

BRADNET

Annual Report and Financial Statements

FOR THE YEAR ENDED 31 MARCH 2016

BRADNET

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Imtiaz Naqvi Matloob Hussain Farhat Yasin Gazala Iqbal Deborah North Anis Akhtar (Resigned 18 January 2016) Laura Chapman (Resigned 5 January 2016)
Charity number	1111920
Company number	05572861
Principal address	Noor House 11 Bradford Lane Laisterdyke Bradford BD3 8LP
Registered office	Noor House 11 Bradford Lane Laisterdyke Bradford BD3 8LP
Auditors	Henton & Co Accountants Northgate 118 North Street Leeds LS2 7PN

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TRUSTEES' REPORT

1. Structure, Governance and Management

Bradnet is a company limited by guarantee incorporated on 23 September 2005 with company number 05572861. The company was established under a Memorandum and Articles of Association which form Bradnet's "governing documents".

Bradnet is also a charity registered on 14th November 2005 with charity number 1111920. Accordingly, the Board of Directors of the company are also its trustees for the purposes of charity law; however, throughout this report they are collectively referred to as "Directors".

Bradnet's registered office and principal place of business is Noor House, 11 Bradford Lane, Laisterdyke, Bradford BD3 8LP.

The Directors:

Name:	Start Date:	End Date:
D A North	17/02/2016	
I Naqvi	17/12/2012	----
G Iqbal	17/12/2012	----
M Hussain	17/12/2012	----
S Hussain	15/10/2014	16/06/2015
F Yasin	17/12/2012	----
A Akhtar	16/06/2015	18/06/2015
L Chapman	11/12/2013	05/01/2016

Bradnet's Board of Directors has also received advice and support during the year from Julian Briggs of the FD's Office LLP, Leeds as a Non-Executive Director and Daniel Wilkinson of Wilkinson and Partners Chartered Accountants, Bingley.

Bradnet's Board of Directors is responsible for the strategic direction and sound overall management of Bradnet. At present the Board of Directors has members from a variety of professional backgrounds and lived experience of disability relevant to Bradnet's ethos and work. The Directors meet about every 6 to 8 weeks to discuss and decide upon strategic and business matters.

During the year the 3 sub-committees reviewing personnel, finance and sustainability and service delivery have continued to meet and under clear terms of reference.

A scheme of delegation is in place and day-to-day responsibility for the provision of the services rests with the Chief Executive along with the senior managers.

The Chief Executive is responsible for ensuring that Bradnet delivers the services that have been commissioned or funded and that key performance indicators are met. The out-sourced HR function through Irwin Mitchell Solicitors LLP and an in-house HR Officer have responsibility for Bradnet's personnel and logistics. In addition, the Service Director oversees the services and key operations, and the Finance Manager oversees the Finance function.

Key management personnel include: Asif Hussain, Phillip Lautman (Resigned 30 June 2015), Nadeem Arshad (Resigned 8 December 2015), Scott Williams (Resigned 3 November 2016) and Faye Johnson.

Our bankers: Barclays Bank plc, 10 Market Street, Bradford BD1 1NR.

Our auditors: Henton & Co Accountants, Northgate, 118 North Street, Leeds LS2 7PN.

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2. Bradnet's Vision, Aims and Mission

Bradnet's vision is that society should be truly inclusive with disabled people being treated as equal citizens.

Bradnet's mission is:

"To promote equality and inclusion with disabled people"

Bradnet's aim is:

"To empower all disabled people to have choice and control over their lives and achieve real independence and quality of life"

Bradnet's values are that Bradnet is committed to make a positive difference to all the people we work for and with. To promote and achieve our mission we will continue to:

Engage with all Bradnet people to design and deliver personalised quality services.

Enable Bradnet people to maintain dignity, independence, exchanging respect and building trust.

Empower all Bradnet people to have informed choice and control over their lives within their communities.

Enrich all Bradnet peoples' life experiences, encouraging access to new opportunities.

3. Bradnet's Objectives and Activities

Bradnet has the following objectives:

- Bradnet will involve disabled people in the planning and delivery of Bradnet's services and projects
- Bradnet will champion the right of every disabled person to challenge discriminatory or oppressive practice from a rights-based approach
- Bradnet will use the knowledge gained from its direct work with disabled people to campaign for equality and inclusion of disabled people at all levels
- Bradnet will support, inform and advocate for every disabled person and enhance his/her capacity to be independent, have improved life chances, reduce isolation and raise aspirations.

When planning our activities for the year, the Directors and senior managers have had due regard to the Charities Commission's guidance on public benefit. In particular, Bradnet seeks to help disabled people from all communities to enable them to exercise their rights of entitlement to access services, facilities or information. Bradnet is committed to the promotion of the social model approach to disability as a means of ensuring the inclusion of disabled people in society; it seeks to do this by addressing such barriers as a negative attitude, inaccessible information, inappropriate design of services, an inaccessible environment and inadequate support. Bradnet does not wish to duplicate existing services, but to help disabled people to access them. Bradnet also addresses the gaps in service provision and provides the impetus for remedying such gaps through its various activities. Bradnet's activities enable disabled people to have the ability, confidence and self-esteem to make informed choices over matters that affect their lives.

4. Introduction by the Chairperson

I'm pleased to present Bradnet's Annual Report for the year 1st April 2015 to 31st March 2016 on behalf of the Board of Directors.

I'm the Chairperson of Bradnet because I'm a disabled person and I believe I have something to contribute to Bradnet – indeed, I have been the Chairperson for quite a few years now, and an ordinary Board member before I led the Board. As a visually impaired person, I understand the daily struggles faced by disabled people; and so I am part of Bradnet because I share its vision of a world where disabled people have the same opportunities as non-disabled people.

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Our Independent Living Service (ILS) continues to deliver its much-needed care and support and it is pleasing to see the real impact that high quality support can make to a person's life. On the other hand, with decreasing commissions and funding, it is disappointing that we have not been able to develop further our Outreach Service, for the growing challenges faced by disabled people in terms of lowering incomes, cost of disability and public attitude to disability is limiting disabled people's aspirations and quality of life. Bradnet needs more resources to provide Outreach support, campaign and raise awareness.

In general, however, it is a difficult economic and social environment for all charities, especially small ones like Bradnet. We work with local authorities whose budgets are being squeezed, alongside pressures on our own budgets; with reduced hourly rates for care against the background of increased operating costs such as National Living Wage, the sustainability of high quality care and support is challenging. At the same time, we have to match the high and changing expectations of our service users for support that meets their needs. Those challenges are only going to grow in the coming years and we are clear that we will need to raise our game financially and strategically.

Our turnover of £1,670,467 for 2015-16 has decreased compared with last year's turnover of £1,755,861 but this is due to various commissions ending and a higher than usual operating cost in order to invest and consolidate within the ILS to ensure quality and compliance with the Care Quality Commissions' requirements.

It is important to note that, firstly, Bradnet remains intent upon self-sufficiency by generating an appropriate level of income and, secondly, to manage expenditure more effectively. With regard to the first aspect, we have undertaken a review of our legal structure to better streamline our structure and services. This will be completed in the next few months leading to a more cost-effective delivery model. In relation to improved financial management, we have an excellent in-house Finance team comprising our Finance Assistant ably assisted by Peter Bloom (Finance Director): we are immensely grateful to Peter's calm and measured input and assistance. We have been analysing every expense and procuring more cost-effective services and facilities.

In 2016-17 we have to be clear that continued success must be built on solid, sustainable finances and a clear, robust strategy. We are committed to lasting improvement in the ILS and the further development through grants of the Outreach Service; finally, at the time of writing we are still extremely committed to completing the purchase of the former Bradford Registry Office – in this regard, I'd like to formally acknowledge Bradford Council's continued support and co-operation in this matter and Andrew Mason's excellent assistance.

I'm clear that the next few years offer us a unique and exciting opportunity to bring about real change for disabled people, and to bring that about by putting disabled people at the heart of all we do. I can't think of a more motivating, or more important, challenge.

I would like to end by thanking all those who have left Bradnet during the past year within the Board and staffing. I would like to thank the people responsible for the continued success of Bradnet, including my fellow Board members. In particular, the hardworking and dedicated members of staff who over the past year have excelled in the work they do despite everything. I would also like to thank the volunteers who have supported Bradnet's work in different ways. Finally, our work would not be possible without funding and the help, support and involvement from individuals, funders, partners and stakeholders; I would therefore like to record our sincere thanks to the following:

- Andrew Mason, Newmason Properties Ltd
- Barnardo's Queens Road Project
- Bernadette Speight
- Bradford & Airedale Teaching Primary Care Trust NHS
- Bradford Child Development Centre at St Luke's Hospital
- Bradford Citizen's Advice Bureau
- Bradford District Care Trust NHS
- Bradford Adult & Community Services
- Bradford Talking Media
- Bradford Workforce Development Unit
- Community Advice Network (Bradford District)
- Care Quality Commission (CQC)
- Choice Advocacy

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- Department of Services to Children & Young People (covering Services to Children and Young People, Play Team, Short Breaks & The Children's Complex Health and Disability Team)
- Department of Work and Pensions / Job Centre Plus
- Disability Rights UK
- DJD Training
- Equality Together
- H C Horizons
- Inspired Neighbourhoods
- Jon Smethurst
- Kay Wright
- Locality
- Curve Learning
- Third Eye Solutions
- Morley Street Resource Centre
- Peter Bloom
- Sangdale Community Centre
- Social Investment Business
- Ysustain Ltd

Imtiaz Naqvi

Chair, Bradnet Board of Directors

23 December 2016

5. Words from Asif Hussain (Chief Executive)

The past year has been yet another challenging one but, no matter what the challenges, I feel it is important to note that many disabled people received care and support as well as other benefits from our services. We could not do what we do without our dedicated employees, volunteers and other supporters and I'm immensely grateful to all.

Key factors have included the delivery of personal and social care and support through our Independent Living Service (ILS) (where we have made a major investment to improve quality, systems and processes); provision of ad hoc advice and support through our Outreach and Advocacy Service; recruitment of an excellent team of volunteers to support leisure activities for disabled young people in partnership with Bradford Council; and Locality funded the Our Place Project which sought to investigate the possibility of a pilot for joint working with statutory and other agencies for using existing services to support patients and thereby reduce the overall cost of recourse to statutory services e.g. GPs and hospitals; through this initiative we undertook various user consultation and evaluation events. Additionally, we have continued to provide welfare rights advice to local disabled people through the surgery at our premises delivered by Equality Together.

As with other organisations we've had to deal with issues related to staff, systems and processes and this has been a serious distraction from achieving significant growth and development. It has continued to be a challenge bringing our vision into reality in the face of an ongoing search for stable and viable Board and staff teams, obtaining the necessary funds and maintaining a cohesive approach across the organisation.

Our attempts to generate income through our ILS has continued to develop, but this has been slow due to the difficulties in ensuring high quality and due compliance. However, I'm pleased to say that systems, policies and procedures have been devised and implemented.

Disabled people have continued to receive our unique person-centred advice, support and advocacy, and demand for our support remains high. Despite the loss of commissions, the Disability Outreach and Advocacy Service has continued to develop measures to ensure greater connection with our service users through a programme of consultation events and user-led forums such as the Our Place Project. We remain committed to ensure ongoing user consultation and involvement to develop Bradnet into a leading disabled people's organisation with genuine user involvement. In this context, I remain convinced that it is essential to make a sustained investment in supporting real co-design and co-production that seeks to ensure true user involvement at every level within the organisation; this will ensure that Bradnet remains responsive and relevant to need.

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An exciting opportunity has arisen in that we wish to purchase the former Bradford Registry Office at 22 Manor Row. Having successfully got it registered as an Asset of Community Value we are at the time of writing pursuing various possibilities for funding its purchase and refurbishment.

Bradnet is still awaiting completion of its legal group restructure to resolve past concerns over the provider/advocate conflict as well as the need for greater freedom to raise income through semi-commercial means. Legal and accountancy advice has been sought to enable us to modify our structure so that it is simple and nimble in administration and application, and this will be completed this year.

In order to make a major impact from our work, we will respond to the complex challenges we face – targeting our limited resources effectively, influencing and working in partnership with others, ensuring we are efficient in all that we do, whilst we broaden our focus.

It is clear that within a very altered economic and health and social care arena Bradnet needs to embrace in-depth change, both strategically and operationally. We need to demonstrate that both internally and externally we understand and can apply our ethos effectively and can communicate it at all levels. In order to achieve this we need to ensure solid user involvement and engagement and, through such a process, ensure continuous evaluation and review of our services to show that Bradnet remains relevant. Furthermore, we need to implement measures for clear evidencing of the social impact of our work. Above all, success will remain elusive unless we invest in a higher level of governance and personnel skills and talents to ensure that organisational behaviour is clearly in accordance with our ethos. It goes without saying that we need additional significant funding.

I would confirm that Bradnet remains fully compliant with its health and safety obligations through its appointed Health and Safety Agent and internal processes. In addition, Bradnet has made significant progress in revising many of its policies and procedures. However, we need to constantly improve our policies and processes to ensure that Bradnet demonstrates a rights-based approach.

I would like to end by thanking most sincerely the Bradnet Board of Directors for their continued support and commitment; we are fortunate to have a very supportive, professional and enthusiastic Board with an ever improving set of skills and talents. I also wish to thank most sincerely all the staff, both past and present, office-based and the PAs as well as volunteers, for ensuring the continued delivery of Bradnet's services.

Asif Hussain
CEO
23 December 2016

6. Achievements and Performance

6.1 Disability Outreach and Advocacy Service

The remaining commission from Bradford Council for this service ended on 31 March 2015. It was replaced with a Volunteer Service: the aim of the new service is to work in partnership with Bradford Council to:

- Recruit, train and supervise volunteers to work within Bradford Council Settings
- Support volunteers would assist paid Council workers to support young disabled people to access clubs, activities and summer camps run by the Council.

What we have done this year:

- Received 68 enquiries to be a volunteer
- Recruited over 31 volunteers
- Volunteers have donated over 1,622 hours of volunteering time (3 volunteers giving regular 8 hours per week over a 4-week period and 6 taking part in supported summer camps)
- Established new working relationships with at least 7 agencies varying from lunch clubs with 20 attendees to Age UK
- We have also continued to give additional support to parents and carers of disabled people who require specialist advice on disability or access and support issues.

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The value of a volunteering hour in Bradford and Calderdale is £11.15 per hour. Thus the total value of the volunteering hours over the past year has been £18,085 which represents an enormous value to Bradnet's overall work.

In this period we have explored new avenues to generate further interest in the volunteering scheme. We have forged stronger links and networks with Volunteering Bradford and Newlands Enterprise (community organisation) to join up recruitment and signposting for volunteers they could not accommodate.

We have delivered presentations to YR12 and YR13 at Laisterdyke College, Careers Fair at Woodhouse Grove School, St Bede's and Joseph School, Bradford Grammar School, Grange Technology College and Immanuel College to create long terms links for joint up working.

A lot of partnership work has been carried out in 2015-16 and we shall maintain this in the future, including the benefits advice surgeries in partnership with Equality Together, local housing associations and regionally through the Disabled People User-Led Organisations and forum. Bradnet has also received prominence through membership of the Board of trustees of Disability Rights UK. It is intended that in the next year there will be greater interaction with local and regional agencies.

The long-term plans for the service are to achieve:

- Better links with schools and colleges to agree long-term partnership and volunteer agreements
- Continue to attract more volunteers to the scheme and improve opportunities available
- Improve feedback gathering from service users, volunteers and placements to improve the quality of the service
- Better training for volunteers, work with Special Inclusion around induction and shadowing
- Closer relationships with placements regarding shadowing and induction
- More robust supervision and support mechanisms in place
- Aim to progress volunteers toward employment, ensure there is a clear route from volunteering to employment at Bradnet or other settings including Bradford Council.

Feedback from Volunteers

"Training has really expanded knowledge and understanding, going forward knows it will help him make decisions around work opportunities"

"Has had initial visit at Parkwood, wants to use his love of comic books to match up with some young people there"

"Really enjoyed it, has confidence to go look at job interviews, her parents are pleased with her improved confidence"

"Learnt some things that I have taken home and used in my own family life, especially (about Minecraft)"

"Training workshops have been really beneficial, and hope I can do more"

"Felt that I wanted to share my skills to some of the younger people"

Our Place Project

Our Place is a government program aimed at enabling local communities to influence and shape the way public services operate within a discreet area or neighborhood to deliver better more efficient public services to those communities. It involves exploring options to co-produce services in partnership with the community and voluntary sector. This in turn saves money for public service providers by making those services more flexible, efficient and effective for the residents using them.

Bradnet received a grant from Locality to deliver the Bradnet Our Place project: this focused on improving the wellbeing, vitality and health of vulnerable adults through personalised health advocacy support linking service users to the 'social networks and neighbourhood connections' that exist within our chosen area of Bradford Moor.

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Our delivery model is based around the recruitment and training of local residents who will act as 'citizen advocates' and 'peer mentors' encouraging our target population in becoming socially active. This will be achieved through the development of bespoke programs of activities and support services tailored to service users' personal interests aimed at linking them into services that already operate within or adjacent to their own homes. The bespoke nature of the support package for each individual will be the 'selling point' for those individuals in getting more socially active within their own community.

We have identified a number of ways service users can be referred onto our new care pathway:

- Bradnet already works with disabled people from within the BME community; therefore we can choose those individuals we feel would benefit from this new approach to 'care and advocacy' to test out our concept and hypotheses.
- Bradford Council's Adult Social Care department knows and understands the vulnerable adults they provide 'personal budgets' to. This knowledge and expertise will enable them to identify, from that service user list, who could benefit from our care support pathway.
- General Practice - We are aiming for GP's surgeries who we successfully engage to support our project to agree for us to have a 'Peer Support Mentor' based within those surgeries so that patients they are working with can be immediately referred to use for assessment and enrolment onto our scheme.

Our approach will deliver improved outcomes for service users by enabling better alignment and targeting of support services to service users' needs, the impact on communities in general will improve as vulnerable residents begin to make the shift towards active citizenship within their own neighborhoods. Additionally, we are aiming to improve the sustainability of local community buildings by increasing usage and helping them shape their services to the needs of the communities they serve which in turn will bring in additional revenue to help with their running costs. Ultimately though our main goal is to reduce demands on primary care services, in particular General Practice and A&E departments within hospitals and Bradford Council's Adult Social Care Services using our diversionary advocacy techniques.

6.2 Independent Living Service (ILS)

The aims of this service are to:

- Enable disabled people to lead an independent life through a person-centred support plan
- Empower people to maintain their independence through support provided by highly trained Personal Assistants (PAs) who promote choice and support with personal care, access to the community and help to maintain independence with support in people's own homes
- Enrich the individual's life by ensuring that his/her rights, choices, customs and beliefs, dignity and respect are maintained and respected at all times.

What we have done this year:

The Independent Living Service (ILS) continues to grow:

2016: 111,410 hours of delivery to over 90 disabled people and their families

There have been some significant changes within ILS this year and subsequently ILS has faced several areas of critical challenge. The departure in June 2015 of our Registered Manager highlighted a number of serious concerns about the quality and compliance of ILS care delivery; a new management team was brought in and worked closely with both Bradford Council and the Care Quality Commission (CQC) to start a 6-month plan of improving the service. These improvements included:

- All users underwent full paperwork review
- Staff were retrained and re-educated around care and personalisation
- Development of new systems to manage complaints and incidents
- Ongoing recruitment of experienced higher calibre staff in the field and in the office
- Staff roles clearer and management of staff much more effective

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The CQC came to inspect Bradnet on 04 November 2015 and regrettably the CQC found several areas which gave it concern and rated the service as Inadequate. Unfortunately for Bradnet the work that had been identified in June and July had not yet been fully embedded so the CQC inspection only saw a snapshot of the progress being made.

The CQC returned on 09 May 2016 and improved their rating and recognised all the changes and positive impact that had been made on ILS and most importantly service users were telling CQC the service they now received was much improved.

In the past year, we have made significant improvements in the following areas:

- Introduction of new Operations Manager
- Introduction of new Quality and Compliance Manager
- New robust policy and procedure system that is CQC compliant
- New training plan for all mandatory training
- Increased staff pay rate to improve staff retention
- Introduction of Senior PAs for providing added support in the field

Although it has been an extremely challenging year the improvement that have now been embedded should allow the organisation to develop and grow in the future from a much stronger foundation.

ILS continues to hold a presence on several sub-groups as part of the Learning Disabilities Framework Agreement and therefore ensuring that Bradnet has an input in to available training for PAs via the Workforce Development Sub-Group, and how our service is marketed to people of Bradford diagnosed with a learning disability, via the Marketing Sub-Group. These sub-groups provide an excellent networking opportunity which allows Bradnet to stay in touch with all issues facing our sector.

6.3 The Short Breaks Service

The Short Breaks Service has gone from strength to strength this year providing 3 hours of support on a weekend to over 30 young people for over 2,087 hours. The service allows young people to access the community or to join activities they may not ordinarily get the opportunity to enjoy.

The service may change this coming year as the drive towards personal budgets allows families to have control of their own funding to enable a more personalised level of support; the short breaks service at Bradnet is already in talks with Bradford Council about how best we can support people with this transition.

Case Study 1:

Young man H who has autism and lives with family. H attends Hanson Academy, when he was at home family reported that he used to get very bored and spend hours on the computer in his room not engaging with others.

Bradnet's PA has been working with H for around 2 years now and has built up an excellent relationship.

H was asked how he would describe the Short Breaks service he receives from Bradnet; he said:

"It is very good and it stops me from being bored"

I then asked him what was the best thing about short breaks in his own words. He said that:

"I get to choose where I want to go ,what activity I want to do, sometimes we might go out and I may want to go home early or may want to be dropped off at my aunt's house nothing is a problem for my PA".

He goes on to say:

"I have known my PA for 2 years now and I really get to know him well and because of this my confidence as a person has got better and improved ,my self-esteem is better than before and my health has improved"

"My communication has improved; he also said that it has saved him from been bored all the time and that it has changed my life dramatically, I feel more motivated and when he goes out he can see more of the world in high definition."

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H enjoys going out for meals or visiting the town centre and other activities however the support has to be really flexible as he can decide on the day what he wants to do, the PA has to remain open and willing to explore new ideas and activities on the day which really works for the young man as he has full control over what he does and when he does it.

Case Study 2:

When we first met J he told us he enjoys football, going to parks and running (jogging).

We started supporting in late April and he and his PA used to just go for a walk in the park or go to the shops with him originally. However, in discussion with J he started to express interest in football.

J then decided he wanted to learn how to play football so the PA fed this back to the Short Breaks co-ordinator who contacted Bradford Disability Football to see if they ran any training sessions in Bradford and Keighley; the Co-ordinator passed all this information onto J's mum and he was then able to start attending the football practice, he was very excited that he could learn how to play and it seemed to fit in well with his new interest in fitness.

Mum says that he gets very excited and he puts his full football kit on at least 2 hours before he is due to be picked up from home by his PA. At first they went to the Keighley site but they found that the other participants were quite a bit older than J and he was uncomfortable, so J and his PA decided to go to the one in Bradford on the Trinity Road site where they have different age groups, and he is able to progress into higher groups.

Mum says he is always 'full of it' now and he looks forward to going, J would not have been able to access these facilities without the support from Bradnet Short Breaks service, it gives him something to focus on.

He now really enjoys fitness and mum reports he is always doing his exercises at home and is working on his six pack.

Case Study 3:

J was placed in a residential setting in a home in Keighley, which J did not like. He used to go after school but he did not join in with any of the activities. J wanted his own worker to work with him and to do activities that he wanted to do. J has autism and requires exact instructions to be given otherwise J can become upset and anxious.

J does not like crowds or people crying, clapping or even singing happy birthday or flying objects like bees or wasps.

J does like buses, trains and cars. He would really like to go swimming. J does have other siblings that live at home.

Bradnet PA MH was identified to work with J. MH was introduced to J and he was very clear in what activities and things that he wanted to do. It was agreed with him and his parents that he would be collected from school in Keighley at 15:30 on a Thursday and taken out to do what J wants to do, and then taken back home at 18:30.

Since starting with Bradnet's Short Breaks Service J's mum has reported improvements in J and he is very excited and chatty when he comes back home from his outing as he is not normally as chatty. He absolutely loves it and he looks forward to every Thursday.

It also makes it easier for his mum as she used to have to take J to work with her. He is also doing normal activities within the community /mainstream and not within a disabled setting.

J himself has said: *"I love it going out with my PA doing activities like swimming, going to the local park, dragons den and much, much more; he will take me where ever I ask him to take me."*

Another comment that his mum has said was that I think the short breaks service is brilliant and needs to be expended to include more children to undertake activities like normal mainstream children do in the local community.

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7. Future Plans

7.1 Context

The 2015 Indices of Multiple Deprivation (IMD) places Bradford as the 19th most deprived district in England. Bradford's position relative to other local authorities has worsened by seven places since 2010. Bradford is the second most deprived area in the Yorkshire and Humber region behind the City of Hull.

The pattern of deprivation remains unchanged from earlier indices in 2007 and 2010. The most deprived areas are concentrated in and around central Bradford and in outlying Bradford housing estates such as Holmewood, Ravenscliffe, Buttershaw and Allerton, and also central Keighley.

Strategic Context

The Bradford and Airedale Health and Wellbeing Board is the strategic partnership responsible for public health, working to create sustainable, modern, integrated services that support people to be healthy, well and independent. The Health and Wellbeing Board's goal is to use the Better Care Fund to bring budgets together to design services that work better together, provide value for money and help improve health and wellbeing. Key strategic objectives over the next 4 years include:

- Prevention comes first and needs are met earlier
- Demand for urgent and unplanned care is reduced
- People are supported to remain independent for longer, minimising hospital and nursing care
- Resources are focused on mental wellbeing as much as physical wellbeing
- Self-care programmes are developed to help people manage their own health¹

Market Viability of Bradnet's Core Services

Headlines

On the one hand, the gross size of the care market in Bradford is significant:

- Approximately £119m in 2013-14 - 66% of full Adult Social Care Bradford Council Budget

Bradnet's market share, on the other hand, is currently very small:

- Approximately 1.3% of the market place spent on Homecare is commissioned to Bradnet

This indicates considerable capacity for growth.

Market research has identified growth in elderly residents with disposable income in need of home care. Population forecasts predict that the 65+ age group will grow exponentially over the next 20 years.

The Council's Commissioning Intentions

In November 2013, Bradford Council published its commissioning intentions in respect of community care (*Market Briefing: Integrated Personalised Support and Care Framework 2016-20*). The key elements are:

- Demand is expected to increase significantly, especially in certain demographic areas
- Demand for specialist care for Dementia services is also likely to increase
- There will be an increased focus on people having personalised budgets using mechanisms such as direct payments and Individual Service Funds.
- The focus on preventative, re-enablement and early intervention service provision will become increasingly important. This is in order to support individuals to live healthy and independent lives in their own homes for longer, to reduce or delay the demand for health and social care services, for example residential care

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Key statistics pointing to growth in the care market

- According to the latest Office for National Statistics (ONS) estimates of population there are 74,900 people aged over 65 in the district. It is expected that this group will increase by 12% over the next 5 years, reaching a total of 83,900 by 2020.
- The number of people over 85 years of age is forecast to increase by 20% over the next five years and by nearly half by 2025.
- It is estimated that 19,100, 25% of over 65 year olds in the district have a long term health problem or disability which significantly restricts their activities.
- If this % remains similar in future years there will be approximately 2,300 more in total by 2020.
- It is estimated that about 30,000 elderly people are unable to manage at least one domestic task on their own, and this will increase significantly over the next 5 years.
- The number of disabled older people will increase.
- There is an ageing cohort of 'ethnic minority elders'.
- Increasing number of younger disabled people making transition from children to adults.
- One third of total population non-white/10% of over 65 population non -white.

Bradnet's Competitive Position

Bradnet's main competitors in this publicly-funded community care market are all private care providers. Whilst the strengths (and opportunities) of these competitors are reputation and robust business and operational models, their weaknesses (and threats) are private profit and the shrinking profit margins in the care sector. Whereas Bradnet's USP's are:

- ✓ Sustained experience of South Asian disability market in Bradford
- ✓ Our delivery model is people-centred and innovative
- ✓ Strong management team due to reorganisation
- ✓ Company restructure
- ✓ Strong finances and controls
- ✓ Track record over 20 years
- ✓ Reinvestment of income generated into front line services (no profit sharing etc), therefore driving an operating culture of continuous improvement and heightened service user outcomes

Moreover, given that Bradnet's current share of the market is minimal, even if we were to increase market penetration by as much as 50%, this would still only result in approx 2% net market share.

Therefore, Bradnet aims for long-term sustainability through income receipt from commissioned service delivery, development of the non-commissioned care element, trading and asset development, based on solid organisational and business planning.

7.2 Infrastructure

- To ensure greater involvement of disabled people at all levels within Bradnet through a commitment to co-design
- To undertake an ongoing revision of structure, governance arrangements and operations to achieve greater clarity of purpose, value for money, efficiency and effectiveness
- To develop a core of volunteers led by a Volunteer Co-ordinator to assist with fund-raising and to supplement some of our service delivery
- To identify and occupy new premises which give Bradnet greater profile and presence
- To complete a review of our "branding" and implement a well-thought through communications and marketing strategy to include our website and social media strategy
- To build productive relationships with local businesses and suppliers to gain their sponsorship, donations and support
- To maintain and enhance quality standards in relation to Investors In People and AQS (Advice Quality Standards)
- To put in place measures for assessing the social impact from the investment from funders and commissioners through various business planning, case management and evaluation processes.

BRADNET

TRUSTEES' REPORT

7.3 Disability Outreach and Advocacy Service

- To separate Outreach from the Independent Living Service into a separate legal organisation within the Bradnet group
- To produce a strategy for Outreach and Advocacy, defining our offer of service
- To devise a funding strategy
- To establish and maintain the Bradnet service user group
- To carry out a gap analysis of our current service users to widen our reach
- To promote greater awareness of Bradnet's work with commissioners and funders to attract greater investment
- To continue to create solid partnerships with other organisations involved in the disability arena in order to provide a holistic service to our service users
- To produce a regular ebulletin / newsletter
- To set up a social policy reporting procedure, enabling the team to identify, report and campaign on areas of concern for service users
- To offer high quality disability equality training to promote disability awareness to ensure good practice
- To produce a 3 year business plan for the service.

7.4 Independent Living Service (ILS):

- To enhance ILS through completing the restructure we have embarked on this year, carry out a review of operations backed by a significant investment in human and technical resources to reinforce high quality service delivery
- To establish a feasible 3-year business plan
- To increase the diversity of the service users supported
- To ensure regular consultation and evaluation with service users e.g. through forums
- To develop the service in other local authority areas to ensure long-term sustainability
- To enhance the support to the growing pool of PAs through improved communication, training and a peer support forum
- To understand and embrace the personalisation agenda and ensure ILS is responsive to need
- To ensure compliance with the requirements of CQC and local authority accreditation.

8. Fund-Raising Policy

The Board of Directors is updated at each Board meeting on current and future activities and it ensures that they are within Bradnet's vision and powers.

During this year we have received a new grant from Locality to enable Bradnet to initiate the Our Place Project to investigate innovative ways of delivering health and social care services.

We have been granted an extension to funding from the Department of Services for Children and Young People for a different way of delivering support to young people through a team of volunteers. We have also secured a further extension to our commission to deliver the Short Breaks Service.

It is clear that the grant-making environment continues to be very difficult, as many applications to trusts have been unsuccessful. We need to invest in a major Corporate Fund-raising Strategy as well as applying ourselves more to winning tenders and commissions from local authorities and the emerging GP commissioners.

We have engaged Ysustain Ltd and H C Horizons to enhance Bradnet's business capacity and make it 'investment ready'; additionally, Ysustain Ltd will bring specialist knowledge of the current commissioning arena, and in conjunction with the senior management team will identify business priorities in order to remain sustainable in the current economic climate and develop a funding plan for new bid and tender submissions.

BRADNET

TRUSTEES' REPORT

9. Related Parties

Bradnet remains committed as always to work in partnership with local statutory and voluntary agencies, as this avoids duplication and maximises value for money for funders and the community at large. In this context, Bradnet has many projects that are undertaken jointly with other agencies, and is often a principal consulted in the design of new services and initiatives by Bradford Council and the NHS. Our Welfare Rights Service delivered in partnership with Equality Together continues to be over-subscribed.

In addition, Bradnet seeks to link its work closely to local health and social care plans and policies, particularly the Strategic Disability Partnership Priorities and the emerging Joint Strategic Needs Assessment. Bradnet's work is also affected by other policies and plans developing in the Bradford district – most notably the Health and Wellbeing Strategy.

Bradnet is also intent upon sharing its practice experience on a regional and national level; therefore, it is a key contributor to consultations on initiatives (such as those related to equality and diversity) and new services put forward by national agencies such as the Care Quality Commission, Disability Rights UK and the Equality and Human Rights Commission (EHRC). This is important as it ensures that there is shared learning and that Bradnet benefits from a wider perspective on, and profile of, its work.

In the light of impending substantial cuts in the funding of public services there is an even greater need for working in partnership and in collaboration. In the next 3 years the voluntary and community sector will be radically different, not only because of the personalisation agenda but because of the change in commissioning and reduction of overall funding. Organisations will, therefore, have to be agile and robust in order to survive.

10. Risk Management

Bradnet has revised its previous risk management framework to identify a greater cross-organisational approach. This awaits further review and implementation following input from all managers and Board members.

The establishment of the sub-committees to oversee finance, personnel and service delivery has enabled Bradnet to have greater ownership of various business and operational matters and to ensure that they are dealt with appropriately.

In addition, there exists a critical mass of knowledge about Bradnet's strengths and weaknesses, and there is an understanding of the business and financial risks faced by the company. This understanding is gained from advice and analysis provided by the Finance Manager and the auditors who has a sound grasp of Bradnet's financial and business standing. The understanding as to risk is also based on Board discussions, senior managers, staff feedback in group and one-to-one meetings and business planning meetings. This collective feedback has given management an insight into the areas in which matters require improvement - namely staff management and retention, administration, infrastructure, implementing a sophisticated customer relations management system for the ILS in the form of Tagtronics and improved grant management processes.

Ongoing feedback through staff surveys and listening exercises has revealed that the major risks and threats to the operation of Bradnet relate to the loss of key staff skills, insufficient infrastructure and the ending of funding. There is the added threat of external competition for limited commissions, and especially market competition for the Independent Living Service which could threaten income generation.

These concerns are being addressed through a number of measures including the establishment of an solid Finance function ably supported by Peter Bloom, implementation of the ongoing recommendations of an independent review of the finance function, tighter financial controls, business planning (which will incorporate a SWOT analysis and risk management), implementing a Fund-Raising Strategy and applying for further funding, succession planning, use of expert advice and the implementation of more rigorous recruitment and selection procedures for recruiting staff with the appropriate skills sets; the introduction of staff benefits such as pension, auto enrolment and group life cover will help to retain staff. We have now consolidated our operational effectiveness through better use of Information and Communication Technology (ICT) systems and support; and continued improvement and development of our website and social media systems to give Bradnet a greater profile. Moreover, we are committed to enhancing the ability of the Board to have greater financial understanding and scrutiny by offering training and support from the auditors. We have also enhanced the skills sets on the Board through wider recruitment.

BRADNET

TRUSTEES' REPORT

11. Financial Review

11.1 The Disability Outreach and Advocacy Service

In view of the changes in the commissioning landscape, the opportunity has arisen to address the long-term design and delivery of this service. A business planning process began in February 2014 and this is linked to an overall funding and operational review. Following the appointment of a Service Director to provide increased robustness to higher level management, as well as nurturing the existing services to greater growth, it is now a priority to invest in the ILS to ensure it is a safe and high quality service that is fit for purpose.

11.2 Independent Living Service (ILS)

During the year the ILS has delivered about 8,000 hours' care and support per calendar month. The ILS income has had a slight reduction of about 4.36%. ILS Income for 2015-16 is £1,557,945 compared with £1,634,551 in 2014-15. This reduction is due to a number of high risk contracts handed back to the Council. We are forecasting sustainability of this service in 2016-17 rather than significant growth. This is due to the fact that we are not on the Council framework as there is a continual pressure to lower our hourly rates from Bradford Council, as well as other market pressures, and so it will be difficult to envisage significant increases."

Bradnet has been cautious and realistic with its growth ambitions for 2015-16 due to the uncertainty based on the wholesale cuts and also future impact of the personalisation agenda. However, it feels that sustaining income at this level is more than achievable. Bradnet is ready for the personalisation agenda; however, the impact has been less in the year than expected and Bradnet feels that this will have more of a gradual impact over the coming years.

11.3 Financial Performance

The Directors have examined the company's requirements for reserves in light of the main risks to the company. The Directors have adopted a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the company should be between 3 and 6 months of Bradnet's annual gross expenditure.

Reserves are needed to bridge the funding gaps between spending on productions and events and receiving resources through grants and donations. Reserves are also held to cover contingencies, for instance emergency repairs and maintenance.

During 2015-16 Bradnet continued to build reserves through a specific Reserve Fund Account at £3,000 per calendar month; it had been hoped to increase this to £4,000 per calendar month but due to operational and cash flow pressures this was not achieved. However, it is anticipated that this will happen in 2016-17 and Bradnet will aim to achieve a minimum of £150,000 or approximately 3 months' budgeted expenditure. Such an objective will be subject to affordability and prevailing business priorities.

The long-term target for Bradnet will be to achieve 6 months' budgeted expenditure in reserves which in terms of 2016-17 expenditure will be in the region of £380,000. The reserves are needed to meet the working capital requirements of the company, and the Directors are confident that at this level they would be able to continue the current activities of the company in the event of a significant drop in funding.

The present level of free reserves (i.e. excluding restricted funds and those funds invested in fixed assets) is presently short of this target level in view of investments in the services and historical development costs. The reserves may come under some pressure in 2016-17 due to the need for continued investment in infrastructure and services; however, Bradnet would prefer to fund the costs out of operational surpluses.

The Directors have established a designated fund to reflect the funds invested in the charity's fixed assets in the net amount of £393,000.

The Directors are minded to establish a contingency fund to cover employee termination costs in the event of a decline in funds and will continue to develop this over the next 3 years.

BRADNET

TRUSTEES' REPORT

11.4 Investment Policy

The Board of Directors has the power to invest in such assets as it sees fit from time to time. However, Bradnet sometimes needs to respond very quickly to particular events and so has a policy of keeping surplus liquid funds in its current account in order to access the funds expeditiously. The Directors will consider in future alternative investment opportunities as reserve funds are accumulated.

Above all, the Directors will seek to obtain expert investment advice following research and consultation in the forthcoming financial year. All investment decisions will be based on the financial need and strength of the company at any given time. Bradnet may look to invest in short-term bonds which are within the depositor protection scheme of £85,000. Although at this time the interest rates are quite modest, it is an effective way of Bradnet building up additional reserves.

BRADNET

STATEMENT OF DIRECTORS RESPONSIBILITIES

12. Directors

12.1 Responsibilities of the Directors

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Directors should follow best practice and:

- a) Select suitable accounting policies and then apply them consistently;
- b) Make judgements and estimates that are reasonable and prudent;
- c) Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

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

12.2 Certification by the Members of the Board of Directors

Members of the Board of Directors, who are Directors for the purposes of company law and trustees for the purposes of charity law, who served during the year and up to the date of this report are set out on page 1 of this Annual Report.

In accordance with company law, as the company's Directors, we certify that:

- a) So far as we are aware there is no relevant audit information of which the company's auditors are unaware; and
- b) As the Directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

12.3 Accounting Principles and Authorisation

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued March 2005 by the Charities Commission) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities, and Bradnet's governing documents.

Approved by the directors on 23 December 2016 and signed on its behalf under delegated authority by:



Imtiaz Naqvi
Chairperson

BRADNET

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BRADNET

We have audited the financial statements of Bradnet for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet 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), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustee and auditors

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of Bradnet for the purposes of company law are responsible for the preparation of the accounts and for being satisfied that 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 accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts 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.

Opinion on accounts

In our opinion the accounts:

- 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, 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 Charities Act 2011.

BRADNET

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BRADNET

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' Report is inconsistent in any material respect with the accounts; or
- the accounts 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.
- adequate accounting records have not been kept by the charitable company.



Mr Pavanjeet Bagri BA ACA CTA (Senior Statutory Auditor)
for and on behalf of Henton & Co LLP

23/12/2016

Chartered Accountants
Statutory Auditor

Northgate
118 North Street
Leeds
West Yorkshire
LS2 7PN

Henton & Co LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

BRADNET

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
<u>Income and endowments from:</u>					
Donations and legacies	2	-	103,136	103,136	112,207
Charitable activities	3	1,557,945	-	1,557,945	1,634,551
Investments	4	90	-	90	32
Other income	5	9,298	-	9,298	9,071
Total income and endowments		1,567,333	103,136	1,670,469	1,755,861
<u>Expenditure on:</u>					
Charitable activities	6	1,644,165	103,136	1,747,301	1,606,959
Total resources expended		1,644,165	103,136	1,747,301	1,607,512
Net (expenditure)/income for the year					
Net movement in funds		(76,832)	-	(76,832)	148,902
Fund balances brought forward		461,831	-	461,831	312,929
Fund balances carried forward		384,999	-	384,999	461,831

All income and expenditure derive from continuing activities.

The charity has no recognised gains or losses for the year other than the results above.

The notes on pages 21-30 form an integral part of these Financial Statements.


BRADNET

BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	10		239,394		244,458
Investments			1		1
			<u>239,395</u>		<u>244,459</u>
Current assets					
Debtors	11	165,127		432,632	
Cash at bank and in hand		305,394		176,081	
		<u>470,521</u>		<u>608,713</u>	
Creditors: amounts falling due within one year	12	234,516		294,893	
		<u>234,516</u>		<u>294,893</u>	
Net current assets			236,005		313,820
Total assets less current liabilities			475,400		558,279
Creditors: amounts falling due after more than one year	13		(90,401)		(96,448)
			<u>(90,401)</u>		<u>(96,448)</u>
Net assets			<u>384,999</u>		<u>461,831</u>
Income funds					
General unrestricted funds		384,999		461,831	
Total funds			<u>384,999</u>		<u>461,831</u>

The financial statements were approved by the board of directors and authorised for issue on ...23/12/16..... and are signed on its behalf by:


.....
Imtiaz Naqvi
Trustee

Company Registration No. 05572861

BRADNET

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

Company information

Bradnet is a private company limited by guarantee incorporated in England and Wales. The registered office is Noor House, 11 Bradford Lane, Laisterdyke, Bradford, BD3 8LP.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 March 2016 are the first accounts of Bradnet prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

Following the Care Quality Commission review (CQC) future funding has become uncertain with wholesale cuts and market pressures. However with a strong cash balance and reserve in addition to diversification of the revenue streams, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees' continue to adopt the going concern basis in preparing the accounts and at the time of approving the accounts.

1.3 Charitable funds

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

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

BRADNET

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

1.5 Resources expended

Resources expended are recognised in the period in which they are incurred. Resources expended are allocated to the particular activity where the cost relates directly to that activity. Overhead expenditure has been allocated between the cost centres of resources expended in accordance with the usage of the assets or the benefit of the expenditure concerned.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% straight line
Fixtures, fittings & equipment	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 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.

BRADNET

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

1.10 Employee benefits

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

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

1.11 Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

2 Donations and legacies

	2016 £	2015 £
Grants receivable	<u>103,136</u>	<u>112,207</u>

3 Charitable activities

	Support work income £	2015 £
Sales within charitable activities	<u>1,557,945</u>	<u>1,634,551</u>
Analysis by fund Unrestricted funds	<u>1,557,945</u>	

4 Investments

	Unrestricted funds £	Total 2015 £
Interest receivable	<u>90</u>	<u>31</u>

BRADNET

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

5 Other income

	Unrestricted funds £	Total 2015 £
Other income	8,218	9,071
Rental income	1,080	-
	<u>9,298</u>	<u>9,071</u>

6 Charitable activities

	Total £	2015 £
Staff costs (See note 7)	1,478,563	1,382,823
Depreciation and impairment	14,017	16,015
	<u>1,492,580</u>	<u>1,398,838</u>
Share of support costs (see note 9)	244,720	200,762
Share of governance costs (see note 9)	10,001	7,359
	<u>1,747,301</u>	<u>1,606,959</u>
Analysis by fund		
Unrestricted funds	1,644,165	
Restricted funds	103,136	
	<u>1,747,301</u>	
For the year ended 31 March 2015		
Unrestricted funds	1,477,501	1,477,501
Restricted funds	130,011	130,011
	<u>1,607,512</u>	<u>1,607,512</u>

BRADNET

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

7 Staff costs

Staff costs during the year were:

	Total 2016 £	Total 2015 £
Wages and salaries	1,408,289	1,290,550
Social security costs	60,804	82,734
Other pension costs	9,470	9,539
	<u>1,478,563</u>	<u>1,382,823</u>

The average number of persons (including senior management team) employed by the Academy during the year based on actual numbers was as follows:

	2016 No.	2015 No.
Charitable Activities	82	80
Internal staff	14	15
	<u>96</u>	<u>95</u>

Key management personnel

Key management personnel are defined as the members of the senior management team as noted on page 1. Aggregate staff costs for key management personnel were as follows:

	Total 2016 £	Total 2015 £
Wages and salaries	121,027	146,137
Social security costs	13,266	15,249
Other pension costs	3,311	4,024
	<u>137,604</u>	<u>165,410</u>

8 Trustees expenses

Expenses were reimbursed to 2 trustees during the year amounting to £223 (2015 - one trustee £206).

BRADNET

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

9 Support costs

	Support costs	Governance costs	2016	2015	Basis of allocation
	£	£	£	£	
Premises costs	21,901	-	21,901	21,411	Allocation on time
Office costs	64,262	-	64,262	56,791	Allocation on time
Staff related costs	55,096	-	55,096	41,329	Allocation on time
Finance costs	4,188	-	4,188	5,325	Allocation on time
Marketing	4,667	-	4,667	4,057	Allocation on time
Accountancy services	4,919	-	4,919	8,691	Allocation on time
Consultancy	51,464	-	51,464	15,021	Allocation on time
Legal and professional fees	27,805	-	27,805	40,616	Allocation on time
Sundry expenses	10,418	3,174	13,592	7,521	Allocation on time
Audit fees	-	5,400	5,400	4,260	Governance
Accountancy	-	-	-	2,400	Governance
Governance costs	-	1,427	1,427	699	Governance
	<u>244,720</u>	<u>10,001</u>	<u>254,721</u>	<u>208,121</u>	

10 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2015	267,059	115,262	382,321
Additions	-	8,951	8,951
At 31 March 2016	<u>267,059</u>	<u>124,213</u>	<u>391,272</u>
Depreciation and impairment			
At 1 April 2015	54,622	83,239	137,861
Depreciation charged in the year	5,342	8,675	14,017
At 31 March 2016	<u>59,964</u>	<u>91,914</u>	<u>151,878</u>
Carrying amount			
At 31 March 2016	<u>207,095</u>	<u>32,299</u>	<u>239,394</u>
At 31 March 2015	<u>212,436</u>	<u>32,022</u>	<u>244,458</u>

BRADNET

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

11 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	102,366	326,865
Amounts due from subsidiary undertakings	11,268	74,263
Other debtors	32,083	17,043
Prepayments and accrued income	19,410	14,461
	<u>165,127</u>	<u>432,632</u>

12 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Loans and overdrafts	14	6,578	6,578
Other taxation and social security		9,016	22,288
Government grants		1,904	-
Trade creditors		18,781	25,578
Amount due to parent undertaking		38,584	48,595
Other creditors		2,887	12,397
Accruals and deferred income		156,766	179,457
		<u>234,516</u>	<u>294,893</u>

13 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Loans and overdrafts	14	<u>90,401</u>	<u>96,448</u>

14 Loans and overdrafts

	2016 £	2015 £
Bank loans	<u>96,979</u>	<u>103,026</u>
Payable within one year	6,578	6,578
Payable after one year	<u>90,401</u>	<u>96,448</u>

The secured bank loan is secured on 9 Bradford Lane, Bradford, Laisterdyke, BD3 8LP and 11 Bradford Lane, Bradford, Laisterdyke, BD3 8LP.

BRADNET

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 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:

	Balance at 1 April 2015	Movement in funds		Balance at 31 March 2016
	£	Incoming resources	Resources expended	£
Various funds	-	103,136	(103,136)	-
	-	103,136	(103,136)	-

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2015	Movement in funds		Balance at 31 March 2016
	£	Incoming resources	Resources expended	£
Fixed asset fund	141,432	-	-	141,432
	141,432	-	-	141,432

Funds have been transferred into a designated fixed asset fund to match the charity's investment in fixed assets net of bank finance.

17 Analysis of net assets between funds

	Total £
Fund balances at 31 March 2016 are represented by:	
Tangible fixed assets	239,394
Investments	1
Current assets/(liabilities)	236,005
Creditors: amounts falling due after more than one year	(90,401)
	384,999

BRADNET

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

18 Statement of Financial Activities – comparative note for the year ended 31 March 2015

The prior year Statement of Financial Activities is shown below.

	Unrestricted funds £	Restricted funds £	Total 2015 £
Donations and legacies	-	112,207	112,207
Investments	31	-	32
Charitable activities	1,634,551	-	1,634,551
Other income	9,071	-	9,071
Total income and endowments	1,643,645	112,207	1,755,861
Expenditure on:			
Charitable activities	1,476,948	130,011	1,606,959
Total resources expended	1,476,948	130,011	1,606,959
Net (expenditure)/income for the year			
Transfers	(1,323)	1,323	
Net movement in funds	165,383	(16,481)	148,902
Fund balances brought forward	296,448	16,481	312,929
Fund balances carried forward	461,831	-	461,831

19 Transition to FRS 102

The year ended 31 March 2016 is the first year that the charitable company has presented its financial statements under FRS 102 and the 2015 Charity SORP. The last financial statements prepared under previous UK GAAP were for the year ended 31 March 2015 and the date of transition to FRS 102 and the 2015 SORP was, therefore, 1 September 2014. There have been no changes to the company's financial position and performance as a consequence of adapting FRS 102 and the 2015 SORP.

BRADNET

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

20 Analysis of funds

	At 1 April 2015 £	Incoming resources £	Resources expended £	At 31 March 2016 £
Designated Funds				
Fixed asset fund	141,432	-	-	141,432
General Funds				
Unrestricted income fund	320,399	1,567,333	(1,644,165)	243,567
Restricted Funds				
Bradford Metropolitan Council	-	85,178	(85,178)	-
Access to Work	-	17,958	(17,958)	-
Total restricted funds	-	103,136	(103,136)	-
Total funds	461,831	1,670,469	(1,747,301)	384,999