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**Independent Options (North West)**  
**(A Company Limited by Guarantee)**

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**Trustees' Report and Financial Statements**  
**For the Year Ended 31 March 2020**

**Independent Options (North West)**  
**(A Company Limited by Guarantee)**

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**Independent Options (North West)**  
**(A Company Limited by Guarantee)**

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**Reference and Administrative Details of the Charity, its Trustees and Advisers**  
**For the Year Ended 31 March 2020**

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<b>Trustees</b>	A Maunder, Trustee P Milham, Chairman E R Stelfox, Trustee J D Grassick, Trustee P White, Trustee A Roach, Trustee (appointed 6 November 2019) J Taylor, Trustee (appointed 6 November 2019) N Wilson, Trustee (appointed 4 September 2019) H L Walsh, Trustee (appointed 6 November 2019)
<b>Company registered number</b>	02560910
<b>Charity registered number</b>	1022680
<b>Registered office</b>	67 Chester Road Hazel Grove Cheshire SK7 5PE
<b>Chief executive officer</b>	A Seisay
<b>Independent auditors</b>	Hurst Accountants Limited Chartered Accountants Statutory Auditors 21 Tiviot Dale Stockport Cheshire SK1 1TD
<b>Bankers</b>	Natwest Bank Plc 180 London Road Stockport Cheshire SK7 4DH

**Independent Options (North West)**  
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**Trustees' Report**  
**For the Year Ended 31 March 2020**

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The Trustees present their annual report together with the audited financial statements of the charity for the year 1 April 2019 to 31 March 2020. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

We are saddened to report that our former Chief Executive Officer Steve Hyde passed away towards the end of 2020. Steve served as CEO for 6 years until his retirement in 2019, and had worked for Independent Options at several points in his career including when the organisation began in 1977. Our thoughts are with his family & friends at this time.

**Objectives and activities**

**a. Key performance indicators**

The Board of Trustees believes that the organisation's main aim is to meet the needs of the individuals it supports. In order to continue to fulfil this, it must remain financially solvent, hence achieving a modest surplus each year is necessary, whilst generating like-for-like growth in services.

**b. Key Developments and Achievements**

During the year, our services have continued to deliver high quality support to the people who use them. All services regulated by the Care Quality Commission (CQC) have maintained their registration and all our current services are rated "Good".

**Achievements and performance**

**a. Review of activities**

Independent Options supports over 200 individuals across its range of services.

This has been a transitional year for the organisation. We took the decision to focus on the areas we believe have the greatest potential for growth in the coming years, in particular our Shared Lives and Supported Living services.

Independent Options' Shared Lives Services have continued to operate successfully during the year, providing opportunities for vulnerable people with disabilities to be supported in the homes of specially trained Shared Lives Carers in the community. However, we were unsuccessful in tendering for the continuation of our contract with Trafford Metropolitan Borough Council, and this transferred to another provider in November 2018. Therefore this was our first full year running the service without this contract.

The Children and Family Centre continues to be a popular service within the local community. Our funding with BBC Children in Need ran from 2016 – 2019 and, sadly, we were unsuccessful with a bid for a continuation of this funding. We have continued to receive a number of generous donations towards this service for which we are extremely grateful. This has allowed us to extend this service, utilising our reserves, until at least September 2021 whilst we search for alternative sources of funding.

**Independent Options (North West)**  
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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2020**

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**Achievements and performance (continued)**

Our guesthouse at Hallfield continues to be extremely popular and is a much-appreciated service in the area.

Our Supported Living Services have continued to experience strong growth. At 31 March 2019 we operated 9 tenancies and, during this financial year, we opened a further 7. Of these, 4 were a result of the planned closure of a local care home and the residents of this property moved with their friendship groups into smaller tenancies.

**b. Investment policy and performance**

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish. The Board of Trustees has considered the most appropriate policy for investing funds and has decided that all funds should be held in risk-free investments, particularly in view of the current economic climate, and that they should be readily accessible. In accordance with this decision, cash funds are held in interest bearing, UK deposit accounts.

**c. Factors relevant to achieve objectives**

The results for the year are included in the Statement of Financial Activities shown on page 11. The financial position is shown in the balance sheet on page 12.

The principal funding sources are from services under contract to Stockport MBC. This year was the first full year without our Shared Lives service in Trafford. In addition, the tenancies opened put considerable strain on our recruitment, resulting in significant expenditure on agency staff. These were the main factors that resulted in this year's large deficit.

The Board of Trustees still continue to consider the viability of bonus payments on an annual basis. None bonuses were paid this year.

**Financial review**

**a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Whilst it has been a challenging period operationally, the Covid-19 pandemic, which started just prior to our year end, has had a positive financial impact on the organisation. Most of our services have continued to operate, and staff have worked incredibly hard in extremely challenging times. Where we have had to close services, in particular our Guest House, we have received financial support from the Local Authority meaning we have not been left financially worse off as a result.

The usage of agency staff due to the difficulty of recruiting staff has had an increasingly detrimental effect on the organisation financially in recent years. However, we have found that, as other sectors have unfortunately had to make staff redundant, our recruitment situation has improved significantly as a result. This has reduced our agency costs by nearly 90% to-date. We are therefore on course for our first surplus on our core trading activities for several years during the year ended 31 March 2021.

**Independent Options (North West)**  
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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2020**

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**Financial review (continued)**

**b. Principal risks and uncertainties**

The key risks to the organisation are financial, due to continued austerity and significant increases, as well as proposed increases to the National Living Wage. We have increased our fees for the 2020/21 financial year, and it is likely that future fee increases will be necessary to meet these ongoing pressures. We are engaging with the Local Authorities to discuss our projected funding needs in the coming years.

Recruitment is a major issue within the sector as a whole. Whilst our staff turnover is low, recruiting is a challenge and has been reflected in greater usage of agency workers in recent years. These workers carry a considerable financial premium over employed staff. Throughout the Covid-19 pandemic we have seen a significant improvement in the recruitment picture due to increasing unemployment in other sectors. Should those sectors recover then it is possible that recruitment will become more challenging again.

All organisations in our sector carry a risk of incidents involving the individuals we support. We have robust safeguarding policies and procedures in place along with regular training for staff to mitigate this risk. All incidents are monitored and reviewed, and, where necessary, new systems and procedures are put in place to reduce the likelihood of future incidents.

Our buildings are a key part of our organisation, so keeping them in a good state of repair is important. Our head office at The Pines is based in a Victorian building and we have, in recent years, experienced serious structural issues that we have now addressed. We have regular inspections to identify any potential issues before they become more serious.

**c. Reserves Policy**

The trustees consider that the level of reserves should be a minimum of 3 months' salary costs which equates to approximately £450,000.

At 31 March 2020, Independent Options had total reserves of £809,266 (2019: £929,766) of which £765,688 (2019: £858,733) is unrestricted and £43,578 (2019: £71,033) is restricted. Of the unrestricted funds, £237,538 has been designated for use towards any future capital or structural projects.

The majority of the Charity's reserves are invested in fixed assets which, due to their nature, cannot be readily converted to cash. The Trustees consider that the level of reserves not invested in fixed assets are insufficient to meet the minimum level. They have, therefore, set a strategy which will build the level of reserves in the future; in the light of this situation the trustees monitor the cash flows of the Charity closely.

The Trustees have determined that all reserves, not represented by fixed assets, should be held in risk-free investments and they should be readily accessible. In accordance with this decision, cash funds are held in interest bearing, UK deposit accounts. deposit accounts.

**d. Review of the financial year**

The year ended 31 March 2020 was another challenging year. Our primary source of funding is from Local Authorities and, although fees have risen, this is against a backdrop of significant increases in the National Minimum Wage, which means that pressures on budgets are still significant.

Our Shared Lives contract with Trafford MBC ended in November 2018 so this was our first full year without this service. In this financial year we opened 7 new tenancies in our Supported Living service. Whilst this has produced large increases in our funding, it put pressure on an already challenging recruitment picture and resulted in significant expenditure on agency staff who command a considerable premium. This has been the main driver for the deficit reported this year.

**Independent Options (North West)**  
**(A Company Limited by Guarantee)**

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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2020**

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**Structure, governance and management**

**a. Constitution**

The charity is registered as a charitable company limited by guarantee and is constituted under a Memorandum of Association dated 01/04/1997. It is a registered charity, number 1022680.

The charity's objects are to relieve the needs of children and adults who have a recognised disability through the provision of a range of community care services and through the provision of training for other organisations to provide similar services.

In accordance with its charitable objects, Independent Options' stated mission is to empower people with disabilities, enabling them to take control of their lives, achieve their aspirations and enjoy life to the full. The charity implements its mission through the delivery of highly personalised support services for adults and children who have a wide range of disabilities, including learning disabilities, autism, physical disabilities, acquired brain injuries and mental health needs.

The charity's work is underpinned by its key values. We believe in a society where every person is respected, listened to and given the same opportunities, regardless of their additional needs. We shape our work to reflect the views and needs of the people who use our services and those of their families and carers. We are committed to excellence in everything we do.

The Trustees confirm that they have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and services.

**b. Methods of appointment or election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

**c. Organisational structure and decision-making policies**

The trustees at the date of this report are as noted on page 1.

Governance is by a Board of Trustees, supported by a professional management structure. The Board Trustees are also charity trustees within the definition of Section 177 of the Charities Act 2011 and constitute directors, for Companies Act purposes. The maximum number of Trustees is 16 and the minimum number is 5. There are currently 9 Trustees who bring a wealth of professional skills in finance, business development, human resources, education and IT.

The Board is supported by the Chief Executive, who is responsible for the overall operation of the charity, and the Directors of Finance and Human Resources.

The Board of Trustees has the power, at any time, to appoint Trustees in accordance with procedures set out in the organisation's Code of Governance and Trustee Code of Conduct. Any Trustees appointed in this way can only hold office until the next Annual General Meeting and will then be eligible for re-election by the Members. One third of the Trustees will retire from office at each Annual General Meeting and retiring members are eligible for re-election.

All the members of the Board of Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed are set out in note 11 to the accounts.

**Independent Options (North West)**  
**(A Company Limited by Guarantee)**

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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2020**

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**Structure, governance and management (continued)**

**d. Policies adopted for the induction and training of Trustees**

New Trustees attend an organisational induction as well as a briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Board and Sub-committee processes, the Business Strategy Plan and recent financial and operating performance of the organisation. Training is provided, which aims to broaden their understanding of the organisation's values, budgets and finances, legislation affecting the sector, and issues relating to quality management and social care regulation.

**e. Pay policy for key management personnel**

The Senior Management team is considered to be the key management personnel of the organisation. During the year, key management personnel received combined total emoluments of £145,913 (2019: £143,466).

Remuneration for Senior Management is decided at Board Level. Agreed salary scales have been set at Board Meetings and these are reviewed along with pay for the organisation as a whole and is also reconsidered when positions become vacant.

**f. Financial risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The key risks have been discussed under principal risks and uncertainties within this Trustee report.

**g. Future developments**

In May 2019, Steve Hyde our Chief Executive Officer retired and we appointed Angela Seisay to this post. As a reflection of this, and of the operational challenges of opening so many tenancies, we implemented a further one-year strategy to allow us to put in place systems to enable us to grow further in future years, and to develop a 3 year strategy for 2020-2023. This has been impacted by the Covid-19 pandemic, and we would anticipate a review of our strategy once there is a relative return to normalcy.



**Independent Options (North West)**  
**(A Company Limited by Guarantee)**

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**Trustees' Report (continued)**  
**For the Year Ended 31 March 2020**

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**Statement of Trustees' responsibilities**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**Auditors**

The auditors, Hurst Accountants Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....  
**E R Stelfox**

Trustee

Date:

**Independent Options (North West)**  
**(A Company Limited by Guarantee)**

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**Independent Auditors' Report to the Members of Independent Options (North West)**

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**Opinion**

We have audited the financial statements of Independent Options (North West) (the 'charity') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Independent Options (North West)**  
**(A Company Limited by Guarantee)**

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**Independent Auditors' Report to the Members of Independent Options (North West) (continued)**

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**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 Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

**Independent Options (North West)**  
**(A Company Limited by Guarantee)**

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**Independent Auditors' Report to the Members of Independent Options (North West) (continued)**

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**Responsibilities of trustees**

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

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

**Auditors' responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

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

**Helen Besant-Roberts (Senior Statutory Auditor)**

for and on behalf of

**Hurst Accountants Limited**

Chartered Accountants

Statutory Auditors

21 Tiviot Dale

Stockport

Cheshire

SK1 1TD

Date:

**Independent Options (North West)**  
**(A Company Limited by Guarantee)**

**Statement of financial activities (incorporating income and expenditure account)**  
**For the Year Ended 31 March 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>					
Donations and legacies	4	12,916	22,792	35,708	76,582
Charitable activities	5	3,748,858	-	3,748,858	2,969,253
Investments	6	522	-	522	425
Other income	7	375	-	375	243,733
<b>Total income</b>		<b>3,762,671</b>	<b>22,792</b>	<b>3,785,463</b>	<b>3,289,993</b>
<b>Expenditure on:</b>					
Raising funds	8	216	-	216	216
Charitable activities	9	3,865,793	39,954	3,905,747	3,109,635
<b>Total expenditure</b>		<b>3,866,009</b>	<b>39,954</b>	<b>3,905,963</b>	<b>3,109,851</b>
<b>Net expenditure</b>		<b>(103,338)</b>	<b>(17,162)</b>	<b>(120,500)</b>	<b>180,142</b>
Transfers between funds	18	8,243	(8,243)	-	-
<b>Net movement in funds</b>		<b>(95,095)</b>	<b>(25,405)</b>	<b>(120,500)</b>	<b>180,142</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		858,733	71,033	929,766	749,624
Net movement in funds		(95,095)	(25,405)	(120,500)	180,142
<b>Total funds carried forward</b>		<b>763,638</b>	<b>45,628</b>	<b>809,266</b>	<b>929,766</b>

The notes on pages 14 to 31 form part of these financial statements.

**Independent Options (North West)**  
**(A Company Limited by Guarantee)**  
**Registered number: 02560910**

**Balance Sheet**  
**As at 31 March 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	13	614,504	636,169
		<u>614,504</u>	<u>636,169</u>
<b>Current assets</b>			
Debtors	14	576,472	333,717
Cash at bank and in hand	22	827,393	847,874
		<u>1,403,865</u>	<u>1,181,591</u>
Creditors: amounts falling due within one year	16	<u>(1,000,124)</u>	<u>(668,910)</u>
<b>Net current assets</b>		<u>403,741</u>	<u>512,681</u>
<b>Total assets less current liabilities</b>		<u>1,018,245</u>	<u>1,148,850</u>
Creditors: amounts falling due after more than one year	17	<u>(208,979)</u>	<u>(219,084)</u>
<b>Total net assets</b>		<u><u>809,266</u></u>	<u><u>929,766</u></u>
<b>Charity funds</b>			
Restricted funds	18	43,578	71,033
Unrestricted funds	18	765,688	858,733
<b>Total funds</b>		<u><u>809,266</u></u>	<u><u>929,766</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....  
**E R Stelfox**

Trustee

Date:

The notes on pages 14 to 31 form part of these financial statements.

**Independent Options (North West)**  
**(A Company Limited by Guarantee)**

**Statement of Cash Flows**  
**For the Year Ended 31 March 2020**

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	21	29,835	270,748
<b>Cash flows from investing activities</b>			
Proceeds from the sale of tangible fixed assets		-	335,495
Purchase of tangible fixed assets		(29,046)	(5,868)
Interest received		522	425
<b>Net cash (used in)/provided by investing activities</b>		(28,524)	330,052
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(21,088)	(21,556)
<b>Net cash used in financing activities</b>		(21,088)	(21,556)
<b>Change in cash and cash equivalents in the year</b>		(19,777)	579,244
Cash and cash equivalents at the beginning of the year		847,170	267,926
<b>Cash and cash equivalents at the end of the year</b>	22	827,393	847,170

The decrease in cash and cash equivalents includes an increase of client monies of £224,306.

**Analysis of cash and cash equivalents**

	2020 £	2019 £
Cash in hand	118,710	363,497
Client monies	708,683	484,377
Overdraft facility repayable on demand	-	(704)
	827,393	847,170

There is a corresponding creditor balance in relation to client monies included within other creditors. See note 15 for details.

**Independent Options (North West)**  
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**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

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**1. General information**

Independent Options is a company limited by guarantee incorporated in England, registered number 02560910. The registered address is 67 Chester Road, Hazel Grove, SK7 5PE.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

Independent Options (North West) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Charity status**

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**2.3 Going concern**

Whilst it has been a challenging period operationally, the Covid-19 pandemic, which started just prior to the year end, has had a positive financial impact on the organisation. Most of the services have continued to operate, and staff have worked incredibly hard in extremely challenging times. Where the Charity have had to close services, in particular the Guest House, they have received financial support from the Local Authority meaning it has not been left financially worse off as a result.

The usage of agency staff due to the difficulty of recruiting staff has had an increasingly detrimental effect on the organisation financially in recent years. However, as other sectors have unfortunately had to make staff redundant, the charity's recruitment situation has improved significantly as a result. This has reduced the charity's agency costs by nearly 90% to-date. The charity is therefore on course for its first surplus on core activities for several years during the year ended 31 March 2021.

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.



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**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

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**2. Accounting policies (continued)**

**2.4 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Other income is the surplus made on sale of fixed assets

**2.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

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**Notes to the Financial Statements**  
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**2. Accounting policies (continued)**

**2.7 Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.8 Tangible fixed assets and depreciation**

Tangible fixed assets costing £100 or more are capitalised.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives.

Depreciation is provided on the following bases:

Freehold property and long leasehold buildings	- 2% straight line
Property improvements	- 15% reducing balance
Motor vehicles	- 25% straight line
Fixtures and fittings	- 15% straight line
Computer equipment	- 33% straight line
Freehold land	- Nil

**2.9 Debtors**

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

**2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

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**Notes to the Financial Statements**  
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**2. Accounting policies (continued)**

**2.12 Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.13 Pensions**

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

**2.14 Fund accounting**

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**2.15 Client assets and liabilities**

The charity holds monies on behalf of service users, under which client funds are paid directly to the charity. The charity is not generally liable as a principal for these amounts.

**2.16 Redundancy Costs**

Redundancy costs are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The charity recognises redundancy costs when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or provided termination benefits as a result of an offer made to encourage voluntary redundancy.

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**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

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**3. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

**Accruals and deferred income**

Accruals and deferred income are entered in the financial statements based on management expectations, taking into account various factors relevant to each individual item. The charity recognised accruals and deferred income at 31 March 2020 of £121,002 (2019: £70,021).

**Bad debts provision**

Provisions are liabilities of uncertain timing or amount and therefore in making a reliable estimate of the quantum and timing of liabilities judgement is applied and re-evaluated at each reporting date. The charity recognised bad debts provision at 31 March 2020 of £24,163 (2019: £19,829). The year end debtor value was £448,169 (2019: £198,768).

**Depreciation**

The charity exercises judgement in estimating the useful economic life of motor vehicles, computer equipment and fixtures and fittings.

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**Notes to the Financial Statements**  
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**4. Income from donations and legacies**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Donations	12,916	22,792	<b>35,708</b>	32,694
Children in Need Grant	-	-	-	43,888
<b>Total 2020</b>	<b>12,916</b>	<b>22,792</b>	<b>35,708</b>	<b>76,582</b>
<i>Total 2019</i>	<i>21,732</i>	<i>54,850</i>	<i>76,582</i>	

**5. Income from charitable activities**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Central	56,831	<b>56,831</b>	17,787
Shared lives	823,833	<b>823,833</b>	1,201,692
Short breaks	401,232	<b>401,232</b>	316,050
Supported living	2,456,721	<b>2,456,721</b>	1,433,724
The Centre	10,241	<b>10,241</b>	-
<b>Total 2020</b>	<b>3,748,858</b>	<b>3,748,858</b>	<b>2,969,253</b>
<i>Total 2019</i>	<i>2,969,253</i>	<i>2,969,253</i>	

**6. Investment income**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Bank interest received	522	<b>522</b>	425
<i>Total 2019</i>	<i>425</i>	<i>425</i>	

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**7. Other incoming resources**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Sale of fixed assets	375	375	-
Sale of land and buildings	-	-	243,733
<b>Total 2020</b>	<b>375</b>	<b>375</b>	<b>243,733</b>
<i>Total 2019</i>	<i>243,733</i>	<i>243,733</i>	

**8. Fundraising costs**

**Costs of raising voluntary income**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Fundraising	216	216	216
<i>Total 2019</i>	<i>216</i>	<i>216</i>	

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**9. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Central	538,524	-	538,524	479,844
Community	-	-	-	2,066
Shared lives	667,138	-	667,138	1,028,323
Short breaks	271,753	-	271,753	246,840
Supported living	2,338,500	-	2,338,500	1,261,301
The Centre	2,047	39,954	42,001	42,701
Governance	47,831	-	47,831	48,560
<b>Total 2020</b>	<b>3,865,793</b>	<b>39,954</b>	<b>3,905,747</b>	<b>3,109,635</b>
<i>Total 2019</i>	<i>3,071,146</i>	<i>38,489</i>	<i>3,109,635</i>	

**Summary by expenditure type**

	Staff costs 2020 £	Depreciation 2020 £	Other costs 2020 £	Total funds 2020 £	Total funds 2019 £
Central	298,470	50,711	189,343	538,524	479,844
Community	-	-	-	-	2,066
Shared lives	656,545	-	10,593	667,138	1,028,323
Short breaks	234,818	-	36,935	271,753	246,840
Supported living	2,296,765	-	41,735	2,338,500	1,261,301
The Centre	29,195	-	12,806	42,001	42,701
Governance	38,852	-	8,979	47,831	48,560
<b>Total 2020</b>	<b>3,554,645</b>	<b>50,711</b>	<b>300,391</b>	<b>3,905,747</b>	<b>3,109,635</b>
<i>Total 2019</i>	<i>2,782,992</i>	<i>57,329</i>	<i>269,314</i>	<i>3,109,635</i>	

**Independent Options (North West)**  
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**Notes to the Financial Statements**  
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**10. Net income/(expenditure)**

This is stated after charging:

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<i>£</i>
Depreciation of tangible fixed assets:		
- Owned by the charity	<b>50,711</b>	<i>57,329</i>
	<b>=====</b>	<i>=====</i>

During the year, no Trustees received any remuneration (2019: £Nil).

During the year, no Trustees received any benefits in kind (2019: £Nil).

During the year, no Trustees received any reimbursement of expenses (2019: £Nil).

**11. Auditors' remuneration**

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<i>£</i>
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<b>6,120</b>	<i>6,120</i>
	<b>=====</b>	<i>=====</i>



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**12. Staff costs**

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>3,326,726</b>	<i>2,617,189</i>
Social security costs	<b>161,478</b>	<i>125,948</i>
Pension costs	<b>66,441</b>	<i>39,855</i>
	<b>3,554,645</b>	<i>2,782,992</i>

During the year, the charity made redundancy payments totalling £Nil (2019: £16,258). There are no amounts relating to redundancy costs on the balance sheet at the year end date (2019: £Nil).

The average number of persons employed by the charity during the year was as follows:

	<b>2020</b>	<i>2019</i>
	<b>No.</b>	<i>No.</i>
Provision of care services	<b>94</b>	<i>83</i>
Management and administration	<b>25</b>	<i>13</i>
	<b>119</b>	<i>96</i>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel are considered to be the senior management team. During the year, key management personnel received combined total emoluments of £149,513 (2019: £143,467).

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**13. Tangible fixed assets**

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Property improvements £	Total £
<b>Cost or valuation</b>						
At 1 April 2019	550,000	146,450	21,795	225,919	370,888	1,315,052
Additions	-	-	-	15,046	14,000	29,046
At 31 March 2020	550,000	146,450	21,795	240,965	384,888	1,344,098
<b>Depreciation</b>						
At 1 April 2019	139,425	51,369	12,979	174,299	300,811	678,883
Charge for the year	9,900	2,929	5,449	20,017	12,416	50,711
At 31 March 2020	149,325	54,298	18,428	194,316	313,227	729,594
<b>Net book value</b>						
At 31 March 2020	400,675	92,152	3,367	46,649	71,661	614,504
At 31 March 2019	410,575	95,081	8,816	51,620	70,077	636,169

**14. Debtors**

	2020 £	2019 £
<b>Due within one year</b>		
Trade debtors	424,006	178,939
Other debtors	13,514	642
Prepayments and accrued income	138,952	154,136
	<u>576,472</u>	<u>333,717</u>

An impairment loss of £4,334 (2019: £Nil) was recognised during the year.

**15. Client Monies**

The charity holds monies on behalf of service users. At 31 March 2020, the amount held on behalf of service users was £708,683 (2019: £484,377).

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**Notes to the Financial Statements**  
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**16. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Bank overdrafts	-	704
Bank loans and overdrafts	23,434	27,973
Trade creditors	61,263	48,666
Other taxation and social security	46,259	28,813
Other creditors	748,166	492,733
Accruals and deferred income	121,002	70,021
	<b>1,000,124</b>	<b>668,910</b>

A bank loan was taken out in March 2005 for the purchase of the premises at Hallfield House, 50 Hall Street, Stockport. The bank loan is secured by a First Legal Mortgage over this property.

The bank loan bears interest 1.75% above Natwest Bank plc base rate and is repayable in monthly installments which commenced in April 2005.

**17. Creditors: Amounts falling due after more than one year**

	2020 £	2019 £
Bank loans	202,535	219,084
Other creditors	6,444	-
	<b>208,979</b>	<b>219,084</b>

Included within the above are amounts falling due as follows:

	2020 £	2019 £
<b>Between one and two years</b>		
Bank loans	23,039	27,844
<b>Between two and five years</b>		
Bank loans	72,663	83,532
<b>Over five years</b>		
Bank loans	106,833	107,708

A bank loan was taken out in March 2005 for the purchase of the premises at Hallfield House, 50 Hall Street, Stockport. The bank loan is secured by a First Legal Mortgage over this property. The bank loan bears interest of 1.75% above Natwest Bank plc base rate and is repayable in monthly instalments which commenced in April 2005.

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**Notes to the Financial Statements**  
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**18. Statement of funds**

**Statement of funds - current year**

	<b>Balance at 1 April 2019 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers in/out £</b>	<b>Balance at 31 March 2020 £</b>
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Fixed assets funds	237,538	-	-	-	237,538
<b>General funds</b>					
General Funds	621,195	3,762,671	(3,863,959)	8,243	528,150
<b>Total Unrestricted funds</b>	<b>858,733</b>	<b>3,762,671</b>	<b>(3,863,959)</b>	<b>8,243</b>	<b>765,688</b>
<b>Restricted funds</b>					
Donations for restricted use	24,854	-	-	(8,243)	16,611
Children and Family Centre	46,179	22,792	(42,004)	-	26,967
	71,033	22,792	(42,004)	(8,243)	43,578
<b>Total of funds</b>	<b>929,766</b>	<b>3,785,463</b>	<b>(3,905,963)</b>	<b>-</b>	<b>809,266</b>

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**18. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 April 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2019 £</i>
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Fixed asset funds	-	-	-	237,538	237,538
<b>General funds</b>					
General funds	681,373	3,235,143	(3,057,783)	(237,538)	621,195
<b>Total Unrestricted funds</b>	681,373	3,235,143	(3,057,783)	-	858,733
<b>Restricted funds</b>					
Children and Family Centre	44,295	1,146	(4,226)	4,964	46,179
Children in Need Grant	7,630	43,888	(46,554)	(4,964)	-
Other restricted funds	16,326	9,816	(1,288)	-	24,854
	68,251	54,850	(52,068)	-	71,033
<b>Total of funds</b>	749,624	3,289,993	(3,109,851)	-	929,766

The Children and Family Centre (formerly Right Start) is project for young children and families which commenced on 1 April 2013.

The Children in Need grant originally funded on Outreach and Inclusion worker. However, a change to the project was agreed and this now funds the Children and Family Centre manager's salary and some running costs.

Other restricted funds relate to the purchase of items including fixed assets where donors have specified what items to purchase.

Designated funds are held for use towards future capital or structural projects.

In 2020, there was a transfer of £8,243 (2019: £4,964) out of restricted funds. This related to expenditure of fixed assets that were purchased from a restricted donation but the assets are held for a general and not restricted purchase.

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**19. Summary of funds**

**Summary of funds - current year**

	<b>Balance at 1 April 2019 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers in/out £</b>	<b>Balance at 31 March 2020 £</b>
Designated funds	237,538	-	-	-	237,538
General funds	621,195	3,762,671	(3,863,959)	8,243	528,150
Restricted funds	71,033	22,792	(42,004)	(8,243)	43,578
	<b>929,766</b>	<b>3,785,463</b>	<b>(3,905,963)</b>	<b>-</b>	<b>809,266</b>

**Summary of funds - prior year**

	<i>Balance at 1 April 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2019 £</i>
Designated funds	-	-	-	237,538	237,538
General funds	681,373	3,235,143	(3,057,783)	(237,538)	621,195
Restricted funds	68,251	54,850	(52,068)	-	71,033
	<b>749,624</b>	<b>3,289,993</b>	<b>(3,109,851)</b>	<b>-</b>	<b>929,766</b>

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**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Tangible fixed assets	614,504	-	<b>614,504</b>
Current assets	1,360,287	43,578	<b>1,403,865</b>
Creditors due within one year	(1,000,124)	-	<b>(1,000,124)</b>
Creditors due in more than one year	(208,979)	-	<b>(208,979)</b>
<b>Total</b>	<b>765,688</b>	<b>43,578</b>	<b>809,266</b>

**Analysis of net assets between funds - prior period**

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	636,169	-	<i>636,169</i>
Current assets	1,110,558	71,033	<i>1,181,591</i>
Creditors due within one year	(668,910)	-	<i>(668,910)</i>
Creditors due in more than one year	(219,084)	-	<i>(219,084)</i>
<b>Total</b>	<b>858,733</b>	<b>71,033</b>	<b>929,766</b>

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**Notes to the Financial Statements**  
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**21. Reconciliation of net movement in funds to net cash flow from operating activities**

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(120,500)	180,142
<b>Adjustments for:</b>		
Depreciation charges	50,711	57,329
Interest received	(522)	(425)
Loss/(profit) on the sale of fixed assets	-	(243,733)
Decrease/(increase) in debtors	(242,755)	53,028
Increase in creditors	342,901	224,407
<b>Net cash provided by operating activities</b>	<b>29,835</b>	<b>270,748</b>

**22. Analysis of cash and cash equivalents**

	2020 £	2019 £
Cash in hand	118,710	363,497
Client monies	708,683	484,377
Overdraft facility repayable on demand	-	(704)
<b>Total cash and cash equivalents</b>	<b>827,393</b>	<b>847,170</b>

**23. Analysis of changes in net debt**

	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Cash at bank and in hand	847,874	(20,481)	827,393
Bank overdrafts repayable on demand	(704)	704	-
Debt due within 1 year	(27,973)	4,539	(23,434)
Debt due after 1 year	(219,084)	16,549	(202,535)
	<b>600,113</b>	<b>1,311</b>	<b>601,424</b>



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**24. Pension commitments**

The company operates two defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company into these funds amounted to £66,441 (2019: £39,855). Contributions totalling £12,142 (2019: £4,613) were payable to the fund at the balance sheet date and are included in the accruals.

**25. Operating lease commitments**

At 31 March 2020 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	3,832	3,872
Later than 1 year and not later than 5 years	2,263	3,515
	<u>6,095</u>	<u>7,387</u>

**26. Related party transactions**

During the year, £40,000 was received from Norwood Trust Limited, a company with a common trustee, as a contribution towards the cost of setting up tenancies for the individuals who moved to Independent Options (North West) properties at the start of the financial year.