

Financial Statements
for the Year Ended 31 December 2019
for
Real Care Ltd

THURSDAY



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COMPANIES HOUSE

Company No 05296681

Charity No 1113970

Real Care Ltd

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for the Year Ended 31 December 2018

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Real Care Ltd

Company Information
for the Year Ended 31 December 2018

TRUSTEES:

Ms G Stringer
Ms F Wood OBE
Mrs A M Timothy
Mr D Harrop
Mr A Cross

SECRETARY:

Ms PK Aitchison

REGISTERED OFFICE:

29 Werdohl Business Park
Number One Industrial Estate
Consett
Co. Durham
DH8 6TJ

REGISTERED NUMBER:

05296681 (England and Wales)

CHARITY NUMBER:

1113970

ACCOUNTANTS:

Little & Neal
37-38 Market Street
Ferryhill
Co. Durham
DL17 8JH

Real Care Ltd

Report of the Trustees
for the Year Ended 31 December 2018

The Trustees being the directors of the Company present their report with the financial statements of the company for the year ended 31 December 2018.

TRUSTEES

The Trustees shown below have held office during the whole of the period from 1 January 2018 to the date of this report.

Ms G Stringer
Ms F Wood OBE
Mrs A M Timothy
Mr D Harrop
Mr A Cross

OBJECTIVES OF THE CHARITY

The Charity was registered on the 2 May 2006 to advance the education and use of recreational time for children and young adults with complex disabilities, to support their families and the wider community by the provision of services and activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Real Care Ltd was incorporated on 25 November 2004 as a Company Limited by Guarantee and is governed by its Memorandum and Articles of Association.

Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the assets of the Company in the event of it being wound up while he or she is a member or within one year after ceasing to be a member for payment of the Company's debts and liabilities contracted before ceasing to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

Organisation

The Memorandum and Articles of Association allows for a Council of between two and seven trustees to administer the company.

The Directors of the company are also Charity Trustees for the purpose of Charity Law and are known collectively as the Board of Directors. The Board of Directors meets on a regular basis and sub-groups meet as and when appropriate.

Day to day management of the organisation is carried out by the three centre managers who are supported by a finance officer, two administrative workers and all of the care staff within the organisation.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations finances of the charity, and are satisfied that system and procedures are in place to mitigate exposure to the major risks.

Real Care Ltd

Report of the Trustees **for the Year Ended 31 December 2019**

ACHIEVEMENTS AND PERFORMANCE

Real Care Ltd (Trading as, 'Learning for Life') are a specialist provider of Education and Care services for adults (Post 16) with high support needs, including those experiencing more profound and multiple learning and physical disabilities.

Based in Consett, County Durham, in the North East of England, our team of professionals are passionate about providing a person centred, stimulating, caring and fun environment where individuals can fulfil their potential and prepare for life ahead.

We have a 30 year lease of a building in the centre of Consett which has facilitated growth and allows easier access to the local community. This facilitates our diverse curriculum, provides community engagement opportunities and allows a range of employability skills to be developed. A wonderful addition to the Organisation which we hope to develop further in the future.

In July 2019, young adults attending education classes retained a 100% success rate in achieving accredited ASDAN qualifications in a variety of Life and Living Skills (Certificates/Diploma, Entry levels 1-3). Alongside, we also run successful non-accredited, bespoke, individualised programmes of learning concentrating on skills for life. These are innovative and include relevant enrichment activities which are realistic, challenging but achievable. We work with the local community through many different programmes and with external partners; Gateshead Olympics, Sunnyside Methodist Church, Citizens House and East Durham College

Additionally, we run a physical education programme, encourage a healthy balanced lifestyle, have access to physical exercise opportunities such as football coaching, residential trips with Special Olympics, gardening projects at our allotment and educational trips throughout the year. Each group is also involved in an Enterprise Programme to develop life and employability skills. This gives everyone the opportunity to participate in a 'fictitious' small business, where all financial proceeds can be spent by the group. The groups then independently communicate how they would like to spend their profit and democratic decisions are made by all involved regarding how the money is spent. The aim is that individuals will have an awareness of employment and for some people it is the first step towards voluntary work and supported employment.

The 'Chatter and Craft Session' within the local community at Sunnyside in Gateshead have proved to be a popular activity for our learners who are welcomed by the local community. It has been a pleasure to see the older community working with the Learners, producing some beautiful jewellery and wonderful cards. This has not only broken-down barriers and raised awareness of disabilities but has achieved the aim to reduce social isolation.

In June 2019 we embarked on another community project within Citizen's House – The Oasis for Life Café. This has proved to be an exciting, wonderful opportunity for learners to develop their skills. All learners attending completed food hygiene training and enjoy working/serving the public. Once again, we have seen great progress regarding learners skills and confidence.

Our Job coach has worked with learners and staff to develop work experience. Placements include Lycetts in Newcastle, Oasis for Life Café, on site work experience and enterprise projects.

We have worked with Diamond IT solutions after receiving a grant from Digital Drive Durham. This has enabled us to ensure we are GDPR compliant and have become much more effective. We are in the process of becoming paperless.

We continue to work with Special Olympics training sessions. This has been invaluable in broadening the life experiences of the attendees and many have made new friendships which continue to grow.

We actively encourage all who attend to celebrate their unique identity and assist their desire to achieve their personal goals. Our annual prom and celebration of achievement ceremony is a wonderful opportunity to recognise, reward and congratulate all individuals for their contribution and success. Held at Ushaw College in Durham, this evening was a remarkable opportunity to highlight the talents of those attending Learning for Life.

Learning for Life continues to evolve and grow. We now have 41 learners attending our services and 38 staff. To facilitate additional growth, we are continuing to explore new premises in the Gateshead/Newcastle area.

Real Care Ltd

Report of the Trustees
for the Year Ended 31 December 2019

FINANCIAL REVIEW

Reserves Policy

We continue to work towards the charities core objectives and continue to work with Durham County Council, other local authorities and voluntary fundraisers to explore additional funding for activities and resources.

We have successfully secured donations of just over £26k from a variety of different activities /events and from individual acts of kindness. Donations kindly received for example, Diamond I.T. Golf Day, Mosaic Compliance Solutions, Digital Drive, Howdens, Lycetts, Local Bikers and Robyn Gerencser who climbed mount Kilimanjaro on our behalf. This support has been invaluable to our organisation and is very much appreciated.

The charity continues to accumulate reserves and we have taken measures to increase revenue by extending our services throughout the year.

Plans for future periods

The five year business plan has been written to include expansion in the future.

We hope to secure funding for our outside area to include a work experience centre, woodcraft, pottery, work rooms and a creative arts suite which can be accessed by learners and the local and wider community. Working alongside fundraising volunteers' applications will be made for funding to facilitate the outside area project.

Our trained Job Coach aims to develop links in the community to facilitate 'work experience' for individuals attending. The aim is to have all learners experience the world of work which can be used as a stepping stone into work experience, voluntary work and supported employment.

We will continue to develop the Café at Citizen's House Consett (Oasis for Life). Work will continue to develop skills in Health and Safety, Food Hygiene, Food preparation, Customer Service, Using Money, Basic Accounts, Stock Taking, Ordering Food, Cleaning etc for learners.

We will continue to work with the local community and stakeholders to highlight the invaluable contribution people attending Learning for Life make in our diverse society.

Real Care Ltd

Report of the Trustees
for the Year Ended 31 December 2018

STATEMENT OF TRUSTEE DIRECTORS' RESPONSIBILITIES

The trustees (who are also directors) are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the charitable company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
Mr A Cross - Director

Date: 17/7/20

Real Care Ltd

Independent Examiners Report to the Trustees of
Real Care Ltd

I report on the accounts of Real Care Ltd for the year ended 31 December 2018 set out on pages 2 to 13.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for the year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the requirements
 - to keep accounting records in accordance with section 130 of the Charities Act;
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Lynsey Ibbetson.

Lynsey Ibbetson FCA
Little & Neal
37-38 Market Street
Ferryhill
Co. Durham
DL17 8JH

Date: 22 July 2020

Real Care Ltd
Statement of Financial Activities (incorporating the Income and Expenditure Account)
Year Ended 31 December 2019

	Notes	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
INCOME					
Grants and Donations	2	26,522	5,702	32,224	14,026
Investment income	4	92	-	92	74
Income from charitable activities:					
Education and Care	3	683,632	-	683,632	662,274
Total income		710,246	5,702	715,948	676,374
EXPENDITURE					
Charitable Activities	5	667,991	1,082	669,073	622,409
Other Expenditure	5	2,994	-	2,994	10,770
Total expenditure	5	670,985	1,082	672,067	633,179
Net income and net movement in funds for the year	7	39,261	4,620	43,881	43,195
Transfer between funds		4,620	(4,620)	-	-
Reconciliation of funds					
Total funds brought forward	12	222,897	-	222,897	179,702
Total funds carried forward	12	266,778	-	266,778	222,897

Real Care Ltd
Balance Sheet
Year Ended 31 December 2019

	Notes	Unrestricted	Restricted	2019 Total	2018 Total
FIXED ASSETS					
Tangible assets	8	<u>218,271</u>	<u>-</u>	<u>218,271</u>	<u>218,524</u>
Total Fixed Assets		218,271	-	218,271	218,524
CURRENT ASSETS					
Debtors	9	<u>31,361</u>	<u>-</u>	<u>31,361</u>	<u>20,139</u>
Cash at bank		<u>86,182</u>	<u>-</u>	<u>86,182</u>	<u>39,390</u>
Total Current Assets		117,543	-	117,543	59,529
Creditors Amounts falling due within one year	10	<u>(55,765)</u>	<u>-</u>	<u>(55,765)</u>	<u>(37,069)</u>
Net Current Assets		61,778	-	61,778	22,460
Total assets less current liabilities		280,049	-	280,049	240,984
Creditors: Amounts falling due after more than one year	11	<u>(13,271)</u>	<u>-</u>	<u>(13,271)</u>	<u>(18,087)</u>
Net assets		<u>266,778</u>	<u>-</u>	<u>266,778</u>	<u>222,897</u>
Funds					
Restricted		-	-	-	-
Unrestricted	12	<u>266,778</u>	<u>-</u>	<u>266,778</u>	<u>222,897</u>
Total charity funds		<u>266,778</u>	<u>-</u>	<u>266,778</u>	<u>222,897</u>

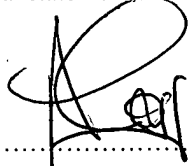
The trustees are satisfied that the company is entitled to exemption from the provision of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The trustees acknowledge their responsibility for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the trustees on 17 July 2020 and were signed on its behalf by:



 Mr A Cross

Real Care Ltd
Notes to the Financial Statements
for the Year Ended 31 December 2019

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The accounts have been prepared in accordance with the 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Fund accounting

Unrestricted funds are general funds which are for use at the discretion of the trustees in furtherance of the general objectives of the company.

Restricted funds are funds to be used in accordance with specific restrictions imposed by donors. Any balance remaining unspent at the end of the year must be carried forward as a balance on that fund.

Incoming Resources

All incoming resources are included in the statement of financial activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary Income

Voluntary Income is received by way of grants and donation and is included in the financial statements when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Governance Costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include accountancy fees and costs related to the strategic management of the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is shorter.

Improvements to property	- 20% on cost and lease term
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 15% on reducing balance

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payment is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Real Care Ltd
Notes to the Financial Statements
for the Year Ended 31 December 2019

1. ACCOUNTING POLICIES (CONTINUED)

Debtors

Trade Debtors and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discount due

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

Pension costs

The company operates a defined contribution scheme. Contributions payable to the scheme are charged to the statement of financial activities in the period to which they relate.

2. Grants and Donations

	Unrestricted Funds £	Restricted funds £	Total 2019 £	Total 2018 £
Grants receivable	500	5,702	6,202	850
Donations	26,022	-	26,022	13,176
	<u>26,522</u>	<u>5,702</u>	<u>32,224</u>	<u>14,026</u>

3. Incoming from charitable activities:

	Unrestricted Funds £	Total 2019 £	Total 2018 £
Education	255,222	255,222	257,604
Care	409,475	409,475	393,089
Catering	18,935	18,935	11,581
	<u>683,632</u>	<u>683,632</u>	<u>662,274</u>

4. Investment income

	Unrestricted Funds £	Total 2019 £	Total 2018 £
Bank interest receivable	92	92	74

Real Care Ltd
Notes to the Financial Statements
for the Year Ended 31 December 2019

5. Expenditure	Charitable Activities Unrestricted £	Charitable Activities Restricted	Governance £	Total 2019 £	Total 2018 £
Costs directly allocated to activities					
Wages & salaries	513,595	322	-	513,917	455,980
Rent & rates	42,356	-	-	42,356	47,049
Light & heat	12,197	-	-	12,197	12,923
Training	2,438	380	-	2,818	2,949
Telephone	2,317	-	-	2,317	4,290
Postage & Stationery	4,514	143	-	4,657	5,397
Transport	20,959	-	-	20,959	6,146
Repairs & maintenance	18,927	237	-	19,164	28,168
Student activities	15,922	-	-	15,922	22,254
Subscriptions	1,325	-	-	1,325	1,403
Insurance	9,732	-	-	9,732	7,740
Operating Leases	3,657	-	-	3,657	3,657
Sundry expenses	931	-	-	931	3,148
Accountancy	-	-	2,994	2,994	4,692
Professional fees	-	-	-	-	6,078
Hire purchase interest	-	-	-	-	308
Bank loan interest	1,569	-	-	1,569	1,068
Bank charges	767	-	-	767	905
Depreciation	16,470	-	-	16,470	18,899
Donations	315	-	-	315	125
	<u>667,991</u>	<u>1,082</u>	<u>2,994</u>	<u>672,067</u>	<u>633,179</u>

6. Total resources expended	Total 2019 £	Total 2018 £
Salaries and wages	485,669	431,503
Social Security	22,137	19,742
Pension	6,111	4,735
	<u>513,917</u>	<u>455,980</u>

No employee received emoluments above £60,000 in the current or previous year.

The charity trustees were not paid or received any other benefits from employment in the current year or previous year nether were they reimbursed expenses.

The average number of employees during the year amounted to:

	2019 No.	2018 No.
Management staff	3	3
Administrative staff	2	2
Care staff	36	37
	<u>41</u>	<u>42</u>

Real Care Ltd
Notes to the Financial Statements
for the Year Ended 31 December 2019

7. Net incoming/(outgoing) resources for the year

Net incoming/(outgoing) resources are stated after charging:

	Total 2019 £	Total 2018 £
Operating lease rentals - equipment	3,657	3,657
Depreciation	16,470	18,899
	<u>20,127</u>	<u>22,556</u>

8. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and Fittings £	Motor Vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2019	217,665	62,037	36,493	17,751	333,946
Additions	<u> </u>	<u>5,236</u>	<u> </u>	<u>10,981</u>	<u>16,217</u>
At 31 December 2019	<u>217,665</u>	<u>67,273</u>	<u>36,493</u>	<u>28,732</u>	<u>350,163</u>
DEPRECIATION					
At 1 January 2019	34,414	40,452	32,435	8,121	115,422
Charge for year	<u>7,664</u>	<u>5,012</u>	<u>1,014</u>	<u>2,780</u>	<u>16,470</u>
At 31 December 2019	<u>42,078</u>	<u>45,464</u>	<u>33,449</u>	<u>10,901</u>	<u>131,892</u>
NET BOOK VALUE					
At 31 December 2019	<u>175,587</u>	<u>21,809</u>	<u>3,044</u>	<u>17,831</u>	<u>218,271</u>
At 31 December 2018	<u>183,251</u>	<u>21,585</u>	<u>4,058</u>	<u>9,630</u>	<u>218,524</u>

9. DEBTORS

	Total 2019 £	Total 2018 £
Trade debtors	21,575	11,434
Other debtors	<u>9,786</u>	<u>8,705</u>
	<u>31,361</u>	<u>20,139</u>

Real Care Ltd
Notes to the Financial Statements
for the Year Ended 31 December 2019

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Total 2019 £	Total 2018 £
Bank loans and overdrafts	4,816	4,462
Trade creditors	10,322	7,126
Taxation and social security	4,762	6,046
Other creditors	35,865	19,435
	<u>55,765</u>	<u>37,069</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Total 2019 £	Total 2018 £
Bank loan	<u>13,271</u>	<u>18,087</u>

12. FUND MOVEMENTS

	1 January 2019 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 December 2019 £
Restricted	-	5,702	(1,082)	(4,620)	-
Unrestricted					
General Funds	<u>222,897</u>	<u>710,246</u>	<u>(670,985)</u>	<u>4,620</u>	<u>266,778</u>
TOTAL FUNDS	<u>222,897</u>	<u>715,948</u>	<u>(672,067)</u>	<u>-</u>	<u>266,778</u>

13. ANALYSIS OF NET ASSETS

	Tangible Fixed Assets £	Other Net Assets £	Total £
Unrestricted	<u>218,271</u>	<u>48,507</u>	<u>266,778</u>
	<u>218,271</u>	<u>48,507</u>	<u>266,778</u>

14. COMPANY LIMITED BY GUARANTEE

Real Care Ltd is a company limited by guarantee. In the event of the charitable company being wound up, the liability in respect of the guarantee given by each member is limited to £1.00.

Real Care Ltd
Notes to the Financial Statements
for the Year Ended 31 December 2018

13. ANALYSIS OF NET ASSETS

	Tangible Fixed Assets £	Other Net Assets £	Total £
Unrestricted	<u>218,271</u>	<u>48,507</u>	<u>266,778</u>
	<u><u>218,271</u></u>	<u><u>48,507</u></u>	<u><u>266,778</u></u>

14. COMPANY LIMITED BY GUARANTEE

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