



MacIntyre

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MacIntyre

Report and Financial Statements Year Ended 31 March 2019

Registered Charity 250840

Company Registration Number 894054 (England and Wales)



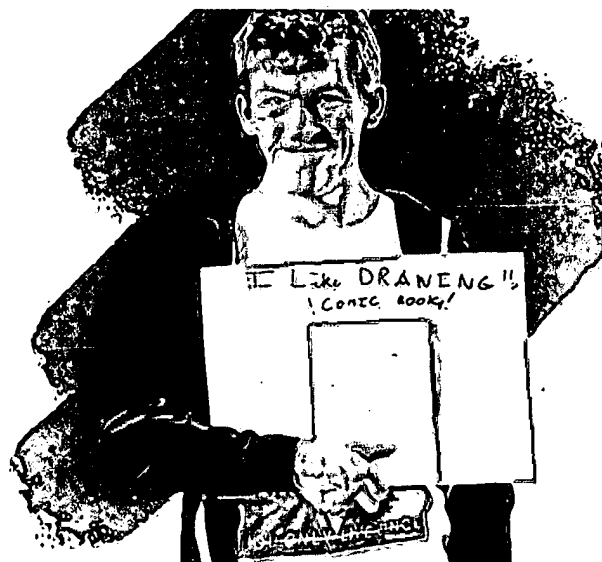


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Legal & Administrative Details

Trustees

John Berriman (Chairman)
Rajdeep Gahir (appointed 1st January 2019)
Adam Goldstein
Rosemary Hart
Dr Dragana Josifova
Neil Macmillan
Pam Meek
Ruth Smyth
Duncan Strachan
Nikki Williams-Ellis MBE
Rachel Taylor
Martin Zahra

Committees in 2018/19

Audit, Risk & Safeguarding

Rosemary Hart *
Duncan Strachan (appointed 1st January 2019)
Rachel Taylor

Digital

(established 1st January 2019)
Adam Goldstein
Rajdeep Gahir
Martin Zahra *

Education

Adam Goldstein
Dragana Josifova
Neil Macmillan *
Pam Meek

Nominations

John Berriman *
Rosemary Hart
Rachel Taylor (appointed 23rd April 2018)

Property

Rosemary Hart
Nikki Williams-Ellis*

Remuneration & Wellbeing

Ruth Smyth
Duncan Strachan *
Nikki Williams-Ellis

* denotes committee chairs

Senior Management and Company Secretary

Sarah Burslem

Chief Executive
Sarah.burslem@macintyrecharity.org

Claire Toombs

Finance Director and Company Secretary
Claire.toombs@macintyrecharity.org

Helen Bass

Workforce Director
Helen.bass@macintyrecharity.org

Emma Killick

Adult Services Director
Emma.killick@macintyrecharity.org

Natalie MacPherson

Development Director
Natalie.macpherson@macintyrecharity.org

Rebecca Gratton

Adult Services Director
Becs.gratton@macintyrecharity.org

PRINCIPAL AND REGISTERED OFFICE

602 South Seventh Street
Central Milton Keynes
Buckinghamshire MK9 2JA
Telephone: 01908 230100
Website: www.macintyrecharity.org

Company Registration No: 00894054

(England and Wales)

Registered Charity No: 250840

Advisors to the Charity

Auditors

Moore Kingston Smith LLP, Devonshire House, 60
Goswell Road, London EC1M 7AD

Bankers

HSBC Bank plc, Level 6, Metropolitan House, CBX3,
321 Aylesbury Boulevard Milton Keynes
MK9 2GA

Solicitors

Blake Morgan LLP, Seacourt Tower, West Way,
Oxford OX2 0FB

Anthony Collins LLP, 134 Edmund Street,
Birmingham, B3 2ES



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Report of the Trustees

I am delighted as chairman of the MacIntyre Trustees to present this report which focusses on how we have discharged our legal and governance responsibilities in the year ended 31 March 2019. The report of our Chief Executive (CEO) focusses on MacIntyre's strategy and main operational activities in the year.



Chair: John Berriman

About MacIntyre

The MacIntyre group comprises two charities, MacIntyre Care and MacIntyre Academies Trust. MacIntyre Care was established in December 1966 as a company limited by guarantee. It is a registered charity governed by its Articles of Association, as amended by special resolution in September 2002. It is a Corporate Member and sponsor of MacIntyre Academies Trust, a multi-academy trust and a company limited by guarantee, which was formed in 2012.

MacIntyre Care is a sector-leading national charity providing learning, support, education and care to just over 1,500 children, young people and adults with learning disabilities, complex needs and autism, and their families across England and Wales. MacIntyre Academies Trust ("MacIntyre Academies") provides education to just over 180 children with special educational needs.

The MacIntyre group is relatively unusual amongst its peer group for providing a full range of services across the age groups, from children to adults and the elderly. We started in the late 1960s with a residential school in Bedfordshire and we continue to support a number of people who were educated at the school.

Trustees' Responsibilities

The Trustees are legally directors of MacIntyre Care and so are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires us as Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of MacIntyre Care and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Trustees are also responsible for safeguarding MacIntyre's assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- MacIntyre is operating efficiently and effectively
- all assets are safeguarded against unauthorised use or disposition and are properly applied
- proper records are maintained and financial information used within MacIntyre, or for publication, is reliable; and
- MacIntyre complies with relevant laws and regulations.

Providing Public Benefit

Charity Trustees have a duty to carry out its purposes for the public benefit. We are required by the Charities Act 2011 to have regard to the guidance issued by the Charity Commission on the public benefit requirement in our decision making. We have referred to this guidance when reviewing our aims and objectives and in planning our activities. In particular, we consider how our activities will contribute to the aims and objectives which we have set.



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The first principle in the public benefit guidance states that there must be an identifiable benefit and the second principle states that the benefit must be to the public or a section of the public. Our assessment of how we meet the public benefit principles follows.

MacIntyre's Memorandum of Association states: *"The object for which the Company is established is the relief of persons who have a learning disability and or a physical disability"*. This is an identifiable benefit and falls within the various descriptions of charitable purposes in the Charities Act 2011: *the relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage*".

Specific examples of the services and benefits provided by MacIntyre to relieve the need of its beneficiaries include:

- the provision of care and housing support to people living in registered care homes supported living schemes and within their own home
- the provision of vocational learning opportunities and further education
- the provision of residential special schools and college education
- the provision of transition support to school leavers and their families
- the provision of advice and information.

The beneficiaries of MacIntyre are without exception children and adults who have learning and/or physical disabilities and/or autism. There are no geographical or financial restrictions on beneficiaries, all of whom have a statutory entitlement for government benefits and/or local authority grants to meet the cost of their education and/or support. While it is recognised that such funding is means-tested, all potential beneficiaries are able to access MacIntyre services, as their overall statutory entitlement for support services is not affected by their personal financial circumstances.

MacIntyre has a welcome-all policy regardless of the nature of the disability of the person concerned and is fully inclusive in ensuring the widest uptake of its beneficiaries.

Perhaps most importantly in terms of public benefit, not all of MacIntyre's services are subject to fees. In addition to services fully supported by public funding, MacIntyre uses charitable income to provide free advice and information to people with disabilities and their families and to fund service innovation within the Special Educational Needs and Disability (SEND) and disability care sectors. There are therefore many

services provided for the public by MacIntyre for which no fees are charged.

We have developed a three-year plan for the use of the non-specific funds donated to MacIntyre Care which we have designated for investing for the wider charitable benefit. Specifically, we have set aside funds to invest in business development, growth and innovation and in further developing our practice expertise.

The Group's finances

Our ongoing principal day to day financial challenges in MacIntyre Care continue to be to minimise agency costs and empty place costs and negotiate fair and reasonable cost increases from commissioning bodies. In MacIntyre Academies our main financial challenge is to ensure that, in a sector that is experiencing funding pressures, we sustain levels of fees which enable us to deliver outstanding education and maintain buildings, facilities and equipment.

The MacIntyre group had total incoming resources of £59.3m in 2019 (£53.7m in 2018), which is a 10% increase in the year. MacIntyre Care grew 7% with total incoming resources of £50.7m in 2019 compared to £47.3m in 2018. MacIntyre Academies grew 34% in the year, with total incoming resources of £8.6m in 2019 compared to £6.4m in 2018.

The group generated a surplus in the year, after taking account of donations & legacies of £2.1m (£0.3m in 2018), of £1.7m (£0.8m in 2018). MacIntyre Care operates on fine margins and it generated a small deficit (excluding donations and legacies) in the year of £0.4m (surplus of £0.3m in 2018). This deficit arose mainly in children and young people services. Generating an annual surplus for reinvestment in the business is essential for our long term future and we plan to restore the core operating activities of the business to surplus as soon as possible.

The annual round of fee negotiations this year in MacIntyre Care was particularly tough. It was also complicated by the different approaches taken by local commissioners of services over payment rates for sleep-ins. Trustees acknowledge the quality of the working relationships that management have established with our funding commissioners, whom we also thank for their ongoing support.

We have a cost conscious mentality, embedded firmly alongside our desire to be innovative and provide the best possible education, support and care for the wide variety of people whom we support.



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We are most grateful to all those who are so generous in supporting the group, both financially and with their time. We have been fortunate to have received significant donations in recent years from the estate of a parent of a lady whom we supported over several decades. A further donation from the estate was received in the year under review.

We know that donors and providers of funds want to be assured that their monies are being spent wisely and as fully as possible on charitable activities. We continue to benchmark our cost profile against others in our sector, as a means of ensuring that we remain competitive and efficient. One efficiency measure is the level of central administrative costs expressed as a percentage of turnover, which for MacIntyre stand at a healthy 6% (6% in 2018) and remain in the best quartile compared to the charitable sector as a whole.

As we reported last year, the Court of Appeal found in July 2018 in the case of *Royal Mencap Society v Tomlinson-Blake* that the National Minimum Wage does not apply to sleep-in shifts unless the worker is awake for the purpose of working. This judgement has been appealed and the case is due to be heard at the Supreme Court in February 2020. As things stand currently our sleep-in payments, past and present, have been made in full compliance with the law and as such we have no actual or contingent liability to fund for historical sleep-in payments.

The level of overall reserves in MacIntyre Care have built up prudently over more than 50 years and today we have unrestricted general reserves of £2.3m (£2.5m in 2018). We estimate that over that time we have provided education to some 1,000 people with learning disabilities and we have supported a further 2,500 adults and their families through our various MacIntyre Care services across the UK.

We remain a robust and secure group financially with a strong consolidated balance sheet, with total group funds of £31.7m (£30.6m in 2018).

Going Concern

The Trustees have considered whether the use of going concern is an appropriate underlying basis for accounting. After making an assessment the Trustees have concluded that there is a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. These financial statements therefore have been prepared adopting the going concern basis.

The Trustee Board

We are fortunate to have a strong and highly skilled Director and Trustee team who work well together and dovetail very effectively. This is very helpful for the day to day running of MacIntyre and essential in times of adversity or challenge.

We have a well-balanced, experienced and stable Board in MacIntyre Care comprising 12 Trustees, just over half of whom are female. We have an excellent blend of Trustee capabilities which include legal, financial, risk management, property, sales & marketing, digital, Education, HR, genetics and general management skills.

Many of our Trustees undertake continuing professional development in their professional roles outside MacIntyre. We supplement this with the regular provision of sector specific information and the use of other experts at both MacIntyre Board and committee meetings to ensure that Trustees are well equipped to fulfil their governance roles.

Presently five of our Trustees, myself included, have relatives who are supported by MacIntyre Care. Those close family links with MacIntyre have been an ever-present and important feature in our development. It means that any family (or commissioner of service) that entrusts a loved one to us can rest assured that Trustees are vested personally and connected intimately to our services. We believe this marks us out and is an essential part of our governance DNA.

We were delighted to welcome Rajdeep Gahir to the Board from 1st January 2019. Rajdeep has worked with a number of start-up companies and presently advises organisations on innovation and growth strategies and she has established her own property/technology business venture. Rajdeep adds to the richness and diversity of our Board in terms of her understanding of digital technology and the opportunities that it provides.



Trustee: Rajdeep Gahir



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There were no other Board changes in the year. I am very grateful to each of my fellow Trustees who continue to give very generously of their time, both to Board and committee meetings and to advising me and management on a variety of important matters.

No Trustee receives remuneration or other benefit from their work with MacIntyre. No goods or services were purchased in the year from companies connected with the Trustees. MacIntyre maintains a register of Trustee interests which is updated on an annual basis and during the year as appropriate.

The senior management team

The Trustees delegate the day to day running of MacIntyre to the key management personnel of the charity, who are considered to be the Chief Executive, Sarah Burslem and the director team. The senior leadership team was bolstered by the recruitment of Rebecca (Becs) Gratton in January 2019. She is one of two Adult Services Directors and is also leading MacIntyre's work on autism.

The Directors are encouraged by Trustees to be involved in a range of complementary external activities. Many of our Directors are involved in the Voluntary Organisations Disability Group (VODG) and Sarah Burslem is involved in a number of forum activities involving charity leaders.

We see these external roles as an important opportunity for sharing, learning and establishing MacIntyre more widely in the minds of those with whom we work and to support the wider disability sector.



Bibi and Andrew, Kent

The importance we place on collaboration

We are a major provider of education and social care services today in the UK and our ambition is to continue to grow to meet social and educational need. It is clear that there remains a significant appetite for the range of innovative specialist services that we provide and, more importantly, the way in which we provide them - *the MacIntyre way*.

We continue to focus on whether, and if so how, to share resources or collaborate with other charities in the sectors in which we operate. This has involved us in assessing the relative merits of various collaboration options, from joint front line or support activities, to simple alliances or the potential of a full merger. We are clear that we would only enter into new collaboration arrangements with those with whom we share common values or where we can make an incremental difference by working together, or as a means of enhancing our brand and making sure we can bring *the MacIntyre way* to a wider range of people whom we can support.

We already have a number of collaboration arrangements in place with other charities and we will continue to look for further opportunities in line with our strategic criteria.

Our governance structure

I aim to create an environment that enables strong and effective teamwork between Trustees and Directors. We undertake most of our Trustee business in full bi-monthly Board meetings. Important review responsibilities are delegated to Board committees, so that Trustees can better support management and also examine important issues in greater depth. There is an open invitation to any Trustee to attend and contribute to each Board committee. The Chief Executive or her designate attends each committee meeting, unless the committee chair agrees otherwise.

The committee activities are formally reported back to the Trustee Board by the committee chairs, supported by the relevant MacIntyre Director, so that all Trustees can probe and understand the committees' decisions.

The minutes of all committee meetings are made available to all Trustees via a user-friendly, intuitive board portal, accessible on a PC, phone or tablet. This enables Trustees to access past and present meetings and decisions from one single, secure digital platform. This helps improve further our governance and compliance, enhances information confidentiality and security and facilitates Board administration.



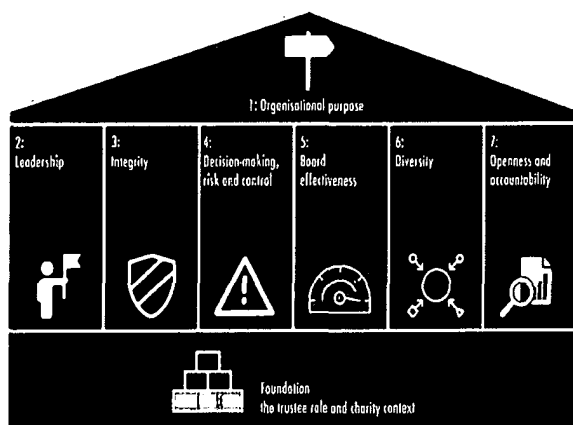
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We have always placed a premium on good governance and ensuring that we manage our affairs effectively and appropriately. We periodically commission independent governance reviews, the most recent of which was undertaken in 2015/16 by *Optimum Support for Charities*. Their report concluded that MacIntyre had instituted appropriate and largely effective governance systems, processes and procedures for a charitable organisation of our size, scale and complexity.

The report provided by *Optimum Support for Charities* commented in particular on the strength and openness of the working relationships between Trustees and Directors and amongst the respective teams. This is a major contributory factor to ensuring the quality of our governance and for monitoring our culture and approach.

Following revisions in 2018 to the Charity Commission Charity Governance Code we undertake annual self-reviews of our governance viewed against the Code. The Code emphasises that it is important that Trustees discuss the Code's principles and recommended practice and make well-considered decisions about how these should be applied.



Charity Governance Code Principles

There are seven principles of the Code and these relate to organisational purpose, leadership, integrity, decision-making, risk and control, board effectiveness, diversity and openness and accountability.

The Board is satisfied that MacIntyre is applying all the seven principles in the way that it is governed and that it meets the desired outcomes in respect of each of the seven principles of the Code. The results of our self-review have been fully considered and either actioned or integrated into future governance plans.

During the year we took a number of governance actions, including: establishing a new Board committee to focus on digital matters, under the chairmanship of Martin Zahra; and recruiting a new Trustee, Rajdeep Gahir, to help us address in greater depth the digital agenda. We have also decided to reactivate the Governance Committee of the Board in 2020, chaired by Rosemary Hart.

Our schools

Our education committee oversees the strategic development of education services across both MacIntyre and MacIntyre Academies. The committee, chaired by Neil Macmillan includes MacIntyre Trustees with a special education interest.

The education committee is attended by the Head of Schools, whose oversight responsibilities include ensuring that there is maximum cross-over of learning between the two charities. School Principals attend the committee as invited.

We aspire for all our schools (Wingrave School in MacIntyre Care and the three MacIntyre Academies schools in Oxford, Nuneaton and Rugby in MacIntyre Academies) to espouse and promulgate the MacIntyre philosophy of care and education for children with special learning needs. Our Academy schools are focused in a relatively tight geographical area to enable maximum collaboration and cross-fertilisation of ideas and for ease of management.

Separate Local Advisory Boards for each school meet quarterly and are responsible for ensuring the good governance of the schools, including supporting the Principal, scrutinising student progress, monitoring the school's finances and the achievement, quality of teaching and behaviours and safety in the school. The terms of reference for all the schools mirror the governance terms of each other. The Advisory Boards are open to any Trustee to attend.

MacIntyre Care, as sponsor, is itself a corporate member of MacIntyre Academies and is represented by our Chief Executive, Sarah Burslem. Claire Toombs, Finance Director of MacIntyre is the Accounting Officer of MacIntyre Academies. She is also the Company Secretary of both MacIntyre and MacIntyre Academies.

The Directors of MacIntyre Academies include Neil Macmillan (chair) and Martin Zahra, who are the two nominated MacIntyre Care representatives. Additionally, there are three independent directors, including a former deputy Head Teacher. Board reports on progress in all the schools are taken at the MacIntyre Care Board.



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Recruitment, retention, reward and development

Our staff are our lifeblood. They make the real difference to the day to day lives of the young people and adults who use our services. Our staff are aspirational for the people they support and interact with commitment and sensitivity. This expertise and positivity ensures that MacIntyre's DNA is brought to life and experienced by each person we support.

The nominations committee, which I chair, leads the process for Board and Trustee appointments. During the year the nominations committee was involved in the recruitment, selection and appointment of Rebecca Gratton as one of our two Adult Services Directors.

The nominations committee also oversaw the selection of Rajdeep Gahir as a Trustee. MacIntyre recruits new Trustees both through the network of current Trustees and also where appropriate through the advice of external professional agents. The comprehensive familiarisation, pre-appointment and induction process for Rajdeep, as for all Trustees, included her meeting the chairman and two other Trustees individually. She also visited MacIntyre School, Wingrave and MacIntyre Central Office in Milton Keynes, where she met the school management, the director team and the CEO.

I formally appraise the performance of the Chief Executive annually, taking input from Trustees and the senior leadership team. I make recommendations on her performance and remuneration. The Chief Executive makes recommendations on the performance and remuneration of her director team.

Our remuneration & wellbeing committee, which reviews remuneration and other workforce related matters, is chaired by Duncan Strachan and met three times in the year. The committee reviews all recommendations on the remuneration of MacIntyre's staff, including key management personnel. The committee focusses on ensuring that the remuneration of all employees is competitive and fair within the current financial constraints that the sector faces.

During the year the committee took a report from the Workforce Director and reviewed the 2018/19 workforce strategy, including pay and reward proposals. The committee was delighted to endorse the pay proposals including the one off payment to staff in MacIntyre Care who had received little or no pay increases in recent years, as well as the enhancement of the overall staff benefits package, including certain healthcare discounts.

The committee further reviewed the annual gender pay gap report. In MacIntyre Care our workforce is predominantly female, with women making up 75% of our staff, which is reflective of the wider social care sector. We are confident, due to our job evaluation process and salary bandings that men and women are paid equally for the same or similar roles. There is however an under-representation of males in all divisions within the organisation, which is one of the main reasons for our mean gender pay gap, which at the date of reporting (April 2018) stood at 5.3% (5.7% at April 2017) in favour of females.

Trustees are briefed regularly at the full Board as well as at committee meetings on the focus on recruitment, retention, equality and staff engagement and development in particular. It is essential that we continue to focus relentlessly on imaginative ways of recruiting people into MacIntyre and on reducing the level of staff vacancies, in order to reduce the use of agency staff and maintain high quality service levels.

MacIntyre is a '*Disability Confident Employer*' which helps to positively change attitudes, behaviours and cultures whilst making the most of the talents people with disabilities can bring to our organisation. When working with employees who have a disability, we join together with our occupational health provider and Access to Work in order to implement reasonable adjustments thereby ensuring staff are not disadvantaged in undertaking their role.

Harnessing digital technology

In the last quarter of the year we set up a Board committee specifically to focus on our digital strategy and development plans, including the use of social media in our marketing. The committee, chaired by Martin Zahra, met once in the year.

Strategically the committee is investigating how best to harness and use technology; how MacIntyre can become more efficient and effective as a charity through the use of technology; how to enhance the lives of individuals with a learning disability; to communicate both internally and externally in new and more creative ways; and to ensure that our management information and reporting systems are innovative and meet our current and future needs.



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Our properties

Our property committee, which reviews major property moves, new builds, major refurbishments and property funding, is chaired by Nikki Williams-Ellis and met three times in the year. Committee members also visited selected MacIntyre properties during the year.



MacIntyre School Wingrave

The committee took reports from the Finance Director and focussed its attention in particular on refurbishing key buildings across the country, including at Great Holm in Milton Keynes, the ongoing property maintenance programme at Wingrave School, the development of the properties in MacIntyre Academies and the residential services provision in the Wirral where MacIntyre own the freehold properties. The committee recommended management to commission condition surveys of 16 MacIntyre properties by Grand Union Housing. It is proposed that they will generate cyclical reports and MacIntyre will commission contractors to undertake necessary property maintenance.

Audit, controls, compliance, risk management and safeguarding

Our audit, risk & safeguarding committee reviews finance, audit, risk, compliance, health & safety and safeguarding matters. The committee, chaired by Rosemary Hart, met three times in the year.

Finances - in terms of the finances of MacIntyre, the committee reviews MacIntyre's financial systems, controls, risk management and risk registers, including key risks, financial results and the balance sheet. It also reviews MacIntyre's budgets, cost management (including agency costs and empty place costs), cash management and forecasts, its policy for investment of surplus funds and its reserves policy.

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the executive management and the Board of Trustees. A programme of internal audits is

in place, derived from a comprehensive risk assessment.

The internal control systems are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- a strategic plan and annual budget approved by the Trustees
- regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews
- delegation of day-to-day management authority and segregation of duties; and
- identification and management of risks.

Risk management - the Trustees regularly review the risk register and consider the major risks to which MacIntyre is exposed and the systems which have been established to mitigate those risks.

Board meetings include the monitoring of financial and operational performance and risk. The Board meets on a bi-monthly basis and Directors present to Trustees about their specific area of responsibility. Annually the full Director team meet with Trustees to debate collectively MacIntyre's long term strategy. And at the half year the Director team take Trustees through the detail of MacIntyre's operational performance in the context of our strategy.

Internal risks are minimised by the use of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure they still meet the needs of MacIntyre.

External auditors - the committee receives a report in respect of the annual statutory audit from our external auditors. During the year the committee oversaw a market testing exercise in respect of the appointment of external auditors. The Board approved the committee's recommendation that Moore Kingston Smith LLP be re-appointed as auditors of the MacIntyre group. James Saunders was introduced by Moore Kingston Smith LLP as the partner to lead the audit, in order to provide a fresh pair of eyes.

Statement of disclosure to auditor - so far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware. The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.



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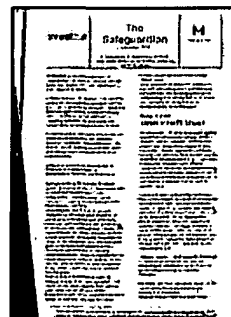
Compliance and health & safety - the committee receives reports from the Compliance Manager, which includes the results from Ofsted and the Care Quality Commission's inspections of our services, and from the Health & Safety Manager, which includes the corporate health and safety objectives and the results of external audits undertaken by the British Standards Institute (BSI).

MacIntyre has a sector-leading accreditation of our health and safety policy and procedures with the BSI (OHSAS 18001). Being the first charity to receive this award, it is a significant achievement and a measure of the priority we give to safe working practices within MacIntyre. We maintain this accreditation through on-going, six monthly external audits.

Safeguarding is specifically monitored alongside other risks, as part of the committee's regular business agenda. We have an organisational culture in MacIntyre that prioritises safeguarding. The wellbeing of the children and adults we support has always been and always will be our top priority. Equally we seek to provide a safe and trusted environment which safeguards our staff and promotes their wellbeing. The working environment is not always easy and some of the people we support show challenging behaviours.

We have clear safeguarding policies, procedures and measures to protect people and these are shared and understood across the organisation. Additionally, we have an established reporting mechanism and a whistleblowing helpline that enables anyone with concerns to report incidents and concerns, with the assurance that they will be handled sensitively and properly. The committee takes an annual report from our nominated safeguarding officer and our whistleblowing policy is subject to annual review by that committee to ensure that it remains fit for purpose.

Trustees and management take great care to fully assure themselves of our practice standards and to assure others as well. We recognise in particular that it is crucial that our people know how to act properly and do so at all times. We are clear as to how any incidents and allegations are to be handled, including reporting to the relevant authorities. History shows that organisationally we respond quickly, effectively, professionally and with transparency, on the rare occasion when any issues arise.



Our investment policy

The Trustees have considered the most appropriate policy for investing funds and have decided to place funds in cash deposits on fixed and short term arrangements to meet our cash flow requirements.

The generous donations received in the recent years means that MacIntyre now has a level of free funds that, as explained in the section above on public benefit, are to be invested in the medium term for the wider charitable benefit. As a result, and since the year end, the Trustees have started to explore whether to invest certain funds with professional wealth managers who specialise in the UK charitable sector.

Our reserves policy

The Trustees have considered the Charity Commission guidance on reserves in updating MacIntyre's reserves policy. MacIntyre is substantially funded by income through grants and contracts to provide services. This income is, in the main, predictable on an annual basis.

MacIntyre manages its financial performance to deliver a small surplus to meet its investment and operational needs. Given the nature of MacIntyre's services, much of the investment is into fixed assets. The investment in our schools and care homes is an essential element in securing future revenue streams and ensuring that our services offer the best environments for all those who use them.

MacIntyre has very few costs which are not directly attributable to services and therefore it is not considered appropriate for MacIntyre to hold significant free reserves which are not invested for the best advantage of MacIntyre's beneficiaries. MacIntyre is in a strong and sound financial position with a fixed asset base of £14m (£13.9m in 2018). The Trustees consider this to be the most appropriate reserves planning for MacIntyre.



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The Trustees have considered the risk to the organisation and consider that free reserves not invested in fixed assets would only be required to cover non direct service costs in the very unlikely event that MacIntyre did not have any continuing service contracts covering these costs. A target of £1.5m would allow for between 3 and 6 months cover of all non-service costs to continue the business of the organisation. The level of free reserves at 31 March 2019 not invested in fixed assets is £2.3m (£2.3m at 31 March 2018) which is just above the target range.

MacIntyre Academies reserves policy is to reinvest restricted funds into the growth and progression of all its Academy schools. MacIntyre Academies restricted reserves not invested in fixed assets at 31 March 2019 was £2.3m (£1.6m in 2018).

Out and about in MacIntyre

Many of our Trustees invest their personal time in visiting MacIntyre services and lending their expert support to management on a wide range of issues. This support is very much welcomed. For my part, I count myself fortunate to have been invited to speak at two special MacIntyre annual events in the last year.

The first was the *Inspiring Leaders Conference* and the second was the *Marjorie Newton Wright (MNW) Awards*, which this year were attended by the full Trustee Board. Both were held in Milton Keynes, in November 2018 and March 2019 respectively, and each event saw over 200 MacIntyre staff travel from across the country to attend.

The *MNW Awards* sees members of staff and volunteers nominated by their colleagues for the excellence of their service and support. And the *Inspiring Leaders Conference* sees the senior leadership nationally across the group gather to discuss, explore and share experiences of leadership in action in MacIntyre, so cross-fertilising tremendous ideas nationally.

The area managers who lead our services in Warrington and Leicester respectively (Andrea Parr and Merle Davis) presented at the *Inspiring Leaders Conference* on how their teams in MacIntyre had achieved *Outstanding* ratings from our care regulator, the Care Quality Commission (CQC). They highlighted the importance of drawing on all that is best nationally in MacIntyre, in terms of resourcing, thinking, systems, process and controls, and at the same time bringing the very best of MacIntyre locally to the service provision. Their presentation was truly inspirational and a beacon for others to follow. They subsequently presented at a Trustee Board meeting on lessons learned.

I spoke at both events and reminded participants of the rich history of MacIntyre spanning over 50 years and highlighted the important role that Trustees play in support of and challenging management. MacIntyre started with one small residential school in Bedfordshire for children with a learning disability and over time we have evolved into a major national charity with a full service provision in terms of care, support and education for both children and adults with a learning disability. We have developed a deep understanding of autism and of dementia and how dementia affects people with learning disabilities.



Sir David Berriman on his 90th Birthday with his son James, the first person to be supported by MacIntyre

My father was instrumental in founding and establishing MacIntyre, together with our founding CEO, Ken Newton Wright. I invited my father to write a short address, which I gave on his behalf, to both the *Inspiring Leaders Conference* and the *Marjorie Newton Wright Awards*. His words are shown on the following page. MacIntyre still looks after my brother James and his wife Angela to this day, so our family connection runs very deep, as it does with a number of my fellow MacIntyre Trustees.



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Outlook for the year ahead

The MacIntyre group has had to adapt and show great flexibility over the decades. Quality in terms of the care and education that we provide is right at the top of our agenda, and so achieving outstanding ratings from our care regulator during the review under review has been a marvelous accolade.

Generating sustainable growth is so important to our future. We will continue to make the case alongside membership organisations such as VODG for government investment in the social care sector and to explore opportunities to collaborate with other service providers. We believe that this is essential so that we and other providers of services to the learning disability sector can provide the care and education services that are needed by the people whom we support and their families.

We will keep focussing on innovating in service delivery, working collaboratively with our funders and commissioners in a transparent way and investing in the skills of our people. And as usual we will be tough on discretionary spend, vigilant on cost, firm on fee negotiations and effective in our day to day management. These have been hallmarks of the way we have worked for years.

We are excited about the opportunities that are provided to the development of MacIntyre by the generous donations that we have received. In particular, we will use our designated funds to create impact, including providing some support to people who are in danger of falling through the national service gap.

On behalf of those whom we support, the Trustees and I would like to thank everyone associated with MacIntyre for continuing to provide the environment in which our group can flourish. Thank you to all of our people for yet another year of incredibly hard work and commitment to MacIntyre.

Approved on behalf of the Board:

John Berriman
Chair of MacIntyre

Date 17 / 12 / 2019

Address to the 2018 Inspiring Leaders Conference and the 2019 Marjorie Newton Wright Awards

"I have followed the fortunes of MacIntyre as closely as ever since I stepped down from the Trustee Board some 20 years ago. That followed my 30-year involvement, from day one, first as a Trustee and then as Chair.

When my son James was born 61 years ago the fate of virtually all children with learning difficulties was to be put for life in to some form of institution - some nicer than others - but most likely to just sit and watch a black and white TV and realistically with no chance of developing or showing what they could do.

I was not prepared to accept such a fate for James and it was by good fortune that a colleague of mine brought to my attention an article in the national press about Ken Newton Wright and his aspirations for people with learning disabilities. Ken had a son with Downs Syndrome who had very sadly died and was of a similar age to James.

Ken and I met and this led to the purchase of Westoning Manor and the subsequent development of MacIntyre as a charity providing a purposeful and challenging life for those whom we supported.

MacIntyre has looked after my son James since the day it opened its doors over 50 years ago (and James lived with the Newton Wright family for several months before we were granted our first school licences). As a father I am so grateful for all MacIntyre has done for James and his wife Angela, whom he married some 18 years ago.

I am thrilled that under the chairmanship of my son John and the leadership of Sarah Burslem and all of you that MacIntyre is acknowledged as being outstanding. I am delighted and I congratulate you all and wish you and MacIntyre much continued success."

Sir David Berriman

Founder of MacIntyre and Chairman 1977 to 1993



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Chief Executive's Report



CEO: Sarah Burslem

Introduction

I am delighted to report that 2018/19 has been another positive year for the MacIntyre Group. We are proud of our special position as a provider to both children and adults and of the diverse range of education and care we provide.

The Group continues to thrive and grow even though we are operating in challenging external environments. MacIntyre Care was established over 50 years ago at a time when the founders believed that the state provision for disabled children and adults was not ambitious or creative enough. We remain proud of our heritage, proud of our purpose and proud of what has been achieved over the past five decades. We see this purpose to be particularly important as austerity continues to have an impact on the breadth and quality of education and social care in England and Wales.

We have achieved closer alignment between the two organisations, MacIntyre Care and MacIntyre Academies during the year under review. This has been achieved through a focused governance Board committee that considers education matters across the Group, through a revised management structure and by shared education quality and practice forums. It is important to the Group that we remain ambitious for disabled children and adults and deliver excellent provision as enshrined in both the Education and Social Care Acts.

We have a bold purpose and a well-defined value base that runs through our increasingly diverse range of provision. We have intentionally strengthened our ways of working during the year under review to ensure that our school and further education curriculums are ambitious, child and young person focused, that we embed excellent practice across our growing specialist children's care provision and that our adult social care and support is asset based and seen as outstanding by our regulators.

We have challenged ourselves to improve our co-production capabilities and to proactively focus on our secondary purpose to help shape communities where we work to ensure that they are engaging and inclusive places for disabled people to live. We achieve this through our contracts with commissioners and through targeted investment of our charitable funds.

The external climate

In the eight years since austerity was introduced the adult social care sector has been faced with cuts exceeding £7bn. There has also been real term reductions in spend on education and other community and public services. This baseline, coupled with an increasingly volatile political situation and lack of a long term funding solution for adult social care, will have an impact on the size, scope and quality of future SEND provision and on statutory funded social care.

Such demographics will in turn have an impact on the relationship between state funded provision and the role of families, charities and local communities. In addition to managing our finances as effectively as possible, our focus during the year under review has been about making a contribution though sector organisations such as VODG, Social Care Futures (SCF) and Think Local Act Personal (TLAP) to shaping a new vision and developing an appetite and capability for transforming how we think about and deliver education and social care.

Strategy and Purpose

We have reviewed our strategy during the year under review, ensuring that it is aligned to these complex sector dynamics. We have committed to a three-year plan that sees significant year on year growth, continuous improvement of our teaching, learning and social care practice and tests new and innovative ways of working.

Growth - during the year under review the numbers of children, young people and adults being supported by the MacIntyre Group was 1,520 (1,479 in the previous year). This modest increase masks a complex set of dynamics that include, school and college leavers and joiners, changes to size and scope of people's support packages and people leaving and joining our adult services. We have been particularly focused on preparing the ground supporting more people currently placed in Assessment and Treatment Units (ATUs), extending student numbers at our Academy schools, opening a new specialist children's home in Hertfordshire for five young people, increasing the number of Further Education (FE) packages delivered



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and preparing our more recently acquired *Shared Lives* Agencies for expansion.

Continuous improvement - we aspire to achieve outstanding ratings from our three main regulators, The Care Quality Commission (CQC), Ofsted and Care Inspectorate Wales (CIW). The education provision at schools across the Group is currently rated Good by Ofsted and we are aiming for each to achieve Outstanding ratings. Our CIW rating remains Compliant. We were delighted to have achieved three overall Outstanding ratings with CQC during the year under review, with an increasing number of Outstanding elements to our adult social care inspections.

We have invested in key posts to ensure that we have the right mix of skill and sufficient capacity across our operational and support services to continue to drive improvements and retain our focus on quality. In particular, we have developed and implemented alternative curriculums across our education provision, developed an autism strategy for the whole organisation, reviewed how we further develop our shared value base (our DNA), and embedded and built on our Positive Behaviour Support (PBS) practice.

In light of the changing needs of the children and adults we support and in response to the findings of the Learning and Disability Mortality Review (LeDeR) we have escalated and broadened our health and well-being related activity.

Working in new ways - partnerships and collaborations are important to us and central to our developing the capability to work in new ways and to extend our reach. We currently have a commissioning relationship with 60 Local Authorities, 10 Clinical Commissioning Groups (CCGs) and 9 College partnerships for the delivery of *No Limits* Further Education programmes. In the year under review we continued to work alongside BILD, NICE and SCIE, Dementia UK and the Admiral Nursing Group in the development of practice guidance.

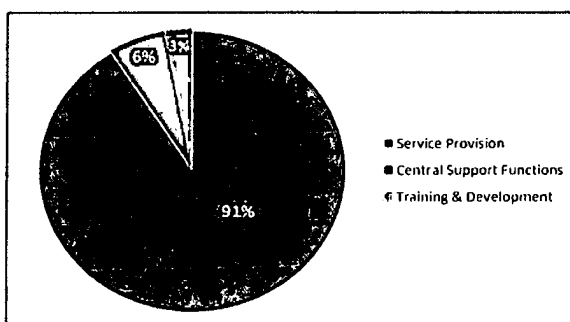
We strengthened our relationship with Community Catalysts, a Community Interest Company focused on community enterprise and RESPOND, an organisation offering trauma support to people with a learning disability. Both organisations have had an impact on the scope of our direct care and support to people leaving ATUs and for those wishing to make an enterprising contribution in the communities where they live.

MacIntyre continues to be an active member of VODG. Important contributions that we made to VODG in the year were the dissemination of our health practice guidance and materials and our contribution to the *Above and Beyond* collaboration. We continue to sponsor Learning Disability England and presented our Great Communities project at their national conference in November 2018.

Social Care Futures (SCF) is a volunteer movement of which we are an active contributor and sponsor since its conception in early 2017. The movement is attempting to change the way that social care is framed and delivered and it held its first major event in November 2018 with several subsequent smaller events. MacIntyre has been a contributor at all events and it is under the banner of this movement that MacIntyre has developed a collaboration with four other charities. The purpose of the collaboration is to pool resources and experiences to work in specific geographical areas to help shape communities that are inclusive and fulfilling places for disabled people to live.

Charitable purpose and funding

We contract with 95 people who manage their own budget, 60 Local Authorities, 12 CCGs and 9 College partners. These contracts accounted for 96.5% of our total income (£59.3m) during the year under review (99% in the previous year). Of this contractual income, 3% is diverted to the training and development of our workforce and with a further 6% funding a range of central support functions. The remaining income is allocated to direct service provision.



Allocation of contractual funding

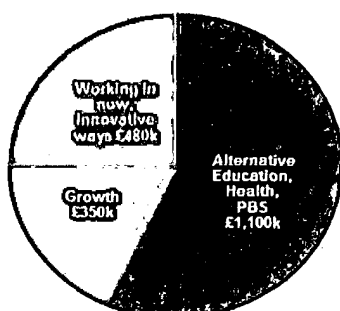
Our charitable income is used in ways that makes the most difference to us achieving our strategic intent and making valuable contributions over and above our contractual commitments. Given the current climate we have made the decision to invest our funds in ways that will make a real difference in how quickly and effectively we can achieve the three core elements of our strategy (growth, excellence and innovation).



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We have planned to spend £350k over three years in support of our growth activity, helping to support more people to move away from ATUs under the Transforming Care agenda and to develop at least two new specialist children's homes. We plan to invest £1.1m over three years in developing our knowledge and skill in key practice areas across both our children and young people and adult services, including the further development of alternative curriculums, the continuation of our health and PBS work, and the implementation of our autism strategy across both our education and social care services. We have also allocated £480k over three years for developing our knowledge, skill and capacity for working in new and innovative ways. This will include achieving a step change in how self-advocacy is developed across the organisation, working more effectively with families and continuing to make a contribution to the shaping of the local communities where we work.



Proposed Investment of Funds over three years

Education, children and young people

Rachelle Russell, who has headed MacIntyre Academies since January 2018, assumed Director responsibility for all education and children's services across the Group during the year under review. She has focused in particular on ensuring that MacIntyre's DNA runs through all of our education and children's provision and that a vibrant network of educationalists exists across the MacIntyre Group.

The education provision at all schools within the Group is currently rated by Ofsted as Good and we aim to achieve Outstanding ratings in the future. The education provision was further strengthened in the year under review by enhancing peer support and networking as well as commissioning new external school improvement partnerships.

There are three schools within MacIntyre Academies: Quest, attended by 60 students during the 2018/19 academic year (40 students in the previous year); Discovery Academy, attended by 93 students (87 students in the previous year); and Endeavour School

in Oxfordshire, which had 31 students in the year under review and in the previous year, with a further 18 young people attending the on-site residential and short breaks provision. Discovery Academy was rated as Good at its first Ofsted inspection in July 2018.

"The pastoral support provided for pupils and families through the 'compassionate schools' and 'family footings' teams is having a positive impact on pupils' engagement with learning and their emotional resilience."

Ofsted, July 2018

To assist with curriculum development and quality improvement across MacIntyre Academies, a Quality Coordinator was seconded during the 2018/19 academic year and a working party set up to track best practice in teaching and learning across all settings. During the same period quality assurance activity and data collection across schools was aligned and streamlined. As part of MacIntyre Academies' award winning focus on family engagement, a graphic to define key milestones and our core ways of working, in partnership with all families across the academies, was developed.

MacIntyre Academies conducted its first workforce survey in March 2019, achieving a 90% completion rate. 90% of employees stated that they were proud to work for the organisation and the same percentage of employees consider the organisation to be a good employer. The outcomes were shared later that month at the successful organisation-wide conference attended by over 200 employees.

MacIntyre School in Wingrave, Buckinghamshire is an Independent Special School registered with MacIntyre Care. The school provides education and care for children who have additional physical and mental health needs and who benefit from the therapeutic specialism of the school. Inspired by the Rochford Review, the school took the decision in September 2018 to implement The Equals Semi-Formal Curriculum.

This new curriculum puts the learner at the centre of curriculum design, allowing a more flexible and personalised approach and providing the knowledge and skills appropriate to the needs of the students who attend the school. The curriculum is easily matched against external accreditation programmes such as ASDAN and the Duke of Edinburgh Award scheme. As a result, students are achieving accreditation in core areas such as developing life skills, in areas of interest such as photography, in work related skills and personal skills such as online safety. Some students



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are also achieving accreditation in functional maths and/or literacy and 12 of the students are registered with the Duke of Edinburgh Award scheme.

Further Education

Our *No Limits* FE provision delivered in partnership with local colleges was set up to help young people and their families at the time of transition when young people with a learning disability and or autism often face a cliff edge. The bespoke programmes of learning are based on the *Pathways to Adulthood* curriculum and focus on preparation for and transition to the next stage of life. Many of the education programmes are delivered in the student's community, making use of local facilities and building up networks.

For the 2018/19 academic year, 189 students (155 students in 2017/18) engaged in programmes of learning across nine college partnerships. A number of these students worked towards nationally recognised qualifications, achieving accreditation through Open College Network or AQA units, with many others following non-accredited programmes of learning. Students who left at the end of the academic year included those who moved on to general further education colleges or joined supported employment schemes. Some students moved into adult social care provision.

"When MacIntyre No Limits was mentioned, this was the best thing that ever happened to me in a long time. It started off slow, but it was at my pace. I felt so much better and they always tried their best to understand me."

MacIntyre No Limits Learner

Children's Homes

Woodland View children's home has been commissioned by Hertfordshire County Council to provide care to children with Autism and Learning Disabilities in their home authority. The home which opened in March is registered for four children ages 11-19 with one emergency place available for children in crisis. The model is a rare example of its kind and we will be working with local schools so that children can stay close to their families and access local education whilst receiving specialist care, support and therapy. Our model includes an extended curriculum element, ensuring children are supported to put the skills learnt in school into the context of their daily lives.

Adult Services

During the year under review MacIntyre Care supported 1,112 disabled adults (1,112 disabled adults in the previous year). The type of support we provide

continues to evolve, reflecting our intentional focus and the commissioning strategies of the 60 Local Authorities and 12 CCGs with whom we contract.

We support people in the place they live which includes one nursing home and 29 registered care homes. The majority of support however is provided to people in their own homes through our 11 Domiciliary Care Agencies where a total of just under 21,000 support hours are provided each week (19,000 support hours per week in the previous year). In addition, we support 101 placements (101 in the previous year) across *Shared Lives* schemes in Bedfordshire, Essex and Warrington and 328 people (384 people in the previous year) in a vocational learning, supported employment or day opportunity setting.



Barry and Caroline, Buckinghamshire

We were delighted to welcome Rebecca (Becs) Gratton to MacIntyre Care in January 2018 to join Emma Killick as a fellow director of our Adult Services division. This increase in capacity has enabled us to strengthen our external links, remaining focused on our commercial performance and creating a momentum for progress in key practice areas. Becs Gratton has vast experience in the social care sector having worked for both voluntary and independent organisations. She is an associated non-executive director for the Wye Valley NHS Trust and a Trustee for ECHO, a Herefordshire based charity focusing on community activity and enterprise for people with a learning disability.

Emma Killick, who has been a director of MacIntyre for four years, continues to provide leadership for our health and well-being strategy and activity. In support of this, she represents the MacIntyre Group on a number of external forums. In the year under review this has included serving as a provider representative and Expert Adviser with NICE and contributing to guidance and quality standards for the care and support of people growing older. Emma has facilitated



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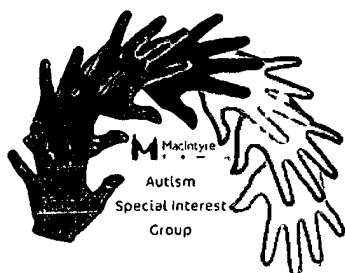
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with SCIE webinars to share this NICE work. Emma joined Grand Union Housing in 2018 as a Homes and Services Committee member.

We continue to have a welcome-all approach and ensure that our core behaviours (our DNA) are universally applied and experienced by every person irrespective of the setting. Beyond these core behaviours we constantly challenge ourselves to improve our technical and practice skills in alignment with the emotional and physical needs of people we support and to adapt our ways of working to maximise the meaning and fulfilment of a person's experiences. To help us plan our activity we facilitate an annual full needs analysis and assimilate sector specific demographic information and research.

Our practice focus in the year under review has been shaped by our Adult Services internal needs analysis conducted in early 2018 and again in the spring of 2019 and by the findings of the second annual Learning Disability Mortality Review (LeDeR) published in May 2018.

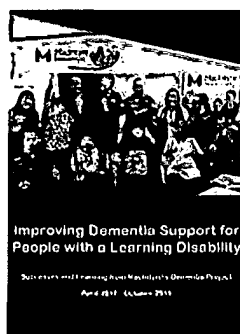
Autism - since joining MacIntyre Becs Gratton has consulted across the organisation with a number of the 363 people we support who have autism, our workforce and with external colleagues to develop an autism strategy that will be implemented over the next three years. The Autism Specialist Interest Group has facilitated six two-day best practice learning and sharing days for some of the people supported by MacIntyre who have a diagnosis of autism, our workforce and external guests. There has been a particular focus this year on sensory integration and women and autism.



Health - MacIntyre supports 63 people who have a diagnosis or a suspected diagnosis of dementia (33 people in the previous year) and we support a growing number of people who are living with age related health issues. The MacIntyre Dementia Project funded by the Department of Health (DoH) came to its scheduled end in the year under review. The project aimed to help raise awareness of dementia among

people with a learning disability, their families and professionals, help people with a learning disability receive a timely diagnosis of dementia and train our workers to provide better care for people with a learning disability living with or at risk of dementia.

We are delighted that during the life of the project we developed 142 resources including a toolkit of online resources with 32 eLearning modules and booklets, 13 easy read documents and 9 films, 26 case studies of good practice and a folder of 22 resources to help staff better record people's health and track changes over time. We provided 183 formal training sessions for MacIntyre staff, particularly support staff and took part in 143 internal awareness raising and 31 external promotional events, meetings and conferences. Additionally, we were involved in 92 blogs, articles, newsletters, radio interviews and similar, plus 1,476 tweets to 650 followers.



We intend to celebrate all that has been achieved through the dementia project and continue to build on the lead provider status that the project has enabled us to achieve. We are grateful to Beth Britton, independent dementia consultant, who continues to act as our critical friend and attends many of our regular Dementia Special Interest Groups. We invite external speakers to these groups enabling us to absorb and share knowledge and best practice. We will also continue to employ Rosie Joustra and Rachel Silver as our *Experts by Experience* who are instrumental in our *Keep Going...Don't Stop* initiative.

We have developed a network of Memory Cafés where people living with dementia and their families attend to hear presentations and to socialise. Monthly cafés were held in Milton Keynes, Warrington and Chesterfield during the year under review and plans for cafés in Bedfordshire and Cheshire are in the pipeline for later in 2019. These Memory Cafés are funded in part by the proceeds of our Memories & Miles walks that took place in Bedford, Milton Keynes, Warrington and Chesterfield.



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Frank and Michelle, Derbyshire

"We had a vision to set up a safe, friendly and inviting place for people to come along to; either those living with dementia, their family, carers, staff, friends and peers. Full of success, we are now encouraging other MacIntyre areas to open their own local MacIntyre Memory Cafés, which is so exciting."

Dementia Project Officer

The shocking health inequalities for people with a learning disability were clearly set out in the 2017 and 2018 LeDeR reports. We have extended our investment and efforts to ensure that everyone supported by MacIntyre has their specific health needs met and that they have access to healthy lifestyles. We are also committed to sharing our learning, materials and guidance across the sector. We continue to roll out the health calendar and for the year under review some 1,000 employees received training in its use by our dedicated health advisors and the *Keep Going...Don't Stop* group.

We have added to our health focus and capability through the employment of three Nursing Associate Apprentices. We are partnering with VODG and Health Education England on the Nursing Associate apprenticeship vanguard project. Apprentices will work across our London, Bedfordshire and Hertfordshire services and act as health advisors, ensuring health improvement for the people who live there. They will also be expected to liaise with GP surgeries and work to become a local health expert, sharing their knowledge with other staff. We hope that they will be able to help our services reduce the number of hospital admissions and get people home from hospital more quickly.

Working in new ways - we believe that our heritage, experience and DNA enables us to offer value over and above the traditional contractual requirements. We contract with 72 commissioning bodies across England and Wales for the provision of adult social care and extend our offer in these areas to help shape and strengthen local communities. We have committed a

total of £200k of charitable funds for three years to enable us to have a greater impact.

For the year under review we continued to employ a Community Connector in Warrington as part of the Great Communities project, delivered in partnership with Community Catalysts, and extended the learning to a number of other areas. To date the Great Communities project has connected with 54 people who have a learning disability and or autism, 60 organisations locally who have committed to working in more inclusive ways and developed new groups such as the Friendship Group, the Film Club, CookSmart and Stay Safe on Line.

Support services

The support services teams in the MacIntyre Group play a pivotal role in delivering the range and scope of provision in ways that meet our strategic intent and to ensure that we remain sustainable from a commercial perspective.

Business development - securing growth is a vital dynamic and most significantly enables us to connect with more people and ease some of the intense pressure on our operating margins. Rachelle Russell leads on the growth activity for MacIntyre Academies with guidance from its Board. For the year under review growth in MacIntyre Academies focused on increases to student numbers at our existing schools. The policy for the next three years is to grow by securing one further school. Consideration will be given to opportunities arising from future waves of Department of Education activity pertaining to new schools.

Natalie Macpherson leads on our plans for growth in MacIntyre Care and during the year under review we secured new income of some £3m (£4m in the previous year). We aim to secure further new income of some £3m in 2019/20 and we will seek to be more ambitious still in 2020/21. During the year under review we tendered for three new frameworks and were successful in each tender. We made several tender submissions including applications for 10 new services in mini-competitions across a range of different frameworks, including those in Manchester, Derbyshire and Warrington. Our success rate was 67% (59% in the previous year).

Natalie Macpherson also continues to lead on our response to the Transforming Care agenda and has developed a strategic relationship with commissioners in the North West and the Midlands. Six people have recently joined us having moved away from ATUs. We have invested charitable funds during the year under review into two new posts and this additional capacity



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has enabled us to increase our efforts. We plan for the number of people we support to transition away from ATUs to rise to 10 over the next 18 months. Both postholders are supporting us to develop our model further to ensure that the people concerned and their families have access to the right therapeutic support, including support for the trauma they have experienced.

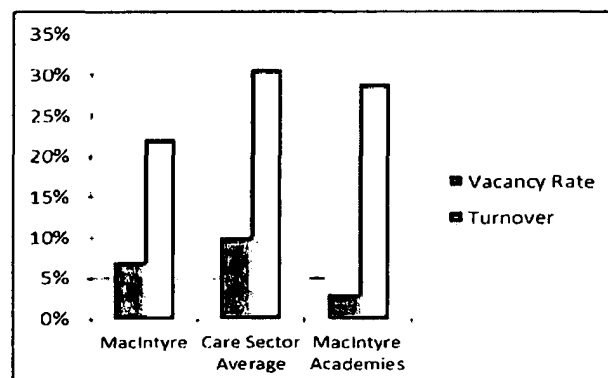
Sourcing appropriate housing is important to us and while we own a small number of properties our preferred option is to connect people directly with Housing Associations or private landlords and to work strategically with local housing partners. MacIntyre currently works in partnership with more than 25 Registered Providers of Housing and is working with several of these partners in the North West, Worcestershire, Shropshire, Hertfordshire and Buckinghamshire on housing solutions for people leaving ATUs, the development of new children's homes and to support people to move to more appropriate housing where this is required.

Finance, technology and governance - a strong and secure operating environment with robust finances and access to technology are essential ingredients to our operational wellbeing. Equally strong governance is vital to our success, as explained in some detail in the Report of the Trustees. Claire Toombs has been MacIntyre's finance and corporate director for many years and leads across finance and technology. She is also the Group company secretary, data protection officer and leads on our compliance with GDPR and attends the audit and risk committees for MacIntyre Care and MacIntyre Academies. During the year under review she led on the selection of our external auditors in conjunction with the audit committee.

Workforce - our Workforce director Helen Bass leads on all workforce issues. Recruitment, retention and remuneration have each been in the headlines as both vacancy levels and turnover rates increase. The low pay status of the workforce has been well understood through issues such as the minimum wage and the issue of rates of pay for sleep-ins.

For the year under review the MacIntyre Group employed 2,298 people (2,198 people in the previous year), of whom 2,104 (2,046 people the previous year) were employed at MacIntyre Care and 194 people (152 people the previous year) at MacIntyre Academies. The vacancy rate across MacIntyre Care was 7.1% (9% the previous year), compared to a sector average of 10%, and the turnover rate reduced to 22.1% (29.25% the previous year) compared to the sector average of 30.7%. For MacIntyre Academies

the vacancy rate stood at 3% (4.6% the previous year) and turnover was 28.9% (20.08% the previous year).



Vacancy and turnover rates

The average age of people employed across MacIntyre Care remained at 44 years, which is slightly higher than the sector average of just under 43 years. Our long serving members of staff contribute to this figure with 20% of our staff having served between 11 and 33 years of service.

We continue to support the health and wellbeing of our staff, contracting with Medigold for occupational health services and Lifeworks for our Employee Assistance programme. Through our partnership with Mindful Employer we provided training sessions for managers for supporting and managing employees with mental health.

Our *My Rewards* scheme recognises and thanks staff for their contribution, dedication and commitment to MacIntyre. In the year under review 2,435 individual awards (2,121 awards in the previous year) were made in areas such as the annual Marjorie Newton Wright Awards; local excellence awards; length of service awards; recommend a friend and discretionary annual thank you payments.

Recruitment - Neil Eastwood, who has spent many years gathering best practice social care recruitment and retention strategies, and author of *Saving Social Care*, joined MacIntyre leaders on 28 February 2019, helping to plan our local recruitment strategies. In addition we have joined the Department of Health and Social Care National Recruitment Campaign for Adult Social Care - *Every day is different when you care*. This is a national recruitment campaign aimed to drive applicants to the Adult Social Care Sector.

Learning and Development - the Group continues to invest more than 3% of its turnover in the development of the workforce. We retain a reputation for delivering excellent formal and informal learning and development opportunities to our schools, *No Limits*

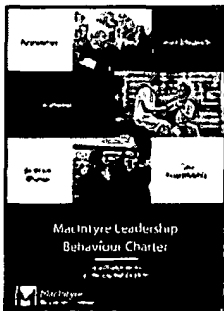


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and social care workforces. The portfolio of what is offered and how it is developed is diverse and represents the diversity of our provision, the complexities of our regulators and of our added value requirements. Every member of staff will engage in a period of induction both at an organisation and local level and then embark on their learning journey that is bespoke to the area of work and their individual requirements. For the year under review 446 people attended the corporate induction (276 in the previous year), 374 completed or were working towards a formal qualification (295 in the previous year), 86,217 e-learning modules were completed (72,045 in the previous year) and 16,708 face to face quality modules delivered (12,824 in the previous year).

In order to support our leaders to grow and develop we have in the year under review extended both our Leadership Excellence Programme for Area Managers and our Leadership Mentoring Programme for front line managers. 45 managers have been involved in these programmes (20 managers in the previous year) and many others were involved in the development of our Leadership Behaviour Charter, implemented in November 2018.



Marketing and fundraising - our small marketing and fundraising team provides support across MacIntyre, from obtaining charitable grants to further our work and add value to helping to set up new social media accounts. In the summer of 2018 MacIntyre's new website was launched and a new intranet is under construction.

The team has continued to seek charitable funding for specific work and projects. Successes during the year included grants secured for our Lifelong Learning projects in Oxford and Warrington, our Academies in Nuneaton and Rugby and a number of our *No Limits* services.

In Milton Keynes we held our second Christmas Fair at Woburn which attracted over 400 visitors from the local area and we were again the official charity for the Dragon Boat Festival with over 900 attendees, both of

which support our ambition to raise awareness in the local area.

The 31st MacIntyre Golf Day raised a record total of just over £52k (£43k in the previous year). We are grateful to the Golf Committee who put so much time and energy into making this day such a success. In the autumn we hosted our first Memories & Miles events in Bedford, Chesterfield, Milton Keynes and Warrington; these events were partly to celebrate the end of the Dementia project and raised over £700k for each of the Memory Cafés in these areas. In Hampshire a group of brave staff and supporters took on the challenge of abseiling the Spinnaker Tower in Portsmouth, raising funds for a variety of MacIntyre's services. A generous individual gift of £25k enabled one of our houses in Milton Keynes to build a conservatory.

MacIntyre was selected as the nominated charity for the Wolverton & Stony Stratford Rotary Club during 2018, with a specific purpose to raise funds to refurbish MacIntyre's Stony Stratford Coffee Shop. A total of over £30k was raised and the project was completed in spring 2019.

The MacIntyre Lottery continues to offer a different way to support the charity, whilst offering a chance to win a cash prize. A number of players specify MacIntyre projects they wish to support with their monthly payments and we were pleased to transfer some £7k to these different projects in the year under review.

Quality

MacIntyre is proud of the unique way in which we do things and how we stay focused on ensuring that our DNA is visible and experienced by everyone. 464 new staff attended our induction during the year under review, an induction that has been extended to ensure a greater focus on our DNA and its practical application. For people who have profound and complex issues associated with communication we have aligned our DNA with the Intensive Interaction approach. We have 42 accredited Intensive Interaction practitioners across the charity and for the year under review we have as an accredited centre presented at two national conferences and launched films, stories and resources as part of the Intensive Interaction week in October 2018.

Co-production - we set ourselves the target of increasing the network of self-advocates across the organisation and shifting our consultation and planning processes to a more genuine co-production model. We continue to sponsor Learning Disability England (LDE)



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and 51 people we support are self-advocates assigned to that independent organisation. People we support across the organisation are being supported to achieve personal and leadership goals and this is reflected in the 16 nominations put forward for the Dimensions and Guardian Leadership awards since its inception in 2018.

We have in the year under review established a co-production steering group, members of which are contributors to the *Count Me In* co-production project. This project, supported by ADASS, is an East of England initiative striving to develop best practice guidance in relation to genuine co-production.

Easy Read continues to flourish with the MacIntyre Checkers (a group of people with a learning disability and/or autism employed by MacIntyre, from Warrington, Wirral and West Cheshire) checking that the quality of *Easy Read* meets the agreed standards. This supports us meeting the NHS England Accessible Information Standard. For the year under review we facilitated the co-production of a variety of documents including: the Health and Safety policy poster; GDPR - Looking after your personal information and Sharing your personal information; My plan for when I die; Safeguarding report; Recipes; and Medicine profile - About me and my medicine.

Working with Families - we have clear plans to work in a more engaging way with families and to ensure that the views of all families are considered at all times. We have in the year under review recruited two people who will lead on this work. Our Family Advisor will introduce ways of engaging with families, develop training materials that will help our entire workforce to understand the thoughts and feelings of family members and provide practical help in getting the best from these relationships. We are also considering developing a consultation group enabling us to access the views of families when making strategic decisions. Our family *My Way* facilitator will work alongside families whose relatives are moving away from ATUs and help find ways of making this period of transition less traumatic.

Technology - we have a digital and technology strategy that focuses on: digital and technology solutions for disabled people, marketing and social media, business, data and information systems. In the year under review we have increased the digital and technology equipment at our schools, launched our new website, commissioned an intranet and a new Learning and Management System and embedded a new human resource and payroll system. For the latter

part of 2019 we plan to commission a care planning on line tool and pilot on line rostering.

Positive Behaviour Support (PBS) - the second half of the previous year saw the end of the initial two year secondment of internal PBS coaches. We took the decision to retain our focus on this area and recruited two permanent coaches, one of whom has completed the highly regarded International Applied Behavior Analysis Longitudinal Practicum programme and one an experienced PBS Lead who is currently completing her final dissertation towards a BSc (Hons) in Behavior Analysis and Intervention (PBS), bringing further depth to our internal PBS expertise. Both coaches have focused on support around recent and potential growth in the areas of Transforming Care and *No Limits* Schools during the year under review.

The PBS team were also joined last year by Kirsty Brandon, our *Expert by Experience*. The PBS team's biggest project this year has been the development of our new PBS and restrictive physical intervention training. Kirsty Brandon has played a key role in this, including supporting our risk assessment process with a focus on emotional risks and speaking to our first group of trainers about the long term trauma impacts of the restraints she has experienced.

Our new PBS and physical intervention training is now complete and we have already started the non-restrictive elements with positive feedback from participants. We are in the final stages (individual observations) of developing our first group of trainers and have completed stage 1 of our application to the Restriction Reduction Network (RRN) for accreditation of the training.

Safeguarding - the MacIntyre Group continues to keep safeguarding at the heart of everything we do. Both organisations achieve robust governance oversight of safeguarding policy and practice through Board committees. There are clear policy and guidance documents pertaining to our schools, children's and adult care settings and in our adult social care services annual safeguarding competency reviews are undertaken for all staff.

Each school has a Local Advisory Board (LAB) with members taking responsibility for supporting the governance of schools through the scrutiny of safeguarding data and practice. Each LAB has a safeguarding link governor who makes three focused visits to the school to audit safeguarding policy, practice and record keeping.



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The Safeguarding Group in MacIntyre Care continues to steer the direction of all safeguarding work and for the year under review *Making Safeguarding Personal* was a key focus. Deborah Kitson, CEO of the Ann Craft Trust, in her role as our critical friend, continues to challenge us to continuously reflect, learn and improve on what we do. Membership of the group is kept under constant review to ensure that all areas of the organisation are represented and connected. Meetings took place each quarter (May, August and November 2018 and February 2019) and the terms of reference were updated as part of the Safeguarding Workplan 2018-2020.

Mental Capacity Act - in MacIntyre there are two legal routes which are followed to authorise the deprivation of liberty for an adult using a service. Within our registered care homes requests are sent to the local authority (known as the 'managing authority') to authorise the deprivation under a procedure called the Deprivation of Liberty Safeguards. The local authority will assess the request and decide whether to authorise the deprivation for a specific period of time (maximum 1 year). In other settings (such as supported living), the Safeguards procedure does not apply and a person's liberty can only be deprived through an order from the Court of Protection. Services inform the commissioner of the service that the person is being deprived of their liberty and ask the commissioner to apply to the Court.

During the year under review 83 Deprivation of Liberty applications were made (105 in the previous year) and 52 applications to the Court of Protection were submitted (23 in the previous year). Over the next year MacIntyre will be working with the Ann Craft Trust to ensure that our policy and associated guidance are updated to reflect the Mental Capacity (Amendment) Bill, which passed into law in May 2019.

Celebrations

There was a lot to celebrate for the year under review including both individual and group talent and achievement and examples follow.



2018 Roadshow

We were very proud of Jess Hiles, a published author, for her inclusion in 2018 Learning Disability and Autism Leaders List. Jess published her 3rd book titled *She's Still My Nan* in 2018. There are five leaders waiting to hear whether they will be added to this list in the most recent application round. Ciaran Bradley, founder of the Warrington autism friendly Film Club, has become pivotal to our Great Communities project in Warrington and to the wider Social Care Futures Movement. Andrew Lawson and Keith Lomax were nominated for their prolific voluntary work in their local communities over many years. The *Keep Going...Don't Stop* team have worked tirelessly to raise awareness of all things health. The team has assumed an education role across MacIntyre and the wider sector. Two members of the group, Rosie Joustra and Rachel Silver, have also been nominated in their own right for their contribution to how MacIntyre has raised awareness of dementia across the sector.

The 'Inspired for Training' group (I4T) celebrated their 10th anniversary in April 2019. They are a group of people with learning disabilities who train local people, organisations and business in and around the Chesterfield and Derbyshire area on issues such as hate crime and safe places. Most recently they have been commissioned to review *Books Beyond Words* before publication.



2019 Marjorie Newton Wright Award Winners

Our annual Marjorie Newton Wright award ceremony in April, which celebrates the skills and talents of the workforce, were once again a great success. The event was attended by over 200 people and 11 winners from the 190 nominations were announced. The Green Genies, an inclusive and collaborative group undertaking landscape and gardening work in support of local charities, were winners in the Innovation Award.

In December 2018 some 800 people from around the MacIntyre Group came to a Roadshow to have a day of celebration, sharing, meeting new people and reconnecting with people not seen for a while. The MacIntyre Roadshows are the highlight of the year for



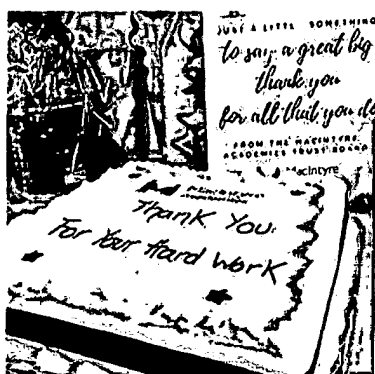
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many people and a wonderful opportunity for Great Interactions.

We continue to celebrate best practice and the voice of the people we support through the Great Interactions blog (50 blogs through the year), The Mag (4 editions) and Yammer (over 750 users)

We celebrated with our teachers for *thank a teacher* day in June 2018. Rachelle Russell and members of the Board visited all four schools on the day, delivering cakes and small gifts and remotely linked all schools for Rachelle Russell to thank everyone.



"Our staff provide excellent education and support. They care about our pupils, listen to them, provide encouragement, and help them to achieve whatever their goals are. They create thriving and vibrant school communities and, as such, create a ripple effect that positively impacts on the wider community."

Childhood is a special time, and our staff have a huge and positive impact on how our pupils enjoy this time. They influence, and help to create memories that will last a lifetime."

Rachelle Russell, Director

The Future

It is clear that we continue to operate in an extremely complex environment and that the traditional boundaries for statutory provision are changing. We will continue to advocate for the rights of disabled people children and adults and to continue to make as much impact as possible to their lives, the lives of their families and to the communities where we work. We are well placed to do this as our local infra-structures enable us to connect with many people, organisations, groups and funders across England and Wales. We have a strong history and track record of making bold decisions and developing innovative solutions and are encouraged by the emerging movements such as Social Care Futures that seek to challenge the status quo and set an ambitious vision.

Our plans are ambitious and we are grateful to our many supporters whose kind donations have enabled us to move more quickly in developing the knowledge, skill and capacity necessary for success.

S. A. Burslem

Sarah Burslem
Chief Executive of MacIntyre

Date 17/12/2019



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Independent Auditor's report to the members of MacIntyre Care

Opinion

We have audited the financial statements of MacIntyre Care for the year ended 31 March 2019 which comprise the Group Statement of Financial Activities including Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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 Financial Reporting Standard 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 group's and the parent charitable company's affairs as at 31 March 2019 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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.

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 group's and parent charitable company'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and



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- the strategic report and the trustees' annual report have 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report, the Chief Executive and trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, 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 group and parent charitable company'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 group or parent charitable company 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such



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disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP.

James Saunders (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP,
Statutory Auditor

Devonshire House
60 Goswell Road
London

Date:

19/12/2019

MacIntyre Care

GROUP STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2019 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2018 £'000
INCOME AND ENDOWMENTS FROM							
Donations and legacies	2(a)	1,828	280	2,108	113	179	292
Charitable activities:	2						
Adult Support Services		38,068	-	38,068	36,439	-	36,439
Children and Young People Services		10,737	8,284	19,021	10,529	6,444	16,973
Investments		70	-	70	10	-	10
TOTAL INCOME		50,703	8,564	59,267	47,091	6,623	53,714
EXPENDITURE ON							
Raising Funds	3(c)	66	-	66	63	-	63
Charitable activities:							
Adult Support Services		38,206	136	38,342	36,017	98	36,115
Children and Young People Services		11,217	7,957	19,174	10,666	6,066	16,732
TOTAL EXPENDITURE	3(c)	49,489	8,093	57,582	46,746	6,164	52,910
NET INCOME FOR THE YEAR		1,214	471	1,685	345	459	804
Transfers between funds		(141)	141	-	(624)	624	-
Other recognised gains and losses							
Actuarial (losses)/gains on Defined Benefit pension schemes		-	(520)	(520)	-	(543)	(543)
Net Movement in funds		1,073	92	1,165	(279)	540	261
Reconciliation of funds (11)		21,428	9,152	30,580	21,707	8,612	30,319
TOTAL FUNDS CARRIED FORWARD		22,501	9,244	31,745	21,428	9,152	30,580

The statement of financial activities includes all gains and losses recognised in the year. There is no material difference between the results as stated and the results on an historical cost basis. All incoming resources and resources expended derive from continuing activities.

MacIntyre Care

CONSOLIDATED GROUP AND CHARITY BALANCE SHEETS FOR THE YEAR END 31 MARCH 2019

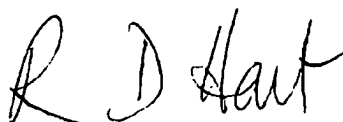
	Notes	Group		Charity	
		2019 £'000	2018 £'000	2019 £'000	2018 £'000
FIXED ASSETS					
Tangible Assets	6	21,801	21,630	13,988	13,867
NET CURRENT ASSETS					
Property held for resale	8	-	200	-	200
Stocks	8	8	6	8	6
Debtors	9	6,010	5,456	5,223	5,181
Cash at bank and in hand	15	9,889	7,986	7,797	6,431
		15,907	13,648	13,028	11,818
CREDITORS:					
Within one year	10	(4,455)	(3,918)	(3,901)	(3,670)
NET CURRENT ASSETS		11,452	9,730	9,127	8,200
TOTAL ASSETS LESS CURRENT LIABILITIES		33,253	31,360	23,115	22,015
Defined benefit pension scheme liability	13	(1,508)	(780)	-	-
		31,745	30,580	23,115	22,015
Restricted Funds	11	9,244	9,152	574	587
Unrestricted funds	11				
Designated Funds	11	20,226	18,914	20,226	18,914
General Funds	11	2,275	2,514	2,315	2,514
TOTAL FUNDS		31,745	30,580	23,115	22,015

The charitable company's surplus for the year is £1,100k (2018: £423k).

Approved on behalf of the board:



John Berriman
Trustee



Rosemary Hart
Trustee

Company No. 00894054

17/12/2019

MacIntyre Care

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	2019 £'000	2018 £'000
Cash flows from operating activities	2,644	2,764
Cash flows from investing activities	(741)	(460)
Cash flows from financing activities	-	-
Change in cash and cash equivalents	<u>1,903</u>	<u>2,304</u>
Cash and cash equivalents at 1 April 2018	7,986	5,682
Cash and cash equivalents at 31 March 2019	<u>9,889</u>	<u>7,986</u>
Reconciliation of net income/(expenditure) to net cash inflow from operating activities		
Net incoming/(outgoing) resources	1,685	804
Adjusted for:		
Investment Income	(70)	(10)
Depreciation of tangible fixed assets	848	759
Decrease in investment properties	200	220
(Increase)/Decrease in debtors	(554)	1,013
(Decrease) in creditors	537	(19)
(Increase) in stock	(2)	(3)
Net cash provided by/(used in) operating activities	<u>2,644</u>	<u>2,764</u>
Cash flow from investing activities		
Interest received	70	10
Proceeds from sale of property	208	-
Purchase of tangible fixed assets	(1,019)	(470)
Net cash inflow/(outflow) from investing activities	<u>(741)</u>	<u>(460)</u>
Analysis of cash and cash equivalents		
Cash at bank and in hand	<u>9,889</u>	<u>7,986</u>

MacIntyre Care

1. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted, judgements and key sources of estimation uncertainty, is set out below.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The private company is a public benefit entity for the purposes of FRS 102 and a registered charity (charity number 250840) established as a company limited by guarantee (company number 00894054) and therefore has also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and Charities Act 2011. The company was incorporated in the England and Wales with registered office MacIntyre Care 602 South Seventh Street, Milton Keynes, MK9 2JA.

Basis of consolidated

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary MacIntyre Care Academies. The results of MacIntyre Academies are consolidated on a line by line basis. The reporting date of the financial statement of MacIntyre Academies is 31 August as it is required by its Funding Agreement with the Secretary of State.

As permitted by Section 408 of the Companies Act 2006, the Statement of Financial Activities of the parent charitable company has not been presented as part of these financial statements.

Going concern

The trustees have assessed whether the use of going concern is an appropriate underlying basis for accounting. They have considered possible events or conditions that might cast significant doubt on the ability of MacIntyre Care to continue as a going concern. The trustees have made this assessment for a period of one year from the date of the approval of these financial statements. In particular, the trustees have considered MacIntyre Care's forecasts and projections and have taken account of the key risks that the organisation faces. After making enquiries, the trustees have concluded that there is a reasonable expectation that MacIntyre Care has adequate resources to continue in operational existence for the foreseeable future. MacIntyre Care therefore continues to adopt the going concern basis in preparing its financial statements.

Income

All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Fee income is recognised in the period in which services are provided and the related fee income is receivable. Fees received in advance of care services provided are held within deferred income until the period to which they relate.

Donations and grants, including grants in respect of major items of refurbishment, improvements or the purchase of fixed assets and government grants, are recognised in the Statement of Financial Activities when receivable. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met.

Resources expended

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Charitable activities include expenditure associated with running the registered care and nursing homes.

MacIntyre Care

Where costs relate directly to a particular activity they are allocated to that activity. Central support costs are allocated to activities based on a percentage of income. In 2019:

72% of costs were allocated to Adult Support Services (2018: 77%) and
28% of costs were allocated to Children and Young People Services (2018: 23%).

Taxation

The charitable company is exempt from corporation tax on its charitable activities.

Fixed Assets

Equipment and furnishings are capitalised at inception of a service and depreciated in accordance with the rates below. The cost of replacements is written off during the period the expenditure is incurred. All fixed assets are initially recorded at cost.

Donated fixed assets are initially recognized at fair value. The gain is recognised as income from donations and a corresponding amount included in the appropriate fixed asset category as the cost of addition, and depreciated over the useful economic life in accordance with the depreciation policies below.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off each asset evenly over its expected useful life as follows:

Freehold land and buildings	-	2% per annum
Long term Leasehold	-	period of the lease or 2% per annum if lease longer than 50 years
Short term Leasehold	-	period of the lease
Equipment and furnishings	-	15% - 33% per annum

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

Freehold land and buildings

Freehold land and buildings are stated at their deemed cost being the valuation at the date of transition to FRS-102. The charitable company previously adopted a policy of revaluing freehold land and buildings and they were stated at their revalued amount less any impairment losses. The company has adopted the transition exemption under FRS 102 paragraph 35.10(d) and has elected to use the previous revaluation as deemed cost.

Property held for resale

Property that is not being used for charitable purposes has been transferred to current assets awaiting sale.

Stocks

Stocks are stated at the lower of cost and net realisable value. Costs include all costs incurred to bring the goods to their present location and condition at the Balance Sheet date. Net realisable value represents anticipated selling price less any further costs expected to be incurred to disposal.

Leasing and hire purchase contracts

Rentals on operating leases are charged to revenue on a straight line basis.

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Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all its financial instruments. Financial Instruments are recognised in the charitable company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exception of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102.

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.

Pensions

The company operates a defined contribution pension scheme for its employees. Contributions to this scheme are charged to revenue as they fall due. The company has no potential liability other than for the payment of those contributions.

Pension benefits to employees of the subsidiary are provided by the Teachers Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated as to spread the cost of pensions over employees' working lives with the employer in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 1, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period in which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the employer in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Fund accounting

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

Designated funds are also unrestricted funds but have been designated by the trustees for a particular purpose. They include the net book value of tangible fixed assets used by the charitable company in its operational activities.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

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Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions which are disclosed in note 12, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 March 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOMING RESOURCES

Fees represent amounts invoiced to local authorities, individuals and other funding agencies in respect of the provision of care and support services.

Income is all attributable to the continuing activities of the charity, in accordance with its objects.

2.1. NET INCOMING RESOURCES

(a) Donations and Legacies

MacIntyre Care thanks all donors who have contributed to the work and the organisation during the year. The income from donations and legacies was £2,108k (2018: £292k) of which £1,828k was unrestricted (2018: £113k) and £280k was restricted funds (2018: £179k).

(b) Grants received during the year which are included within charitable activities are as follows:

	Charity	
	2019 £'000	2018 £'000
Department of Health – Dementia Project*	10	146
Big Lottery	-	10
Cheshire Memory Cafe	1	-
Department for Work and Pensions – Access to Work	4	8
Milton Keynes Memory Cafe	9	-
Reps on Board	15	56
Skills for Care – Workforce Development Fund	5	14
Warrington Community Café	4	4
Total Grants Received	48	238

*Department of Health and Social Care during the year 2018/2019 grant funds were received of £104,153. Total expenditure on this project during the year was £109,275. This is the final instalment of IESD grant funded Dementia Project which was completed in December 2018.

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3. CHARITABLE ACTIVITY EXPENDITURE

	Direct Costs	Restricted Project	Designated Expenditure	Support & Other	2019 Total	2018 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Adult Support Services	34,716	136	149	3,341	38,342	36,115
Children & Young People Services	9,917	7,957	-	1,300	19,174	16,732
Fundraising Costs	66	-	-	-	66	63
	<u>44,699</u>	<u>8,093</u>	<u>149</u>	<u>4,641</u>	<u>57,582</u>	<u>52,910</u>

3. (b) Analysis of Support Costs

	Adult Services £'000	Children and Young People Services £'000	2019 Total £'000	2018 Total £'000
Support Costs:				
Training	529	206	735	626
IT	166	65	231	262
Standards & Excellence	153	59	212	354
Management & Administration	1,472	573	2,045	2,303
Finance & HR	1,021	397	1,418	1,495
	<u>3,341</u>	<u>1,300</u>	<u>4,641</u>	<u>5,040</u>

3. (c) Surplus is stated after charging

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Depreciation	848	759	637	656
Operating Leases				
• Equipment & Vehicles	334	465	292	422
• Buildings	342	365	342	365
Audit remuneration				
• For statutory audit of the financial statements	48	55	32	30
• For audit-related assurance of services	3	3	-	-
• For accountancy services	5	4	-	-

4. EMPLOYEES

The average monthly number of employees during the year was as follows:

	Group		Charity	
	2019 No.	2018 No.	2019 No.	2018 No.
Adult Support Services	1,548	1,518	1,548	1,518
Children and Young People Services	567	526	399	374
Management and Administration	183	154	157	154
	<u>2,298</u>	<u>2,198</u>	<u>2,104</u>	<u>2,046</u>

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Staff costs during the year amounted to:	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Wages and Salaries	38,059	35,472	33,941	32,189
Social Security Costs	2,690	2,568	2,364	2,333
Other Pension Costs	1,266	973	649	493
	<u>42,015</u>	<u>39,013</u>	<u>36,954</u>	<u>35,015</u>
Agency Staff Costs	<u>3,842</u>	<u>3,288</u>	<u>3,367</u>	<u>2,851</u>
	<u>45,857</u>	<u>42,301</u>	<u>40,321</u>	<u>37,866</u>

Redundancy Restructuring Costs

During the year the company paid redundancy restructuring costs to staff amounting to £11,009 (2018: £19,095).

Employee emoluments:

Employees receiving emoluments (including benefits in kind) in excess of £60,000 were as follows:-

	Group		Charity	
	2019 No.	2018 No.	2019 No.	2018 No.
£100,001 - £110,000	1	1	1	1
£80,001 - £90,000	5	5	2	2
£70,001 - £80,000	8	4	2	3
£60,001 - £70,000	4	1	-	1

The total employer's pension contributions for the above higher paid employees during the financial year was £27,357 (2018: £36,520) to a defined contribution scheme.

Key management personnel

Key management personnel include the senior management team of the organisation comprising of the Chief Executive, Finance Director, Workforce Director, Operations Directors and Business Development Director. The total emoluments and employee benefits of this group were £445,250 (2018: £437,000).

5. TRUSTEES' EMOLUMENTS

None of the trustees or any person connected to them received any remuneration or reimbursement for expenses in the current or prior year.

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6. TANGIBLE ASSETS

	Freehold Land and Buildings	Long Term Leasehold Property	Short Term Leasehold Property	Equipment and Furnishings	Total £'000
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 April 2018	17,384	8,547	671	5,553	32,155
Additions	284	115	-	620	1,019
At 31 March 2019	<u>17,668</u>	<u>8,662</u>	<u>671</u>	<u>6,173</u>	<u>33,174</u>
Depreciation:					
At 1 April 2018	4,072	898	671	4,884	10,525
Charge for the year	343	128	-	377	848
At 31 March 2019	<u>4,415</u>	<u>1,026</u>	<u>671</u>	<u>5,261</u>	<u>11,373</u>
Net Book value:					
At 31 March 2019	<u>13,253</u>	<u>7,636</u>	<u>-</u>	<u>912</u>	<u>21,801</u>
At 1 April 2018	<u>13,312</u>	<u>7,649</u>	<u>-</u>	<u>669</u>	<u>21,630</u>

The net book value of the assets of MacIntyre Academies included in the table above are made up as follows:

	Long Term Leasehold Property £'000	Equipment and Furnishings £'000	Total £'000
Net Book value as at 1 April 2018	7,641	122	7,763
Additions in the year	95	151	246
Depreciation charged in year	(109)	(87)	(196)
Net Book value as at 31 March 2019	<u>7,627</u>	<u>186</u>	<u>7,813</u>

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7. SUBSIDIARY UNDERTAKINGS

MacIntyre Academies is an exempt charitable company registered in England and Wales (company number 08334745) limited by guarantee with registered office MacIntyre Care, 602 South Seventh Street, Milton Keynes, MK9 2JA. The charity is a corporate member and sponsor of the subsidiary.

A summary of the subsidiary's results for the year to 31 March 2019 is as follows:

	Restricted Funds	Total 2019 £'000	Restricted Funds	Total 2018 £'000
Income	8,284	8,284	6,444	6,444
Expenditure	7,699	7,699	6,063	6,063
Net income	585	585	381	381
Actuarial losses on defined benefit pension schemes	(520)	(520)	(781)	(781)
Net movement in funds	65	65	(162)	(162)

Balance Sheet	2019 £'000	2018 £'000
Fixed Assets	7,813	7,763
Current Assets	2,789	1,830
Current Liabilities	(464)	(248)
Defined benefit pension scheme liability	(1,508)	(780)
Net Assets	8,630	8,565

Restricted funds	2,325	1,582
Fixed asset funds	7,813	7,763
Pension reserve	(1,508)	(780)
Total Funds	8,630	8,565

8. PROPERTY HELD FOR RESALE AND STOCKS

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Property held for resale	-	200	-	200
Stocks	8	6	8	6

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9. DEBTORS

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade Debtors	4,240	4,434	3,904	4,343
VAT Recoverable	96	79	-	-
Other Debtors	26	62	24	25
Prepayments	581	637	527	569
Accrued Income	1,067	244	768	244
	<u>6,010</u>	<u>5,456</u>	<u>5,223</u>	<u>5,181</u>

A bad debt provision of £32,486 (2018 £55,637) is included within trade debtors above.

10. CREDITORS: amounts falling due within one year

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade Creditors	750	700	683	556
Other taxes and social security	712	606	585	551
Fees in advance – deferred income	1,894	1,775	1,755	1,755
Other creditors	473	195	414	195
Accruals	626	642	464	593
	<u>4,455</u>	<u>3,918</u>	<u>3,901</u>	<u>3,670</u>

	Group		Charity	
In respect of deferred income:	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Deferred income brought forward	1,775	1,813	1,775	1,813
Released from prior year	(1,775)	(1,813)	(1,755)	(1,813)
Deferred in current year	1,894	1,775	1,755	1,775
Deferred income carried forward	<u>1,894</u>	<u>1,775</u>	<u>1,755</u>	<u>1,755</u>

Deferred income relates to fees received in advance of care services being provided.

11. RECONCILIATION OF MOVEMENT ON RESERVES

Designated funds have been set aside out of unrestricted funds by the trustees for specific purposes.

- Fixed Asset Designation – this fund represents fixed assets invested in buildings and equipment in which we provide services.
- Specific Projects – including research and development within the sector.

Restricted funds represent the balance of funds donated for specific purposes which are being utilised by the charitable company in accordance with the donors' specific requests.

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	Unrestricted General Funds £'000	Designated Funds £'000	Fixed asset Funds £'000	Restricted Restricted Funds £'000	Pension Fund £'000	Total Funds £'000
At 31 March 2018	2,514	18,914	7,763	2,169	(780)	30,580
Net Incoming Resources	(239)	1,312	50	770	(728)	1,165
At 31 March 2019	<u>2,275</u>	<u>20,226</u>	<u>7,813</u>	<u>2,939</u>	<u>(1,508)</u>	<u>31,745</u>

Purposes of Restricted Funds

The restricted funds balance includes the restricted pension fund provision relating to MacIntyre Academies. This balance, included in restricted funds above, is £1,508k at 31 March 2019 (2018: £780k).

The balance of the restricted funds at 31 March 2019 of £574k (2018: £587k) is comprised of grants and donations received for the benefit of a specific MacIntyre Care service or group of service users. Funds are held for a number of services and local managers, staff and service users are encouraged to decide the best ways to use these funds to enhance their services.

Purposes of Designated Funds

The designated funds balance includes £13.2m (2018: £13.3m) of freehold property used by the charity for the provision of services.

The trustees have agreed a policy on the use of non-specific donated funds: they will be designated for charitable benefits, over and above the core running costs of the charity. Over the next 3 years this will include:

No Limits and Transforming Care

We plan to invest £150k in a Transforming Care leader over the next 12 months with an ongoing cost of £100k per annum for a further two years, totalling £350k.

Developing Practice

We will retain the leadership team associated with the dementia project as we extend this work to a more general health focus. We will continue to invest in the lead coaches supporting our PBS work and invest in a similar methodology to step up our workforce knowledge and skills in the area of Autism. The proposal is to invest £1.1m in developing practice over the next three years.

Families

A family liaison post has been created to work with families who have had a traumatic experience going through the social care system. This post has been created to work with families to help them navigate their way through transition services, working with local authorities, health services etc.

Technology

The Board Digital committee will enable management and interested Trustees to work collaboratively to develop a digital and technology strategy to be brought to the Board for approval and implementation. The current proposal is to invest £480k over the next three years to develop capacity to work in new ways. This amount excludes what might be needed by way of the digital and technology investment element of that work.

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12. PENSIONS

- a. The Charity contributes to a defined contribution pension scheme, the MacIntyre Care Pension Plan, where staff transfer under TUPE arrangements. MacIntyre Care has upheld pension rights and makes payment to local authorities and NHS Pension Funds. The total pension cost for the charitable company during the year relating to this scheme was £589,456 (2018 £693,164).
- b. The charity and MacIntyre Academies participate in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. Under the definitions set out in FRS102, the TPS is a multi-employer scheme. The Charity has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Charity sets out below the information available on the scheme.
- c. Under the TPS Agreement, employer contribution rates from September 2018 have increased to 16.48% with employee rates varying between 7.4% and 11.7%.
- d. The pension charge for the year includes contributions payable to the TPS of £293,655 (2018: £251,952). At the year-end £9,272 (2018: £8,698) was accrued in respect of contributions to this scheme.
- e. The employees of MacIntyre Academies belong to two principal pension schemes - the Teachers Pension Scheme for academic staff and the local government pension scheme (LGPS) for non-teaching staff which is managed by Oxfordshire County Council and Warwickshire County Council. Both are multi-employer defined benefit schemes.
- f. The LGPS obligation relates to the employees of MacIntyre Academies, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year ended 2015. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and MacIntyre Academies at the balance sheet date.

The latest actuarial valuations relate to the date 31 March 2019.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made the year ended 31 March 2019 was £324k (2018: £447k), of which employer's contributions totalled £243k (2018: £334k) and employee's contributions totalled £81k (2018: £113k).

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy closure, outstanding Local Government Pension Scheme Liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal Actuarial Assumptions	At 31 March	At 31 August
	2019	2018
Rate of increase in salaries – Oxford	3.7%	3.8%
Rate of increase in salaries - Warwickshire	3.0%	2.9%
Rate of increase for pensions in payment/inflation	2.4%	2.3%
Discount rate for scheme liabilities	2.5%	2.8%

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The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement are 65:

	At 31 March 2019	At 31 August 2018
Retiring today:		
<i>Oxfordshire</i>		
Males	23.4	23.4
Females	25.5	25.5
<i>Warwickshire</i>		
Males	22.5	22.5
Females	24.7	24.7
Retiring in 20 years:		
<i>Oxfordshire</i>		
Males	25.7	25.7
Females	27.9	27.9
<i>Warwickshire</i>		
Males	24.3	24.3
Females	26.7	26.7

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below, showing the approximate monetary increase to the defined obligation given the following changes in assumptions:

Change in assumptions	£'000	£'000
Discount rate 0.5%	717	163
Long term salary +0.5%	5	1
Pension increase +0.5%	708	162

MacIntyre Academies' share of the assets in the scheme were:

	Expected Fair value At 31 March 2019 £'000	Fair value At 31 August 2018 £'000
Equity instruments	1,162	951
Debt instruments	396	323
Property	173	162
Cash	47	30
Total market value of assets	1,778	1,466

Changes in the fair value of defined benefit obligations were as follows:

	2019 £'000	2018 £'000
At 1 September	2,246	1,819
Current service cost	438	769
Interest cost	40	59
Employee contribution	81	113
Actuarial loss/(gain)	481	(514)
At 31 March	3,286	2,246

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Changes in the fair value of MacIntyre Academies share of scheme assets:

	2019 £'000	2018 £'000
At 1 September	1,466	949
Interest income	27	30
Employee contributions	81	113
Employer contributions	243	334
Actuarial gain/(loss)	(39)	40
At 31 March	<u>1,178</u>	<u>1,466</u>

13. OPERATING LEASES

The group has the following commitments under the non-cancellable operating leases at 31 March.

	2019		2018	
	Land & Buildings	Other	Land & Buildings	Other
Operating Leases Expiring:	£'000	£'000	£'000	£'000
Within 1 Year	290	65	271	147
Within 2 to 5 Years	102	323	94	398
After more than 5 Years	-	-	-	-

14. MOVEMENTS IN CASH AND CASH EQUIVALENTS

	2019 £'000	Group Change in Year £'000	2018 £'000	2019 £'000	Charity Change in Year £'000	2018 £'000
Cash at bank and in hand	<u>9,889</u>	<u>1,903</u>	<u>7,986</u>	<u>7,797</u>	<u>1,366</u>	<u>6,431</u>
	9,889	1,903	7,986	7,797	1,366	6,431

15. RELATED PARTY TRANSACTIONS

There have been no related party transactions in the reporting period that require disclosure under FRS 102.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances as at 31 March 2019 are represented by:

	Unrestricted		Restricted	Total
	General Funds	Designated Funds	Funds	Funds
	£'000	£'000	£'000	£'000
Tangible Assets	-	13,988	7,813	21,801
Net Current Assets	1,584	6,278	574	11,452
Long Term Liabilities	-	-	1,508	1,508
Total Net Assets	<u>1,584</u>	<u>20,266</u>	<u>9,895</u>	<u>31,745</u>

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17. CAPITAL COMMITMENTS

At the date of the balance sheet there were no capital commitments.