

Charity Registration No. 1041924
Company Registration No. 02980543
(England and Wales)

The Kingwood Trust

ANNUAL REPORT AND
ACCOUNTS FOR THE
YEAR ENDED
31 MARCH 2016



PIONEERS IN AUTISM



THE KINGWOOD TRUST

LEGAL AND ADMINISTRATION INFORMATION FOR THE YEAR TO 31 MARCH 2016

Trustees/Directors

Mr Gerry Bacon (Treasurer)
Lady Sonia Hornby (Chairman)
Dr Robert Hubbard OBE
Mr Rob Jonckheer
Mrs Sandra Meadows (Vice Chairman)
Mr Christopher White

Chief Executive

Mrs Kate Allen

Charity number

1041924

Company number

02980543

Principal address

2 Chalfont Court
Chalfont Close
Lower Earley
Reading
Berkshire
RG6 5SY

Registered office

2 Chalfont Court
Chalfont Close
Lower Earley
Reading
Berkshire
RG6 5SY

Auditors

Edwin Smith Chartered Accountants
32 Queens Road
Reading
Berkshire
RG1 4AU

Bankers

National Westminster Bank Plc
18 Market Place
Henley on Thames
Oxfordshire



Front page: Three people supported
by Kingwood celebrating their success
achieving ASDAN qualifications.

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CHAIRMAN'S REPORT

After years of being detained under the Mental Health Act a young man we support is now enjoying a full life in the community and challenging behaviours have significantly decreased. He goes to walking football, goes out on his bike independently and is taking part in our Dogs For Good project.

This young man is one of the hundred and four people with autism supported by Kingwood and at the Parents' meeting we heard about their many achievements. Often it is taking up a new activity that leads people to learning new skills or discovering new talents. And the choice of activities on offer now numbers thirty four, from Boat trips and Barbeques to Theatre visits and the Tuesday Club.

All these activities take place against a background of cuts in Local Authority spending and we are only able to offer them through a combination of prudent financial management and fundraising. The income from our services has risen from £4.5 million last year to £4.6 million this year. We pay all our staff above the National Living Wage Rate and they are highly skilled, competent and well trained for the difficult work they do. Now that we have grown to a staff team of two hundred and nineteen we are able to offer training at a number of different levels and help those who wish to advance their careers and earn a higher wage. We have an exceptionally low turnover of staff which is a huge bonus to Kingwood and also to the people we support.

We have completed the second year of our ASpiration service designed to meet the needs of people with Asperger Syndrome or High Functioning Autism. It is for people aged sixteen and over who are not eligible for financial support and it is the first of its kind in Oxfordshire. We assisted one hundred and three people with Asperger Syndrome; offering skills workshops on topics such as benefits and budgeting and we run social groups including a cinema club, a café group and a pub group. So many young people with Asperger Syndrome are lonely and unable to cope.

We were delighted earlier last year when we had an inspection by the Government's Care Quality Commission and obtained a "Good" rating overall and "Outstanding" for responsiveness. Local papers reported this achievement and we were very pleased to have acknowledgement of the excellent work done by our staff. One newspaper quoted the report as saying "The service was responsive and innovative in finding ways to help people reach their full potential and live the life they wanted."

Leading the staff team is our Chief Executive, Kate Allen who was appointed just a year ago. The Board congratulates her on the way she has taken over the leadership of Kingwood, ably supported by Estelle Christmas, Director of Services and Michael Hatch, Director of Finance. We are confident that Kate will lead Kingwood forward as it continues to grow, ensuring the high standards to which we have always aspired.

I want to thank all the individuals and Trusts that have made donations to Kingwood this year and my fellow Trustees who give so generously of their time and expertise to ensuring that good decisions are made by the Board and the executive team is well supported.

Lady Hornby
8 July 2016.



With many thanks to the generous donors to Kingwood in 2015/16

The AMMCO Trust

The Baily Thomas Charitable Fund

The Band Trust

Basingstoke Rock Choir

The Big Lottery Reaching Communities Fund

BP McKeefry Ltd

Mrs Burry

Complete IT Ltd

Mr D. Fowler

Donors to Richard Williams' 100 mile bike ride

Donors to the Christmas Food Bank

Donors to the Reading Half Marathon run

D'Overbrook's Ltd

The Henley Mayor's Charity

The Leathersellers' Company

Mercers Solicitors

The Michael Shanley Foundation

Orchestra of St John's

Oxford Round Table

The PF Charitable Trust

The Pye Charitable Trust

The R S Brownless Charitable Trust

The Swire Charitable Trust

Thames Valley Rehabilitation Company

Thomas J Horne Memorial Trust

Mr W. Proger

Zurich Insurance



THE TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2016

The Board of Trustees present their report and financial statements for the year to 31 March 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Charitable status and structure

Charitable status was granted to The Kingwood Trust on 3 November 1994 and the Charity is now in its 22nd year providing high quality support to adults with autism.

The Charity is a private company limited by guarantee. Its governing documents are its Memorandum and Articles of Association.

The Board of Trustees sets the strategy for Kingwood and monitors all aspects of the Charity's activities. Responsibility for implementing the strategy and for all day-to-day operational issues is delegated to the Chief Executive who, in turn, is supported by a team of qualified and skilled managers and employees.

Sub committees of the Board of Trustees meet regularly throughout the year and make recommendations to the full Board which meets four times a year. The Board maintains regular contact with the Chief Executive. The Trustees consider themselves and the senior management team to be the key management personnel of the Charity in charge of directing and controlling, running and operating the trust on a day to day basis.

All Trustees give of their time voluntarily and no Trustee received remuneration in the year. Details of Trustee's reimbursed expenses are disclosed in note 7. The pay of senior staff is reviewed annually and Trustees benchmark pay levels against the market rates for comparable roles and the ability to retain key personnel.

Charitable objectives

Kingwood's charitable objectives, as set out in the Memorandum and Articles of Association, are to promote the welfare and relief of people with autism, learning and/or physical disabilities through the provision of care and support. In particular assistance with accommodation, independent living and skills development alongside access to leisure activities



Kingwood's vision

"The Kingwood vision is that young people and adults with autism spectrum disorder will lead self-directed, fulfilling lives and will be valued by and contribute to society."

Kingwood's mission

The Kingwood mission is:

"To pioneer best practice which acknowledges and promotes the potential of people with autistic spectrum disorder. To disseminate this practice and influence the national agenda."

Kingwood's aims

Kingwood specialises in providing supported living services for people with autism. Our core aim is to enable people with autism to work towards achieving the goals and outcomes they desire in life and to fulfil their potential. Our services are person centred and the people we support live in, and are part of, their community. They choose where they live and whether they live on their own or with others.

We also aim to research and pioneer best practice in the support of people with autism and to influence policy on their behalf. We work in partnership with other organisations from a variety of backgrounds to promote and ensure recognition of the needs of adults with autism.

Public benefit

The Trustees have referred to the guidance by the Charity Commission when establishing the strategic objectives and Business Plan. All our charitable activities are centred around meeting the needs of people with autism and the report will go on to inform how they have benefited from the services we have provided

Strategic objectives

An annual review of the organisation's strategic objectives was undertaken on 21st April 2015. Whilst the Trustees agreed that the 6 existing strategic objectives remained appropriate, a further objective was introduced to explore accommodation and property options for people with autism.

The revised strategic objectives for the period to 2018 were agreed to be as follows:

Objective 1

To develop further and embed our model of support, the Kingwood Approach, to all the people we support for whom it is appropriate.

Objective 2

To develop our portfolio of support for people with Asperger Syndrome/High Functioning Autism (HFA) using best practice as it emerges.

Objective 3

To continue to deliver a systematic approach to the provision of transition services for young people aged 18 - 25 to which we provide support both within the Kingwood College and in all other settings.

Objective 4

To develop a wider range of meaningful activities, including employment, through Kingwood activity centres, offering opportunities to all the people we support.

Objective 5

To manage and purchase property to meet the needs of people with autism, and to further the broader objectives of the organisation.

Objective 6

To contribute to the evidence base about support for people with autism and to policy.

Objective 7

To strengthen further our reputation and economic viability.

THE CHARITY'S ACTIVITIES AND ACHIEVEMENTS

The appointment of Kate Allen (previously Chief Operating Officer) to the role of Chief Executive in May 2015 equipped Kingwood to ensure the quality of support to people with autism was the Charity's highest priority focus throughout the year. The internal promotion coupled with some changes within the senior management team resulted in a new, refocused team who grasped at the opportunities to improve the lives of people Kingwood supports.



On 23rd and 24th November Kingwood was inspected under the Care Quality Commission's (CQC) new regulation approach. Following a rigorous inspection we were delighted with their assessment; particularly to be in the 1% of support providers awarded Outstanding for 'responsive'.

Overall rating for this service Good ●

Is the service safe? **Good** ●

Is the service effective? **Good** ●

Is the service caring? **Good** ●

Is the service responsive? **Outstanding** ★

Is the service well-led? **Good** ●

The success continued into December as Kingwood was accredited for a further year with three ISO Awards; Quality Management Systems, Health and Safety Manager and Environmental Awareness.

Kingwood continued a steady growth during 2015/2016 commencing support for 12 new people throughout the year through

structured support and reaching a further 200 through the ASPIration project.

Kingwood's achievements last year

The Trustees agreed a comprehensive Business Plan for 2015-2016 at the Board meeting, describing the actions that needed to be undertaken to ensure the organisation's strategic objectives, as detailed above, would be achieved by the end of the strategic period. Achievement against the key objectives is recorded below:

To develop further and embed our model of support, the Kingwood Approach, to all the people we support.

Kingwood consciously and deliberately does not support nor promote one approach of working with people with autism. In recognition that each person we support has a unique and varied history we commit to applying all the knowledge we can gather about an individual to develop a truly personalised approach.



In 2014 we identified a statement that captures perfectly the ethos we promote and we continued throughout 2015/2016 to apply support in accordance with it:

'We stand alongside people and support them to live the lives they want'.

Physical intervention is extremely rare and is a last resort in Kingwood's support approach however, in accordance with the government guidance 'Positive and Proactive Care: reducing the need for restrictive interventions' (Department of Health, 2014), steps were taken to strengthen the reporting and monitoring of incidents whereby physical intervention is used to ensure the safety and well-being of people being supported by Kingwood remains of paramount importance.

To develop our portfolio of support for people with Asperger Syndrome (AS) /High Functioning Autism (HFA) using best practice as it emerges.

The number of people Kingwood supports with Asperger Syndrome or High Functioning Autism continued to increase throughout 2015/16. Although the size of the contracts typically remain small, usually between 5 and 10 hours per week, this increases the significance of the support as often the support provided by Kingwood may be the main social contact the individual has each week.



Year two of the ASpiration project has achieved enormous success in the last year. The project's objectives are to provide assistance to people with Asperger Syndrome (over 16 years old) who are not assessed as eligible for support through the Fair Access to Care system (FACS). Over the year the project took 200 referrals for information and advice; 103 accessed short term one-to-one support and 37 took part in skills development workshops. The number of people accessing social groups increased by 583% to 355.

To develop a systematic approach to the delivery of transition services for young people aged 18 - 25 to which we provide support both within the Kingwood College and in all other settings.

Kingwood's primary transition service in Reading, Kingwood College, completed its third full year of supporting young adults to develop the necessary skills to prepare for

adulthood and independent living in the community.

The first student took the next giant step in her life moving from the College to her own home. With a comprehensive transition portfolio to accompany her, she successfully moved to a lovely new home within 5 miles of the College. This approach ensured her staff team were also able to transition with her and make the move seamless.

The vacancy was swiftly filled by a young man making his first move from school to College. Such a large transition is notoriously a period of high anxiety however once established in his new home and having got to know everyone, he settled in very well.

To develop a wider range of meaningful activities, including employment, through the Kingwood Activity Centre, offering opportunities to all the people we support.

Through the provision of donated funds from generous benefactors Kingwood has continued to provide regular social activities throughout the year. We organised 8 boat trips on the River Thames with The River Time Trust, 11 autism friendly ice skating events and 4 wonderful concerts with the Orchestra of St John's. These combined with larger functions at key times of the year i.e. Easter, Halloween and Christmas have enabled Kingwood to deliver important opportunities for social interaction with peers.

Kingwood supported a further 14 people with autism to complete ASDAN accredited courses throughout the year. In addition to regular programmes such as *Starting Out* and *Out in the Community* some people we support have progressed onto new courses including *Using Computer Technology*, *Coping with People* and *Engaging with the World Around Me*. Awards will be presented to people at the Kingwood Annual Celebration.

To manage and purchase property to meet the needs of people with autism, and to further the broader objectives of the organisation

Kingwood secured a £1 million loan in June 2015 to facilitate an expansion of the charities objectives to provide accommodation. A thorough review of the market identified a suitable property in the Woodley area of Reading. Having conducted suitable property inspections and reached the point within the conveyancing process of exchange of contracts, unfortunately the vendor removed the property from the market. However during that period new opportunities became available to work with two housing providers. These options are being explored further prior to reconsidering further property purchases.

To contribute to the evidence base about support for people with autism and to policy.

Alongside the provision of support to people with autism Kingwood maintains a Research and Development Programme. Funding for the programme. Donations, designated project support and an allocation from Kingwood supported a number of developments in 2015/16. The Big Lottery enabled a further year of skills development for adults with autism through support with ASDAN accreditation.

The 6th year of the collaboration with the Royal College of Art (RCA) and Helen Hamlyn Centre concluded during the last year with resources to help adults with autism into employment and a purpose designed tool to help employers (and their employees) develop understanding and empathy of people on the autistic spectrum.

To strengthen further our reputation and economic viability.

Kingwood places the highest regard on its staff, recognising the hard work they do every day. The positive experiences of people we support are dependent on our skilled, loyal and reliable staff team therefore we have consistently strived to exceed the minimum wage. Careful planning ensured that Kingwood could apply a 2.5% pay award to frontline staff and a 2% pay award to the Senior Team on 1st April 2015. Ongoing cuts in the social care sector resulted in a 2.5% reduction in the services funding for the same people as supported in the previous year. Despite this, efficiencies in planning and monitoring ensured that Kingwood delivered its core services with a £80k surplus that contributed to the development programme. Agency usage was an average of 8% for the financial year, below the Business Plan target of 12%. Sickness absence was 4.2% for the year with average absence days per person at 5.5 half that of the industry standard 11.

Kingwood conducted its first employee well-being survey in 2015 to assess stress levels of its workforce and review the effectiveness of support from the organisation and colleagues. Unsurprisingly analysis of the data presented that work can be intense and breaks are difficult to take however respect and support from the organisation rated high with 100% of employees saying they understand the Charity's objectives and what is expected of them. In response to feedback that more opportunities for career progression would be welcome planning is underway for a Career Development Programme in 2016.

The annual family and relatives survey was distributed in December 2015 and analysis of feedback saw a further improvement on Kingwood's performance with 97% ranking Kingwood in the good and outstanding range.

Factors influencing the achievement of our objectives

The key challenges for the year continued to be centred on ensuring the financial stability of the organisation when the sector is facing stringent cuts in social care; and the recruitment and provision of permanent staff to deliver the service to people we support. The organisation achieved its objectives through the commitment and hard work of all employees.



FUNDRAISING

Fund raising activity resulted in a total voluntary income of £98,500 which permitted the organisation to fund valuable project based activities beyond core services funded by our Commissioners. Some of the activities have already been mentioned however others include the provision of horticulture activity at a third party site and the development of video personal portraits for the people we support.

A very successful food bank collection was established in December 2015 as a measure to help people Kingwood supports on very low incomes have an enjoyable festive period.

Families and relatives who have seen the benefit of the services we provide may decide to make provision to leave money in their will. Kingwood created a legacy guide in 2015/16 to explain how these generous gifts can support the Charity's objectives.

Kingwood would like to thank all of its employees who volunteer, support and contribute to Kingwood's fundraising programme.

FUTURE PLANS AND KEY OBJECTIVES

The Trustees reviewed the organisations 3 year strategic plan on 28th April 2016 and agreed the existing objectives would enable the organisation to fulfil its mission statement and aims. The strategic objectives are detailed further on page 6.

The Charity will strengthen its brand and market position in 2016/17 in order to underpin its excellent reputation and position as an autism specialist support provider.

Kingwood will continue to provide opportunities for people with autism to have greater control in their lives and a voice to be heard. This will be achieved in part through the active co-production forum for people we support. The forum meets at least twice a year led by the Vice Chairman and provides opportunity for people with autism to influence how the Charity operates.

RESERVES POLICY

The Trustees have examined the Charity's requirements for reserves in light of the main risks to the organisation. At the April 2012 Board meeting the Trustees agreed that it would establish a policy whereby the cash and accessible committed bank finance should be at least £200,000. The Trustees designated a variable development fund dependent on donations received for the funding of projects that support the strategic objectives of the organisation.

The total funds held at the year end are £1,605,548 of which £44,900 relate to the designated development fund and £421,904 in respect of restricted funds.

RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

INVESTMENT POLICY

It is the policy of the Board to hold any available funds in the form of cash and cash equivalents.

COMPLAINTS POLICY

The organisation has a comprehensive complaints policy that was strengthened in 2014.

Furthermore Kingwood regularly engages with families, people we support and professionals to ensure stakeholders have the opportunity to provide feedback.

RISK REVIEW

The Risk & Care Practice Committee has conducted a comprehensive review of the major risks to which the Charity is exposed. A risk register has been established and is presented to the Board at least three times a year. Where appropriate, systems or procedures have been established to mitigate the risks the Charity faces.

Exposure to underfunded commissioning authorities and changes in government commissioning approach remain the biggest risks for the Charity. As local authority budgets are squeezed further Kingwood has explored ways to reduce expenditure, maximise efficiencies and continued to focus on agency usage as a measure to reduce costs. Whilst management capacity was acknowledged as a risk in 2015/16 this was addressed through an effective recruitment programme.

The risks have been taken into consideration during the preparation of the strategic plan. Procedures are in place to ensure compliance with health and safety of staff, people we support and visitors as

appropriate. These procedures are periodically reviewed to ensure that they continue to meet the needs of the Charity.

RECRUITMENT, APPOINTING and TRAINING OF TRUSTEES

Kingwood's Memorandum and Articles of Association allow for one third of the Trustees (or the number nearest to one third) to retire from office at each annual general meeting. Retiring members are eligible for re-election. Powers also exist to appoint any additional person either to fill a casual vacancy or as an addition to existing numbers. Such people are then eligible for re-election at the next annual general meeting. When recruiting new Board members, Trustees aim to undertake an open recruitment process based on a clear role specification. It may also approach individuals who may be able to make a particular contribution and invite them to be considered. The Trust applies its equal opportunities policy to the appointment of Trustees. The Chairman has prepared a comprehensive induction programme and Trustee manual.

During the last year the Trustee manual was reviewed to ensure it remains fit for purpose. Updated Charity Commission guidance is issued to Trustees as it becomes available.

FINANCIAL REVIEW

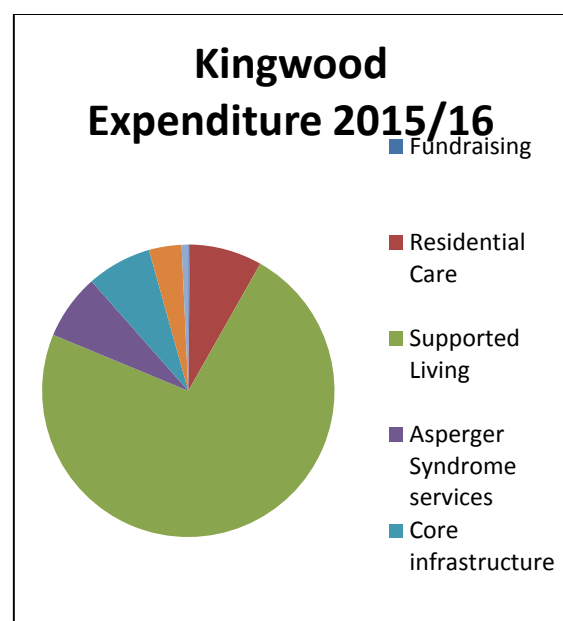
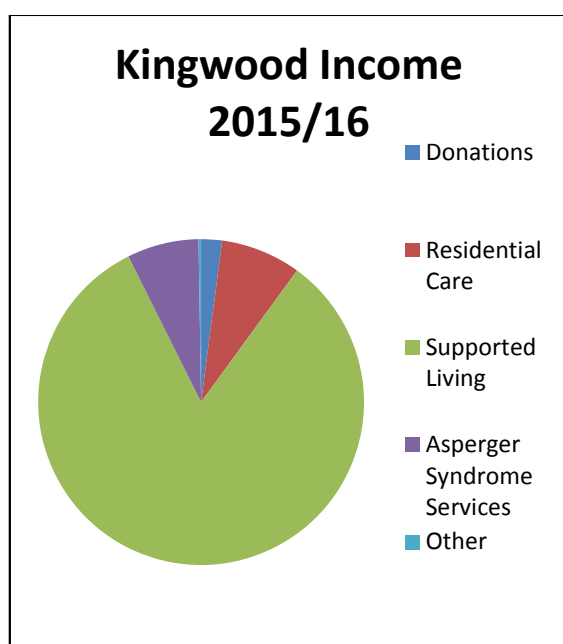
The accounts show an overall break-even position for the year as detailed on the statement of financial activities - page 19.

Core services produced a surplus of £80k which excludes income from non – restricted donations during the year of £37k. The surplus was contributed towards the development fund. A review of these services is made on page 9 of the report with further statistical data for income and expenditure is set out in the following pages 12 and 13.

KINGWOOD STATISTICS 2015/16

Income & Expenditure

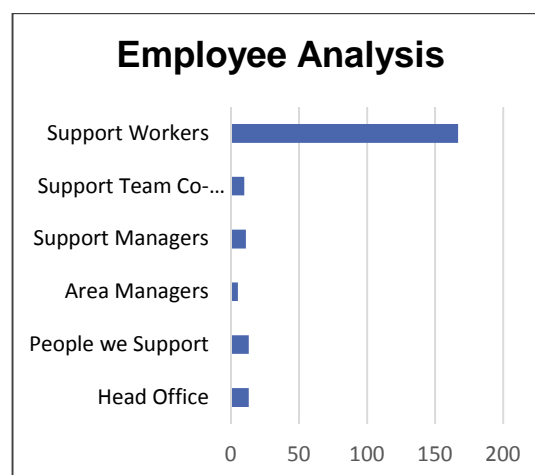
The full Kingwood income and expenditure accounts are presented within the following annual accounts however for ease an 'at a glance' breakdown has been provided of the Charity's income and expenditure.



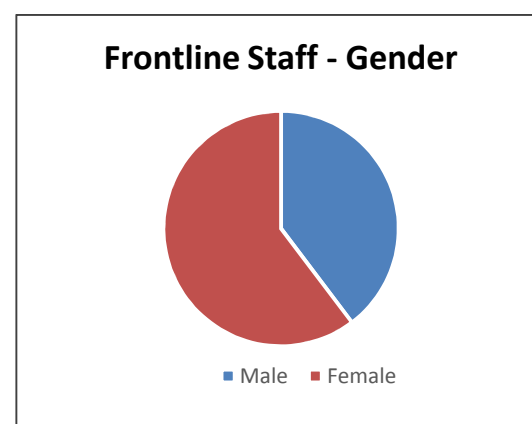
Kingwood Staff

As of 31st March 2016 Kingwood has 219 employees of whom 154 are permanent, 52 bank and 13 are people with autism. The average monthly number of employees in 2016 was 180.

A breakdown of the employees according to role is presented below.



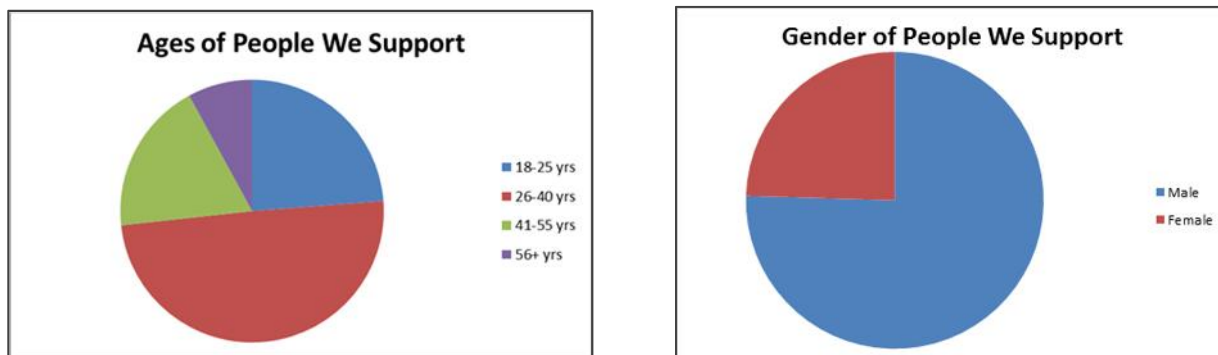
Our operational staff come with individual skills from variety of career backgrounds. Our workforce is diverse and multi-cultural; we employee staff with ages ranging from 18 to 69. The chart below shows the gender distribution of our staff.



People We Support

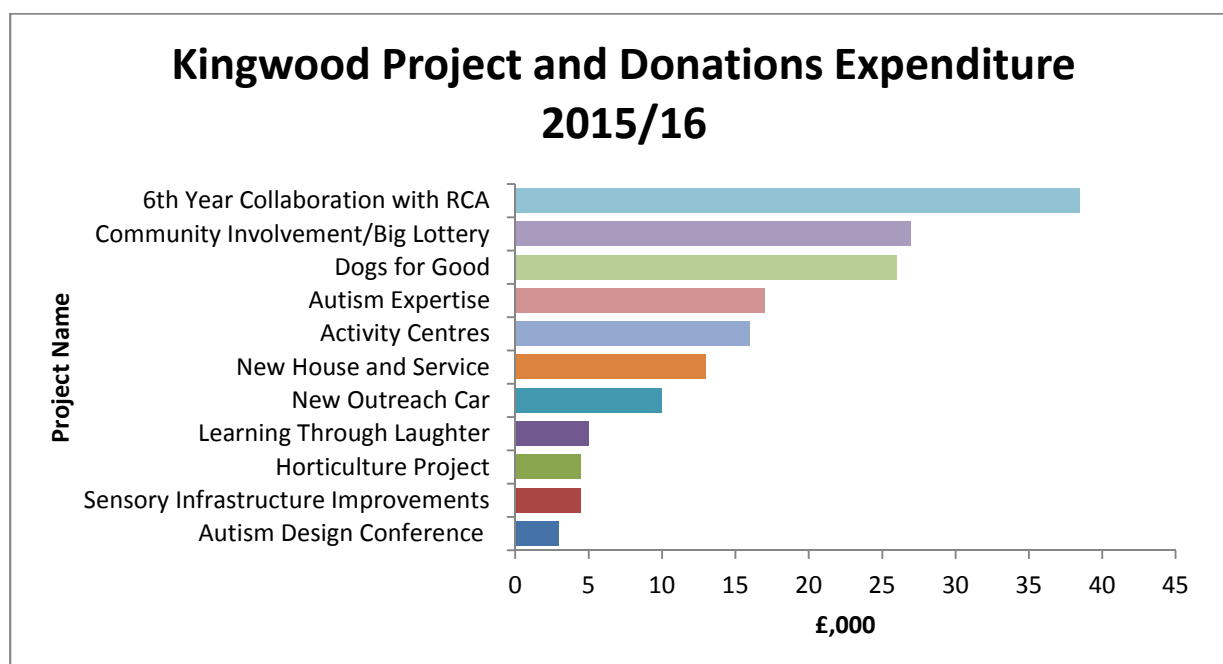
As of 31st March 2016 Kingwood supported 104 people with autism, not including the ASpiration service. Kingwood supports people across the Thames Valley, although predominantly within Oxfordshire.

The charts below present the range of age and gender of the people we support.



Research and Development

The chart below presents the allocation according to spend of projects undertaken in 2015/16.



BOARD OF TRUSTEES AND THEIR INTERESTS

Trustees who have served during the year are:

Lady Hornby (Chairman) Former Chairman of Gloucestershire Royal NHS Trust; as Sonia Beesley, BBC journalist and broadcaster, honorary degree, University of Birmingham, for public service.

Mr Gerry Bacon (Treasurer) A Chartered Accountant formerly CFO of Essar Energy Plc and formerly Group Treasurer of Vodafone Group Plc. Gerry is a past President of the Association of Corporate Treasurers and a past Associate Fellow at Oxford Said Business School.

Dr Robert Hubbard OBE An Education Consultant and formerly Chief Executive/Principal of Prior's Court Foundation.

Mr Rob Jonckheer Corporate and commercial solicitor with Everyman Legal and in-house legal adviser to The UK Atomic Energy Authority; formerly a partner in Thames Valley solicitors, Manches.

Mrs Sandra Meadows (Vice Chairman) Director of Saxonbury Limited specialising in top level recruitment and assessment of top team capabilities.

Mr Chris White An experienced specialist in the FMCG sector, founder and chairman of Fiddes Payne.

Patrons

Founder Patron - Dame Stephanie Shirley
 Ms Virginia Bovell OBE
 Sir Hugo Brunner KCVO JP
 Rt Rev'd Hon Richard Chartres MA
 Baroness Howe of Idlicote
 Professor Anthony Bailey
 Mr Nick Hornby
 Ms Sue McGregor
 Mr John Lubbock
 Mr Jeremy Irons
 Ms Sophie Mirman
 Lord Puttnam of Queensgate CBE
 Professor Heinz Wolff

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors' of The Kingwood Trust for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Financial Statements

The financial statements comply with the Charities Act 2011, The Companies Act 2006, The memorandum and Articles of Association, and 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 (FRS102) (effective 1 January 2015).

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the company's auditor is unaware, and
- each Trustee has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Edwin Smith, are deemed reappointed under section 487(2) of the Companies Act 2006

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (FRS102) and in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the Board of Trustees

Lady Hornby

Chairman

8 July 2016

INDEPENDENT AUDITORS REPORT

AS AT 31 MARCH 2016

We have audited the financial statements of The Kingwood Trust for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes set out on pages 19 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. 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.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of The Kingwood Trust for the purposes of company law, are responsible for the preparation of financial statements and for being satisfied they give a true and fair view.

The trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Charity's circumstances, and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

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 2016, and of its incoming resources and application of resources, including its income and expenditure account, 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.

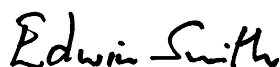
INDEPENDENT AUDITORS REPORT (CONTINUED)

AS AT 31 MARCH 2016

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements;
- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Edwin Smith

Chartered Accountants
Statutory Auditor

32 Queens Road
Reading
RG1 4AU

20 July 2016

Edwin Smith is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR TO 31 MARCH 2016

		Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds 2016	Total Funds 2015
	Note	£	£	£	£	£
<u>Income:</u>						
Donations	2	36,939	-	61,563	98,502	89,744
Investment Income	3	526	-	-	526	476
		37,465		61,563	99,028	90,220
Income from charitable activities	4	4,634,914	-	-	4,634,914	4,471,684
Other income	5	10,631	-	-	10,631	5,864
Total income		4,683,010	-	61,563	4,744,573	4,567,768
<u>Expenditure:</u>						
6						
Costs of raising funds						
Donations		-	7,887	-	7,887	12,956
Charitable activities						
Domiciliary, residential care and welfare costs		4,191,758	-	-	4,191,758	3,991,650
Support costs and charitable projects		339,471	112,751	59,169	511,391	498,616
Governance costs		34,459	-	-	34,459	33,545
Total expenditure		4,565,688	(120,638)	59,169	4,745,495	4,536,767
Net income/(expenditure) resources before transfers		117,322	(120,638)	2,394	(922)	31,001
Transfers between funds	16	(120,000)	120,000	-	-	-
Net income/(expenditure) for the year/Net movement in funds		(2,678)	(638)	2,394	(922)	31,001
Fund balances at 1 April 2015		1,141,424	45,538	419,508	1,606,470	1,575,469
Fund balances at 31 March 2016		1,138,746	44,900	421,902	1,605,548	1,606,470

The statement of financial activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognized in the year. All income and expenditure derive from continuing activities..

BALANCE SHEET

AS AT 31 MARCH 2016

		2016		2015	
	Note	£	£	£	£
Fixed assets					
Tangible assets	9		1,486,060		1,534,785
Current assets					
Debtors	10	146,407		181,256	
Cash at bank and in hand		509,836		225,964	
		<u>656,243</u>		<u>407,220</u>	
Creditors: Amounts falling due within one year	11	(536,755)		(335,535)	
Net current assets/(liabilities)			119,488		71,685
Total assets less current liabilities			<u>1,605,548</u>		<u>1,606,470</u>
Income funds of the charity					
Restricted funds	15		421,902		419,508
Unrestricted funds:					
Designated funds	16		44,900		45,538
Other charitable funds			1,138,746		1,141,424
			<u>1,605,548</u>		<u>1,606,470</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2016, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476 requiring an audit of these accounts under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

The accounts were approved by the Board on 8 July 2016

Mr Gerry Bacon (Treasurer)

Trustee

Company Registration No. 02980543

STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2016

	2016	2015
	£	£
Cash flows from operating activities:		
Net cash provided by operating activities	61,246	133,429
Cash flows from investing activities:		
Interest from investments	526	476
Proceeds from the sale of tangible fixed assets	17,208	-
Purchase of tangible fixed assets	(45,108)	(73,431)
Net cash provided by investing activities	(27,374)	(72,955)
Cash flows from financing activities:		
Cash inflows from new borrowing	250,000	-
Cash used in financing activities	250,000	-
Change in cash and cash equivalents in the year	283,872	60,474
Cash and equivalents at the beginning of the year	225,964	165,490
Cash and cash equivalents at the end of the year	509,836	225,964
Proceeds from the sale of tangible fixed assets relate to assets acquired last year which were returned in this year to supplier for a similar value.		
Reconciliation of net income/(expenditure) to cash flow from operating activities		
	2016	2015
	£	£
Net income/expenditure for the year (as per the statement of financial activities)	(922)	31,001
Adjustments for:		
Depreciation charges	76,625	61,167
Interest and from investments	(526)	(476)
Loss on the sale of fixed assets		5,034
(Increase) / decrease in debtors	34,849	73,256
(Increase) / decrease in creditors	(48,780)	(36,553)
Net cash provided from operating activities	61,246	133,429
Analysis of cash and equivalents		
	2016	2015
	£	£
Cash in hand	509,836	225,964
Total	509,836	225,964

NOTES TO THE FINANCIAL STATEMENTS**AS AT 31 MARCH 2016****1. ACCOUNTING POLICIES**Basis of preparation

The financial statements have been prepared in accordance with Accounting and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and republic of Ireland (FRS 102) and the Companies Act 2006.

The Kingwood Trust 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 note(s).

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No restatement of comparative items was considered necessary in making the transition to FRS 102.

Preparation of the accounts on a going concern basis

There are no material uncertainties about the charity's ability to continue as a going concern.

Fund Accounting

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the Trustees.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from donations or grants is recognised when there is evidence that there is entitlement to the gift, receipt is probable and its amount can be measured reliably. Gifts in kind are taken into account on a prudent assessment of their fair value.

All other income (including income received under deeds of covenant) is recognised on a receivable basis. All income is related to the continuing activities of the charity.

Deferred income comprises domiciliary, residential care and welfare income which relates to future accounting periods.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**AS AT 31 MARCH 2016****1. ACCOUNTING POLICIES (CONTINUED)**Expenditure

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Expenses are allocated to activities in the Statement of Financial Activities where the expenses relate directly to those activities. Support costs constitute the costs of supporting the other activities of the company and include the staff costs of the central administrative staff.

Governance costs are the costs incurred in maintaining the company as a separate legal entity. This includes the cost of servicing trustee's meetings.

Tangible Fixed assets

Tangible fixed assets other than freehold land are stated at costs less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land is not depreciated

Freehold buildings	50 years straight line
Freehold improvements	10 years straight line
Leasehold improvements	over period of the lease
Equipment and motor vehicles	3 years straight line

Tangible fixed assets costing in excess of £300 are capitalised.

The carrying values of tangible fixed assets are reviewed for impairment periodically if events or changes in circumstances indicate the carrying values may not be recoverable.

Leasing and hire purchase commitments

Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Debtors

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

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments held on deposit accounts.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 MARCH 2016

1. ACCOUNTING POLICIES (CONTINUED)

Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

The Kingwood Trust operates a group personal pension scheme. All contributions are charged to the Statement of Financial Activities as incurred.

2. DONATIONS

	Designated funds	Restricted funds	Total 2016	Total 2015
	£	£	£	£
Donations and gifts	36,939	61,563	98,502	89,744

3. INVESTMENT INCOME

	2016	2015
	£	£
Interest receivable	526	476

4. INCOME FROM CHARITABLE ACTIVITIES

	2016	2015
	£	£
Domiciliary, residential care and welfare	4,634,914	4,471,684

5. OTHER INCOME

	2016	2015
	£	£
Other income	10,631	5,864

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 MARCH 2016

6. EXPENDITURE

	Staff costs	Depreciation and impairment	Other costs	Total 2016	Total 2015
	£	£	£	£	£
<u>Costs of raising funds</u>					
Costs of generating donations and legacies	6,564	-	1,323	7,887	12,956
<u>Charitable activities</u>					
Domiciliary, residential care and welfare costs					
Activities undertaken directly	3,785,320	76,629	329,809	4,191,758	3,991,650
Support costs and charitable projects					
Costs of supporting the direct activities and projects	212,390	-	299,001	511,391	498,616
Governance costs	19,652	-	14,807	34,459	33,545
	4,017,362	76,629	643,617	4,737,608	4,523,811
	4,023,926	76,629	644,940	4,745,495	4,536,767

Governance costs includes payments to the auditors of £6,600 (2015: £6,600) for audit fees together with £1,404 (2015: £nil) for accountancy services, and £6,803 (2015: £6,277) for meeting expenses between Trustees, staff, parents and families of those supported.

Included within domiciliary, residential care and welfare costs last year is a surplus of £350 on disposal of motor vehicle.

Included within support costs and charitable projects is expenditure on designated fund projects of £112,751 (2015: £116,506), expenditure on restricted fund projects of £59,169 (2015: £75,217) and rental of premises, including associated premises costs, of £87,992 (2015: £78,483).

7. TRUSTEES AND RELATED PARTY TRANSACTIONS

During the year, one of the trustees was reimbursed a total of £1,638 travelling expenses (2015: £1,916).

There were no other payments were made to trustees during the year or related party transactions. Last year one of the trustees received £3,252 in respect of consultancy services.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 MARCH 2016

8. EMPLOYEES**Number of employees**

The average monthly number of employees during the year was:

	2016	2015
	Number	Number
Domiciliary, residential care and welfare	166	151
Administrative staff	14	14
	<u>180</u>	<u>165</u>

Employment Costs

	2016	2015
	£	£
Wages and salaries	3,731,620	3,527,632
Social security costs	268,718	257,176
Other pension costs	33,588	28,909
	<u>4,033,926</u>	<u>3,813,717</u>

Wages and salaries includes agency costs of £364,124 (2015: £357,467).

The number of employees whose annual emoluments were £60,000 or more were:

	2016	2015
	Number	Number
£60,000 - £70,000	-	1
£90,001 - £100,000	1	-
£110,001 - £120,000	-	1

The trustees were not paid and did not receive any benefits from employment with the charity in the year (2015: £nil). Reimbursed expenses paid to trustees are detailed in note 7.

The key management personnel of the charity comprise the trustees, the Chief Executive Officer, Director of Services and Head of Finance Director. The total employee benefits of the key management personnel of the Trust were £197,745 (2015: £199,187).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 MARCH 2016

9. TANGIBLE FIXED ASSETS

	Freehold property	Freehold improvements	Leasehold improvements	Equipment and motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2015	1,972,808	34,507	51,853	223,843	2,283,011
Additions	-	3,151	3,476	38,481	45,108
Disposals	-	-	-	(47,881)	(47,881)
At 31 March 2016	1,972,808	37,658	55,329	214,443	2,280,238
Depreciation					
At 1 April 2015	535,117	34,507	43,436	135,166	748,226
On disposals	-	-	-	(30,673)	(30,673)
Charge for the year	24,900	429	1,455	49,841	76,625
Impairment	-	-	-	-	-
At 31 March 2016	560,017	34,936	44,891	154,334	794,178
Net book value					
At 31 March 2016	1,412,791	2,722	10,438	60,109	1,486,060
At 31 March 2015	1,437,691	-	8,417	88,677	1,534,785

In 2013 an impairment review was carried out on the Property 45, Cressingham Road valued at £1,300,000 and an impairment loss was incurred of £392,401 which is included in accumulated freehold property depreciation.

10. DEBTORS

	2016	2015
	£	£
Trade debtors	41,990	91,362
Other debtors	-	-
Prepayments and accrued income	104,417	89,894
	<u>146,407</u>	<u>181,256</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 MARCH 2016

11. CREDITORS

Amounts falling due within one year

	2016	2015
	£	£
Bank loan	250,000	-
Trade creditors	75,002	135,088
Taxes and social security costs	75,887	70,690
Other creditors	9,087	7,960
Accruals	46,226	64,062
Deferred income	80,553	57,735
	<u>536,755</u>	<u>335,535</u>

12. FINANCIAL INSTRUMENTS

During the year the trust was provided with a loan facility totalling £1,000,000 by the Charity Bank due to expire on 31st March 2020, which was secured by way of a legal charge over the freehold property White Barn.

During the year an amount of £250,000 was drawn down on the loan facility but the amount was repaid in full after the year end.

13. PENSION COSTS

Defined Contribution

	2016	2015
	£	£
Contributions payable for the year	<u>33,588</u>	<u>28,909</u>

14. SHARE CAPITAL

The Kingwood Trust, a registered charity, is a company limited by guarantee, not having any share capital. In the event of a winding up, each member may be required to contribute an amount not exceeding £1 towards the settlement of the company's liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 MARCH 2016

15. RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 April 2015	Income	Expenditure	Balance at 31 March 2016
	£	£	£	£
Property fund	131,220	-	1,600	129,620
Kingwood college	274,808	5,406	13,911	266,303
Big Lottery – Life Skills	7,617	30,157	35,107	2,667
Touch screen project	3,363	1,000	3,984	379
Outreach car	2,500	10,000	4,567	7,933
Activities Programme	-	15,000	-	15,000
	419,508	61,563	59,169	421,902

Property fund

The balance on the fund represents property occupied by people supported by The Kingwood Trust.

Kingwood College

Kingwood College is now providing life skills training and educational programmes to a small group of people aged between 18-25.

Donations were made of £5,406 in respect of college furniture and equipment. These are in addition to donations received in previous years to fund the building of Kingwood College. Resources expended include the depreciation on capital additions to the College and the balance will be reduced as these capital additions are depreciated.

Big Lottery – Life Skills

Last year a grant was awarded to fund a project to help develop Life Skills for Adults with Autism with the aim to help overcome barriers in basic skills preventing many adults with autism engaging in employment and their community. This programme will devise and disseminate new methods of life-skills training.

Touch screen project

Programme to use touch screen technology to enable a new method of support for adults with autism to be introduced. Expenditure represents the depreciation on equipment so far acquired for this programme and associated costs of project. Balance carried forward relates to depreciation to be charged next year.

Outreach Car

Donations were made to fund the acquisition of a new car to be used for outreach purposes. Expenditure relates to the depreciation on car acquired in year and balance carried forward relates to depreciation to be charged over next two years.

Activities Programme

Projects to enable beneficiaries to access activities within the community.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 MARCH 2016

16. DESIGNATED FUNDS

	Movement in funds				Balance at 31 March 2016
	Balance at 1 April 2015	Incoming resources	Resources expended	Transfer between funds	
	£	£	£	£	£
Development fund	45,538	-	120,638	120,000	44,900
	45,538	-	120,638	120,000	44,900

Development fund

Funds set aside by the Trustees for projects including strengthening autism experience and assessing activities in the community. Funds of £120,000 have been set aside by the Trustees for the projects.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2016 are represented by:	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Tangible fixed assets	1,079,158	-	406,902	1,486,060
Current assets	596,343	44,900	15,000	656,243
Creditors: amounts falling due within one year	(536,755)			(536,755)
	1,138,746	44,900	421,902	1,605,548

18. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2016 the company had a total of future minimum lease payments under non – cancellable operating leases for each of the following periods:

	Land and buildings	
	2016	2015
	£	£
Expiry date:		
Not later than one year	11,200	7,000
Later than one year and not later than five years	83,360	133,376
	94,560	140,376