

Charity Registration No. 701132

Company Registration No. 02350533 (England and Wales)

LINKABILITY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

SATURDAY



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08/09/2018
COMPANIES HOUSE

LINKABILITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr R Crabtree	
	Mr P Entwistle - Chair	
	Mr J Holland	
	Mr P Jonas	
	Mr D Mitchell - Vice Chair	
	Mrs R Trustam	
	Mrs K Pattinson	
	Mrs A Tupling	
	Mr D Naden	(Appointed 30 January 2018)
Secretary	Ms G Pilkington	
Executive director	Mrs J Adshead	
Charity number	701132	
Company number	02350533	
Principal address	Conway House Ackhurst Business Park Chorley Lancashire PR7 1NY	
Registered office	Conway House Ackhurst Business Park Chorley Lancashire PR7 1NY	
Auditor	R P Smith & Co 2 Southport Road Chorley Lancashire PR7 1LB	

LINKABILITY

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LINKABILITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

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 2018.

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, South Ribble, Ormskirk, Tarleton and Skelmersdale (Lancashire County Council), and Rochdale, Heywood and Middleton (Rochdale Metropolitan Borough Council).

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 undertook inspection of the Chorley location on 22 March 2018 and the St Mary's Gate location on 21 March 2018. The results of these comprehensive inspections were 'good' in areas of Safe, Caring, Effective and Well Led, and 'outstanding' in the area of Responsiveness. All current CQC reports are on Linkability's website, www.linkability.org.uk (Downloads section). The West Lancashire location still awaits assessment under the management of Linkability and therefore at the end of the year in review a rating and report are not available.

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.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

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'. New KLOE (Key Lines of Enquiry) introduced by CQC in November 2017 were found by CQC to have been well embedded into the practice of our workers.
- Driving Up Quality events have taken place in all of the four locations registered with the Care Quality Commission. 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 had the theme of 'afternoon tea' and created tea pots and tea cup shapes with people's responses to key questions about their support. This worked well towards engaging people in a relaxed but stimulating environment where people were free to express their views.
- External audit has been made by: CQC (for St Mary's Gate and Chorley locations) in March 2018, Rochdale Borough Council, Lancashire County Council, Explaw, RDG (Investors In People) and RP Smith & Co (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, the continuation of eLearning, and the delay in committing to the new Diploma process, the total spent was under budget at £26,760. Staff are provided with an average of 13 days of training per annum with 84% of staff holding or working toward a health and social care qualification or 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. We remain concerned in connection of the sufficiency of suitable, high quality candidates for front line care and support work.
- The year saw the retirement of one of our most long standing staff members - an Assistant Director and Registered Manager who had held a leadership role within the organisation since its inception.
- The Annual General Meeting took place in September at The Wellington Park Hotel in Leyland where the formal business of the charity was undertaken. We said our goodbyes to retiring staff and celebrated the achievements of the people we support. The annual staff awards were announced and prizes, donated by sponsors, were presented by our trustees. A preview of the work in progress towards the new Linkability promotional film was provided. The film was finally completed in November 2017 and is available to see on the Linkability website.
- 'Fit person' interviews took place in June and October and resulted in the organisation having two new managers successfully registered with the Care Quality Commission in the Chorley and West Lancashire locations.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

- The appointment of a new Operations Manager to support the newly structured management team took place in November 2017. We were pleased to appoint an experienced external candidate.
- 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 Director 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 University of Salford, Integrated Practice (nursing and social work) Programme supporting the training of nursing and social work professionals with a specific interest in learning disability.
- 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.
- During the year Linkability continued the commitment made in the previous year to the vulnerable people we support in West Lancashire. A new office base was acquired close to the centre of Ormskirk and within easy walking distance of the main service bases and the community we support. The office is now equipped with the resources needed to promote the smooth running of the location and has proved a popular drop in centre for the people we support.
- Linkability was pleased to invest restricted monies donated by West Lancs Positive Living Limited to replace the much loved and used static caravan. A modern and well equipped 12 month old caravan was purchased in August 2017. We look forward to many happy short breaks and holidays taking place in the beautiful countryside of Cumbria to enhance the wellbeing of the people we support.
- After much consideration and planning, the head office lease was renewed for a further period of 9 years. Its location and affordability were felt to remain highly appropriate. Capital investments were made to enable the space we have to be utilised more appropriately and a smart refurbishment has taken place. The meeting rooms and office spaces now benefit from sound proofing and an improved reception and kitchen area accommodate the staff for whom this is their main work location, visiting staff, professionals, families and people we support.
- Linkability continues to invest in and fully implement IT and software systems. This has supported the good practice of the people we support achieving their own personally stated 'outcome' enabling them to achieve aspirations and learn new skills. To add to this the full use of the 'VOIP' telephone system has improved connectivity between head office and the branch locations.
- The Executive Director and Trustees have continued to lobby local MPs with regard to the proposals made by LCC to remodelling of the county's supported living services. The action of remodelling of homecare by LCC did not result in the loss of any homecare services in the year.
- The aspiration to have a senior support worker in each supported living tenancy has proved positive in terms of achieving and maintaining levels of quality and compliance with regulation. New senior staff have undergone specialist induction and supervision to enable their leadership roles. We are pleased and proud to have grown many new leaders from within our services.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

- The management team held a business planning day in April 2017 and progress towards the goals were monitored throughout the year on our visual 'map' displayed on the wall of the training room.
- The corporate services team of administrative and finance staff held a planning and training day in June 2017. The team took part in Safeguarding Adults training and identified priorities for the year ahead.

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, although due to external pressures this continues to be a challenge. Total income on unrestricted funds during the year ended 31 March 2018 was £3,396,332. The total unrestricted funds applied for charitable purposes were £3,387,852 resulting in a surplus on general funds for the year of £8,480.

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 22 qualifying staff totalling £3,200.

During the year ended 31 March 2018 Linkability received income on restricted funds of £57,970. The majority of these funds were applied in the purchase of a caravan for the use of service users. The balance in restricted funds at 31 March 2018 was £64,365.

Policy on reserves

Linkability maintains the following reserves:

General operating reserve (£475,572 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.

The general reserves held at 31 March 2018 represent approximately 2 months' worth of charitable expenditure based on current activity levels.

Revaluation reserve (£20,923)

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 (£7,775 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 £250 from this fund. This was expended on transport to and from last year's AGM and annual event.

West Lancashire Positive Living (£56,561 restricted fund)

During the year ended 31 March 2018 Linkability received donations totalling £57,970 from West Lancashire Positive Living to continue to assist in the transfer of operations and to support the specific individuals involved. These funds were applied in the purchase of a caravan for the use of service users. The restricted fund balance will be reduced each year by the depreciation charge applied to the assets which have been purchased.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

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 2018/19.

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.

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 Explain to mitigate the risk of potential employment tribunal claims. Explain, in partnership with the Executive Director and HR Board, review the Linkability staff handbook at regular intervals.

The sector pressures from a funding perspective continue to present enormous challenge to providers such as Linkability. The year on year underfunding has a cumulative negative effect on the financial wellbeing of the charity. Recruitment to the care sector continues to be challenging, not helped by its 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 April 2017 from operating surplus. This represented an increase of 4.167% and increased the lowest paid workers in line with National Living Wage rates increases. 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. We continue to value our workforce as we believe it to be our greatest asset supporting the aims of the charity. We are committed to the pursuance of proper remuneration of the workforce in recognition of the value of the work performed and continue to lobby those with the power to affect changes to this.

During the year funding authorities provided some uplift in daytime and sleep in fees, however due to the year on year underfunding the percentage increases do not reflect the rates required in order for Linkability to cover costs sufficiently to ensure a growth in service. Linkability continued to act lawfully by funding timed work during sleep ins. There continues to be no back pay for the previous years from local authorities or awards from central government. The end of the year saw the Court of Appeal hearing of two high profile cases in connection with sleep in payments. Nationally the sector is eagerly awaiting the outcome with the hope that clarity, equity, affordability and recompense prevail.

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.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

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

The key priorities for the year ahead are:

- Our focus is to work with existing and new housing partners to ensure the people we support exercise their right to live in ordinary homes in their home community.
- We aim to plan for the succession of our existing trustees.
- We will work to continue to extend the use of IT and software to provide greater time efficiencies, and to use technology such as web cams to ensure greater connectivity of staff at all our locations.
- Ensure we are compliant with the requirements of GDPR.
- Ensure we have a named person as a self-advocate enabler.
- Increase our staffing but ensure we employ people of quality who hold our common values. Working towards having 200 staff employed by the use of a clear recruitment strategy.
- Support people and their families and advocates to understand 'decision making', 'direct payments' and 'when you start a service' by communication at tenants' and family forums and Plain English literature.

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

Mr P Jonas

Ms H Medway

(Resigned 30 January 2018)

Mr D Mitchell - Vice Chair

Mrs R Trustam

Mrs K Pattinson

Mrs A Tupling

Mr D Naden

(Appointed 30 January 2018)

LINKABILITY

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

Recruitment and selection of Trustees / Directors

Trustees / 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. Currently 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 Baring 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 one new Trustee joined the Board and one person retired from the Board. The retiring trustee had many years of professional experience in social care and in line with the need to have a balance of skills and expertise on the board, the newest trustee has a similar background and a wealth of experience in the charity sector.

Mr Phil Entwistle remains as Chairperson, with Mr Duncan Mitchell 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 R Crabtree)
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 position vacant)

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 2018

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. The staff steering group 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 28 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 has been completed 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.

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 Explain. 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 2018

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 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. The Executive Director attends meetings of the Skills for Care Chief Executive Round Table. All of the Linkability Registered Managers are members of the National Skills Academy for Social Care. The Academy provides peer support to Registered Managers. This ensures a strengthening of their leadership capacity which has positively reflected in the continuance of improvement in the quality of the support we offer.

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.

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 in September 1999, Linkability has held the award. Reaccreditation which took place on 30 June and 3 and 4 July 2017 has resulted in a Silver Award against a new and more rigorous set of standards.

'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. During the year we began to talk with Care Housing with whom we feel we share a firm value base with regard to future developments.

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

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

For the sixth 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. The Executive Director holds 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 in the UK.

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, RP Smith & Co, and Whittle Jones. 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.

Chorley Gospel Hall promotes seasonal activity and social events a number of 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) maintains value based networks with management and people supported by Linkability. This group has a long history of sector engagement with the pioneering work of 'Valuing People' and learning disability Partnership Boards across Lancashire.

Trustees' key responsibilities

The Trustees specifically consider the various risks faced by the Charity. As well as generally monitoring financial and operational management, as indicated under Governance, the main trading and operational risks are assessed and addressed through the Business Plan process. Through a quality assurance policy and individual support plans for each service user, the Trustees seek to discharge the risks faced by the Charity in the care of vulnerable individuals. Similar risks associated with the employment of staff are addressed through the development of staffing, training and health and safety policies and by placing responsibility on the Executive Director to carry out the required risk assessments.

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 and signed on its behalf by:



Mr P Entwistle - Chair

Dated: 4/9/18

LINKABILITY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2018

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.

LINKABILITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LINKABILITY

Opinion

We have audited the financial statements of Linkability ('the Charity') for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, 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 accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

LINKABILITY

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the 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

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



R P Smith & Co

Chartered Accountants
Statutory Auditor



2 Southport Road
Chorley
Lancashire
PR7 1LB

R P Smith & Co is eligible for appointment as auditor of the the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

LINKABILITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<u>Income and endowments from:</u>					
Charitable activities	3	3,375,574	-	3,375,574	3,132,302
Investments	4	9,275	-	9,275	13,002
Other income	5	11,483	57,970	69,453	36,922
Total income and endowments		3,396,332	57,970	3,454,302	3,182,226
<u>Expenditure on:</u>					
Charitable activities	6	3,387,851	6,893	3,394,744	3,181,966
Net incoming resources/(resources expended) before gains/(losses) on investments		8,481	51,077	59,558	260
Net gains on investments	10	(8,713)	-	(8,713)	23,092
Net movement in funds		(232)	51,077	50,845	23,352
Fund balances at 1 April 2017		496,728	13,287	510,015	486,663
Fund balances at 31 March 2018		496,496	64,364	560,860	510,015

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 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	11		69,478		8,514
Investments	12		270,923		279,636
			<u>340,401</u>		<u>288,150</u>
Current assets					
Debtors	14	159,924		168,077	
Cash at bank and in hand		383,024		411,323	
		<u>542,948</u>		<u>579,400</u>	
Creditors: amounts falling due within one year	15	(322,489)		(357,535)	
Net current assets			<u>220,459</u>		<u>221,865</u>
Total assets less current liabilities			<u><u>560,860</u></u>		<u><u>510,015</u></u>
Income funds					
Restricted funds	16		64,364		13,287
<u>Unrestricted funds</u>					
General unrestricted funds		475,573		467,091	
Revaluation reserve		<u>20,923</u>		<u>29,637</u>	
			<u>496,496</u>		<u>496,728</u>
			<u><u>560,860</u></u>		<u><u>510,015</u></u>

LINKABILITY

BALANCE SHEET (CONTINUED)


AS AT 31 MARCH 2018

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 2018, 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.

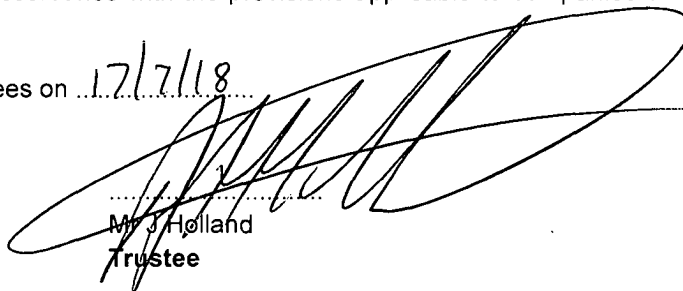
The Trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application 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 17/7/18



Mr P Entwistle - Chair
Trustee



Mr J Holland
Trustee

Company Registration No. 02350533

LINKABILITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	20		37,606		52,017
Investing activities					
Purchase of tangible fixed assets		(75,180)		(8,820)	
Interest received		9,275		13,002	
Net cash (used in)/generated from investing activities			(65,905)		4,182
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(28,299)		56,199
Cash and cash equivalents at beginning of year			411,323		355,124
Cash and cash equivalents at end of year			383,024		411,323

LINKABILITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity 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 financial statements.

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.

LINKABILITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

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.

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:

Leasehold improvements	25% to 33% on cost
Office equipment and fixtures	5% to 25% on cost
Service base equipment and fixtures	5% to 25% on cost
Caravan for service users	10% 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 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

LINKABILITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.8 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.9 Cash and cash equivalents

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

1.10 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.

LINKABILITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

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 payments 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.

1.11 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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 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.

1.14 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.

1.15 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.

LINKABILITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

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

	2018 £	2017 £
Services provided under contract	3,375,574	3,132,302

4 Investments

	2018 £	2017 £
Income from investment portfolio	8,900	10,010
Interest receivable	375	2,992
	9,275	13,002

5 Other income

	Unrestricted funds general £	Restricted funds £	Total 2018 £	Total 2017 £
Other income	11,483	57,970	69,453	36,922
For the year ended 31 March 2017	21,922	15,000		36,922

LINKABILITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

6 Charitable activities

	2018 £	2017 £
Staff costs	2,550,656	2,401,022
Depreciation and impairment	3,029	2,915
Agency staff	42,863	25,929
Staff training	26,760	27,289
Premises repairs, servicing, heat and light	10,387	6,943
Residents' living and household expenses	1,636	2,007
Staff travel and residents' transport	4,386	6,416
Medical supplies	11,804	12,050
Registration fees and subscriptions	14,325	11,852
Recruitment expenses	6,613	7,107
Service user welfare	7,294	10,970
	<u>2,679,753</u>	<u>2,514,500</u>
Share of support costs (see note 7)	711,601	664,221
Share of governance costs (see note 7)	3,390	3,245
	<u>3,394,744</u>	<u>3,181,966</u>
Analysis by fund		
Unrestricted funds - general	3,387,851	
Restricted funds	6,893	
	<u>3,394,744</u>	
For the year ended 31 March 2017		
Unrestricted funds - general		3,171,634
Restricted funds		10,332
		<u>3,181,966</u>

LINKABILITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

7 Support costs

	Support costs	Governance costs	2018	2017
	£	£	£	£
Staff costs	479,466	-	479,466	451,780
Depreciation	11,185	-	11,185	1,222
Central office administration costs	92,800	-	92,800	92,578
Insurance	15,920	-	15,920	16,023
Office light and heat	3,926	-	3,926	3,873
Office repairs	17,470	-	17,470	14,235
Postage and office supplies	36,181	-	36,181	35,108
Telephone	12,221	-	12,221	11,676
Professional fees	29,852	-	29,852	24,764
Bank charges	9	-	9	137
Bad debts	1	-	1	-
Sundry expenses	12,570	-	12,570	12,825
Audit fees	-	3,390	3,390	3,245
	<u>711,601</u>	<u>3,390</u>	<u>714,991</u>	<u>667,466</u>
Analysed between				
Charitable activities	<u>711,601</u>	<u>3,390</u>	<u>714,991</u>	<u>667,466</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 2018

9 Employees

Number of employees

The average monthly number employees during the year was:

	2018 Number	2017 Number
Care and support staff	178	186

Employment costs

	2018 £	2017 £
Wages and salaries	2,675,680	2,624,312
Social security costs	285,972	171,561
Other pension costs	68,470	56,929
	3,030,122	2,852,802

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 £200,875 (2017: £210,152).

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

10 Net gains/(losses) on investments

	2018 £	2017 £
Revaluation of investments	(8,713)	23,092

LINKABILITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

11 Tangible fixed assets

	Leasehold improvements	Office equipment and fixtures	Service base equipment and fixtures	Caravan for service users	Total
	£	£	£	£	£
Cost					
At 1 April 2017	-	75,899	86,295	-	162,194
Additions	32,884	4,270	2,022	42,299	81,475
Disposals	-	-	-	(6,295)	(6,295)
At 31 March 2018	32,884	80,169	88,317	36,004	237,374
Depreciation and impairment					
At 1 April 2017	-	68,936	84,745	-	153,681
Depreciation charged in the year	9,601	1,714	200	2,700	14,215
At 31 March 2018	9,601	70,650	84,945	2,700	167,896
Carrying amount					
At 31 March 2018	23,283	9,519	3,372	33,304	69,478
At 31 March 2017	-	6,964	1,550	-	8,514

12 Fixed asset investments

	2018 £	2017 £
Listed investments	714	766
Investment portfolio - Brewin Dolphin	270,209	278,870
	270,923	279,636
	2018 £	2017 £
Listed investments carrying amount	714	766

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 2018

12 Fixed asset investments

(Continued)

Movements in fixed asset investments

	Shares £
Cost or valuation	
At 31 March 2018	279,636
Valuation changes	(8,713)
	<u>270,923</u>
At 31 March 2018	270,923
Carrying amount	
At 31 March 2018	270,923
	<u>279,636</u>
At 31 March 2017	<u>279,636</u>

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

2018
£

2017
£

Carrying amount of financial assets

Debt instruments measured at amortised cost	10,091	13,413
Equity instruments measured at cost less impairment	270,923	279,636

Carrying amount of financial liabilities

Measured at amortised cost	280,303	315,394
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14 Debtors

2018
£

2017
£

Amounts falling due within one year:

Trade debtors	5,444	9,966
Other debtors	4,647	3,447
Prepayments and accrued income	149,833	154,664
	<u>159,924</u>	<u>168,077</u>

LINKABILITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

15 Creditors: amounts falling due within one year

	2018 £	2017 £
Other taxation and social security	42,186	42,141
Trade creditors	23,935	26,903
Other creditors	13,155	5,596
Accruals and deferred income	243,213	282,895
	<u>322,489</u>	<u>357,535</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 2017 £	Movement in funds		Balance at 31 March 2018 £
		Incoming resources £	Resources expended £	
Roots donation	8,025	-	(250)	7,775
West Lancashire Positive Living	5,262	57,970	(6,643)	56,589
	<u>13,287</u>	<u>57,970</u>	<u>(6,893)</u>	<u>64,364</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 previous year the Charity took over the operations of West Lancs Positive Living Limited, including staff and service users. Prior to being formally dissolved, West Lancs Positive Living Limited made donations during the year to Linkability of its remaining bank balances of £51,675. It also donated a static caravan, which was held for the benefit of service users. The caravan was valued at £6,295. The majority of the funds have been utilised to upgrade to a newer caravan which will benefit service users for many years. The fund value carried forwards includes the carrying value of tangible fixed assets purchased as restricted assets (including the caravan).

17 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:				
Tangible assets	30,912	-	38,566	69,478
Investments	270,923	-	-	270,923
Current assets/(liabilities)	194,661	-	25,798	220,459
	<u>496,496</u>	<u>-</u>	<u>64,364</u>	<u>560,860</u>

LINKABILITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

18 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:

	2018 £	2017 £
Within one year	56,983	56,983
Between two and five years	50,257	107,240
	<u>107,240</u>	<u>164,223</u>

LINKABILITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

19 Related party transactions

Transactions with related parties

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

Integrate (Preston & Chorley) Ltd - Mr D G Naden is a director of this organisation. Linkability contributed funds to the value £381 in the year ended 31 March 2017 (2017: £914).

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 2018 Linkability paid a magazine subscription of £4,000 (2017: £4,000) and a fee of £1,000 (2017: £300) for staff attendance at 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. Two trustees of Linkability, Mrs K Pattinson and Mrs A Tupling, were also trustees (and statutory directors) of West Lancs Positive Living Limited. Donations of £51,675 were made by this charity to Linkability during the year, being the monetary funds left in this organisation before it was formally dissolved. West Lancs Positive Living Limited also donated to Linkability a static caravan situated in the Lake District, which is offered for rental to service users for holidays. This caravan was subsequently upgraded for a newer model, with the donated asset having a part-exchange valuation of £6,295.

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 2018

20	Cash generated from operations	2018 £	2017 £
	Surplus for the year	50,845	23,352
	Adjustments for:		
	Investment income recognised in profit or loss	(9,275)	(13,002)
	Fair value gains and losses on investments	8,713	(23,092)
	Depreciation and impairment of tangible fixed assets	14,215	4,137
	Movements in working capital:		
	Decrease/(increase) in debtors	8,153	(68,068)
	(Decrease)/increase in creditors	(35,045)	128,688
	Cash generated from operations	<u>37,606</u>	<u>52,015</u>