

Company number 3341420
Charity number 1064848



OPTIONS FOR LIFE
(A Company limited by Guarantee)

Financial Statements

Year ended 31 March 2019

OPTIONS FOR LIFE

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CHARITY INFORMATION

Directors

Alan Daffern
Martin Kemp
Nicholas Kirby
Harriet Moat
Deborah White

Charity Number

1064848

Company Number

3341420

Charity correspondence address

Oak Green Lodge
Oak Green Way
Oldbury
West Midlands
B68 8LR

Auditors

Mazars LLP
45 Church Street
Birmingham
B3 2RT

Bankers

Lloyds TSB Bank plc
776 Hagley Road West
Quinton
Birmingham
B68 0PJ

Chief Executive Officer

Steve Hoy (Retired 31 March 2019)
Nicola Thomson (Appointed 1 March 2019)

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DIRECTORS' AND TRUSTEES' REPORT

The Directors present their report and financial statements for the year ended 31 March 2019.

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 27 March 1997 and registered as a charity on 13 October 1997. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up the members are required to contribute an amount not exceeding £1.

Directors and Trustees

The Board of Trustees is the governing body of the charity. The Board of Directors is the governing body of the company. Selection of Trustees is by application to the Board of Trustees and is managed by the Chair and brought to Board of Trustees Meetings for approval. Selection of Directors is by a vote of the Trustees. The policy is to recruit people to be Trustees with knowledge, skills and experience relevant to the aims and objectives of the charity. Documents detailing the legal structure, organisation, finances and management of the company, which are regularly reviewed, are provided to all Board of Trustee members to facilitate effective governance of the charity. In addition, they are provided with training support and practical experience of the day to day running of the charity.

The Board of Trustees meets on a regular basis to manage the affairs of the charity and formulate policy. The Chief Executive manages the day to day running of the charity assisted by full time and part time employees.

No Trustee receives any payment for carrying out their duties.

Risk Management

A finance committee, which includes representation from the Board of Trustees, meets regularly to assess financial planning matters and review measures to control risk. A comprehensive risk register is carried out annually and reviewed bi-annually.

External risks, which primarily concern funding, are continually addressed by closely managing the quality and cost effectiveness of all our contracts, identifying areas for new grant applications and ensuring adequate cash reserves are constantly maintained.

An on-going review of key operational and financial processes and procedures combine to mitigate against any potential internal control weaknesses.

Mission and Vision Statement

"We help people with learning disabilities and/or autism to fulfil their potential and live a full and happy life within their community"

Objects of the Charity

The charity's objectives were to enable people with learning disabilities to advance their personal development and lead a full life within the community.

The aims and policies adopted in furtherance of these objects are: -

- To work in partnership with, and complementary to, other service providers.
- To promote equality of leisure, social, work and recreational opportunities within the community for people with a learning disability.
- To increase public awareness of the positive contribution that people with a learning disability make.
- To recognise different abilities and needs and aim to respond to these on an individual basis.
- To treat staff, volunteers and people with learning disabilities with equal value.

These were changed and adopted by special resolution on 20 February 2017 and are now as follows: -

The Charity's Objects are for the public benefit:

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DIRECTORS' AND TRUSTEES' REPORT

- The enablement of people with learning disabilities and/or autism to and advance their personal development and to integrate into and lead a full life within the community.
- The advancement of public awareness of the needs of the contribution made by people with learning disabilities and/or autism.
- The development and dissemination of good practice in relation to the support and personal development of people with learning disabilities and/or autism.

Review of Activities

The charity operates from a number of locations in Sandwell and Staffordshire, providing opportunities for people with learning disabilities to participate in social, work related and leisure activities which are designed to encourage their development and ability to contribute as fully as possible in the community. It is a priority that we continue to re-model our offer to our current and prospective new participants, in order that we maintain our position as a valued service provider in our chosen field that we keep abreast of the changing expectations of commissioners, policy makers, participants and their family carers.

Following on from the restructure which was effective from January 2018. The organisation is now more streamlined to enhance accountability and to be more responsive to the needs of the participants and also to our commissioners. The Senior Leadership Team continue to work towards achieving actions that are outlined in the new Strategic Plan for 2018 – 2021, with the continuous development and monitoring of the Business Development Plan 2018-2019 that was introduced and signed off by the Board of Trustees.

Significant achievements were made in the year and progress in the implementation of the Strategic Plan, these included:

- Completion of the Zone at Acorn Lodge providing a multiple use room including audio and projection systems together with hoist and access facilities for the enjoyment of all participants and their families;
- The celebration of OFL's 30th Birthday in 2018 with a number of special events for participants, staff, trustees and the wider community including a street party and BBQ in June, and a memorable "Dress to Impress Party" in September including awards and entertainment;
- Development of the Independent Living Space, creating a virtual one bedroom flat with a day centre, providing opportunities for participant to develop life skills

A Fundraising Officer was employed from the 1st July 2018, who has proven invaluable in the first 10 months of post – securing grants for use in 2018/2019 and 2019/2020 from a number of organisations including: Morrisons Foundation, Post Code Lottery, Turner Charitable Trust, Edward Gosling Foundation and Sandwell MBC. Fundraising activities and events involving OFL staff and participants has also been developed.

We have delivered our services to 155 participants across Sandwell and Staffordshire through out the reporting financial year. We have had a relatively consistent pipeline with a minimum of 10 on the waiting list. A recent closure of a local learning disability provider led to a burst of referrals in February and March resulting in 9 participants starting in the coming months. The majority of these new referrals are going to be funded by the Local Authority and Direct Payments.

Income generated from Sandwell Adult Social Services and NHS Sandwell & West B'ham CCG account for 70% of our total income. Funding derived from activities in Staffordshire has risen to 8% whilst Personal Budget contracts are 16% and the remaining 6% has come from grants, social business and fundraising activities.

There are still challenges presented by the continued financial environment faced by the local authorities Adult Social Services and the NHS Sandwell & West B'ham Clinical Commissioning Group (CCG) from where much of our funding is derived are well documented. However, the reputation of the organisation continues to grow.

The charity operates a social business, Oak Green Services which provides DIY and gardening services to the local community, enabling participants to be involved with work experiences and learning skills which may lead to employment. In addition, the charity also has a number of horticulture and creative activities. All of these services are provided in order to develop a sense of contribution to the community and society.

We have continued our commitment to the SMBC administered young apprenticeship programme that we signed up to in 2014 and have been able to offer permanent posts following a successful twelve-month period. In March 2019 we have successfully started another 2 apprentices.

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DIRECTORS' AND TRUSTEES' REPORT

Public Benefit

In planning our activities, the Trustees and management team keep in mind the Charity Commission's guidance on public benefit. We welcome all clients regardless of personal background, faith, gender or personal circumstances and we believe this philosophy of openness to all enriches everyone through the sharing of skills aptitudes and life experiences of our client group. Our objectives and funding limit the services we provide mostly to adults with learning disabilities and/or autism. We are aware that adults with learning disabilities and/or autism have relatively poor access to health services in relation to the public as a whole and we have a strong focus on breaking down the barriers to access these in order to improve both the quality of life and life expectancy of our participants. The ages of the adults with learning disabilities and/or autism that we support has gradually increased as life expectancy has increased over the last ten years. This has presented new challenges as they have had to cope with an increase in age related health conditions. The impact of the work that Options for Life does, goes far beyond the individual participants that we support as their families are able to cope for far longer than they would otherwise be able on their own.

Review of financial position

The income of the charity for the year was £2,204,078 (2018: £2,097,569) and expenditure was £2,165,377 (2018: £2,220,214) this resulted in net income of £38,701, £23,929 of this is restricted income. (2018: net expenditure £122,645). The charity's balance sheet reflects an increase in funds due to the 2019 surplus.

Reserves policy

It is the policy of the charity to establish designated reserve funds which should be maintained at a level equivalent to between three- and six-month's overhead expenditure plus contractual employment costs. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. The designated reserves required for these costs, is assessed at £211,000 (2018 £154,000). The reserves also include a provision for the essential part of the planned capital expenditure programme of £24,000 (2018 £26,000). the essential work include premises structural works.

Future Developments

2018-2019 saw the launch our new three year strategic plan. This originated from a fundamental review by Trustees and the Senior Leadership Team of all activities and the challenges that we face regarding funding. Our five key growth drivers are focussed upon:

- Participant centred
- Strong partnerships
- Nurturing talent
- Education of the community
- Fitness for the future

We are continuously using these key drivers and looking for opportunities to enhance our provision and increase the numbers of participants we work with, delivering community based services at most appropriate times for the participants.

We introduced a fundraising post on 1st July 2018 and are currently developing a fundraising strategy to increase proportion of funding derived from non -statutory sources.

Employees and Remuneration

The charity operates policies based on a range of issues including those to ensure that no discrimination is made against any employee or participant based on their disabilities, age, gender or ethnicity.

A 2018 review of salaries resulted in an annual pay award of 1.5% with effect from 1 October 2018.

Withdrawal of the United Kingdom from the European Union

The Trustees have considered the effect of the withdrawal of the United Kingdom from the European Union and do not anticipate that it will have any material impact on the business of the charity.

Directors / Trustees

The Directors, who served during the period, are shown below and all are trustees.

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DIRECTORS' AND TRUSTEES' REPORT

Alan Daffern (Chair)
Deborah White
Nick Kirby
Harriet Moat
Kudawashe Bondamakara (resigned 17 September 2018)
Martin Kemp (appointed 6 August 2018)

Indemnity provision for Directors

Indemnity insurance has been taken out for all Directors and Trustees for any potential claim risk to value of £1 Million (2018: £250,000).

Responsibilities of Directors / Trustees

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

UK company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the financial statements and comply with the charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice (FRS102), "Accounting and Reporting by Charities" (effective January 2015).

In accordance with company law, as the company directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditor is unaware; and
- 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 charity's auditor is aware of that information.

Auditor

Mazars LLP acted as auditor of the company throughout the year and will continue in office in accordance with the Companies Act 2006 section 487(2).

In preparing this report, the Directors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

Approved by the board on 21 October 2019 and signed on its behalf by



Nicholas Kirby
Co Chair of the Board of Trustees



Nicola Thomson
Chief Executive Officer.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OPTIONS FOR LIFE

We have audited the financial statements of Options for Life (the 'charity') for the year ended 31 March 2019 which comprise Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of uncertainties due to Britain exiting the European Union on our Audit

The Trustee's view on the impact of Brexit is disclosed on page 4.

The terms on which the United Kingdom may withdraw from the European Union are not clear and it is therefore not currently possible to evaluate all the potential implications to the Charity's trade, customers, suppliers and the wider economy. We considered the impact of Brexit on the charity as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the charity's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible implications for the charity and this is particularly the case in relation to Brexit.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Directors and Trustees Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OPTIONS FOR LIFE

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' and Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' and Trustees' Report

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Directors' were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' and Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

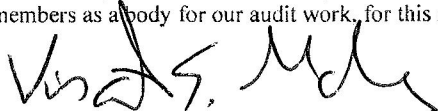
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
OPTIONS FOR LIFE**

Use of the Audit Report

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



Vincent Marke (Senior Statutory Auditor)

for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
45 Church Street
Birmingham
B3 2RT

19 November 2019

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STATEMENT OF FINANCIAL ACTIVITIES (incorporating Income and Expenditure Account) For the year ended 31 March 2019

	Notes	Restricted funds £	Designated funds £	Un-restricted funds £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations & legacies		-	-	12,477	12,477	7,898
Charitable activities	2	49,356	-	2,134,414	2,183,770	2,078,611
Other trading activities	2	-	-	6,071	6,071	10,010
Investments		-	-	1,760	1,760	1,050
		<u>49,356</u>	<u>-</u>	<u>2,154,722</u>	<u>2,204,078</u>	<u>2,097,569</u>
Expenditure on:						
Charitable activities	3	25,427	-	2,139,950	2,165,377	2,220,214
		<u>25,427</u>	<u>-</u>	<u>2,139,950</u>	<u>2,165,377</u>	<u>2,220,214</u>
Net income / (expenditure)		<u>23,929</u>	<u>-</u>	<u>14,772</u>	<u>38,701</u>	<u>(122,645)</u>
Transfer between funds	11	-	55,000	(55,000)	-	-
Net movement in funds		<u>23,929</u>	<u>55,000</u>	<u>(40,228)</u>	<u>38,701</u>	<u>(122,645)</u>
Reconciliation of funds:						
Total funds brought forward		-	180,000	1,864,425	2,044,425	2,167,070
Total funds carried forward		<u>23,929</u>	<u>235,000</u>	<u>1,824,197</u>	<u>2,083,126</u>	<u>2,044,425</u>

The notes on pages 12 to 22 form part of these financial statements.

There were no recognised gains or losses other than those in the Statement of Financial Activities.

All surpluses are a result of continuing activities as one-off activities are structured so as to produce no surplus or deficit.

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BALANCE SHEET
As at 31 March 2019

Company No. 3341420

	Notes	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	7		1,296,232		1,317,374
Investments	7		10		10
Current assets					
Debtors	8	183,294		217,635	
Cash at bank and in hand	9	689,391		590,642	
		<u>872,685</u>		<u>808,277</u>	
Liabilities					
Creditors: Amounts falling due in less than one year	10	<u>(85,801)</u>		<u>(81,236)</u>	
Net current assets			786,884		727,041
Total assets			<u>2,083,126</u>		<u>2,044,425</u>
The Funds of the charity					
Restricted funds	11		23,929		-
Unrestricted funds					
Designated funds	11		235,000		180,000
Unrestricted funds	11		1,824,197		1,864,425
			<u>2,083,126</u>		<u>2,044,425</u>

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

Approved and authorised for issue by the Board on 21 October 2019
and signed on their behalf by:


Nicholas Kirby
Co Chair of the Board of Trustees.


Nicola Thomson
Chief Executive Officer.

The notes on pages 12 to 22 form part of these financial statements.

OPTIONS FOR LIFE**CASH FLOW STATEMENT
As at 31 March 2019**

Company No. 3341420

	2019 £	2018 £
Cash flows from operating activities:		
Net cash used in operating activities	123,853	(90,896)
Cash flows from investing activities:		
Dividends, interest and rent from investments	1,760	1,050
Proceeds from the sale of property, plant and equipment	-	303,300
Purchase of property, plant and equipment	(26,864)	(50,631)
Net cash provided by investing activities	(25,104)	253,719
Reconciliation of net cash flow to movement in funds		
Change in cash and cash equivalents in the year	98,749	162,823
Cash and cash equivalents at 1 April	590,642	427,819
Cash and cash equivalents at 31 March	689,391	590,642
Reconciliation of next movement in funds to net cash outflow from operating activities		
Net movement in funds for the year ended 31 March 2019	38,701	(122,645)
Adjustments for:		
Depreciation	48,006	58,007
Net gains on investments	(1,760)	(1,050)
Dividends, interest and rent from investments	-	(3,300)
Decrease/(Increase) in debtors	34,341	(30,782)
Increase in other creditors	4,565	8,874
Net cash used in operating activities	123,853	(90,896)
Analysis of cash and cash equivalents		
Notice deposits (less than 3 months)	549,285	470,729
Notice deposits (more than 3 months)	101,300	100,000
Cash in hand	38,306	19,913
Cash and cash equivalents	689,391	590,642

The notes on pages 12 to 22 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

I Accounting policies

Options for Life is incorporated as a company limited by guarantee, registered in England and Wales (No. 3341420)

Basis of Accounting

The financial statements are prepared under the historical cost convention, in accordance with Accounting and Reporting by Charities: the Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Income

Income is predominantly grants, charitable service contracts and income from social business activities and is recognised in the Statement of Financial Activities when received or on completion of the delivery of the specified terms of the Service Level Agreement.

Expenditure

All expenditure is accounted for on an accruals basis and is recognised where there is a legal or constructive obligation to pay. Expenditure has been classified under headings that aggregate all costs related to that category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and includes both the direct and support costs relating to these activities.

Support costs which consist of central administration and property costs are allocated on an equitable basis to each activity as disclosed in Note 4.

Governance

Governance costs of the charity include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charitable company. Details on governance costs are shown in Note 4.

Fund Accounting

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

Designated funds comprise unrestricted funds that have been set aside by the directors for particular purposes.

Restricted funds are received for a restricted purpose.

Grants and donations

Grants and donations are only included in the Statement of Financial Activities when the charity has unconditional entitlement to the resources.

Donated services and facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Judgments in applying accounting policies and key sources of estimation uncertainty

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The trustees confirm there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2019

I. Accounting policies (continued)

Value Added Tax

VAT has been treated as irrecoverable by the Charity, due to the scale and type of activities being regarded as exempt. To ensure the charity complies with HMRC's regulatory requirements both the sources of income and the aggregate amounts that could constitute taxable supplies, are frequently reviewed.

Tangible fixed assets for the use by the charity and depreciation

Tangible fixed assets for use by the charity are stated at cost less depreciation. Individual items costing less than £1,000 are written off in the Statement of the Financial Activities.

Depreciation is provided at rates calculated to write off the cost less estimated residual value, over their expected useful lives.

Office equipment - 25% on a straight line basis

Motor vehicles - 25% on a straight line basis

Building – Leasehold - 10% on a straight line basis

Building – Freehold - 2% on a straight line basis

Freehold land is not depreciated

Pension costs

The charity fulfilled its legal obligation in adopting the Governments Workplace Pension Scheme Auto-Enrolment in October 2014 integrating this with the defined contributions pension scheme that was already part of the remuneration policy. Those employees who have opted for the minimum contribution of 5% of pensionable salary under auto-enrolment rules enjoy an employer's contribution of 4%, this increases to 5% after 10 years service.

Going concern

The directors have examined the known and potential risks faced by the charity. Negotiations with our main commissioner of day services display a commitment to continue the long standing working relationship. This will facilitate the Local Authority and the charity in the management of the process of moving the Spot contracts to personalised budgets in line with government policy. The directors consider there are no material uncertainties that may cast significant doubt about the charity's ability to continue as a going concern and the accounts have been completed on the going concern basis.

Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Operating leases

Rental costs under operating leases are charged to the income and expenditure account in equal annual amounts over the period of the lease.

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2019

2	Income	2019	2018
		£	£
	Restricted income		
	Charitable activities		
	Sandwell MBC – Apprenticeship Scheme	2,180	7,956
	Sandwell MBC re notional ground rent	4,200	4,200
	Sandwell Healthier Towns Funding	2,465	1,935
	Morrisons Trust Grant	20,550	-
	Post Code Lottery Grant	17,961	-
	Turner Trust Grant	2,000	-
	Total income from charitable activities	<u>49,356</u>	<u>14,091</u>
	Unrestricted income		
	Charitable activities		
	Adult social care – Sandwell MBC	1,075,557	977,337
	Direct payment for day services	533,335	528,944
	NHS Sandwell & West B'Ham CCG	459,382	497,615
	Social business income	54,392	47,690
	One to One Support – Sandwell MBC	11,748	10,491
	West Midlands Police – Active Citizens Fund	-	443
	Creative Black Country grant – Soundbeam	-	2,000
	Total income from charitable activities	<u>2,134,414</u>	<u>2,064,520</u>
	Other trading activities		
	Disco, activities & sales of work	3,048	1,831
	Room hire charges	3,023	4,879
	Surplus on disposal of assets	-	3,300
		<u>6,071</u>	<u>10,010</u>

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2019

Expenditure – Charitable activities												
	Governance £	Activities undertaken directly		Salaries £	Other costs £	Vehicle & travel £	Depreciation £	Property costs £	Management support £	Total £	2018 £	
		£	£									
Options for days Day Centres	-	126,409	1,277,286		20,106	113,581	30,630	100,274	390,803	2,059,089	2,130,695	
Options for support Supporting people	-	-	7,454		-	268	-	-	2,423	10,145	9,769	
Options for work Oak Green Services	-	14,460	40,498		433	10,092	1,809	-	10,912	78,204	69,704	
Administration and other activities												
Administration & premises	14,841	5,560	303,322		79,783	1,423	15,567	1,581	(404,138)	17,939	10,046	
	14,841	146,429	1,628,560		100,322	125,364	48,006	101,855	-	2,165,377	2,220,214	

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2019

4	Expenditure – Charitable activities	2019	2018
		£	£
	Management support costs		
	Salaries	303,322	236,264
	Travel	1,423	985
	Office costs	52,310	52,873
	Recruitment and training costs	14,676	26,917
	Consultancy and staff	7,425	76,322
	Miscellaneous	10,932	6,021
	Equipment depreciation	2,356	5,380
	Building depreciation	13,211	14,052
	Premises costs	1,581	5,227
		<u>407,236</u>	<u>424,041</u>
	Less charges to services	<u>(404,138)</u>	<u>(427,897)</u>
		<u><u>3,098</u></u>	<u><u>(3,856)</u></u>

All support costs are allocated on a direct usage basis i.e. the best estimate of expenditure incurred directly in undertaking the activity.

Governance costs	2019	2018
	£	£
Audit	8,066	8,128
Other insurance costs	4,171	2,501
Bank charges	1,295	1,111
Professional & consultancy fees	-	596
Publicity, promotion and annual report	1,309	1,566
	<u>14,841</u>	<u>13,902</u>

5	Net movement in funds for the year	2019	2018
		£	£
	The net movement in funds for the year is stated after charging:		
	Depreciation of tangible assets	48,006	58,007
	Operating lease expenditure	20,372	6,837
	Audit	8,066	8,128
		<u><u>76,444</u></u>	<u><u>72,972</u></u>

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2019

6	Staff costs	2019	2018
		£	£
	Wages & salaries	1,506,216	1,484,001
	Social security costs	85,049	82,097
	Pension costs	37,296	30,223
		<u>1,628,561</u>	<u>1,596,321</u>
		Number	Number
	The average weekly number of staff employed by the charity during the year was as follows:		
	Administrative	12	13
	Project based	77	71
		<u>89</u>	<u>84</u>

Employer benefits to Senior Management Team Members

During the year to 31 March 2019 payments to key members of the management team in the form of salary and pensions amounted to £148,384. This compares with £204,046 for the prior year.

There were no employees whose annual emoluments were £60,000 or more.

Termination Payments

In 2019 there were no termination payments. In 2018 termination payments totalled £58,495, the payments in 2018 related to the redundancy, notice period and settlement payments for eight former employees.

Payments to Directors/Trustees

In 2018 no remuneration was paid to Trustees.

There were no expenses reimbursed to Trustees in performing their duties in either 2018 or 2019.

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

7 Tangible fixed assets for use by the charity

	Freehold properties £	Leasehold Improve- ments £	Office equipment / fixtures & fittings £	Vehicles £	2019 Total £
Cost					
As at 1 April 2018	1,584,085	12,782	168,715	90,700	1,856,282
Written-Off	-	-	(55,244)	-	(55,244)
Additions	1,878	4,260	20,726	-	26,864
Disposals	-	-	-	-	-
As at 31 March 2019	<u>1,585,963</u>	<u>17,042</u>	<u>134,197</u>	<u>90,700</u>	<u>1,827,902</u>
Depreciation					
As at 1 April 2018	303,655	1,136	150,528	83,589	538,908
Written-Off	-	-	(55,244)	-	(55,244)
Charge for the year	27,521	1,279	12,395	6,811	48,006
Disposals	-	-	-	-	-
As at 31 March 2019	<u>331,176</u>	<u>2,415</u>	<u>107,679</u>	<u>90,400</u>	<u>531,670</u>
Net Book Value					
As at 31 March 2019	<u>1,254,787</u>	<u>14,627</u>	<u>26,518</u>	<u>300</u>	<u>1,296,232</u>
As at 31 March 2018	<u>1,280,430</u>	<u>11,646</u>	<u>18,187</u>	<u>7,111</u>	<u>1,317,374</u>
Land at cost carried forward £210,000 is not depreciated (2018 – £210,000)					
Investment					2019 £
Investment					<u>10</u>

The investment comprises the whole of the issued share capital of 10 shares of £1 each of Options for Work Limited, a company registered in England and Wales (Registration number 07373367).

Consolidated financial accounts are not prepared as the subsidiary company was dormant during the year.

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS **For the year ended 31 March 2019**

8	Debtors	2019	2018
		£	£
	Trade debtors	101,569	136,971
	Prepayments & sundry debtors	81,725	80,664
		183,294	217,635
9	Bank and cash	2019	2018
		£	£
	Bank accounts	681,951	585,529
	Petty cash	7,440	5,113
		689,391	590,642
10	Creditors: Amounts falling due in less than one year	2019	2018
		£	£
	Trade creditors	23,629	22,791
	Accrued expenses	29,847	29,264
	Income received in advance	-	2,465
	Tax and social security	21,957	19,947
	Pensions	6,378	3,994
	Other creditors	3,990	2,775
		85,801	81,236

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2019

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	1 April 2018 £	Income £	Expenditure £	31 March 2019 £
Restricted Funds				
Sandwell MBC	-	8,845	(8,655)	190
Morrisons Trust	-	20,550	(6,762)	13,788
Post Code Lottery	-	17,961	(9,394)	8,567
Turner Trust	-	2,000	(616)	1,384
Total restricted funds	-	49,356	(25,427)	23,929

Unrestricted funds

	2019 £	2018 £
Unrestricted capital funds brought forward	1,864,425	1,900,070
Movement for the year	14,772	(122,645)
Transfer to/from Designated Funds	(55,000)	87,000
Unrestricted funds carried forward	1,824,197	1,864,425

Designated funds

	2019 £	2018 £
Designated funds brought forward	180,000	267,000
Movement in the year	55,000	(87,000)
Total designated funds carried forward	235,000	180,000
Total unrestricted funds	2,059,197	2,044,425

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2019

12 Analysis of net assets between funds

	Tangible fixed assets	Other net assets/ liabilities	Total
	£	£	£
Restricted	-	23,929	23,929
Unrestricted funds			
Designated funds	-	235,000	235,000
Unrestricted funds	1,317,374	506,823	1,824,197
	<u>1,317,374</u>	<u>765,752</u>	<u>2,083,126</u>

13 Commitments under operating leases

At 31 March 2019 the Company had commitments under non-cancellable leases in respect minibuses and photocopiers:

	2019	2018
	£	£
Within one year	21,531	11,736
Within two to five years	52,001	35,739
	<u>73,532</u>	<u>47,475</u>

14 Related party transactions

There were two transactions involving Trustee members that were undertaken at arm's length and in the course of the business by the charity:

Maximalism Communications Ltd, for whom a trustee Martin Kemp is a Director were paid £1,260 in connection with website licence and hosting fees

Alan Daffern a trustee engaged Oak Green Services to carry out works in February 2019 for which he paid £80, the standard commercial rate.

15 Post balance sheet events

There are no other events that occurred after 31 March 2019 that are likely to significantly change what is presented in the financial statements or have an impact upon the status of the organisation as a going concern.

16 Pension Commitments

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £37,296 (2018 £30,223). At 31 March 2019 contributions amounting to £6,378 (2018: £3,994) were payable to the fund and are included in creditors.

OPTIONS FOR LIFE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2019

17 Statement of financial activities 2018

	Notes	Restricted funds £	Designated funds £	Unrestricted funds £	Total funds 2018 £
Income from:					
Donations & legacies		-	-	7,898	7,898
Charitable activities	2	-	-	2,078,611	2,078,611
Other trading activities	2	-	-	10,010	10,010
Investments		-	-	1,050	1,050
		<u>-</u>	<u>-</u>	<u>2,097,569</u>	<u>2,097,569</u>
Expenditure on:					
Charitable activities	3	-	-	2,220,214	2,220,214
		<u>-</u>	<u>-</u>	<u>2,220,214</u>	<u>2,220,214</u>
Net (expenditure) / income		-	-	(122,645)	(122,645)
		<u>-</u>	<u>-</u>	<u>(122,645)</u>	<u>(122,645)</u>
Transfer between funds	11	-	(87,000)	87,000	-
Net movement in funds		-	(87,000)	(35,645)	(122,645)
Reconciliation of funds:					
Total funds brought forward		-	267,000	1,900,070	2,167,070
		<u>-</u>	<u>267,000</u>	<u>1,900,070</u>	<u>2,167,070</u>
Total funds carried forward		-	180,000	1,864,425	2,044,425
		<u>-</u>	<u>180,000</u>	<u>1,864,425</u>	<u>2,044,425</u>