

Charity Registration No. 701132

Company Registration No. 02350533 (England and Wales)

**LINKABILITY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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# LINKABILITY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr R Crabtree Mr P Entwistle - Chair Mr J Holland - Chair of Finance Board Mr P Jonas Ms H Medway Mr D Mitchell - Vice Chair Mrs R Trustam Mrs K Pattinson (Appointed 13 December 2016) Mrs A Tupling (Appointed 13 December 2016)
<b>Secretary</b>	Ms G Pilkington
<b>Executive director</b>	Mrs J Adshead
<b>Charity number</b>	701132
<b>Company number</b>	02350533
<b>Principal address</b>	Conway House Ackhurst Business Park Chorley Lancashire PR7 1NY
<b>Registered office</b>	Conway House Ackhurst Business Park Chorley Lancashire PR7 1NY
<b>Auditor</b>	R P Smith & Co 28 St Thomas's Road Chorley Lancashire PR7 1HX

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## **LINKABILITY**

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# **LINKABILITY**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2017**

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The Trustees, who are also Directors of the Charity for the purposes of the Companies Act, present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

#### **Objectives and activities**

Linkability's broad objective is to provide services to adults (including young people in transition from children's services) who have learning disabilities so as to enable them to live in and be part of the local community. The objects of the Charity are also underpinned with a number of core values such as all people supported have a right to live a life of their own choosing, in their own neighbourhood. This means the human right and opportunity to citizenship irrespective of disability is upheld.

The communities in which Linkability presently provides services are located in Chorley and South Ribble (Lancashire), Rochdale, Heywood and Middleton (Rochdale Metropolitan Borough Council), and from June 2016 the West Lancashire areas including Ormskirk, Tarleton and Skelmersdale.

People using Linkability's care and support services may also experience physical and sensory impairment; they may also have positive behavioural support needs and / or experience enduring mental health needs.

Linkability currently discharges this objective through the regulated provision of Registered Care or Registered Domiciliary Care and support to adults or younger people within the provisions of The Health and Social Care Act 2008. The independent regulatory body responsible for inspection of our services is The Care Quality Commission.

For the year in review the Care Quality Commission has undertaken inspection of the Rochdale and St Mary's Gate locations. All current CQC reports are on Linkability's website, [www.linkability.org.uk](http://www.linkability.org.uk) (Downloads).

#### **Public benefit statement**

The Trustees are confident that the activities detailed below satisfy the requirement of the Charity to show that it meets the public benefit requirements in accordance with the duty in section 17(5) of the 2011 Charities Act.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

# LINKABILITY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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### Achievements and performance

- Led by Linkability's Quality Sub Board, the organisation has undertaken multiple visits to all tenancies utilising the newly developed quality monitoring documentation which supports this. This ensures that the support people receive in their homes is consistent with the demands of the regulations set out by the Care Quality Commission and their five 'Key Lines of Enquiry'. Linkability has developed an acronym CREWS to represent the five areas of Caring, Responsive, Effective, Well led and Safe to serve as an aid memoire for the teams who are encouraged to embed these requirements into their everyday work.
- Linkability has once again run Driving Up Quality events in all of the four locations registered with the Care Quality Commission. This has proved a popular alternative to an annual questionnaire. Qualitative information (the narrative that people offer when discussing their support from Linkability) has provided very rich information with regard to what the organisation does well and what it seeks to improve. Linkability is conscious that many of the people we support are unable to articulate their views. The approach ensures that people simply being present at the events ensures that those who advocate for them are reminded of their needs and therefore they make their critical contribution to the evaluation of our services. This year each of the events created a tree which has flowers, butterflies, leaves and squirrel shapes with people's responses to key questions about their support. This worked well towards engaging people in the craft activity in a relaxed environment where people were free to express their views. The trees have become popular talking points as they continue to be displayed in prominent positions in each of the locations.
- External audit has been made by, CQC (for Heywood and St Mary's Gate locations), Rochdale Borough Council, Lancashire County Council, Explaw and RP Smith (auditors). All outcomes have been reviewed by the senior management team and Board of Trustees.
- As appropriate, action plans have been formulated and monitored for compliance. Linkability continues to satisfy the requirements to remain listed as a safe trader / preferred provider publically listed by each funding authority.
- Within the year Linkability continued to deliver training to its staff at all levels through a variety of methods. Due to changes in strategy towards the use of alternative training providers and the continuation of eLearning the total spent was under budget at £27,289. Staff are provided with an average of 10 days of training per annum with 82% of staff holding or working toward a health and social care qualification of The Care Certificate.
- The annual staff awards scheme was generously sponsored for the third year running by external companies committed to supporting the work of Linkability. This resulted in cash awards for each winner and runner up for the categories of Newcomer, Best Practitioner and Leadership.
- As is our embedded practice as well as recruitment being led by Assistant Directors, all staff recruitment has been conducted with the full involvement of the people we support, who are properly trained to undertake this role.
- The year saw the retirement of The Executive Director who had led the organisation since its inception with one house with four people supported and twelve staff to the organisation as it is today with four locations, employing almost 200 staff, supporting 82 people experiencing disability.
- The appointment of a new Executive Director saw people from all locations, family, carers, staff and external professionals come together to provide a robust selection process. The people we support enjoyed a night in a local hotel close to the head office where they focused on the job in hand and enjoyed dinner together. Person centred approaches and facilitators who knew each person well ensured that the process was rigorous and truly represented their evaluation of the candidate's responses.

## **LINKABILITY**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

#### **FOR THE YEAR ENDED 31 MARCH 2017**

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- Linkability continues to contribute and network across all the localities in which it delivers services. For example, local forums, Provider Networks, as well as those mentioned earlier in the report.
- During the year Linkability held a number of constructive business meeting with LCC / RBC Contracts, Commissioners and representatives from Personal Social Care. Additionally the Executive Director attended several strategic meetings with senior executives from other providers (voluntary and for profit) alongside LCC and NHS Directors who are members of The Social Care Partnership.
- Throughout the year the Executive Directors continued to work alongside office bearers of the LLDC, negotiating and seeking to influence LCC in its plans for a re-tender of learning disability services and quality framework.
- Linkability has continued to build upon its knowledge base on the implications of the Care Act 2014.
- The introduction of ISF's (Individual Service Funds) is now embedded concerning our commissioned work from Rochdale Borough Council (RBC).
- Linkability provided student placements for The Faculty of Social Work Education at UCLAN.
- Over the year the HR Sub and Full Board have taken regular reports as to its effectiveness of the management and administration infrastructure. Linkability continues to monitor its efficiency.
- In June 2016 the take-over by Linkability of West Lancs Positive Living contract became complete. This followed much hard work on the due diligence process by the management teams from both locations and Trustees. Linkability took over the care contracts and TUPE transfer of WLPL employees on 29 June 2016.
- Donations from West Lancs Positive Living alongside a commitment from Linkability to secure additional office space and training/meeting facilities ensured the location retained its presence within the local community. A further donation of a much loved and well utilised static caravan in The Lake District to Linkability was made. Linkability is committed to ensuring that the caravan is enjoyed for the benefit of the people we support.
- The West Lancs location enjoyed the benefit of ongoing support from the Registered Manager who oversaw a smooth transition for the people who are supported, their families and staff until her planned retirement at the end of the financial year. Despite a national shortage of trained Registered Managers the recruitment of a replacement saw a number of internal and external suitably qualified candidates and the eventual appointment of an experienced, external candidate.

#### **Financial review**

The board of trustees have acted with prudence, exercised care in order to ensure Linkability has been able to meet all its targeted expenditure. There was a surplus on general funds prior to the discretionary payment. Linkability made a discretionary payment to its employees totalling £29,681 allocated in the balance sheet for March and paid in July 2017. This was partially funded from the charity's reserves.

In addition Linkability maintains a discretionary long service award scheme. Employees qualify for small discretionary awards following 5, 10, 15, 20 & 25 years continued service. Within the financial year Linkability made scaled payments depending on length of service, to 13 qualifying staff totalling £1,950.

During the year ended 31 March 2017 Linkability applied £10,332 from restricted funds of which £15,000 was donated during the year. After taking account of this expenditure, the Charity's restricted reserves increased by £4,668 in the year. Across all funds the Charity experienced a surplus of £23,352 for the year - of which £23,092 related to net gains on investments, thus a small operating surplus of £260.

# LINKABILITY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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### Policy on reserves

Linkability maintains the following reserves:

#### General operating reserve (£467,091 unrestricted funds)

This reserve is unrestricted and can be used for any purpose within the Charity's objectives. The Trustees aim for Linkability to hold sufficient reserves in order to maintain continuity and consistency to service users and employees in the event of a gap in funding or the loss of a service provision contract. This includes the reduction in income due to voids (unoccupied places in homes). If a service user moves on or sadly passes away, the Charity wishes to allow ample time for people to adjust to this change and for service users to be properly consulted about new people moving into Linkability's support. The availability of reserves for this purpose bridges what may be substantially long periods of loss of fees/rents. At the beginning of the financial year Linkability held only one long-term void.

The general reserves held at 31 March 2017 represent approximately 2 months' worth of charitable expenditure based on current activity levels.

#### Asset purchase and improvement reserve (£nil designated funds)

This reserve was created by the Trustees several years ago to set aside funds primarily for capital improvements to the head office, branch offices and tenants' accommodation. Following a review of the reserve and the fact that no significant capital improvements are imminent, the Trustees have chosen to transfer the remainder of this fund back to general reserves. The Trustees are aware of their responsibility to review, at least yearly, the levels of reserves and appropriately allocate against designated commitments.

#### Revaluation reserve (£29,637)

This reserve represents the revaluation of investments, being the increase in value between the purchase price and the current market value. Whilst categorised within Unrestricted funds, this reserve is linked to the investments held and will only be available for general operating purposes should the investments be sold, at which time any increase in value since the acquisition date would be recorded as a realised gain. The Trustees regularly monitor the performance of investments to ensure that the Charity is not put at undue financial risk.

#### ROOTS donation (£8,025 restricted fund)

The restriction is that this fund is to be used for the direct benefit of service users and/or staff who were formerly supported by ROOTS. The Statement of Financial Activities shows utilisation during the year of £594 from this fund. Thus was expended on tenant's improvements at one of the supported living locations, tenants' activities, and transport to and from last year's AGM and annual event.

#### West Lancashire Positive Living (£5,262 restricted fund)

During the year the Charity took over the operations of West Lancashire Positive Living, including staff and service users. A donation of £15,000 was made by that charity to Linkability to assist in the transfer of operations and to support the specific individuals involved. This donation has been spent in full during the year, of which £9,738 is recorded within Resources Expended. The remaining £5,262 relates to IT and office equipment for the benefit of the West Lancashire provision which was either capitalised or leased and will continue to be depreciated over future year periods.

The Trustees, in line with the Charity Commission's guidance on holding reserves, will review the above reserve policy alongside any newly identified financial risks and commitments and make appropriate allocations during 2017/18.

# LINKABILITY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2017

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#### Reviewing major risks

Linkability has and maintains a risk framework that is reviewed at least annually. Overview and scrutiny is undertaken by the full board of Trustees, senior management and other stakeholders, as appropriate. For example, ensuring staff continuity in the event of a Flu Pandemic or Extreme Adverse Weather conditions or IT failure.

Most commonly Linkability manages risks by employing suitably qualified and experienced staff at each level in the Charity. The training strategy is a key component used to mitigate against the most obvious potential major risks. The regular review of Policies and Procedures is another important mechanism to fend off risks arising from complacency.

Since the retirement of an external consultant for Health & Safety, Linkability has invested in the training and development of a number of employees to IOSH standard. These carefully selected employees, who provide cover for each of Linkability's locations, lead the internal health and safety advisory group made up of employees from all areas of company activity. An external health and safety consultancy identify potential risks and make recommendations to manage these.

The Charity maintains comprehensive insurance to cover a range of potential risks, including Trustee and Officers professional indemnity. Linkability has the benefit of professional representation and insurance cover from Explaw to mitigate the risk of potential employment tribunal claims. Explaw, in partnership with the Executive Director and HR Board, reviewed the Linkability staff handbook at the end of 2016.

The sector pressures from a funding perspective continue to present enormous challenge to providers such as Linkability. Recruitment to the care sector continues to be very difficult not helped by its perceived lack of positive public image. Throughout the year Linkability's Assistant Directors supported regular recruitment drives that has led to successful recruitment of new employees. Linkability's retention rates remain well above the national average for the sector. The HR Sub Board pay regular attention to the reasons people leave and what works best in terms of recruitment. Word of mouth continues to be the best means of recruitment.

Linkability funded an uplift to all staff salaries from October 2016 from operating surplus. This represented an increase of 4.167% and increased the lowest paid workers in line with National Living Wage rates increases set for the following April. It was felt this could make Linkability attractive to new staff who may look elsewhere and outside of the sector for more generously paid work.

During the year both funding authorities once again failed to provide any uplift in daytime fees, despite Linkability lobbying both of them. In compliance with new employment rules, Linkability continued to pay its support workers for sleep-ins on a timed basis. This was funding through Linkability's reserves and by implementing operating efficiencies within the Charity.

In October 2016 Lancashire County Council made the decision to cover the increased 'sleep-in' rates in its funding. This was to be applicable from April 2016 onwards and the council made payments to Linkability to cover the shortfall between April 2016 and the date which the new sleep-in rates were implemented. Although this decision was welcome, it did not remedy the shortfall from previous financial years which Linkability had funded through its own reserves. Despite efforts by Linkability throughout 2016/17, Rochdale Borough Council has yet to uplift the sleep-in rates to reflect the increased staff costs incurred. As a fair and responsible employer, Linkability continues to apply time-based remuneration for its employees and has therefore incurred the increased expenditure directly.

As has been consistently reported each year, given the nature of the volatile market Linkability operates in there is an ever present risk to sudden loss of fees due to loss or sadly the death of someone it supports. In order to manage the risk Linkability continues to carry a void reserve, that for short a period can ameliorate the risk. As mentioned in past reports this gives time to review staffing need, look at redeployment and avoid redundancy. We are pleased to report that there was no need to make use of this provision during the year.

# LINKABILITY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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### Reporting serious incidents

Linkability's Trustees believe they have taken all reasonable steps to assess and manage risks associated with the activities of the Charity, beneficiaries, property, work and reputation. In this regard the Trustees of Linkability make a declaration that there are no serious incidents or other matters relating to the Charity concerning the previous financial year that have not already been brought to the attention of The Charity Commission or in such event has failed to do so.

### Plans for future periods

Linkability plans to continue its work into the 2017/2018 financial year to ensure that all our locations continue to offer high quality services in line with the demands of regulators, funding authorities and the expressed wishes of the individuals receiving support. Linkability aims to achieve the objectives of the current business plan which has an overarching emphasis on well-being for all stakeholders. The plan includes:

- Retention of the Investors in People award.
- Continued compliance with CQC regulation and the aspiration to be outstanding in this.
- To remain as a Preferred Provider of Lancashire County Council.
- Inclusion on the Greater Manchester Learning Disability and Autism Ethical Procurement System

Linkability remains committed to ensuring that a well-motivated workforce is led by a strong management team and Board of Trustees. This ensures that people experiencing learning disability are supported to lead the ordinary lives they want in their local communities.

### Structure, governance and management

Linkability is a charitable company whose Board of Directors are also Trustees of the Charity. Trustees are appointed to reflect the range of skills, experience, interests and capability needed for effective governance given the need of beneficiaries and nature of its activities. The Board of Trustees hold responsibility for appointing Trustees.

The Memorandum and Articles of Association govern the activities of the Charity, and were last amended on 12 March 1998. There are regular board meetings to review and govern the business of Linkability. Chairs of sub boards, The Executive Director and Assistant Directors have a reporting structure to full Trustee meetings. Reports typically illustrate what is working well, what Linkability needs to do to improve and alerting the Trustees to any potential risk and plans to manage such risk. Overall the reporting structure monitors progress of the business plan but remains true to Linkability's stated values and beliefs.

Continued and well planned growth of Linkability is key to maintaining viability and to offset any risk for financial stability.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of winding up.

The Charity is a company limited by guarantee registered in England number 2350533. The Trustees, who are also the directors for the purpose of company law, who served during the year were:

Mr R Crabtree

Mr P Entwistle - Chair

Mr J Holland - Chair of Finance Board

Mr P Jonas

Ms H Medway

Mr D Mitchell - Vice Chair

Mrs R Trustam

Mrs K Pattinson

Mrs A Tupling

(Appointed 13 December 2016)

(Appointed 13 December 2016)

# LINKABILITY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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### **Recruitment and selection of Trustees / Directors**

Trustee / Directors are sought whose skills build on the skill base of the existing board of trustees which include sector specific skills (Health & Social Welfare), Finance, Business, Marketing, Human Resources, Management, Information and Assistive Technology, also importantly, stakeholder representation from parent carers. Where possible Linkability seeks to appoint Trustees living in communities in which it provides care and support services. Ordinarily Trustees cannot be remunerated although Linkability is permitted to refund legitimate Trustee expenses.

Vacancies on the Board are advertised on Linkability's website, in local newspapers and by approaching local networks.

There is a process of application that includes taking references, undertaking background checks such as a Disclosure and Barring Service (DBS) check and attending / observing a number of Board and / or Sub Board meetings. The applicant receives all the relevant information with regard to the organisation, Trustee Job Description, Guidance on Trustee Responsibilities and Trustee National Occupational Standards. This is further supported with verbal information from The Executive Director and / or Chair of Trustees / an experienced Trustee.

Once the prospective Trustee has attended a series of meetings, the Chair discusses the applicant's suitability with other Trustees and will meet with the prospective Trustee prior to their appointment at the next Board meeting. The appointment is confirmed formally at the next AGM.

During the year two new Trustees joined the Board, and were voted in at the AGM. They had previously been members of the West Lancs Positive Living Committee. It was important to Linkability that the West Lancashire location was represented on the Board. Both new Trustees have direct experience of advocating for their family members who experience learning disability.

In addition Mr Paul Jonas stood down as Chairperson and the previous Vice-Chairperson Mr Phil Entwistle was voted in as Chairperson, with Mr Duncan Mitchell elected as Vice-Chairperson.

### **Induction and training**

The Induction and Training of Trustees continues with the provision of an induction pack comprising previous minutes, the latest audited financial report, organisational structures and plans, dates of meetings and a copy of the Memorandum and Articles of Association.

### **Structure and wider network**

Linkability employs professional managers with experience and expertise relevant to the business of the Charity and the people it supports. The Trustees set and monitor the scale of delegated responsibility invested in the senior management team. Likewise they monitor and review the overall strategy and business plan.

The Board of Trustees meet regularly with The Executive Director, Company Secretary and Assistant Directors who attend quarterly Board meetings. Additional to this Trustees also meet the professional managers at various Sub Board and ad hoc meetings.

Linkability uses a structure of Sub Boards to support and monitor its strategic and operational goals. During the year in review the following Sub Boards met at least once but in most cases quarterly. The chairs of Sub Boards take recommendations to the full Trustee quarterly business meetings.

The Financial Sub Board (Chair Mr J Holland)  
The Remuneration Sub Board (Chair Mr P Entwistle)  
The Quality Sub Board (Chair Mr D Mitchell)  
The Premises & IT Sub Board (Chair Mr P Jonas)  
The Human Resources Sub Board (Chair Mr R Crabtree)  
The Workforce Development Board (Chair Ms Hilary Medway)

In addition there is a family forum chaired by Mrs Alison Tupling and a tenants group for Chorley, Heywood and West Lancashire; each is chaired by a person who receives support from Linkability.

## **LINKABILITY**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017**

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#### **Employee involvement and employment of people with disabilities**

Tenants meet in the Chorley and Heywood locations at least quarterly. These meetings are funded by Linkability and are arranged at times and dates specified by the people we support. A willing chairperson is supported by a staff member to preside over the meetings. The agendas include information from Linkability to tenants and the communication of good news and bad news to Linkability. Accessible sessions are run in connection with voting rights, staying safe, healthy eating and hygiene. The sessions also provide the opportunity for the people we support to network and socialise with others.

Representatives from the people we support attend the Quality Board with support from suitably experienced workers. Here they represent the views of their peers and bring the news from self-advocacy groups they attend.

Employees continued to be consulted on issues of concern to them by means of consultative meetings / team discussions and in person with respective supervisors. During the year and in response to recommendations made by Investors In People, a staff steering group was set up. This continues to run effectively.

Staff enjoy access to copies of Community Living Magazine which keeps them up to date with external changes in the learning disability sector.

Staff at various levels in Linkability continue to participate with the local networks. This serves to ensure that people with disabilities take a rightful place at the hub of local services design and delivery. Many of the concepts found in local and national social policy hold true to Linkability's principles and core values as laid down over 27 years ago.

Linkability relates the standards and guidance set out by Skills for Care. Staff training data sets are maintained electronically using a specialist software package, 'People Planner'. Work is underway to enable this to link directly with the Skills for Care National Minimum Data Set for Social Care to ensure that Linkability fulfils its responsibility towards the National data connected with the present and future development of the workforce.

All Linkability staff are required to sign up to the 'Social Care Commitment'. This is a public statement made first by the organisation and secondly by its workforce. A condition of registration is that both organisation and employees report on the collective and individual action plan and is subject to renewal every two years.

Linkability, in accordance with its equal opportunities policy, has long established recruitment, retention and training protocols. Analysis of records show retention rates well above national averages.

Linkability has a number of detailed policies in relation to personnel matters, such as:-

- Equal Opportunities Policy
- Health and Safety Policy
- Harassment and Bullying Policy (Including Whistle Blowing)
- Staff Handbook, Conditions of Service

The arrangement for review and updating the staff handbook is provided under a contract for services with Explaw. The procedural guidance for Equal Opportunities takes account of an individual staff or prospective employee's strengths and approach to fair employment practice.

The senior management team have a plan for annual review and updating statement on policy and procedures.

# LINKABILITY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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### Relationships with related parties

Linkability is a member of The Lancashire Learning Disability Consortium (LLDC) which is an Industrial and Provident Society with Charitable exemption. The LLDC was incorporated by a number of voluntary organisations in Lancashire, of which Linkability was a founding member. The aims of the Consortium are to share information, represent issues, share specialist training and offer representation on various Lancashire Council led consultative groups. Linkability's Executive Director acted as Chair of the Board of the LLDC until his retirement in September 2016. The employment of the LLDC's Part Time Business Manager is hosted by Linkability, the cost of which is fully recovered from the LLDC.

The South Lancashire Learning Disability Training Consortium ceased to trade as a Charity and Company in late 2015. This has resulted in Linkability resourcing a new training provider to ensure Linkability meets all its mandatory training objectives. The impact resulted in disruption to some training programmes until alternatives had been procured.

Linkability maintains membership with The Lancashire Workforce Development Partnership (LWDP). The LWDP is a conduit for funded training and training opportunities in collaboration with Skills for Care. Skills for Care is the strategic body for workforce development in adult social care in England. It is an independently registered charity working with 35,000 adult social care employers. The range, standard and qualifications provided, set the standards and quality to equip over 1.5 million social care workers nationally, delivering social care.

Maintaining our National Minimum Data Set via Skills for Care, provides evidence for partners and regulators needing to check our workforce development compliance. Typically this is needed by LCC / RBC preferred provider contracts monitoring, The Care Quality Commission or Investors in People UK.

During the year in review Linkability continued to build on its registration and recognition to 'The Social Care Commitment' – A public promise to provide people who need care with high quality services. The public promise is first made by the care provider and then added to by a similar commitment undertaken by all employees. Linkability has incorporated this into its contractual requirements for all employees.

Improvement Development & Growth Ltd (IDG) are an official partner and accredited assessment company for ensuring companies / charities awarded Investor In People status (IIP) maintain the Standard. Since initial accreditation as an Investor in People UK organisation, September 1999, Linkability has held the award. We held Gold status in April 2017.

'PLURISA' is a specialist training cohort made up of several LLDC learning disability providers and delivers 'British Institute of Learning Disabilities' (BILD) accredited, Positive Behaviour Management Plus Training. This is undertaken under an agreement with Positive Response Training and Consultancy Ltd. This organisation provides accreditation for Linkability's staff who are involved in providing internal training for the Positive Behaviour Management and prevention techniques for people at risk of harming themselves or others. Linkability has 2 senior practitioners as accredited trainers working with the cohort. The cost of administering and maintaining the training partnership is shared by each member organisation. Overall it offers a high quality specialist training resource that is nationally quality accredited.

Linkability enjoys a mutual and positive relationship with Integrate (Preston & Chorley) Ltd. Integrate is a charitable organisation working primarily in Preston with adults and young people, who experience learning disabilities. As has been the case reaching back to the incorporation of Linkability (February 1989) both organisations support each other by sharing information, joint working and mutual support in sector related issues.

Housing partners such as Chorley Community Housing, Places for People, Progress Housing Association, Golden Lane Housing, Rochdale Borough Housing and Regenda Housing Association continue to support the objects of Linkability. We were pleased to work with two additional housing providers Empower and Assured Living in our new West Lancashire location. They are also stakeholders to the various supported living tenancies we have, for which there is either a service level agreement or a housing management agreement. The same is the case for two private landlords who entered a partnership arrangement, developing supported living tenancies for people connected with Linkability.

# **LINKABILITY**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017**

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For the fifth year in succession Linkability was pleased to be a main sponsor C L Initiatives. C L Initiatives is a charitable organisation dedicated to ensuring the publication of a sector specific magazine - 'Community Living'. One of the most tangible benefits of sponsorship is all employees have access to the magazine, each quarter. Both incoming and outgoing Executive Directors hold a place on the magazine's editorial board. Linkability continues to provide back office support to the subscription and distribution of the magazine. The web version and website offers sponsors like Linkability another marketplace for Job adverts, Trustee appointments or other short articles promoting Linkability's values and achievements. It is thought that 'Community Living' is the only magazine which campaigns for the right of people experiencing learning disability.

Chorley Astley Rotary continue to generously donate the cost of a holiday in the Lakes for one of the people Linkability supports and their carer. Across the years many people have enjoyed adventure holidays, irrespective of the person's level of impairment or disability. Linkability was pleased to be invited to attend a Rotary meeting where two Assistant Directors gave a presentation of the changing landscape and policy surrounding the support of people who experience learning disability.

Linkability is pleased to note for the third year running three independent companies sponsored the staff awards scheme. Cash prizes for the award winners were donated by Wizard Computers, Barclays Bank and ASK VAS Ltd. Each sponsoring company donated £250 to fund a winner and runner up in each category. Linkability also has received a large donation from a Trustee benefactor to cover any shortfall in staff award sponsorship in future years.

Linkability continued to ensure its retired staff are remembered and valued each Christmas time. A Trustee each year generously gives time to provide a visit to a number of retired staff and a gift. This year this was funded by a very generous donation.

Chorley Gospel Hall promotes seasonal activity and social events three to four times a year for the benefit of those to whom Linkability delivers services. Linkability has also been beneficiary of the free use of their premises particularly for training and tenants meetings. In addition the congregation has made Linkability a beneficiary and made a donation of cash to be used for the benefit of the Charity.

The Learning Disability Forum (Chorley & South Ribble) maintain value based networks with management and people supported by Linkability. The Assistant Director is a member of their Executive Board. This group has a long history of sector engagement with the pioneering work of 'Valuing People' and learning disability Partnership Boards across Lancashire.

# LINKABILITY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

### Statement of Trustees' responsibilities

The Trustees, who are also the directors of Linkability for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditor

Each of the directors / trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

### Auditor

A resolution proposing that R P Smith & Co be reappointed as auditors of the company will be put to the members at the Annual General Meeting.

In preparing this report the Trustees have taken advantage of the small companies exemptions provided by Section 419(2) of the Companies Act 2006.

The Trustees' report was approved by the Board of Trustees.



Mr P Entwistle - Chair

Dated: 5/9/17

# LINKABILITY

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LINKABILITY

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We have audited the financial statements of Linkability for the year ended 31 March 2017 set out on pages 14 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and auditor**

As explained more fully in the statement of Trustees' responsibilities set out on pages 1 - 11, the Trustees, who are also the directors of Linkability for the purposes of company law are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

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

### **Scope of the audit of the accounts**

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

### **Opinion on accounts.**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## LINKABILITY

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LINKABILITY

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#### Matters on which we are required to report by exception

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

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



Simon Worswick BA FCA (Senior Statutory Auditor)  
for and on behalf of R P Smith & Co

Chartered Accountants  
Statutory Auditor

*6 September 2017*

28 St Thomas's Road  
Chorley  
Lancashire  
PR7 1HX

R P Smith & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# LINKABILITY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2017 £	Total 2016 £
<b><u>Income and endowments from:</u></b>						
Charitable activities	3	3,132,302	-	-	3,132,302	2,615,599
Investments	4	13,002	-	-	13,002	11,944
Other income	5	21,922	-	15,000	36,922	3,846
<b>Total income and endowments</b>		<b>3,167,226</b>	<b>-</b>	<b>15,000</b>	<b>3,182,226</b>	<b>2,631,389</b>
<b><u>Expenditure on:</u></b>						
Charitable activities	6	3,171,634	-	10,332	3,181,966	2,667,530
Net gains on investments	10	23,092	-	-	23,092	5,766
<b>Net incoming/(outgoing) resources before transfers</b>		<b>18,684</b>	<b>-</b>	<b>4,668</b>	<b>23,352</b>	<b>(30,375)</b>
Gross transfers between funds		91,671	(91,671)	-	-	-
<b>Net movement in funds</b>		<b>110,355</b>	<b>(91,671)</b>	<b>4,668</b>	<b>23,352</b>	<b>(30,375)</b>
Fund balances at 1 April 2016		386,373	91,671	8,619	486,663	517,037
<b>Fund balances at 31 March 2017</b>		<b>496,728</b>	<b>-</b>	<b>13,287</b>	<b>510,015</b>	<b>486,662</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# LINKABILITY

## BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	11		8,514		3,831
Investments	12		279,636		256,545
			<u>288,150</u>		<u>260,376</u>
<b>Current assets</b>					
Debtors	14	168,077		100,009	
Cash at bank and in hand		411,323		355,124	
		<u>579,400</u>		<u>455,133</u>	
<b>Creditors: amounts falling due within one year</b>	15	(357,535)		(228,847)	
Net current assets			221,865		226,286
<b>Total assets less current liabilities</b>			<u>510,015</u>		<u>486,662</u>
<b>Income funds</b>					
Restricted funds	16		13,287		8,619
<u>Unrestricted funds</u>					
Designated funds	17	-		91,671	
General unrestricted funds		467,091		379,827	
Revaluation reserve		<u>29,637</u>		<u>6,545</u>	
			496,728		478,043
			<u>510,015</u>		<u>486,662</u>

## LINKABILITY

### BALANCE SHEET (CONTINUED)

**AS AT 31 MARCH 2017**

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2017, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

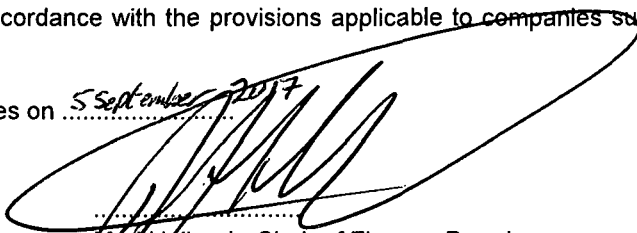
The Trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on 5 September 2017



Mr P Entwistle - Chair  
Trustee



Mr J Holland - Chair of Finance Board  
Trustee

Company Registration No. 02350533

# LINKABILITY

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	21		52,017		(3,518)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(8,820)		(290)	
Purchase of other investments		-		(250,000)	
Interest received		13,002		11,944	
<b>Net cash generated from/(used in) investing activities</b>			4,182		(238,346)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			56,199		(241,864)
Cash and cash equivalents at beginning of year			355,124		596,988
<b>Cash and cash equivalents at end of year</b>			<u>411,323</u>		<u>355,124</u>

# LINKABILITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

#### Company information

Linkability is a private company limited by guarantee incorporated in England and Wales. The registered office is Conway House, Ackhurst Business Park, Chorley, Lancashire, PR7 1NY.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice", applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), with FRS 102 and with the requirements of the Companies Act 2006. The Charity is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The accounts have been prepared on the historical cost convention, except for the valuation of investment assets, which are shown at market value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

#### 1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the the Charity.

#### 1.4 Incoming resources

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

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

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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

# LINKABILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

---

#### 1 Accounting policies

(Continued)

##### 1.5 Resources expended

Resources expended are accounted for in accordance with the accruals convention. Expenditure on operational programmes is recognised in the period in which it has been incurred. A designated fund is established for expenditure which has been committed to projects, but remains unspent at the year end.

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of Trustees meetings and the cost of any legal advice to Trustees on governance or constitutional matters. All the governance costs have been included in Charitable Activities as a whole rather than being apportioned.

##### 1.6 Tangible fixed assets

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

Tangible fixed assets are stated at cost less depreciation. Assets costing less than £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office equipment and fixtures	5% to 25% on cost
Service base equipment and fixtures	5% to 25% on cost

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

##### 1.7 Impairment of fixed assets

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

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

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

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

##### 1.8 Cash and cash equivalents

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

# LINKABILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 1 Accounting policies

(Continued)

#### 1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Employee benefits

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

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

#### 1.11 Apportionment of costs

Costs of direct charitable expenditure are allocated on the basis of consumption of goods and services in each of the service bases operated by the charity. Support costs include any other costs borne by the charity in continuance of its activities. Where expenditure has been incurred which represents both charitable project support and general management of the charity the cost has been apportioned on the basis of the management time allocated to each activity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements. Costs are apportioned gross including irrecoverable VAT.

# LINKABILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 1 Accounting policies

(Continued)

#### 1.12 Funds

Restricted funds represent donations or grants received for a specific object or invited by the Charity for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund.

Unrestricted funds are general funds which can be used for the Charity's ordinary purposes.

#### 1.13 Going Concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts. There are no material uncertainties about the Charity's ability to continue.

### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Charitable activities

	2017 £	2016 £
Services provided under contract	3,132,302	2,615,599

### 4 Investments

	2017 £	2016 £
Income from listed investments	-	27
Income from investment portfolio	10,010	3,626
Interest receivable	2,992	8,291
	13,002	11,944

# LINKABILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 5 Other income

	Unrestricted funds general £	Restricted funds £	Total 2017 £	Total 2016 £
Other income	21,922	15,000	36,922	3,846
<b>For the year ended 31 March 2016</b>	<b>3,846</b>	<b>-</b>		<b>3,846</b>

### 6 Charitable activities

	2017 £	2016 £
Staff costs	2,401,022	1,985,624
Depreciation and impairment	2,915	2,963
Agency staff	25,929	5,158
Staff training	27,289	35,180
Premises repairs, servicing, heat and light	6,943	5,740
Residents' living and household expenses	2,007	8,850
Staff travel and residents' transport	6,416	5,909
Medical supplies	12,050	8,949
Registration fees and subscriptions	11,852	7,947
Recruitment expenses	7,107	9,854
Service user welfare	10,970	5,550
Other costs	-	10,600
	<b>2,514,500</b>	<b>2,092,324</b>
Share of support costs (see note 7)	664,221	569,276
Share of governance costs (see note 7)	3,245	5,930
	<b>3,181,966</b>	<b>2,667,530</b>
<b>Analysis by fund</b>		
Unrestricted funds - general	3,171,634	
Restricted funds	10,332	
	<b>3,181,966</b>	
<b>For the year ended 31 March 2016</b>		
Unrestricted funds - general		2,651,380
Unrestricted funds - designated		10,600
Restricted funds		5,550
		<b>2,667,530</b>

# LINKABILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 7 Support costs

	Support costs	Governance costs	2017	2016
	£	£	£	£
Staff costs	451,780	-	451,780	400,031
Depreciation	1,222	-	1,222	529
Central office administration costs	92,578	-	92,578	60,063
Insurance	16,023	-	16,023	16,481
Office light and heat	3,873	-	3,873	3,843
Office repairs	14,235	-	14,235	20,777
Postage and office supplies	35,108	-	35,108	28,467
Telephone	11,676	-	11,676	10,325
Professional fees	24,764	-	24,764	22,971
Bank charges	137	-	137	270
Sundry expenses	12,825	-	12,825	5,519
Audit fees	-	3,245	- 3,245	5,930
	<u>664,221</u>	<u>3,245</u>	<u>667,466</u>	<u>575,206</u>
Analysed between				
Charitable activities	<u>664,221</u>	<u>3,245</u>	<u>667,466</u>	<u>575,206</u>

### 8 Trustees

None of the trustees, or any persons connected with them, received any remuneration, benefits or expenses from the Charity during the year.

The insurance charge in the accounts includes premiums paid in respect of a combined policy which provides cover to protect the charity from loss arising from the neglect or defaults of its trustees or employees. The cost of this cover has not been separately quantified.

## LINKABILITY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

#### 9 Employees

##### Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Care and support staff	186	167

##### Employment costs

	2017 £	2016 £
Wages and salaries	2,624,312	2,199,597
Social security costs	171,561	139,035
Other pension costs	56,929	47,023
	2,852,802	2,385,655

The key management personnel of the Charity comprise of the Trustees, the Executive Director and the Assistant Directors. The total employee benefits of the key management personnel of the Charity were £210,152.

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

#### 10 Net gains/(losses) on investments

	2017 £	2016 £
Revaluation of investments	23,092	5,766

# LINKABILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 11 Tangible fixed assets

	Office equipment and fixtures £	Service base equipment and fixtures £	Total £
<b>Cost</b>			
At 1 April 2016	67,079	86,295	153,374
Additions	8,820	-	8,820
At 31 March 2017	75,899	86,295	162,194
<b>Depreciation and impairment</b>			
At 1 April 2016	66,163	83,380	149,543
Depreciation charged in the year	2,772	1,365	4,137
At 31 March 2017	68,935	84,745	153,680
<b>Carrying amount</b>			
At 31 March 2017	6,964	1,550	8,514
At 31 March 2016	916	2,915	3,831

### 12 Fixed asset investments

	2017 £	2016 £
Listed investments	766	657
Investment portfolio - Brewin Dolphin	278,870	255,888
	279,636	256,545
	2017 £	2016 £
Listed investments carrying amount	766	657

#### Fixed asset investments revalued

The investments are valued at their current market value, taken from the relevant stock exchange prices. A valuation report is received quarterly from Brewin Dolphin detailing the values of all securities held.

# LINKABILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

12	Fixed asset investments	(Continued)
	<b>Movements in fixed asset investments</b>	
		<b>Shares £</b>
	<b>Cost or valuation</b>	
	At 31 March 2017	256,545
	Additions	61,868
	Valuation changes	21,413
	Disposals	(60,190)
		<hr/>
	At 31 March 2017	279,636
		<hr/>
	<b>Carrying amount</b>	
	At 31 March 2017	279,636
		<hr/>
	At 31 March 2016	256,545
		<hr/>

Linkability incurs a management charge of 0.8% of the portfolio value, plus VAT, for the Brewin Dolphin investment portfolio. This is paid quarterly in arrears. The Charity receives a monthly dividend from the portfolio.

The performance of investments is monitored on a monthly basis by Finance and by the Trustees.

13	Financial instruments	2017 £	2016 £
	<b>Carrying amount of financial assets</b>		
	Debt instruments measured at amortised cost	13,413	10,939
	Equity instruments measured at cost less impairment	279,636	256,545
		<hr/>	<hr/>
	<b>Carrying amount of financial liabilities</b>		
	Measured at amortised cost	315,394	193,075
		<hr/>	<hr/>
14	Debtors	2017 £	2016 £
	<b>Amounts falling due within one year:</b>		
	Trade debtors	9,966	7,492
	Other debtors	3,447	3,447
	Prepayments and accrued income	154,664	89,070
		<hr/>	<hr/>
		168,077	100,009
		<hr/>	<hr/>

# LINKABILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 15 Creditors: amounts falling due within one year

	2017 £	2016 £
Other taxation and social security	42,141	35,772
Trade creditors	26,903	23,347
Other creditors	5,596	5,993
Accruals and deferred income	282,895	163,735
	<u>357,535</u>	<u>228,847</u>

#### 16 Restricted funds

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

	Balance at 1 April 2016 £	Movement in funds		Balance at 31 March 2017 £
		Incoming resources £	Resources expended £	
Roots donation	8,619	-	(594)	8,025
West Lancashire Positive Living	-	15,000	(9,738)	5,262
	<u>8,619</u>	<u>15,000</u>	<u>(10,332)</u>	<u>13,287</u>

The Roots donation is to be applied to provide training and equipment for the benefit of staff and service users in Rochdale.

During the year the Charity took over the operations of West Lancashire Positive Living, including staff and service users. A donation of £15,000 was made by that charity to Linkability in order to assist in the transfer of operations and support the specific individuals involved. This donation has been spent in full, with an amount of £5,262 being carried forwards as the carrying value of tangible fixed assets purchased as restricted assets.

## LINKABILITY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

#### 17 Designated funds

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

	Balance at 1 April 2016 £	Movement in funds		Transfers £	Balance at 31 March 2017 £
		Incoming resources £	Resources expended £		
Asset purchase and improvement reserve	91,671	-	-	(91,671)	-
	<u>91,671</u>	<u>-</u>	<u>-</u>	<u>(91,671)</u>	<u>-</u>

The full balance of this designated fund was returned to general unrestricted funds during the year, since the designation was no longer necessary.

#### 18 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:				
Tangible assets	3,252	-	5,262	8,514
Current assets/(liabilities)	221,865	-	-	221,865
	<u>225,117</u>	<u>-</u>	<u>5,262</u>	<u>230,379</u>

#### 19 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	56,983	30,386
Between two and five years	107,240	-
	<u>164,223</u>	<u>30,386</u>

# LINKABILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

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#### 20 Related party transactions

##### Transactions with related parties

During the year the Charity entered into the following transactions with related parties:

Lancashire Learning & Disability Consortium - Mr D G Naden (who was the Chief Executive Officer of the Charity until September 2016) is the chair of this organisation. Linkability received funds to the value £5,850 in the year ended 31 March 2017 (2016: £5,003), and paid £606 (2016: Nil)

Integrate (Preston & Chorley) Ltd - Mr D G Naden is a director of this organisation. Linkability contributed funds to the value £914 in the year ended 31 March 2017 (2016: £408).

C L Initiatives - This charitable organisation publishes a sector specific magazine - 'Community Living'. Mrs R Trustam is a director and publisher, and Mr D G Naden is a director and member of the editorial board. In the year ended 31 March 2017 Linkability paid a subscription of £4,000 (2016: £4,000) and a fee of £300 for a Community Care law seminar.

West Lancs Positive Living Limited - In June 2016 Linkability took over the running of the care provision for service users previously supported by this organisation. This included the transfer of care and support staff to Linkability. A donation of £15,000 was made by this charity to Linkability in support of the activities and services transferred. Two trustees who were appointed to Linkability during the year, Ms K Pattinson and Ms A Tupling, are also trustees (and statutory directors) of West Lancs Positive Living Limited.

The related parties are charities or community organisations with activities which are complementary to and in furtherance of the objectives of Linkability. The trustees and officers of Linkability do not receive remuneration from these organisations and do not hold any beneficial interest.

No guarantees have been given or received.

## LINKABILITY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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21	Cash generated from operations	2017 £	2016 £
	Surplus/(deficit) for the year	23,352	(30,375)
	Adjustments for:		
	Investment income recognised in profit or loss	(13,002)	(11,944)
	Fair value gains and losses on investments	(23,092)	(5,766)
	Depreciation and impairment of tangible fixed assets	4,137	3,492
	Movements in working capital:		
	(Increase) in debtors	(68,067)	(19,380)
	Increase in creditors	128,689	60,456
	Cash generated from/(absorbed by) operations	<u>52,017</u>	<u>(3,517)</u>

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