,830	2,484,022	(2,172,650)	321,202
RESTRICTED FUNDS				
Ageing Well Torbay	1,621	50,150	(51,771)	-
South Devon Community Housing	-	56,747	-	56,747
	1,621	106,897	(51,771)	56,747
TOTAL OF FUNDS	11,451	106,897	(2,224,421)	377,949

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Current assets	944,977	153,947	1,098,924
Creditors due within one year	(135,417)	-	(135,417)
Provisions for liabilities and charges	(21,509)	-	(21,509)
TOTAL	788,051	153,947	941,998

COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
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13. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Current assets	439,900	56,747	496,647
Creditors due within one year	(91,645)	-	(91,645)
Provisions for liabilities and charges	(27,053)	-	(27,053)
TOTAL	321,202	56,747	377,949

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

14. Pension commitments

Defined benefit scheme – Pensions Trust

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)
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Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum	(payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum	(payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

COMMUNITY CARE TRUST (SOUTH WEST) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

14. Pension commitments (continued)

PRESENT VALUES OF PROVISION

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 March 2021 (£s)	Period Ending 31 March 2020 (£s)
Provision at start of period	26,739	32,436
Unwinding of the discount factor (interest expense)	600	411
Deficit contribution paid	(5,544)	(5,383)
Remeasurements - impact of any change in assumptions	772	(725)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	22,567	26,739

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 March 2021 (£s)	Period Ending 31 March 2020 (£s)
Interest expense	600	411
Remeasurements – impact of any change in assumptions	772	(725)
Remeasurements – amendments to the contribution schedule	-	-
Contributions paid in respect of future service*	-	-
Costs recognised in income and expenditure account	1,372	(314)

ASSUMPTIONS

	31 March 2021 % per annum	31 March 2020 % per annum	31 March 2019 % per annum
Rate of discount	0.66	2.53	1.39

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Defined contribution schemes

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14. Pension commitments (continued)

The company provides a defined contribution group personal pension scheme operated by Scottish Widows. Cost of the contributions in the year was £36,587 (2020: £35,804). Some employees have membership of the NHS pension scheme, a multi-employer defined benefit scheme which is accounted for as a defined contribution scheme as there is insufficient information to account for it as a defined benefit scheme. Cost of the contributions in the year was £3,886 (2020: £3,447). There is a no liability to the scheme other than for these contributions.

15. Operating lease commitments

At 31 March 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	34,164	35,726
Later than 1 year and not later than 5 years	16,821	28,253
	<u>50,985</u>	<u>63,979</u>

16. Related party transactions

During the year, the company paid a rental charge of £90,000 (2020: £80,000) to Step One Charity, the parent company. At the year end, a balance of £989,995 (2020: £374,158) was owed to CCT by Step One.

17. Controlling party

Step One Charity controls 75% of the voting rights of Community Care Trust (South West) Limited, which was acquired on 1 April 2015. Step One Charity is a charitable company limited by guarantee, incorporated in the UK, registered company number 393477 and registered charity number 235434.

Consolidated group accounts are prepared by Step One Charity and can be found on the Charity Commission website.