

**SOCIAL CARE IN ACTION**

**CONSOLIDATED**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2016**

**A COMPANY LIMITED BY GUARANTEE**

**COMPANY REGISTRATION NUMBER: 04526806**

**REGISTERED CHARITY NUMBER: 1096903**

**SOCIAL CARE IN ACTION**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2016**

<b>CONTENTS</b>	<b>Pages</b>
Report of the Trustees Incorporating the Strategic Review	1 - 11
Independent Auditor's Report	12 - 13
Consolidated Statement of Financial Activities	14 - 15
Consolidated Balance Sheet	16 - 17
Consolidated Statement of Cash Flows	18
Notes to the Financial Statements	19 - 43
 <b>For Management Purposes Only</b>	
Detailed Management Accounts	44

**SOCIAL CARE IN ACTION**

**REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED**  
**31 MARCH 2016**

The trustees present their annual report and audited consolidated Financial Statements of the charitable company and its subsidiaries for the year ended 31 March 2016, which are also prepared to meet the requirements for a Directors' Report and Financial Statements for Companies Act purposes.

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 Financial Statement in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

**REFERENCE AND ADMINISTRATIVE INFORMATION**

<b>Charity Name</b>	<b>Registered Office</b>
Social Care in Action	Amplevine House
	Dukes Road
<b>Charity Registration Number</b>	Southampton
1096903	SO14 0ST
<b>Company Registration Number</b>	
04526806	

**DIRECTORS AND TRUSTEES**

The directors of the charitable company, for the purposes of company law, are also its trustees for the purpose of charity law. The trustees who served during the year were as follows:

L Judd	Chair		
R Hallett	Treasurer		
G Dibben	Secretary		
A Brooker		Resigned	Jun 2016
E Hickman		Appointed	May 2015
W Hughes			
D Lodge			
M W J Morgan		Resigned	Jul 2016
M Patel			
M Robson		Resigned	Jul 2015
M Venables		Appointed	Feb 2016

The following were appointed directors after the year end:

C Beech	Appointed	May 2016
D Chamberlain	Appointed	May 2016

**SOCIAL CARE IN ACTION**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED**  
**31 MARCH 2016**

**SECRETARY**

G Dibben

**SENIOR MANAGEMENT TEAM**

R Marriott	Chief Executive
L Coleman	Acting Group Finance Director
K McCarthy	Group Human Resources Manager
F Price	S C A Fenwick 2 Limited's Centre Director; and Social Care in Action's Operations Director
W Bolt	S C A Fenwick 2 Limited's Centre Manager
M Wrycraft	S C A Transport Services' Managing Director
J Havill	S C A Transport Services' Operations Manager
J Powell	S C A Trafalgar Dental Services' Clinical Director
B Pearce	S C A Trafalgar Dental Services' Operations Manager
S Ball	S C A Trafalgar Dental Services' Clinical Governance Manager
S Ecclestone	S C A Care's Operations Director
J Burton	S C A Care's Daycare Manager

**OUR ADVISORS**

**Auditor**

Abraham and Dobell  
230 Shirley Road  
Southampton

**Banker**

The Royal Bank of Scotland  
156 High Street  
Southampton

**SOCIAL CARE IN ACTION**  
**REPORT OF THE TRUSTEES**  
**(CONTINUED)**  
**FOR THE YEAR ENDED**  
**31 MARCH 2016**

**STRATEGIC REVIEW**

The charitable company presents its Report and Strategic Review.

**AIMS AND OBJECTIVES**

The charitable company's aims and objectives are:

- the advancement of health and the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage for the public benefit in particular, but not limited to the practice and provision of health, education, care or community services; and
- to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

**Public Benefit Statement**

Our main activities and who we try to benefit are described above.

Our charitable activities focus on care in the community, transport, dentistry, training and operating a wellbeing centre.

All of our activities are undertaken to further our charitable purposes for the public benefit.

**ACHIEVEMENTS AND PERFORMANCE**

**Social Care in Action (Group)**

These Financial Statements reflect the financial activity of Social Care in Action as a group and individually, whose activities are primarily training, employment enabling, advocacy and consultancy work. These consolidated Financial Statements for the S C A Group reflect the combined income and expenditure of the businesses, its activities and impacts. The S C A Group achieved a surplus of £164,654 in the year to 31 March 2016 (2015 - £107,753).

The Financial Statements for each of the Registered Societies sets out the achievements and performance for the year ended 31 March 2016. Together this adds up for another successful year for the S C A Group despite the challenges such as constraints on public sector funding for care services and increasing number of people with complex needs. The commitment and expertise of the staff in the organisation has ensured that frontline services have continued to be delivered to a high standard.

**SOCIAL CARE IN ACTION**  
**REPORT OF THE TRUSTEES**  
**(CONTINUED)**  
**FOR THE YEAR ENDED**  
**31 MARCH 2016**

**FINANCIAL REVIEW**

**Social Care in Action (Group)**

The group incurred a reduction in turnover in the year ended 31 March 2016 with incoming resources of £7,897,631 compared to £9,068,494 in the previous year. Resources expended also fell to £7,732,962, compared to £8,960,741 in the previous year. The group, however, achieved a surplus of £164,654 in the year to 31 March 2016 (2015 - £107,753).

The group now has a total reserve of £1,139,401 at 31 March 2016 compared to £974,748 at 31 March 2015.

The trustees are pleased with the surplus achieved for the year and the financial stability of the group.

**Social Care in Action (Parent Company)**

The charitable company's incoming resources decreased in the year to 31 March 2015 to £938,695, compared with £1,018,285 in the previous year.

Resources expended also decreased to £839,528 compared to £1,008,969 in the previous year.

This resulted in the charitable company achieving a surplus of £99,167, compared with £9,316 in the previous year.

The trustees are pleased with the surplus achieved for the year and the financial stability of the charitable company.

The individual societies' results can be summarised as follows:

**S C A Care**

The society, S C A Care, incurred a deficit of £(16,457) in the year to 31 March 2016 (2015 - surplus of £76,179).

**S C A Fenwick 2 Limited**

The society, S C A Fenwick 2 Limited, achieved a surplus of £2,766 in the year to 31 March 2016 (2015 - £686).

**S C A Trafalgar Dental Services**

The society, S C A Trafalgar Dental Services, achieved a surplus of £76,343 in the year to 31 March 2016 (2015 - £19,754).

**S C A Transport Services**

The society, S C A Transport Services, achieved a surplus of £2,835 in the year to 31 March 2016 (2015 - £1,818).

**SOCIAL CARE IN ACTION**  
**REPORT OF THE TRUSTEES**  
**(CONTINUED)**  
**FOR THE YEAR ENDED**  
**31 MARCH 2016**

**FINANCIAL REVIEW (CONTINUED)**

**Principal Funding Sources**

The principal funding sources for the individual charitable company are currently by way of training, employment enabling, advocacy and consultancy work.

**Investment Powers and Policy**

The trustees do not consider it prudent, at this stage, to invest income for the longer term. The policy for investment is, therefore, to retain funds as cash and place them on bank deposit at the best rate obtainable.

**Reserves Policy and Going Concern**

It is the policy of the charitable company to aim towards maintaining unrestricted funds, which are the free reserves of the charitable company, at a level where unrestricted funds will be sufficient to meet its outgoing expenses.

The trustees are considering ways in which additional unrestricted funds could be raised. The level of reserves is part of the charitable company's business planning, budgeting and forecasting process. It takes into account:

- risks associated with each stream of income and expenditure being different from that budgeted;
- planned activity levels; and
- organisational commitments.

The trustees are of the view that the charitable company and group are a going concern.

**PLANS FOR FUTURE PERIODS**

The S C A Group has a five year strategy developed this year which incorporates growth, organisational change to ensure we have the right fit for the future, financial sustainability and quality data which shows our performance including impact and outcomes for those we work with.

**SOCIAL CARE IN ACTION****REPORT OF THE TRUSTEES  
(CONTINUED)****FOR THE YEAR ENDED  
31 MARCH 2016****PLANS FOR FUTURE PERIODS (CONTINUED)**

Our focus for 2016 has been:

- To support and train staff as our key asset. Recruiting staff has been a key issue over the year. It is challenging in a number of areas; care, transport and dentistry. We have therefore refined our processes to develop a strategy which will ensure we go to the geographical communities we need to target, and identify the kind of places where staff are that we need to recruit, i.e. church building, community centres, football grounds, etc. Where we can we are offering care posts with a minimum of 30 hours. We have found that across the businesses, staff want the choice of a zero hours contract, as for many it offers flexibility which they prefer.
- Grow self-funded packages, direct payments and personal health budgets. Although the latter two are growing slowly we are seeing an increase in the demand for private packages.
- Develop new partnerships with a range of local and national providers where we can collectively add value. We started a new piece of work in Portsmouth in partnership with Mind, supporting older people with dementia. This has enabled us to increase our outreach of Cognitive Stimulation Therapy across the region.

Our intention over the next four years is to significantly build upon our track record and reputation and diversify across Southern England in a planned and incremental way.

The year to 31 March 2016 has been a challenging year but we have seen increased advocacy, and the best year to date for dentistry. Although the economic climate is still challenging (and may prove more so with Brexit) we will work positively and proactively with commissioners and customers to continue to provide high quality services in a cost effective manner. We will continue to pursue opportunities to work in partnership with other organisations involved in the provision of health and social care.

In May 2016 the S C A Group completed a merger with Options Wellbeing Trust, a charitable company. Options Wellbeing Trust specialises in counselling services for individuals with gambling and other addictions across Hampshire. This merger will allow the S C A Group to expand its offerings and services and provide a very good fit for both organisations.

We are aware that in order to deliver the current service which the S C A Group provides, and to develop new services in response to the needs of its customers, that it is important to ensure that financial stability is maintained and that resources are available to implement new and improved services. The financial performance achieved in the year places the S C A Group in a good position to grow over the next three year planning period. Internally we have reviewed and revised our financial procedures, which has significantly improved our cash flow following the collection of long outstanding funds from Local Authorities. This is a continuing challenge and one we will continue to pursue with Local Authorities.



**SOCIAL CARE IN ACTION**  
**REPORT OF THE TRUSTEES**  
**(CONTINUED)**  
**FOR THE YEAR ENDED**  
**31 MARCH 2016**

**PLANS FOR FUTURE PERIODS (CONTINUED)**

The S C A Group has introduced the Duty of Candour and all Trustees have shared their information willingly to ensure that the S C A Group is in line with the required Governance and organisational arrangements to remain an efficient and effective organisation delivering good value for money.

The S C A Group will always put the needs of its customers at the heart of everything it does.

Each of the Societies and the charitable company which make up the S C A Group has Business Plans which are in line with the overall strategic plan. Directors refresh these annually to ensure that they reflect the changing climate and take account of new opportunities. Each Director has annual targets which are reviewed as part of their appraisal and realigned for the following year.

Key features include:

**S C A Care**

- Focussing on sustainable packages whether self-funded or through Local Authority delivery.
- Re-tendering for business (Domiciliary and Day Care) in the Southampton and Hampshire areas.
- Increasing the number of private care packages which offer and tailor to the specific needs of our customers, consistent with our overall strategic aims within Care.
- Incorporating the requirements of new guidance and legislation e.g. Care Act 2016.
- Further development of our training offer in respect of the Care Certificate to support our in house services and other provider organisations, to generate income and provide high quality training.

**S C A Transport Services**

- Identifying and responding to tender opportunities through transport frameworks and other sources as they arise.
- Developing and delivering bespoke innovative transport services to respond to changing customer needs.
- Providing services to support other S C A Group services e.g. Day Care, private packages of care. This is a key area of development so that the S C A Group can maximise its' unique selling point; the ability to offer a holistic package with multiple areas of delivery to support independent living.

**SOCIAL CARE IN ACTION**

**REPORT OF THE TRUSTEES  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 MARCH 2016**

**PLANS FOR FUTURE PERIODS (CONTINUED)**

**S C A Trafalgar Dental Services**

- Maintaining the delivery of high quality services under the current contracts with NHS England.
- Seeking opportunities for growth and development in areas of high dental needs.
- Engaging with local communities to inform priorities and the development of innovative services.
- Developing Oral Health initiatives across the region as and when opportunities arise.

**S C A Fenwick 2 Limited**

- Increasing the exercise offer at the Fenwick 2 Centre e.g. expanding the number and variety of classes.
- Expanding Day Care and Health and Wellbeing services to local people e.g. the elderly, people with Parkinson's disease, people suffering from memory loss and carers.
- Engaging with the local community through a number of mechanisms e.g. social media, e-newsletter etc.

The S C A Group is a flexible organisation whose staff possess a wide range of skills and experience, with commitment to our values and the charitable aims and objectives. We are well placed and able to respond to new opportunities as they arise, and to contribute to the development and delivery of new services.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The company is a charitable company limited by guarantee, incorporated on 5 September 2002 and registered as a charity on 8 April 2003. The charitable company was established under a Memorandum of Association which established the objectives and powers of the charitable company and is governed under its Articles of Association.

In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £1.

**Recruitment and Appointment of Trustees**

The directors of the company are also charity trustees for the purposes of charity law and, under the charitable company's Articles, are known as members of the Board. The directors are reappointed in accordance with the Memorandum and Articles of Association.

**SOCIAL CARE IN ACTION****REPORT OF THE TRUSTEES  
(CONTINUED)****FOR THE YEAR ENDED  
31 MARCH 2016****STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)****Trustee Induction and Training**

A programme is employed for the induction of new trustees. This includes visiting the offices, meeting staff and observing how the charitable company operates. It also encompasses a full induction in the charitable company's policies and procedures and involves examining the business plan.

Updates on the responsibilities of the trustees are provided as appropriate to developments in statute and best practice.

**Organisational Structure**

Social Care in Action has a Board which meets at least four times a year and which is responsible for the strategic direction and policy of the charitable company.

At present the Board comes from a variety of professional backgrounds relevant to the work of the charitable company.

Day to day operations and responsibilities are delegated to the Senior Management Team, who are responsible for ensuring the charitable company delivers the services specified, meets key performance targets and stays within the agreed budgets.

**Risk Management**

The trustees have conducted a review of the major risks to which the charitable company is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charitable company faces. Significant external risks have led to the development of a strategic plan. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

**Related Parties**

Social Care in Action is a member of the S C A Group. The other members of the group, who are all Registered Societies under the Co-operative and Community Benefit Societies Act 2014, are S C A Care, S C A Transport Services, S C A Trafalgar Dental Services and S C A Fenwick 2 Limited.

The charitable company and registered societies are all operated and managed on a unified basis with Social Care in Action acting as the parent body.

**Key Management and Personnel Remuneration**

The directors consider the board of directors, who are the charitable company's trustees and the senior management team, comprise the key management personnel of the charitable company in charge of directing and controlling, running and operating the charitable company on a day to day basis. All directors give their time freely as trustees in the year.

The trustees review the remuneration of senior staff periodically on the basis of the performance of the individual concerned and the charitable company and group as a whole.

**SOCIAL CARE IN ACTION****REPORT OF THE TRUSTEES  
(CONTINUED)****FOR THE YEAR ENDED  
31 MARCH 2016****RESPONSIBILITIES OF TRUSTEES**

The trustees (who are also directors of Social Care in Action for the purposes of company law) are responsible for preparing the annual Report of the Trustees 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. 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these Financial Statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- 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 proper accounting records that disclose with reasonable accuracy, at any time, the financial position of the charitable company and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 the Financial Statements may differ from legislation in other jurisdictions.

**Statement as to Disclosure to our Auditors**

In so far as the trustees are aware, at the time of approving the Report of the Trustees:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charitable company's and group's auditor is unaware; and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the charitable company's and group's auditor is aware of that information.

**SOCIAL CARE IN ACTION**  
**REPORT OF THE TRUSTEES**  
**(CONTINUED)**  
**FOR THE YEAR ENDED**  
**31 MARCH 2016**

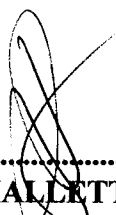
**AUDITOR**

A resolution to reappoint Abraham & Dobell as auditor for the ensuing year will be proposed at the forthcoming Annual General Meeting.

Approved by the trustees on 18 October 2016 and signed on their behalf by:



.....  
**L JUDD**  
**CHAIR**



.....  
**R HALLETT**  
**TREASURER**



.....  
**G DIBBEN**  
**SECRETARY**

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF  
SOCIAL CARE IN ACTION****FOR THE YEAR ENDED  
31 MARCH 2016**

We have audited the group and parent Financial Statements of Social Care in Action for the year ended 31 March 2016, which comprise the Consolidated Group and Parent Statement of Financial Activities, the Consolidated Group and Parent Balance Sheet, the Consolidated Group and Parent Statement of Cash Flows and the related notes. 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 charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members, those matters we are required to state to them in an 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's members 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 Trustees' Responsibilities Statement set out on page 10, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the group and parent Financial Statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the group and parent 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 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 group's and the parent charitable company'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 Report of the Trustees to identify material inconsistencies with the audited Financial Statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**INDEPENDENT AUDITOR'S REPORT  
(CONTINUED)**

**TO THE MEMBERS OF  
SOCIAL CARE IN ACTION**

**FOR THE YEAR ENDED  
31 MARCH 2016**

**OPINION ON FINANCIAL STATEMENTS**

In our opinion, the group and parent Financial Statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2016 and of the group's and the parent's charitable company's 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.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion, the information given in the Report of the Trustees including the Strategic Report for the financial year for which the group and parent Financial Statements are prepared is consistent with the group and parent Financial Statements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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 by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us;
- the parent charitable company Financial Statements are not in agreement with the accounting records and returns;
- 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.

**D J MANT**

**Senior Statutory Auditor**

**For and on behalf of Abraham & Dobell, Statutory Auditor**

**230 Shirley Road  
Southampton  
SO15 3HR**

**18 October 2016**

## SOCIAL CARE IN ACTION

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING CONSOLIDATED AND PARENT INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED**  
**31 MARCH 2016**

	Notes	<b>Consolidated Total Unrestricted Funds</b>		<b>Charitable Company Total Unrestricted Funds</b>	
		<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOME</b>					
Donations and Legacies	2	2,129	53	325	-
<b>Income from Charitable Activities</b>					
Charitable activities	3	7,801,459	8,986,889	194,915	102,813
Inter-group society charges		-	-	743,202	915,468
Investment income	4	92,318	81,287	253	4
<b>Other Income</b>					
Gain on disposal of fixed assets		1,725	265	-	-
<b>TOTAL INCOME</b>		<u>7,897,631</u>	<u>9,068,494</u>	<u>938,695</u>	<u>1,018,285</u>
<b>EXPENDITURE</b>					
Charitable activities	5	<u>7,732,962</u>	<u>8,960,741</u>	<u>839,528</u>	<u>1,008,969</u>
<b>TOTAL EXPENDITURE</b>		<u>7,732,962</u>	<u>8,960,741</u>	<u>839,528</u>	<u>1,008,969</u>
<b>NET INCOME/ NET MOVEMENT IN FUNDS FOR THE YEAR</b>	7	164,669	107,753	99,167	9,316
Corporation Tax	26	15	-	-	-
<b>SURPLUS FOR THE YEAR AFTER TAXATION C/F</b>		<u>164,654</u>	<u>107,753</u>	<u>99,167</u>	<u>9,316</u>



## SOCIAL CARE IN ACTION

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING CONSOLIDATED AND PARENT INCOME AND EXPENDITURE ACCOUNT)**  
**(CONTINUED)**

**FOR THE YEAR ENDED**  
**31 MARCH 2016**

	Notes	Consolidated Total Unrestricted Funds		Charitable Company Total Unrestricted Funds	
		2016	2015	2016	2015
		£	£	£	£
<b>SURPLUS FOR THE YEAR B/F</b>		164,654	107,753	99,167	9,316
<b>RECONCILIATION OF FUNDS</b>					
Total unrestricted funds brought forward		974,721	866,968	9,852	536
<b>TOTAL UNRESTRICTED FUNDS CARRIED FORWARD</b>		<u>£1,139,375</u>	<u>£974,721</u>	<u>£109,019</u>	<u>£9,852</u>

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

## SOCIAL CARE IN ACTION

## CONSOLIDATED AND PARENT BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	Consolidated 2016 £	2015 £	Charitable Company 2016 £	2015 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	9	1,247,835	1,410,410	10,191	6,728
Intangible assets	10	50,000	60,000	-	-
Investments	11	-	-	4	4
<b>TOTAL FIXED ASSETS</b>		<b>1,297,835</b>	<b>1,470,410</b>	<b>10,195</b>	<b>6,732</b>
<b>CURRENT ASSETS</b>					
Stock		15,516	13,214	-	-
Debtors	12	566,276	1,186,128	231,936	229,349
Cash at bank and in hand		1,554,981	1,122,081	389,023	169,916
<b>TOTAL CURRENT ASSETS</b>		<b>2,136,773</b>	<b>2,321,423</b>	<b>620,959</b>	<b>399,265</b>
<b>LIABILITIES</b>					
Creditors: Amounts falling due within one year	13	1,438,229	1,803,613	522,135	396,145
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>698,544</b>	<b>517,810</b>	<b>98,824</b>	<b>3,120</b>
<b>TOTAL ASSETS LESS CURRENT (LIABILITIES)</b>		<b>1,996,379</b>	<b>1,988,220</b>	<b>109,019</b>	<b>9,852</b>
<b>CREDITORS: Amounts falling due after more than one year</b>	15	<b>856,978</b>	<b>1,008,095</b>	<b>-</b>	<b>-</b>
		<b>1,139,401</b>	<b>980,125</b>	<b>109,019</b>	<b>9,852</b>
<b>ACCRUALS AND DEFERRED INCOME</b>	17	<b>-</b>	<b>5,377</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS</b>	19	<b>£1,139,401</b>	<b>£974,748</b>	<b>£109,019</b>	<b>£9,852</b>

## SOCIAL CARE IN ACTION

BALANCE SHEET  
(CONTINUED)

AS AT 31 MARCH 2016


	Notes	Consolidated 2016 £	2015 £	Charitable Company 2016 £	2015 £
<b>THE FUNDS OF THE CHARITABLE COMPANY</b>					
Members' shares	20	26	27	-	-
Unrestricted income funds	21	1,139,375	974,721	109,019	9,852
		_____	_____	_____	_____
<b>TOTAL CHARITABLE COMPANY FUNDS</b>		<b>£1,139,401</b>	<b>£974,748</b>	<b>£109,019</b>	<b>£9,852</b>
		_____	_____	_____	_____


The trustees have prepared group Financial Statements in accordance with Section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These Financial Statements constitute the annual Financial Statements required by the Companies Act 2006 and are for circulation to members of the charitable company.


The consolidated Balance Sheet incorporates the charitable company and all the registered societies within the S C A Group.

The notes on page 18 to 43 form part of these Financial Statements.

Approved by the trustees on 18 October 2016 and signed on their behalf by:

  
.....  
**L JUDD**  
**CHAIR**

  
.....  
**R HALLETT**  
**TREASURER**

  
.....  
**G DIBBEN**  
**SECRETARY**

## CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED  
31 MARCH 2016

	Notes	Consolidated 2016 £	2015 £	Charitable Company 2016 £	2015 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Net cash provided by operating activities	28	567,706	995,969	226,028	165,142
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sale of property, plant and equipment		139,625	16,481	-	-
Purchase of property, plant and equipment		(215,109)	(128,146)	(6,921)	(6,686)
<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>		<b>(75,484)</b>	<b>(111,665)</b>	<b>(6,921)</b>	<b>(6,686)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Cash outflows due to changes in members' shares		(1)	(10)	-	-
Repayments of borrowing		(135,675)	(58,210)	-	-
Cash inflows from new borrowing		-	96,625	-	-
Repayments of obligations under finance leases		(113,604)	(118,753)	-	-
Cash inflows from new finance leases		189,958	-	-	-
<b>NET CASH (USED IN) FINANCING ACTIVITIES</b>		<b>(59,322)</b>	<b>(80,348)</b>	<b>-</b>	<b>-</b>
<b>Change in cash and cash equivalents in the year</b>		<b>432,900</b>	<b>803,956</b>	<b>219,107</b>	<b>158,456</b>
Cash and cash equivalents at the beginning of the year		1,122,081	318,125	169,916	11,460
<b>Cash and cash equivalents at the end of the year</b>	29	<b>£1,554,981</b>	<b>£1,122,081</b>	<b>£389,023</b>	<b>£169,916</b>

**SOCIAL CARE IN ACTION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2016**

**1. ACCOUNTING POLICIES**

**Charity Information**

Social Care in Action is a charitable company established under its Memorandum and Articles of Association and registered with the Charity Commission and Companies House in England and Wales.

The principal address is Amplevine House, Dukes Road, Southampton, SO14 0ST.

The charitable company is a public benefit company.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

**(a) 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 Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Financial Statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest £.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

**(b) Reconciliation with Previous Generally Accepted Accounting Practice**

In preparing the Financial Statements 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 at 1 April 2014. The transition to FRS 102 has resulted in no change to the charitable company's net income/expenditure or net assets.

**(c) Group Financial Statements**

The consolidated Financial Statements incorporate the results of Social Care in Action and its related Registered Societies.

The consolidated entity is referred to as the S C A Group.

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 1. ACCOUNTING POLICIES (CONTINUED)

(d) **Income**

All income is included in the Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are received by way of donations and is included in full in the Statement of Financial Activities when receivable.
- Income from charitable activities is accounted for when earned.
- Grants, where entitlement is not conditional on the delivery of a specific performance, are recognised when the charitable company becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Donated services and facilities are included at the value to the charitable company where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.

(e) **Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Expenditure on charitable activities comprises those costs incurred by the charitable company 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.

Support costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, eg floor areas, per capita or estimated usage as set out in Note 6.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the audit fees and costs linked to the strategic management of the charitable company.

(f) **Goodwill**

Goodwill is calculated as the difference between the acquisition cost and the fair value of an asset. Goodwill is written-off as follows:

Totton Practice

over 10 years

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 1. ACCOUNTING POLICIES (CONTINUED)

(g) **Tangible Fixed Assets and Depreciation**

Fixed assets are stated at cost, less accumulated depreciation and any accumulated impairment losses. The costs of minor additions are not capitalized.

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life as follows:

Buses and motor vehicles	2 to 6 years
Office equipment	2 to 7 years
Computer equipment	3 to 4 years
Training equipment	4 years
Furniture, fixtures and fittings	3 to 4 years
Freehold land and property	50 years
Property improvements	15 years
Dental equipment	7 years

(h) **Stock**

Stock is valued at the lower of cost or net realisable value.

(i) **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.

(j) **Cash at Bank and in Hand**

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

(k) **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.

(l) **Hire Purchase**

Assets held under hire purchase agreements are capitalized and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Statement of Financial Activities on a straight line basis.

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 1. ACCOUNTING POLICIES (CONTINUED)

(m) **Finance Lease Agreements**

Assets held under finance leases where substantially all of the benefits and risks of ownership accrue to the lessee, are capitalised and disclosed under tangible fixed assets at their fair value. The assets are depreciated over the shorter of the lease term or their useful economic life. The capital element of the future payments is treated as a liability. The total finance charge for each lease is charged against surplus so as to produce a constant periodic rate of charge for each accounting period.

(n) **Operating Lease Agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against surplus as incurred.

(o) **Pension Costs**

The related society, S C A Care, participates in the Hampshire County Council pension scheme which is a Defined Benefit Scheme. The charge for the year represents contributions payable in the year.

(p) **Taxation**

The activities of the charitable company and its related societies, with the exception of S C A Fenwick 2 Limited, are exempt from Corporation Tax on their charitable activities.

(q) **Government Grants**

Grants that relate to specific expenditure are treated as deferred income, which is then credited to the Consolidated Statement of Financial Activities over the related assets' useful life. Other grants are credited to income when received.

(r) **Donated Services**

Donated services and facilities are included at the value to the charitable company where this can be quantified.

(s) **Fund Accounting**

Unrestricted funds consist of the general purposes fund and designated funds.

Designated funds are funds established by the trustees from time to time for specific projects or purposes, are not in any way restricted and any surplus or deficit will be transferred to/from the general purposes fund when the designated fund is closed.

Restricted Funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.



## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 1. ACCOUNTING POLICIES (CONTINUED)

(t) **Significant Judgements and Estimates**

Preparation of the Financial Statements may require management to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

(u) **Financial Instruments**

The charitable company 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.

## 2. DONATIONS AND LEGACIES

	<b>Consolidated</b>		<b>Charitable Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations	2,129	53	325	-
	—	—	—	—
	£2,129	£53	£325	£-
	—	—	—	—

All donations and legacies income was unrestricted for both years.

There were no donated services and facilities receivable which could be quantified in the year (2015 - £nil).

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 3. CHARITABLE ACTIVITIES

	Consolidated		Charitable Company	
	2016	2015	2016	2015
	£	£	£	£
SS - Service purchases	2,022,734	3,566,233	-	-
Customer contributions	789,117	696,352	-	-
NHS contracts	4,240,682	3,973,982	-	-
Private dental work	351,359	437,036	-	-
Dentists' licence fee	41,859	-	-	-
Fee income	38,681	48,609	74,649	102,813
Advocacy services	57,386	-	57,386	-
General consultancy	11,630	-	11,630	-
Sundry income	58,511	91,643	-	-
Daycare clubs' amenities accounts	51,139	49,815	-	-
Use of buses	41,911	67,685	-	-
Dial-a-ride	19,472	21,123	-	-
School transport	20,351	19,683	-	-
Grants received	51,250	-	51,250	-
Grants released	5,377	14,728	-	-
	£7,801,459	£8,986,889	£194,915	£102,813

The charitable company has entered into service agreement contracts with government bodies and local authorities to provide the various services and specific deliverables that the charitable company provides. There were no unfilled conditions and/or other contingencies attaching to the grants that have been recognised in income.

All income from charitable activities was unrestricted for both years.

## 4. INVESTMENT INCOME

	Consolidated		Charitable Company	
	2016	2015	2016	2015
	£	£	£	£
Bank interest	1,440	785	253	4
Rent received	90,878	80,502	-	-
	£92,318	£81,287	£253	£4

All investment income was unrestricted for both years.

**SOCIAL CARE IN ACTION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 MARCH 2016**

**5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

<b>Consolidated</b>	<b>Training &amp; Education</b>		<b>Care</b>	<b>Transport</b>	<b>Dental</b>	<b>Health &amp; Social Welfare</b>	<b>2016 Total</b>	<b>2015 Total</b>
	<b>Central</b>	<b>£</b>						
Direct staff costs	576,572	33,540	1,494,375	402,835	1,095,613	51,878	3,654,813	4,839,194
Consultancy	-	-	-	-	51,611	-	51,611	56,349
Transport costs	-	-	431	191,125	-	-	191,556	200,087
Dental costs	-	-	-	-	2,245,522	-	2,245,522	2,179,820
Other direct costs	-	-	-	-	-	-	23,905	36,707
Daycare club amenities	-	-	14,944	8,961	-	-	50,866	51,011
Motor and travel	-	-	50,866	-	-	-	65,925	124,629
Bad debts written-off	-	(1,038)	115,979	(1,021)	-	1,130	113,920	44,600
Support costs	205,343	11,258	187,527	95,559	758,766	47,615	1,306,068	1,386,196
Governance	4,470	3,596	9,340	3,300	5,940	2,130	28,776	42,148
	<b>£786,385</b>	<b>£47,356</b>	<b>£1,938,257</b>	<b>£700,759</b>	<b>£4,157,452</b>	<b>£102,753</b>	<b>£7,732,962</b>	<b>£8,960,741</b>

The expenditure on charitable activities was unrestricted for both years.

**NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**FOR THE YEAR ENDED  
31 MARCH 2016**

**5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES (CONTINUED)**

<b>Parent</b>	<b>Management Costs £</b>	<b>Training &amp; Education £</b>	<b>2016 Total Funds £</b>	<b>2015 Total Funds £</b>
Training and assessing staff costs	-	33,540	33,540	30,656
Bad debts	-	(1,038)	(1,038)	600
Staff salaries and training	576,572	-	576,572	668,480
Support costs	211,130	11,258	222,388	290,085
Governance	4,470	3,596	8,066	19,148
	<hr/>	<hr/>	<hr/>	<hr/>
	£792,172	£47,356	£839,528	£1,008,969
	<hr/>	<hr/>	<hr/>	<hr/>

The expenditure on charitable activities was unrestricted for both years.

**6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

**Consolidated**

The charitable company identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs, together with the governance costs, are applied to the charitable activity undertaken (see note 5) in the year. Refer to the table below for the basis of apportionment and the analysis of support and governance costs.

	<b>General Support £</b>	<b>Governance £</b>	<b>Total Funds £</b>	<b>Basis of Apportionment</b>
Support staff costs	55,083	-	55,083	Time
Establishment costs	475,261	3,603	478,864	Usage
Administration expenses	203,697	867	204,564	Usage
Equipment and maintenance	126,321	-	126,321	Usage
Meetings and conferences	1,189	-	1,189	Usage
Advertising and publicity	24,376	-	24,376	Usage
Recruitment expenses	58,572	-	58,572	Usage
Legal and professional fees	20,364	-	20,364	Usage
Audit fees	-	24,306	24,306	Governance
Bank charges and interest	74,035	-	74,035	Usage
Lease interest	17,386	-	17,386	Usage
Depreciation of fixed assets	225,642	-	225,642	Usage
Amortisation	10,000	-	10,000	Usage
Loss on disposal of fixed assets	14,142	-	14,142	Usage
	<hr/>	<hr/>	<hr/>	
	£1,306,068	£28,776	£1,334,844	
	<hr/>	<hr/>	<hr/>	

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS (CONTINUED)

## Parent

	General Support £	Governance £	Total Funds £	Basis of Apportionment
Establishment costs	68,459	3,603	72,062	Usage
Administration expenses	85,795	867	86,662	Usage
Recruitment	16,405	-	16,405	Usage
Repairs and maintenance	25,521	-	25,521	Usage
Equipment hire	5,787	-	5,787	Usage
Equipment lease	1,736	-	1,736	Usage
Legal and professional fees	10,806	-	10,806	Usage
Audit fees	-	3,596	3,596	Governance
Bank charges and interest	4,421	-	4,421	Usage
Depreciation of fixed assets	3,458	-	3,458	Usage
	<hr/>	<hr/>	<hr/>	
	£222,388	£8,066	£230,454	
	<hr/>	<hr/>	<hr/>	

## 7. NET INCOME FOR THE YEAR

This is stated after charging:

	Consolidated		Charitable Company	
	2016	2015	2016	2015
	£	£	£	£
Depreciation	225,642	256,709	3,458	561
Auditor's remuneration	24,306	27,889	3,596	4,889
	<hr/>	<hr/>	<hr/>	<hr/>

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 20168. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND  
THE COST OF KEY MANAGEMENT PERSONNEL

	2016 £	2015 £
<b>Consolidated</b>		
Salaries and other costs	3,453,987	4,519,978
Social Security costs	172,116	267,310
Pension costs	55,925	43,205
	<hr/>	<hr/>
	£3,682,028	£4,830,493
	<hr/>	<hr/>

The number of employees whose emoluments amounted to over £60,000 was as follows:

	2016 Numbers		2015 Numbers	
	Consolidated	Charitable Company	Consolidated	Charitable Company
£60,001 - £70,000	1	1	1	1
£70,001 - £80,000	-	-	1	1

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2016	2015
Carers	94	229
Nurses	41	38
Drivers	40	34
Trainers and assessors	2	2
Administration	66	68
	<hr/>	<hr/>
	243	371
	<hr/>	<hr/>

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 20168. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND  
THE COST OF KEY MANAGEMENT PERSONNEL (CONTINUED)**Consolidated (Continued)**

Certain members of the Management Committees of related societies within the S C A Group, who are not trustees of Social Care in Action, have received remuneration and expenses in those societies. These details are disclosed in the relevant society's Financial Statements.

The Senior Management Team received total employee benefits of £387,611 (2015 - £402,349).

**Charitable Company**

Staff costs were as follows:

	2016 £	2015 £
Salaries and wages	514,775	602,814
Social Security costs	47,142	59,853
Pension costs	39,442	27,768
	<hr/>	<hr/>
	£601,359	£690,435
	<hr/>	<hr/>

One member of staff was paid more than £60,000 during the year (2015 - 2):

	2016	2015
£60,001 - £70,000	1	1
£70,001 - £80,000	-	1

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 20168. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND  
THE COST OF KEY MANAGEMENT PERSONNEL (CONTINUED)**Charitable Company (Continued)**

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2016	2015
Training manager	1	1
Trainers/assessors	2	2
Administration staff	15	21
	—	—
	18	24
	—	—

No remuneration or expenses were paid to trustees from Social Care in Action in the year to 31 March 2016 (2015 - £nil).

Remuneration was paid through Social Care in Action for two employees who were members of the Management Committee in other group societies as follows:

Employee	Society Involved		2016 £	2015 £
M Mills	S C A Care	(Resigned July 2014)	£-	£32,664
L Dillane	S C A Care	(Resigned June 2015)	£11,800	£71,000

The Senior Management Team received total employee benefits of £125,000 (2015 - £142,000).



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**(CONTINUED)**

**FOR THE YEAR ENDED**  
**31 MARCH 2016**

**9. TANGIBLE FIXED ASSETS**

<b>Consolidated</b>	<b>Freehold Land &amp; Property</b>	<b>Property Improvements</b>	<b>Furniture, Fixtures &amp; Fittings</b>	<b>Buses &amp; Motor Vehicles</b>	<b>Computer Equipment</b>	<b>Office Equipment</b>	<b>Training Equipment</b>	<b>Dental Equipment</b>	<b>Total</b>
<u>Cost</u>	£	£	£	£	£	£	£	£	£
At 1 April 2015	587,624	1,443,940	123,119	828,304	88,954	276,557	13,446	763,234	4,125,178
Additions	-	1,378	6,257	68,685	8,360	3,136	-	127,293	215,109
Disposals	(150,000)	(54,625)	-	(49,505)	-	-	-	-	(254,130)
At 31 March 2016	<u>437,624</u>	<u>1,390,693</u>	<u>129,376</u>	<u>847,484</u>	<u>97,314</u>	<u>279,693</u>	<u>13,446</u>	<u>890,527</u>	<u>4,086,157</u>
<u>Depreciation</u>									
At 1 April 2015	42,046	952,424	90,715	781,360	71,423	232,489	13,074	531,237	2,714,768
Charge for the year	10,253	50,932	13,013	42,173	9,187	30,264	186	69,634	225,642
Eliminated on disposal	(27,500)	(25,083)	-	(49,505)	-	-	-	-	(102,088)
At 31 March 2016	<u>24,799</u>	<u>978,273</u>	<u>103,728</u>	<u>774,028</u>	<u>80,610</u>	<u>262,753</u>	<u>13,260</u>	<u>600,871</u>	<u>2,838,322</u>
<u>Net Book Values</u>									
At 31 March 2016	<u>£412,825</u>	<u>£412,420</u>	<u>£25,648</u>	<u>£73,456</u>	<u>£16,704</u>	<u>£16,940</u>	<u>£186</u>	<u>£289,656</u>	<u>£1,247,835</u>
At 31 March 2015	<u>£545,578</u>	<u>£491,516</u>	<u>£32,404</u>	<u>£46,944</u>	<u>£17,531</u>	<u>£44,068</u>	<u>£372</u>	<u>£231,997</u>	<u>£1,410,410</u>

At 31 March 2016 the net book value of assets held under finance leases or hire purchase contracts amounts to £210,326 (2015 - £230,420). The depreciation charged on these assets during the year was £77,946 (2015 - £73,415).

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 9. TANGIBLE FIXED ASSETS (CONTINUED)

Charitable Company	Computer Equipment £	Office Training Equipment £	Furniture & Equipment £	Total £
<u>Cost</u>				
At 1 April 2015	13,816	13,446	6,937	34,199
Additions	4,085	-	2,836	6,921
At 31 March 2016	17,901	13,446	9,773	41,120
<u>Depreciation</u>				
At 1 April 2015	7,574	13,074	6,823	27,471
Charge for the year	2,740	186	532	3,458
At 31 March 2016	10,314	13,260	7,355	30,929
<u>Net Book Values</u>				
At 31 March 2016	£7,587	£186	£2,418	£10,191
At 31 March 2015	£6,242	£372	£114	£6,728

During the year ended 31 March 2008, S C A Care received a grant of £850,000 from Hampshire Primary Care Trust. This grant was used to purchase The Fenwick Hospital, Pikes Hill, Lyndhurst for £850,000. No cost has been included in Freehold Land & Property as the grant received has been offset against the capital cost of The Fenwick Hospital.

Hampshire Primary Care Trust has taken a legal charge on The Fenwick Hospital. The legal charge provides that the full market value (at the time of disposal) from any future disposal of the property is returned to Hampshire Primary Care Trust. S C A Care granted a five year lease to S C A Fenwick 2 Limited on the property, which expired in March 2013.

S C A Fenwick 2 Limited will continue, under licence, to occupy the property on the same terms as the expired lease.

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 10. GOODWILL

	Consolidated Totton Practice £	Charitable Company £
<u>Cost</u>		
At 1 April 2015 and 31 March 2016	100,000	-
	_____	_____
<u>Amortisation</u>		
At 1 April 2015	40,000	-
Charge for the year	10,000	-
	_____	_____
At 31 March 2016	50,000	-
	_____	_____
<u>Net Book Values</u>		
At 31 March 2016	£50,000	£
	_____	_____
At 31 March 2015	£60,000	£-
	_____	_____

In March 2011 S C A Trafalgar Dental Services took over a dental practice in Totton, Hampshire. The society paid £100,000 by way of goodwill on acquiring the practice. Amortisation of the goodwill is over 10 years and commenced on 1 April 2011.

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 11. INVESTMENTS

	Consolidated		Charitable Company	
	2016	2015	2016	2015
	£	£	£	£
Members' shares of £1 each purchased	-	-	4	4
	—	—	—	—
	£-	£-	£4	£4
	—	—	—	—

During the year ended 31 March 2012, Social Care in Action invested £1 to become a member of each of the following Registered Societies:

S C A Care  
S C A Transport Services  
S C A Trafalgar Dental Services  
S C A Fenwick 2 Limited

## 12. DEBTORS

	Consolidated		Charitable Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	395,631	987,231	1,717	13,760
Other debtors	14,080	19,903	-	9,294
Prepayments and accrued income	156,565	178,994	31,935	37,631
<b>Amounts due from Related Societies:</b>				
S C A Transport Services	-	-	66,062	110,202
S C A Trafalgar Dental Services	-	-	108,383	57,061
S C A Fenwick 2 Limited	-	-	23,839	1,401
	—	—	—	—
	£566,276	£1,186,128	£231,936	£229,349
	—	—	—	—

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 13. CREDITORS: Amounts falling due within one year

	Consolidated		Charitable Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdraft	51,534	77,220	-	-
Trade creditors	236,376	302,947	34,505	36,576
Hire purchase and finance leases	75,130	79,148	-	-
Other creditors	127,972	132,406	1,763	-
Social Security and other taxes	47,998	91,022	9,553	14,057
VAT	11,235	455	19,812	2,144
Accruals and deferred income (Note 14)	887,971	1,120,415	34,239	37,586
Corporation Tax	13	-	-	-
<b>Amounts due to Related Societies:</b>				
S C A Care	-	-	422,263	305,782
	<hr/>	<hr/>	<hr/>	<hr/>
	£1,438,229	£1,803,613	£522,135	£396,145
	<hr/>	<hr/>	<hr/>	<hr/>

## 14. MOVEMENTS IN DEFERRED INCOME

	Consolidated		Charitable Company	
	2016	2015	2016	2015
	£	£	£	£
Deferred income at 1 April 2015	48,232	101,655	-	-
Income released during the year	(48,232)	(101,655)	-	-
Income deferred in the year	33,521	48,232	12,664	-
	<hr/>	<hr/>	<hr/>	<hr/>
Deferred income at 31 March 2016	£33,521	£48,232	£12,664	£-
	<hr/>	<hr/>	<hr/>	<hr/>

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 15. CREDITORS: Amounts falling due after more than one year

	Consolidated		Charitable Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans	555,387	665,376	-	-
Hire purchase and finance leases	180,091	99,719	-	-
Other creditors and accruals	121,500	243,000	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	£856,978	£1,008,095	£-	£-
	<hr/>	<hr/>	<hr/>	<hr/>

## 16. BANK LOANS

	Consolidated		Charitable Company	
	2016	2015	2016	2015
	£	£	£	£
Loans payable falling due within one year	51,534	77,220	-	-
Loans payable falling due in more than 1 year			-	-
but less than 5 years	555,387	665,376	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Bank Loans</b>	<b>£606,921</b>	<b>£742,596</b>	<b>£-</b>	<b>£-</b>
	<hr/>	<hr/>	<hr/>	<hr/>

During the year to 31 March 2007 two bank loans with BigInvest Company Limited of £200,000 each were taken out by S C A Trafalgar Dental Services at commercial rates of interest. These loans were used to finance the acquisition and refurbishment of two new dental surgeries. The first loan of £200,000 was taken out in September 2006 and is repayable over 20 years. The society granted a first legal charge over the freehold property, together with a debenture over the assets of that surgery. The second loan of £200,000 was taken out in November 2006 and is repayable over 10 years. The society granted a debenture, including a floating charge, over the remaining assets of the society, together with a specific chattel mortgage of the surgery for which the loan was granted. During the year ended 31 March 2013 these two loans were renegotiated and are now repayable by 31 March 2018. During the year ended 31 March 2016 the first loan was fully repaid on the disposal of the property.

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 16. BANK LOANS (CONTINUED)

During the year to 31 March 2013, two bank loans were taken out by S C A Trafalgar Dental Services at commercial rates of interest. These loans were used to finance the acquisition and refurbishment of a new surgery in Swanage, Dorset. The first loan of £304,500 was taken out with The Royal Bank of Scotland in March 2013 and is repayable over 5 years. The Society granted a first legal charge over the freehold property. The second loan of £250,000 was taken out with Big Issue Invest Limited in March 2013 and June 2013. This is an interest only loan and the whole of its capital is repayable on 31 March 2018. The Society granted a legal charge over the freehold property, together with a debenture over the assets of that surgery.

During the year to 31 March 2015 S C A Trafalgar Dental Services took out an unsecured loan of £96,625 with Shawbrook Bank Limited. The loan is repayable over 5 years and carries commercial rates of interest. The loan was used to finance the refurbishment of a new leased surgery in Portsmouth.

## 17. ACCRUALS AND DEFERRED INCOME

	Consolidated		Charitable Company	
	2016	2015	2016	2015
	£	£	£	£
At 1 April 2015	5,377	20,105	-	-
Grants released to income	(5,377)	(14,728)	-	-
	—	—	—	—
At 31 March 2016	£-	£5,377	£-	£-
	—	—	—	—

S C A Transport Services receives grants for the purchase of minibuses and these grants are released to the Statement of Financial Activities in line with depreciation charged on the minibuses.

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 201618. COMMITMENTS UNDER HIRE PURCHASE AND FINANCE  
LEASE AGREEMENTS

	Consolidated		Charitable Company	
	2016	2015	2016	2015
	£	£	£	£
Future commitments under hire purchase and finance lease agreements are as follows:				
Amounts payable within one year	116,440	92,064	-	-
Amounts payable between 2 and 5 years	177,611	115,551	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	294,051	207,615	-	-
Less: Interest and finance charges relating to future periods	(38,830)	(28,748)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	£255,221	£178,867	£-	£-
	<hr/>	<hr/>	<hr/>	<hr/>

Hire purchase and finance lease agreements are analysed as follows:

Current obligations	75,130	79,148	-	-
Non-current obligations	180,091	99,719	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	£255,221	£178,867	£-	£-
	<hr/>	<hr/>	<hr/>	<hr/>

## 19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2016		2015
	General Funds	Total Funds	Total Funds
Consolidated	£	£	£
Tangible fixed assets	1,247,835	1,247,835	1,410,410
Intangible assets	50,000	50,000	60,000
Current assets	2,136,773	2,136,773	2,321,423
Current liabilities	(1,438,229)	(1,438,229)	(1,803,613)
Long term liabilities	(856,978)	(856,978)	(1,008,095)
Long term accruals and deferred income	-	-	(5,377)
	<hr/>	<hr/>	<hr/>
Net assets at 31 March 2016	£1,139,401	£1,139,401	£974,748
	<hr/>	<hr/>	<hr/>



## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

	2016		2015
	General Funds £	Total Funds £	Total Funds £
<b>Charitable Company</b>			
Tangible fixed assets	10,191	10,191	6,728
Investments	4	4	4
Current assets	620,959	620,959	399,265
Current liabilities	(522,135)	(522,135)	(396,145)
	<hr/>	<hr/>	<hr/>
Net assets at 31 March 2016	£109,019	£109,019	£9,852
	<hr/>	<hr/>	<hr/>

## 20. MEMBERS' SHARES

During the year the following movements took place in respect of members' shares:

	Consolidated		Charitable Company	
	2016 £	2015 £	2016 £	2015 £
At 1 April 2015	27	37	-	-
Admitted during the year	1	1	-	-
Ceased during the year	(2)	(11)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2016	£26	£27	£-	£-
	<hr/>	<hr/>	<hr/>	<hr/>

## 21. ANALYSIS OF CHARITABLE FUNDS

	At 01.04.15 £	Incoming Resources £	Outgoing Resources £	At 31.03.16 £
<b>Consolidated</b>				
<u>Analysis of Movements in Unrestricted Funds</u>				
General funds	974,721	7,897,631	7,732,977	1,139,375
	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted Funds	£974,721	£7,897,631	£7,732,977	£1,139,375
	<hr/>	<hr/>	<hr/>	<hr/>
Total Funds	£974,721	£7,897,631	£7,732,977	£1,139,375
	<hr/>	<hr/>	<hr/>	<hr/>

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 21. ANALYSIS OF CHARITABLE FUNDS (CONTINUED)

	At 01.04.15 £	Incoming Resources £	Outgoing Resources £	At 31.03.16 £
<b>Charitable Company</b>				
<u>Analysis of Movements in Unrestricted Funds</u>				
General funds	9,852	938,695	839,528	109,019
<hr/>				
Total Unrestricted Funds	£9,852	£938,695	£839,528	£109,019
<hr/>				
Total Funds	£9,852	£938,695	£839,528	£109,019
<hr/>				

**Unrestricted Funds**

Unrestricted Funds comprise those funds which trustees are free to use in accordance with the Charitable Company's charitable objects.

**Restricted Funds**

Restricted Funds are funds which have been given for particular purposes and projects. The Restricted Funds must be used for the specific purpose as laid down by the donor.

## 22. LEGAL STATUS OF THE CHARITABLE COMPANY

The charitable company, Social Care in Action, is limited by guarantee. The liability of each member, in the event of winding-up, is limited to £1.

## 23. PENSION COSTS

S C A Care participates in the Hampshire County Council pension scheme which is a Defined Benefit Scheme.

There are now only two employees contributing to this scheme.

S C A Care is unable to identify its shares of the underlying assets and liabilities of the scheme on a consistent and reasonable basis as required by FRS 102 and therefore accounts for the scheme as if it was a Defined Contribution Scheme.

No formal information is available about the Hampshire County Council scheme's surplus or deficit.

No liability has therefore been recognised in the Financial Statements.

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 24. CAPITAL COMMITMENTS

The charitable company has authorised capital commitments totalling £nil as at 31 March 2016 (2015 - £nil).

## 25. POST BALANCE SHEET EVENTS

In May 2016 the charitable company merged with Options Wellbeing Trust, a charitable company registered in England and Wales. This merger has no impact on the Balance Sheet at 31 March 2016 and there was no cost associated with the merger.

## 26. TAXATION

Social Care in Action is a charitable company registered with The Charity Commission in England & Wales (charity number 1096903). The charitable company is exempt from Corporation Tax on its charitable activities, reference XR86896.

The Financial Intermediaries and Claims Office of HM Revenue & Customs advised a number of years ago that the following societies had charitable status:

S C A Care	(Reference X 01428/91)
S C A Transport Services	(Reference XR 37023)
S C A Trafalgar Dental Services	(Reference XR 89817)

S C A Fenwick 2 Limited is not classed as having charitable status at HM Revenue & Customs and its activities are, therefore, not exempt for taxation purposes.

Provision has been made for taxation arising in the year to 31 March 2016 as follows:

	Consolidated		Charitable Company	
	2016	2015	2016	2015
	£	£	£	£
Corporation Tax provision for the year at 20%	13	-	-	-
(Over)/Under provision in prior year	2	-	-	-
	—	—	—	—
	£15	£-	£-	£-
	—	—	—	—

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 27. RELATED PARTIES

Social Care in Action is a member of the S C A Group. The other members of the S C A Group are S C A Care, S C A Transport Services, S C A Trafalgar Dental Services and S C A Fenwick 2 Limited. All charitable companies and registered societies of the S C A Group are operated and managed on a unified basis.

On 14 March 2013 the charitable company agreed to a guarantee and indemnity in favour of the Big Issue Social Enterprise Fund L P, who had agreed a loan facility of £250,000 to S C A Trafalgar Dental Services.

During the year Social Care in Action undertook transactions with the related societies in the normal course of activities.

At 31 March 2016, Social Care in Action had a number of outstanding balances with related societies as follows:

	2016 £	2015 £
<b>Debtors</b>		
S C A Transport Services	£66,062	£110,202
S C A Trafalgar Dental Services	£108,383	£57,061
S C A Fenwick 2 Limited	£23,839	£1,401
<b>Creditors</b>		
S C A Care	£422,263	£305,782

## 28. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Consolidated		Charitable Company	
	2016 £	2015 £	2016 £	2015 £
Net income for the year as per the Statement of Financial Activities	164,654	107,753	99,167	9,316
Adjustments for:				
Depreciation charges	225,642	256,709	3,458	561
Amortisation charges	10,000	10,000	-	-
Loss/(Gain) on disposal of fixed assets	12,417	(265)	-	-
(Increase) in stock	(2,302)	(2,945)	-	-
Decrease/(Increase) in debtors	619,852	531,116	(2,587)	(191,935)
(Decrease)/Increase in creditors	(462,557)	93,601	125,990	347,200
<b>Net cash provided by operating activities</b>	<b>£567,706</b>	<b>£995,969</b>	<b>£226,028</b>	<b>£165,142</b>

## SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)FOR THE YEAR ENDED  
31 MARCH 2016

## 29. ANALYSIS OF CASH AND CASH EQUIVALENTS

	<b>Consolidated</b>		<b>Charitable Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	1,554,981	1,122,081	389,023	169,916
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	<b>£1,554,981</b>	<b>£1,122,081</b>	<b>£389,023</b>	<b>£169,916</b>
	<hr/>	<hr/>	<hr/>	<hr/>

## 30. FINANCIAL INSTRUMENTS

Financial instruments, measured at amortised cost, comprise the following:

	<b>Consolidated</b>		<b>Charitable Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Financial assets that are debt instruments	409,711	1,007,134	1,717	23,054
Financial liabilities that are debt instruments:				
- Bank loans	606,921	742,596	-	-
- Other	1,595,519	1,929,403	480,106	379,944

## 31. ULTIMATE CONTROL

Social Care in Action is a member of the S C A Group. The other members of the S C A Group are S C A Care, S C A Transport Services, S C A Trafalgar Dental Services and S C A Fenwick 2 Limited. All charitable companies and registered societies of the S C A Group are operated and managed on a unified basis.

Social Care in Action is deemed to ultimately be the parent body of the S C A Group as the charitable company can exercise dominant influence over the Registered Societies within the S C A Group.