

Company registration number: 03084746

Charity registration number: 1048645

# Landau Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2021



# Landau

changing lives creating futures

## **Landau Limited**

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## **Landau Limited**

### **Reference and Administrative Details**

<b>Trustees</b>	M L Kite, Chairperson
	R D Langford
	H E Oliver
	M J Shields
<b>Chief Executive Officer</b>	S Roberts
<b>Charity Registration Number</b>	1048645
<b>Company Registration Number</b>	03084746
<b>Registered Office</b>	The charity is incorporated in England & Wales.
	5 Landau Court
	Tan Bank
	Wellington
	Telford
<b>Auditor</b>	TF1 1HE
	CBSL Accountants Limited
	Chartered Accountants and Statutory Auditors
	Rowan House North
	1 The Professional Quarter
	Shrewsbury Business Park
	Shrewsbury
	Shropshire
	SY2 6LG

## Landau Limited

### Chief Executive Officer's Summary for the Year Ended 31 December 2021

We are fortunate to end the year with a net surplus of £107,131 against a backdrop of a 19% increase in staffing costs. Our cost ratio debt analysis is under 4% with the standard 5% a key indicator being respectable for any business. Over the course of the year, we have exercised prudence over our cash ending the year with a balance which we plan to invest in the refurbishment of an owned property in Stoke to provide independent living support for people with learning disabilities.

During the course of the year, we introduced a new structure with clearer accountability and better checks and balances across service delivery through an independent compliance team. Management teams are motivated and this has distilled to their teams, with a much happier workforce.

We have made significant progress on our workforce development through our Equality Diversity and Inclusion policy and with the launch of our 'We See You' campaign to drive greater diversity and inclusion in workplaces across the UK. <https://www.landau.co.uk/we-see-you/>

We are asking organisations, businesses and committed individuals to sign the pledge to become a disability confident employer, provide training for staff to recognise and support people with disabilities and hidden disabilities, adopt a 'talent first not disability' culture and to make workplace adjustments to support people with disabilities.

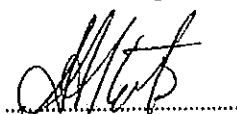
We are proud to report that over 30% of our workforce have been users of our services in the past, building 'experts by experience' into all our operational activities.

In recognition of the tremendous support our service users can give to others, we launched our first inspirational book 'The Road to Recovery' a collection of stories focusing on people with enduring mental health problems and how, in their own words they have overcome their barriers to employment. <https://www.landau.co.uk/shop/>

As we look forward to 2023, we are aware of the challenges that we face with the ending of European Social Funding and the new UK Shared Prosperity Fund. We will continue to effectively manage our finances to bring value for money to investors and high-quality services for our users.

I would like to thank all of our partners, suppliers and employees during the year for their continued support.

I would further like to thank all our funders for their continued commitment to the vision of Landau in changing lives and creating futures.



S Roberts  
Chief Executive Officer

27 September 2022

## Landau Limited

### Chairperson's Statement for the Year Ended 31 December 2021

We are extremely proud that Landau is one of just 205 companies across the UK to be recognised with a **Queen's Award for Enterprise** in 2021 for Social Mobility. To then be followed by the Employer's Recognition Gold Covenant Award for our commitment to the Veteran community is further confirmation of our commitment to the individuals and groups we support.

Our strategic plan and priorities for 2021 have been focused on 5 key areas customer satisfaction, quality services, exceptional workforce, sustainable partnerships and financial sustainability.

Through the co-production of our services, we continue to keep service users at the centre of all our service design and delivery, working for them to change and improve their lives. **Customer satisfaction** is paramount in us sustaining the long-term impact of our service. All our activities are externally verified, this year we have been successful in maintaining the Matrix Accreditation once again, following a 3-day review of staff and service users, with the assessor reporting;

*'there is a strong ethos of 'focus on the customer' customers, learners, partners, stakeholders, parents and carers all stated that this is why they chose our service'.*

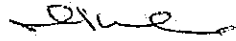
Our ambition is to continue to meet and exceed the expectations of our service users, commissioners, partners and other stakeholders so that Landau becomes synonymous to **excellent quality services**. During 2021 we underwent a number of external audits regarding financial probity and evidence against output claims, we have continually throughout the year received zero error ratings across the board.

We have had a significant increased in our workforce, now employing over 100 people. We have invested in our **exceptional workforce** through training platforms to equip staff with the skills they need to carry out their work to the highest professional and personal standards. This enables them to contribute to the continued innovation and improvement of our services making Landau a forward thinking and supportive place to work.

We work in collaboration with others that share our values in doing so we are able to deliver highly competitive, value for money services that have longer lasting social impact for individuals, businesses and communities. Our BBO partnership, which is externally evaluated, has delivered exceptional results, the partnership has been able to reach much deeper into the socially isolated and economically inactive groups impacting their self-perceived life satisfaction scores. Formerly, 41% had low satisfaction scores compared to the UK (5%); this improved with only 10% of participants exiting the project having low life satisfaction scores.

As we deliver our financial results for 2021, we are mindful of the future challenges as the economy continues to be unpredictable and the increase in the cost of living which will push up the demand for our services against a back drop of constraints on the public purse and a need for **financial stability**.

It has been gratifying to receive the acknowledgements for our work, and the incredible difference we are making to people's lives.



M L Kite  
Chairperson

27 September 2022

## **Landau Limited**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2021.

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

##### ***Nature of governing document***

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association on incorporation on 27 July 1995 and superseded by a set dated 30 April 2002.

##### ***Recruitment and appointment of trustees***

The subscribers of the Memorandum and Articles of Association and such other persons as shall be admitted to membership in accordance with the Articles shall be members of the company. The Board of Trustees has the power to appoint any persons to be a Trustee, subject to re-election at the next Annual General Meeting.

##### ***Arrangements for setting key management personnel remuneration***

The charity considers that its Trustees and senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All Trustees give their time freely and no Trustee receives remuneration or expenses in the year.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings.

##### ***Organisational structure***

The Chief Executive Officer oversees the operation of the charity, assisted by a small management team.

#### **Objectives and activities**

##### ***Objects and aims***

Landau is a supported employment and work related training organisation, providing one-to-one, individual support for vulnerable people.

Landau is committed to ensure that every person with a learning disability has the opportunity to work and fulfil their potential. It is our aim to provide individuals with high quality, tailored support to enable them to overcome the obstacles to fulfilling their potential in society.

##### ***Objectives, strategies and activities***

Our support programme provides the specialist, high levels of support people require to be able to flourish within the workplace. Our aim is to provide support with the aim of finding employment and/or a move towards independent living.

## **Landau Limited**

### **Trustees' Report**

#### ***Public benefit***

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### ***Grant making policies***

The charity has established its grant making policy to achieve its objects and this is reviewed annually to ensure that it continues to advance its public benefit purposes. The charity pay grants from its restricted BBO Shropshire, BBO Herefordshire and Construction Skills funds to its partners in the projects.

#### ***Fundraising disclosures***

The charity does not carry out significant fundraising activities with the general public and does not use a professional fundraiser or commercial participator to carry out fundraising.

#### ***Financial review***

Overall Income for the year increased from 2020 - with restricted income increasing from £2,570,058 to £2,689,489 and unrestricted income rising from £1,374,701 to £2,290,189. Expenditure increased similarly from £3,733,743 to £4,872,547, with the main costs being grants paid to partners of £1,912,790 (2020 - £1,504,610) and staff costs.

#### ***Policy on reserves***

Unrestricted funds total £708,270 (2020 - £703,923) which are held to cover the expenditure required for the coming year and the charity intends to build up those funds and maintain them at such a level. Restricted funds total £494,092 (2020 - £391,308) and a breakdown of these funds can be found in the notes to the Financial Statements.

#### ***Principal funding sources***

The charity would like to thank the following organisations for providing principal funding during the year:

The National Lottery Community Fund  
European Social Fund  
Lloyds Bank Foundation  
Construction Skills Fund  
2gether NHS Foundation Trust  
Royal British Legion  
The Community Fund for Staffordshire  
Education and Skills Funding Agency  
Telford and Wrekin Council  
Staffordshire County Council  
Stoke-on-Trent City Council  
Shropshire Council  
Derbyshire City Council  
John Lewis Partnership  
Armed Forces Covenant  
Building Shropshire

## **Landau Limited**

### **Trustees' Report**

#### **Risk management**

##### ***Objectives and policies***

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

##### **Statement of Trustees' Responsibilities**

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

Company law requires the trustees to prepare financial statements for each financial year. 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 charitable 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

##### **Disclosure of information to auditor**

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 27 September 2022 and signed on its behalf by:



M L Kite  
Trustee



## **Landau Limited**

### **Independent Auditor's Report to the Members of Landau Limited**

#### **Opinion**

We have audited the financial statements of Landau Limited (the 'charity') for the year ended 31 December 2021, which comprise the Statement of Financial Activities, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 December 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 auditor 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, 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 original financial statements were 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.

## **Landau Limited**

### **Independent Auditor's Report to the Members of Landau Limited**

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

#### **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 Chairperson's Statement and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chairperson's Statement and Trustees' Report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Chairperson's Statement and the Trustees' Report.

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

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 6), the trustees 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.

## **Landau Limited**

### **Independent Auditor's Report to the Members of Landau Limited**

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to this charity and its sector and determined that the most significant are those relating to the reporting framework and the relevant UK tax legislation.
- We understood how the charity is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures.
- As an audit engagement team, we assessed the susceptibility of the charity's financial statements to material misstatement including how fraud might occur and considered the opportunities and incentives that may exist within the charity for fraud. We considered the controls that the charity has established to address the risks identified to prevent, deter and detect fraud; and how the management and trustees monitor those controls.
- Based on our understanding we designed our audit procedures to identify non-compliance with laws and regulations. Those procedures involved: - enquiries of management and those charged with governance; - journal entry testing; - assessing whether judgements in making accounting estimates are indicative of a potential bias; - review of financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and - evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk or other risk of material misstatement. These procedures included revenue recognition and testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- We remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities is available 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.

## **Landau Limited**

### **Independent Auditor's Report to the Members of Landau Limited**

#### **Use of our report**

This report is made solely to the charitable company's trustees, 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 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*L Osselton*

.....  
Louise Osselton FCA (Senior Statutory Auditor)

For and on behalf of CBSL Accountants Limited, Statutory Auditor

Rowan House North  
1 The Professional Quarter  
Shrewsbury Business Park  
Shrewsbury  
Shropshire  
SY2 6LG

27 September 2022

# Landau Limited

## Statement of Financial Activities for the Year Ended 31 December 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations, legacies and grants	3	29,842	2,689,489	2,719,331
Charitable activities	4	2,257,755	-	2,257,755
Investment income	5	2,078	-	2,078
Other income	6	514	-	514
Total income		<u>2,290,189</u>	<u>2,689,489</u>	<u>4,979,678</u>
<b>Expenditure on:</b>				
Charitable activities	7	<u>(2,261,132)</u>	<u>(2,611,415)</u>	<u>(4,872,547)</u>
Total expenditure		<u>(2,261,132)</u>	<u>(2,611,415)</u>	<u>(4,872,547)</u>
Net income		29,057	78,074	107,131
Transfers between funds		<u>(24,710)</u>	<u>24,710</u>	-
Net movement in funds		4,347	102,784	107,131
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>703,923</u>	<u>391,308</u>	<u>1,095,231</u>
Total funds carried forward	20	<u><u>708,270</u></u>	<u><u>494,092</u></u>	<u><u>1,202,362</u></u>

The notes on pages 15 to 32 form an integral part of these financial statements.

## Landau Limited

### Statement of Financial Activities for the Year Ended 31 December 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Income and Endowments from:</b>				
Donations, legacies and grants	3	15,993	2,570,058	2,586,051
Charitable activities	4	1,346,156	-	1,346,156
Investment income	5	2,920	-	2,920
Other income	6	9,632	-	9,632
Total income		<u>1,374,701</u>	<u>2,570,058</u>	<u>3,944,759</u>
<b>Expenditure on:</b>				
Charitable activities	7	<u>(1,180,480)</u>	<u>(2,553,263)</u>	<u>(3,733,743)</u>
Total expenditure		<u>(1,180,480)</u>	<u>(2,553,263)</u>	<u>(3,733,743)</u>
Net income		194,221	16,795	211,016
Transfers between funds		<u>(123,043)</u>	<u>123,043</u>	-
Net movement in funds		71,178	139,838	211,016
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>632,745</u>	<u>251,470</u>	<u>884,215</u>
Total funds carried forward	20	<u><u>703,923</u></u>	<u><u>391,308</u></u>	<u><u>1,095,231</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 and 2020 is shown in note 20.


The notes on pages 15 to 32 form an integral part of these financial statements.

**Landau Limited**

(Registration number: 03084746)  
**Balance Sheet as at 31 December 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	372,899	365,793
<b>Current assets</b>			
Debtors	16	526,931	405,929
Cash at bank and in hand	17	<u>1,042,482</u>	<u>719,295</u>
		1,569,413	1,125,224
<b>Creditors: Amounts falling due within one year</b>	18	<u>(739,950)</u>	<u>(395,786)</u>
<b>Net current assets</b>		<u>829,463</u>	<u>729,438</u>
<b>Net assets</b>		<u>1,202,362</u>	<u>1,095,231</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	20	494,092	391,308
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>708,270</u>	<u>703,923</u>
<b>Total funds</b>	20	<u>1,202,362</u>	<u>1,095,231</u>

The financial statements on pages 11 to 32 were approved by the trustees, and authorised for issue on 27 September 2022 and signed on their behalf by:



M L Kite  
Trustee

The notes on pages 15 to 32 form an integral part of these financial statements.

# Landau Limited

## Statement of Cash Flows for the Year Ended 31 December 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash income		107,131	211,016
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		2,113	4,721
Investment income	5	<u>(2,078)</u>	<u>(2,920)</u>
		107,166	212,817
<b>Working capital adjustments</b>			
Increase in debtors	16	(121,002)	(49,406)
Increase in creditors	18	291,210	98,835
Increase/(decrease) in deferred income		<u>52,954</u>	<u>(67,344)</u>
Net cash flows from operating activities		<u>330,328</u>	<u>194,902</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	2,078	2,920
Purchase of tangible fixed assets	15	<u>(9,219)</u>	<u>-</u>
Net cash flows from investing activities		<u>(7,141)</u>	<u>2,920</u>
Net increase in cash and cash equivalents		323,187	197,822
Cash and cash equivalents at 1 January		<u>719,295</u>	<u>521,473</u>
Cash and cash equivalents at 31 December		<u><u>1,042,482</u></u>	<u><u>719,295</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 32 form an integral part of these financial statements.



## **Landau Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

5 Landau Court

Tan Bank

Wellington

Telford

TF1 1HE

These financial statements were authorised for issue by the trustees on 27 September 2022.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

The financial statements have been prepared in accordance with the relevant version of the 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) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

##### **Basis of preparation**

Landau 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 notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Income and endowments**

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

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

## **Landau Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Deferred income***

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Grant provisions***

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Grants offered subject to certain conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

#### ***Support costs***

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

## **Landau Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £100.00 or more are initially recorded at cost.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold property	Not depreciated
Computer equipment	25% straight line

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

## Landau Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### 3 Income from donations, legacies and grants

	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and legacies;				
Donations from individuals	404	-	404	-
Grants, including capital grants;				
Government grants	29,438	-	29,438	15,593
Grants from other charities	-	2,689,489	2,689,489	2,570,458
	<u>29,842</u>	<u>2,689,489</u>	<u>2,719,331</u>	<u>2,586,051</u>

Government grants receivable relates to grants claimed under the Government's Kickstart Scheme (2020 - Job Retention Scheme).

## Landau Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

Grants received from other charities are analysed as follows:

	2021 £	2020 £
BBO Shropshire	1,018,329	1,055,705
BBO Herefordshire	647,911	724,030
ESF Community Grants	510,397	277,294
Construction Skills Fund (CSF)	233,152	224,201
Individual Placement and Support (IPS)	133,703	135,090
Building Shropshire	53,179	-
Staffordshire Expanding Opportunities Project	50,000	13,913
BBO Evolve	24,045	75,347
Armed Forces Covenant	11,083	-
John Lewis Project	4,750	-
Christmas Food and Essential Items Project	2,940	-
COVID-19 Emergency Fund	-	41,066
Royal British Legion	-	19,412
The Screwfix Foundation	-	4,000
Other grants - unrestricted	-	400
	<u>2,689,489</u>	<u>2,570,458</u>

#### 4 Income from charitable activities

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Supported employment services	<u>2,257,755</u>	<u>2,257,755</u>	<u>1,346,156</u>

Supported employment services income is analysed as follows:

	Note	2021 £	2020 £
Supported employment services provided		2,244,611	1,339,166
Sale of goods / services made or provided by the beneficiaries of the charity		<u>13,144</u>	<u>6,990</u>
		<u>2,257,755</u>	<u>1,346,156</u>

# Landau Limited

## Notes to the Financial Statements for the Year Ended 31 December 2021

### 5 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>2,078</u>	<u>2,078</u>	<u>2,920</u>

### 6 Other income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Rental income	-	-	8,097
Other income	<u>514</u>	<u>514</u>	<u>1,535</u>
	<u>514</u>	<u>514</u>	<u>9,632</u>

## Landau Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 7 Expenditure on charitable activities

		Unrestricted		Total	Total
	Note	General £	Restricted £	2021 £	2020 £
Supported employment services		290,717	29,077	319,794	166,771
Depreciation, amortisation and other similar costs		2,113	-	2,113	4,721
Grant funding of activities	9	693,101	1,219,689	1,912,790	1,504,610
Staff costs		807,843	1,239,719	2,047,562	1,648,884
Allocated support costs	8	370,458	120,449	490,907	308,424
Governance costs	8	96,900	2,481	99,381	100,333
		<u>2,261,132</u>	<u>2,611,415</u>	<u>4,872,547</u>	<u>3,733,743</u>

£2,261,132 (2020 - £1,180,480) of the above expenditure was attributable to unrestricted funds and £2,611,415 (2020 - £2,553,263) to restricted funds.

The supported employment services cost is analysed as follows:

	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Delivery costs	7,881	743	8,624	9,888
Subcontractor costs	211,710	1,227	212,937	84,492
Beneficiary costs	29,382	12,064	41,446	26,168
Cafe and salon purchases	9,858	537	10,395	5,440
Staff training	4,472	915	5,387	3,624
Staff travel expenses	23,524	5,191	28,715	26,599
Volunteer training and expenses	1,010	-	1,010	809
Monitoring and evaluation costs	2,880	8,400	11,280	9,751
	<u>290,717</u>	<u>29,077</u>	<u>319,794</u>	<u>166,771</u>

In addition to the expenditure analysed above, there are also governance costs of £99,381 (2020 - £100,333) which relate directly to charitable activities. See note 8 for further details.

## Landau Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 8 Analysis of governance and support costs

##### Charitable activities - analysis of allocated support costs

	Unrestricted		Total 2021	Total 2020
	General £	Restricted £	£	£
Rent, rates and water	53,478	40,498	93,976	52,459
Insurance	6,842	-	6,842	3,631
Telephone and internet	17,482	6,889	24,371	21,058
Other premises expenses	116,237	9,658	125,895	67,707
Equipment hire	7,604	3,517	11,121	11,341
Other office costs	32,762	5,926	38,688	25,298
Computer costs	47,347	25,522	72,869	71,465
Subscriptions and memberships	22,970	25,541	48,511	24,273
Marketing costs	34,725	2,288	37,013	16,401
Professional fees	18,309	610	18,919	3,488
Donations	329	-	329	150
Bank charges	1,432	-	1,432	953
Bad debt write off	10,941	-	10,941	10,200
	<u>370,458</u>	<u>120,449</u>	<u>490,907</u>	<u>308,424</u>

Support costs have been allocated consistently between charitable activities and governance based on management time.



## Landau Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### Governance costs

	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Staff costs				
Wages and salaries	67,982	-	67,982	76,027
Social security costs	5,694	-	5,694	6,266
Pension costs	1,314	-	1,314	1,340
Audit fees				
Audit of the financial statements	3,633	-	3,633	3,300
Allocated support costs	18,277	2,481	20,758	13,400
	<u>96,900</u>	<u>2,481</u>	<u>99,381</u>	<u>100,333</u>

The allocated support cost is analysed as follows:

	Note	2021 £	2020 £
Other office costs		18,804	13,092
Legal and professional fees and HR costs		1,954	308
		<u>20,758</u>	<u>13,400</u>

#### 9 Grant-making

##### Analysis of grants

	Grants to institutions 2021 £	2020 £
Analysis		
BBO Shropshire	461,836	449,594
BBO Herefordshire	323,306	368,364
Construction Skills Fund	-	135,350
IN2 Programme	693,101	311,745
ESF Community Grants	434,547	239,557
	<u>1,912,790</u>	<u>1,504,610</u>

#### 10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

# Landau Limited

## Notes to the Financial Statements for the Year Ended 31 December 2021

### 11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,927,896	1,574,996
Social security costs	161,486	130,205
Pension costs	33,105	27,316
Other staff costs	65	-
	<u>2,122,552</u>	<u>1,732,517</u>
	2021 £	2020 £
Direct staff costs	1,372,635	903,669
Support staff costs, including governance	749,917	828,848
	<u>2,122,552</u>	<u>1,732,517</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2021 No	2020 No
Direct charitable work staff	47	54
Administrative staff	39	27
	<u>86</u>	<u>81</u>

The average number of full-time equivalent employees during the year was 75 (2020 - 61).

The number of employees whose emoluments fell within the following bands was:

	2021 No	2020 No
£70,001 - £80,000	<u>1</u>	<u>1</u>

## Landau Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 12 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Operating leases - plant and machinery	11,120	11,340
Audit fees	3,633	3,300
Depreciation of fixed assets	<u>2,113</u>	<u>4,721</u>

#### 13 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>3,633</u>	<u>3,300</u>

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 January 2021	361,317	18,886	380,203
Additions	<u>9,219</u>	<u>-</u>	<u>9,219</u>
At 31 December 2021	<u>370,536</u>	<u>18,886</u>	<u>389,422</u>
<b>Depreciation</b>			
At 1 January 2021	-	14,410	14,410
Charge for the year	<u>-</u>	<u>2,113</u>	<u>2,113</u>
At 31 December 2021	<u>-</u>	<u>16,523</u>	<u>16,523</u>
<b>Net book value</b>			
At 31 December 2021	<u>370,536</u>	<u>2,363</u>	<u>372,899</u>
At 31 December 2020	<u>361,317</u>	<u>4,476</u>	<u>365,793</u>

## Landau Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 16 Debtors

	2021 £	2020 £
Trade debtors	15,580	35,836
Prepayments	12,375	25,089
Accrued income	498,976	345,004
	<u>526,931</u>	<u>405,929</u>

#### 17 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	1,384	768
Cash at bank	1,041,098	718,527
	<u>1,042,482</u>	<u>719,295</u>

## Landau Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 18 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	154,073	53,926
Other creditors	66,531	2,683
Accruals	195,298	68,083
Deferred income	324,048	271,094
	<u>739,950</u>	<u>395,786</u>

	2021 £	2020 £
Deferred income at 1 January 2021	271,094	338,438
Resources deferred in the period	198,068	247,208
Amounts released from previous periods	<u>(145,114)</u>	<u>(314,552)</u>
Deferred income at year end	<u>324,048</u>	<u>271,094</u>

Deferred income relates to funds received for charitable activities to be undertaken during 2022.

#### 19 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £33,105 (2020 - £27,316).

# Landau Limited

## Notes to the Financial Statements for the Year Ended 31 December 2021

### 20 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2021 £
<b>Unrestricted funds</b>					
<i>General</i>					
General fund	703,923	2,290,189	(2,261,132)	(24,710)	708,270
<b>Restricted funds</b>					
BBO Shropshire	237,403	1,018,329	(957,449)	-	298,283
BBO Herefordshire	71,689	647,911	(618,450)	-	101,150
BBO Evolve	32,193	24,045	(27,097)	-	29,141
Construction Skills Fund	-	233,152	(254,294)	21,142	-
IPS	32,110	133,703	(160,833)	-	4,980
Staffordshire Expanding Opportunities	13,913	50,000	(65,583)	1,670	-
ESF Community Grants	-	510,397	(495,565)	-	14,832
The Screwfix Foundation	4,000	-	(5,684)	1,684	-
John Lewis project	-	4,750	(4,964)	214	-
Armed Forces Covenant	-	11,083	(4,669)	-	6,414
Building Shropshire	-	53,179	(16,145)	-	37,034
Christmas Food & Essential Items	-	2,940	(682)	-	2,258
<b>Total restricted funds</b>	<u>391,308</u>	<u>2,689,489</u>	<u>(2,611,415)</u>	<u>24,710</u>	<u>494,092</u>
<b>Total funds</b>	<u>1,095,231</u>	<u>4,979,678</u>	<u>(4,872,547)</u>	<u>-</u>	<u>1,202,362</u>

# Landau Limited

## Notes to the Financial Statements for the Year Ended 31 December 2021

### 20 Funds (continued)

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
<i>General</i>					
General fund	632,745	1,374,701	(1,180,480)	(123,043)	703,923
<b>Restricted</b>					
BBO Shropshire	167,723	1,055,705	(986,025)	-	237,403
BBO Herefordshire	30,242	724,030	(682,583)	-	71,689
BBO Evolve	27,561	75,347	(70,715)	-	32,193
Construction Skills Fund	-	224,201	(338,425)	114,224	-
IPS	25,944	135,090	(128,924)	-	32,110
Staffordshire Expanding Opportunities	-	13,913	-	-	13,913
Royal British Legion	-	19,412	(21,525)	2,113	-
ESF Community Grants	-	277,294	(284,000)	6,706	-
COVID-19 Emergency Fund	-	41,066	(41,066)	-	-
The Screwfix Foundation	-	4,000	-	-	4,000
<b>Total restricted funds</b>	<u>251,470</u>	<u>2,570,058</u>	<u>(2,553,263)</u>	<u>123,043</u>	<u>391,308</u>
<b>Total funds</b>	<u>884,215</u>	<u>3,944,759</u>	<u>(3,733,743)</u>	<u>-</u>	<u>1,095,231</u>

## **Landau Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

The specific purposes for which the funds are to be applied are as follows:

- BBO Shropshire - The Building Better Opportunities project brings together funding from the National Lottery Community Fund and the European Social Fund (ESF) to help tackle the poverty and social exclusion faced by the most disadvantaged people in England. The balance relates to the BBO Shropshire project and monies held for future spend and partner grant payments.

- BBO Herefordshire - The Building Better Opportunities project brings together funding from the National Lottery Community Fund and the European Social Fund (ESF) to help tackle the poverty and social exclusion faced by the most disadvantaged people in England. The balance relates to the BBO Herefordshire project and monies held for future spend and partner grant payments.

- BBO Evolve - The Building Opportunities project brings together funding from the National Lottery Community Fund and the European Social Fund (ESF) to help tackle the poverty and social exclusion faced by most disadvantaged people in England. This balance relates to the BBO Evolve project and monies held for future spend and partner grant payments.

- Construction Skills Fund (CSF) - This scheme aims to support innovative ways of training new entrants and retraining adults in construction for which public funding is not available. The Construction Skills Fund is provided by the Department for Education and administered and implemented by CITB.

- IPS - Individual Placement and Support (IPS) is a supported employment model which supports people with serious mental health problems into employment, based on a wealth of international evidence, following the principles of 'place and train'. The grant is provided by the 2gether NHS Foundation Trust and funded by NHS England.

- Staffordshire Expanding Opportunities Project - This is an extension to the grant received over three years from The Lloyds Bank Foundation to continue to fund the staff costs of the Expanding Opportunities project.

- The Royal British Legion - This is a grant received from the Royal British Legion to fund an IPS Employment Specialist post and the associated operating costs, in order to help Veterans with complex needs into employment.

- ESF Community Grants - This is a programme offering funding to small and voluntary organisations to help unemployed people advance towards employment, education and training. ESF Community Grants is funded by the European Social Fund, commissioned by the Education and Skills Funding Agency, and are being managed by Landau in The Marches to support the Marches LEP strategic priorities.

- COVID-19 Emergency fund - This was granted to make adaptations to facilities to enable service users to safely return to activities following the COVID-19 pandemic. It consists of two grants, one for the Shropshire area and one for the Staffordshire area. Both are funded by The Community Fund for Staffordshire.



## Landau Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

- The Screwfix Foundation - this was granted to help install storage at our Newstead site and funding provided by The Screwfix Foundation.
- John Lewis Project - funds provided by the John Lewis Partnership to deliver an online course to young people.
- Armed Forces Covenant - to provide mentor support through community projects for Veterans and their families.
- Building Shropshire - represents grants received through Shropshire Council, Additional Restrictions Grant (ARG) covering the 9 months from Nov 21 to Sept 22. The grant is for the support of business recovery from the impact of COVID-19.
- City of Stoke-on-Trent Council - Christmas Food and Essential Supplies Fund - to provide food parcels and items to deliver to families in need.

#### 21 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2021 £
Tangible fixed assets	372,899	-	372,899
Current assets	757,698	811,715	1,569,413
Current liabilities	<u>(422,327)</u>	<u>(317,623)</u>	<u>(739,950)</u>
Total net assets	<u>708,270</u>	<u>494,092</u>	<u>1,202,362</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2020 £
Tangible fixed assets	365,793	-	365,793
Current assets	523,440	601,784	1,125,224
Current liabilities	<u>(185,310)</u>	<u>(210,476)</u>	<u>(395,786)</u>
Total net assets	<u>703,923</u>	<u>391,308</u>	<u>1,095,231</u>

# Landau Limited

## Notes to the Financial Statements for the Year Ended 31 December 2021

### 22 Analysis of net funds

	At 1 January 2021 £	Financing cash flows £	At 31 December 2021 £
Cash at bank and in hand	719,295	323,187	1,042,482
Net debt	719,295	323,187	1,042,482
	At 1 January 2020 £	Financing cash flows £	At 31 December 2020 £
Cash at bank and in hand	719,295	197,822	917,117
Net debt	719,295	197,822	917,117

### 23 Obligations under leases and hire purchase contracts

#### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
<b>Land and buildings</b>		
Within one year	26,000	26,000
Between one and five years	26,000	52,000
	52,000	78,000