

FitzRoy Support

Trustee Report and
Financial Statements
for the year ended 31
March 2023

Reference and Administrative Information

The Trustees submit their Annual Report and Financial Statements for the year ended 31st March 2023

Administration and Location

Established in 1962, FitzRoy is a national charity that supports people with learning disabilities. The Charity operates and is administered centrally from its headquarters in Petersfield, Hampshire. FitzRoy Support Limited (FitzRoy) is a Charity registered with the Charity Commission (No. 1011290) and a Company Limited by Guarantee (No. 2699902).

The Board members during the year were as follows:

- | | | |
|-------------------|------|----------------------------|
| • Martin Kyndt | ◆ | Chair |
| • Matthew Moth | ✦◻ | Vice-Chair |
| • David Evans | ◆✦◯◻ | |
| • Andrew Gore | ¥◯ | |
| • Dawn Jacobs | ❖ | |
| • Derrick McCourt | | |
| • Sarah Nicholson | ¥ | |
| • Mark Sanderson | ❖ | |
| • Gail Bedding | ◯ | |
| • Neil Blackley | ❖◻ | |
| • Julie Whetton | ◻ | |
| • Saad Sayeed | ❖ | (appointed September 2022) |
| • Sarju Mistry | ¥ | (appointed January 2023) |
| • Justin Finnigan | ¥ | (resigned September 2022) |

- ◆ Remuneration Committee
- ✦ Nominations Committee
- ❖ Finance Committee
- ¥ Quality Committee
- ◯ People Committee
- ◻ Property Committee

Patrons

HRH Princess Alexandra GCVO KG
 Nigel Atkinson
 Countess of Euston
 Andrew Grant
 Georgina Hovey
 Margaret Marshall
 Virginia McKenna OBE
 Lord and Lady Tanlaw
 Edward Thornton-Firkin

Executive Team

Anna Galliford	Chief Executive and Company Secretary
Angela Murphy	Director of Operations & Business Development
Alison Heustice	Director of Finance
Marianne Radcliffe	Director of Transformation, Comms & Fundraising
Roberta Wheeler	Director of Human Resources

**Registered
Office**

FitzRoy House
8 Hylton Road
Petersfield
Hants GU32 3JY

Telephone 01730 711 111
Fax 01730 710 566
Website www.fitzroy.org
Email info@fitzroy.org

Auditors

Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP

Bankers

Nat West PLC
39 The Borough
Farnham
Surrey
GU9 7NP

Barclays Bank PLC
The Old Bank
High Street
Lewes
BN7 2JP

Solicitors

Blake Morgan LLP
New Kings Court, Tollgate
Chandler's Ford, Eastleigh
Hampshire, SO53 3LG

Trustees Report including Strategic Report

OBJECTIVES AND ACTIVITIES

FitzRoy transforms lives every day, supporting people to do the things that make a real difference to their everyday life. FitzRoy started as a pioneering organisation, set up by parents who were determined that their children with learning disabilities would not grow up in institutional care but instead could live in loving homes with opportunities to learn, grow and thrive.

60 years on we remain passionate that people with learning disabilities and autism have choices and get the support they need to fulfil their potential and gain independence. We push beyond traditional care provision and address the many misconceptions about what life for a person with disabilities should be like. We are driven by seeing people flourish when they connect with their communities, learn, work, volunteer, and enjoy relationships.

We provide support for people with learning disabilities, autism, and mental health needs. Many of the people we support also have physical disabilities.

The people we support are at the heart of everything we do and the decisions we make.

Our vision: A society where people are treated as equals, regardless of their disability.

Our mission: To transform lives by supporting people with learning disabilities to lead the lives they choose.

Our values:

- We see the Person - FitzRoy began with one mother's belief that her child deserved better, and still today we see the unique value in every person we help.
- We are Brave - We stand beside people with learning disabilities and their families, and together we face our challenges wherever we find them.
- We are Creative - We dare to imagine a world where people are treated as equals, regardless of their disability.

We run 95 services across England supporting over 850 people. Some individuals use several of our services. Of the people we support, 94 are supported to live in their own homes, 375 live in one of our 69 supported living services and 184 are supported at one of our 4 FitzRoy day opportunities. 199 people live in one of our 17 registered care or two nursing homes. The people who use our services are funded by over 70 local and/or health authorities across England. Alongside this our ability to fundraise plays a significant role in providing those added extras that truly enhance the lives of those we support.

STRATEGIC REPORT

As we are emerging out of a three-year pandemic, the sector continues to have significant challenges regarding recruitment, alongside this we know that local authorities are financially challenged, and the economy has seen significant inflation increases.

The cost-of-living crisis and tough economic conditions have been at the forefront of our minds this year and have impacted our decision making. Our focus has been quality, sustainability, and more efficient ways of working, and implementing a change programme that delivers considerable time savings for our managers as well as clearer and more responsive oversight for our senior teams.

As always, we deliver our strategy through the lens of our values. Our ability to be responsive, agile and See the Person in all our decisions has meant we continue to be a robust charity which is continuing to thrive in extraordinary times.

in 22/23 our key areas of work were:

- Delivering a pay award to reward our staff and address our recruitment and retention
- Digital transformation heralding more efficient ways of working and increasing oversight
- Decreasing agency use to improve consistency of care and focus resources on our own staff
- Responding to the increasing complex support needs of the people we support
- Laying the groundwork for our new 2024 - 2027 strategy

Post-covid and nearing the end of our 5-year strategy, we decided it was the right time to commit to an in-depth strategic review, including the development of our theory of change. We reviewed our vision and purpose and looked at how we measure our impact. All this work, involving multiple stakeholders, has fed into the development of our new strategy. We will be consulting with colleagues, people we support and their families over the summer.

Our strategy will also consider how, over the past few years we have seen an increasing focus on dual diagnosis among our service users, with mental health needs increasing. We are delivering an increasing amount of complex mental health services, mainly in Nottinghamshire, and we have developed a clinical framework to ensure this area of growth is fully supported, and our reputation as a trusted provider delivering trauma-informed care is secure.

We continue to value and explore the difference that good technology can make on how we deliver quality services and improve how we audit and measure the quality of our support - this work is strengthening the foundations of the charity, with an aim to futureproofing ourselves, so we remain strong in uncertain times, and continue to deliver a quality service to the people supported.

FitzRoy has seen significant growth this year, and we are yet to be affected by rising energy costs as we have a fixed energy contract in place until 2024, capping the effect of these significant increases for FitzRoy in our residential services and some of our supported living services.

We have seen the end of some contracts this year, but our business development team have had significant success. They have achieved some remarkable results on tenders for new services, and we are encouraged and positive about delivering our aspiration to support more people in 2023/24.

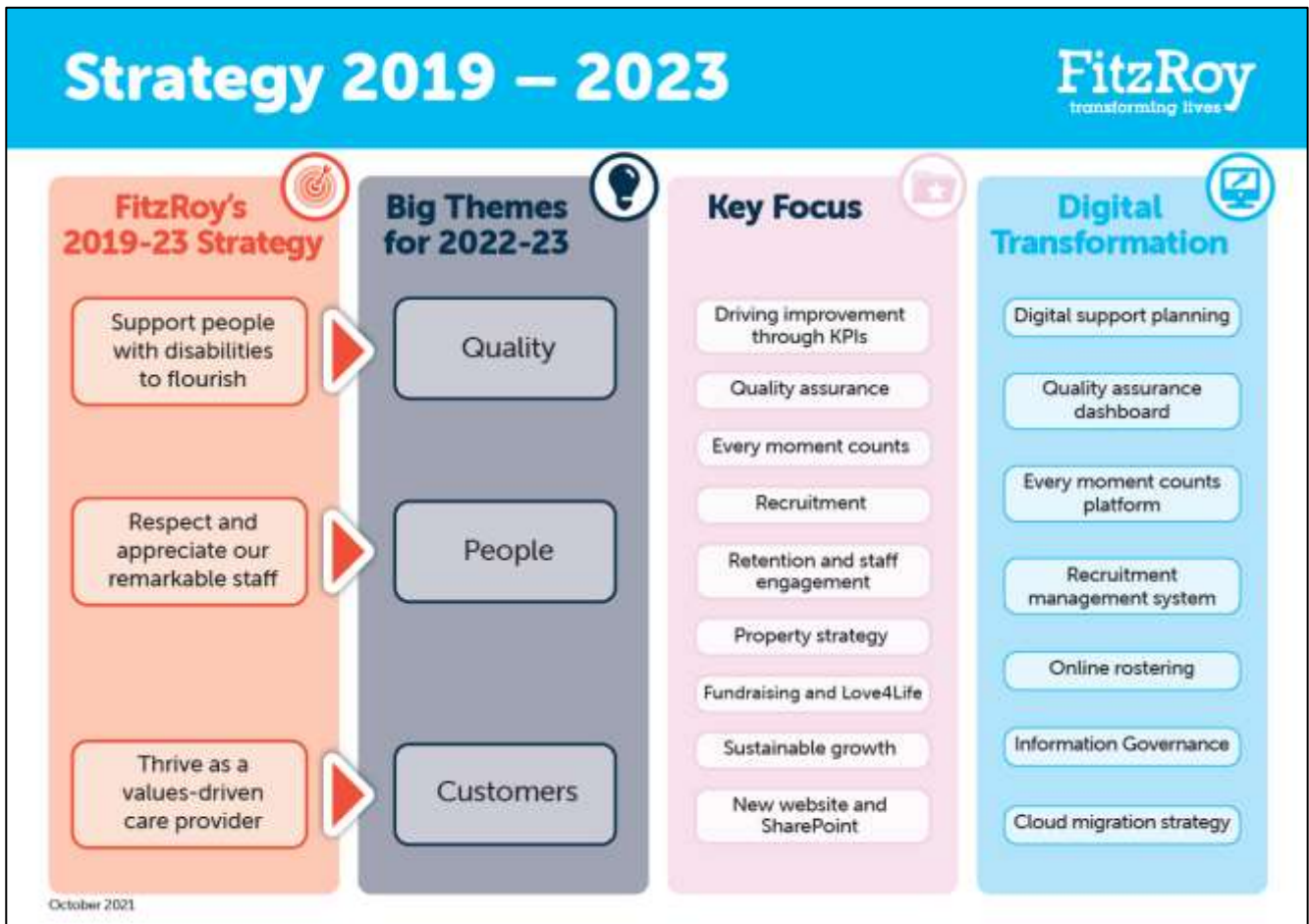
However, the challenge of delivering successfully within the pressures of the external environment should not be underestimated. As with many social care providers, we continue to face difficulties in recruiting and retaining staff, a pressing issue common across the sector. The funding landscape for the sector is tough, with insufficient fee increases, rising utility costs and the increased cost of living means an already underfunded sector is being further squeezed.

There is no doubt that the people we support are extremely vulnerable, many with underlying health conditions. The urgent need for social care reform and a greater political commitment that was highlighted during the coronavirus crisis has not abated. Policy makers need a better understanding of the social care sector as it relates to working age adults and a range of housing and care models.

Even so, we look to the year ahead with excitement - taking on board all we have learnt over the last few years. We are still living in a covid world, and that continues to have an impact on our service users, staff, and services. But we will face those challenges and continue to deliver our ambitious programme of change, making sure we stay true to our heritage by challenging the status quo and always striving to be brilliant.

Achievements and Performance

FitzRoy's Strategy for 2019-2023



This was the final year of our current strategy. Conditions have continued to be a challenge, with significant funding pressures exacerbated by the external economic environment, the increase in the cost of living as well as a tumultuous external political environment and the lack of policy and decision making around health and social care.

Our strategic aims are to:

- Support people with disabilities to flourish
- Respect and appreciate our remarkable staff
- Thrive as a values-driven care provider

In 2023-24 we will continue to develop and launch FitzRoy's new three-year strategy as well as putting in place tools and processes in order to directly measure the impact of our work and the difference we make.

Over the summer, we will be consulting with staff, people we support and their families on our strategic goals and key milestones, so the strategy is ready to launch in 2024. The new strategy will reflect that, 60 years on since Elizabeth FitzRoy opened our first care home in Grayshott Surrey, we are still aspirational, committed to achieving the best outcomes for people with learning disabilities and autism, and increasingly mental health needs too.

Outline of key projects and impact of our work over the financial year 2022/23

Support people with disabilities to flourish

This year we have focused on the bedrock of a quality service, our systems, and our property.

Transforming our ways of working

2022/23 delivered an enormous step change in how we work, with many exciting programmes coming to fruition, bringing benefits not only to our oversight and governance but also tangible benefits to our frontline staff. We have seen a huge culture shift, which started during the pandemic, in how our staff embrace and positively engage with technology.

- Digital support planning now rolled out across all services giving us critical oversight.
- Digital occurrence reporting has been successfully adopted quoting significant savings in time and accuracy.
- Our new rostering tool has been fully rolled out across all services and is proving to be hugely successful

We continued to focus on our infrastructure upgrade, rolling out 'complete connectivity' across the organisation. As we continue our move to digital and more agile working, the necessity for reliable and speedy internet connections are vital.

Our programme to ensure that every service had good access to the internet, whether through enhanced Wi-Fi or 4G devices is now completed at 70% of our services, with the remaining due to be completed over the summer.

These improvements have allowed us to roll out and embed our new digital support planning tool, which is now live in almost all of our services. Our digital support plans allow us to paint a picture of the day-to-day life of the people we support, to capture their aspirations and needs and to build in measurable outcomes to be worked towards, and their progress can be visualised and quantified.

As well as improving how we gather the goals and aspirations of the people we support and the steps we need to take to meet them, digital support planning has also reduced the amount of paperwork staff and managers need to complete. This allows them to spend more time with the people they are supporting.

With detailed information about our service users and action plans at hand on tablets, staff are fully up to speed with the needs and requirements of those we support and can easily show progress. Our systems also provide vital visibility to our regional and quality managers, so they can monitor progress and address any issues.

They also collate the sheer volume of activity going on across our services, with around 236,000 activities being tracked each month.

These activities range from health appointments to going swimming or shopping, as well as observations and monitoring, meals, and other support. In the coming months we will be following up this enormous amount of activity with impact and progression measurements so service users, families and staff can easily see how they have progressed against their goals.

Significant digital transformation is enabling our services to work more efficiently, thereby improving the quality of care we provide to the people we support. Our new systems also mean we are able to more effectively measure and evidence the quality of care we provide through data driven decisions and better control and management of data to allow us to improve our measurement on impact.

- The KPI dashboard has been expanded and has now been implemented across all services. The dashboard lists service level targets that can be viewed and analysed at a glance to give a picture of performance across FitzRoy or at service level.
- From April 22, 11 of the organisational KPI's are being used as the basis for a bonus scheme rewarding managers and staff for exceeding their targets. By September 2022 62% of services

were meeting the FitzRoy standard, and 19% were exceeding the standard. By March 2023 58% of services are meeting the FitzRoy standard, and 31% are exceeding the standard. The ambitious overall target will drive improvements in performance and levels of care for the people we support as well as provide opportunities for coaching and support for those services struggling to achieve the standards.

- The Property database system lists all building, tenancy information, property development plans, fixtures and fittings portfolio and contracts.
- We are centralising procurement and property management, taking away stress from service managers so they can concentrate on providing leadership and service delivery.

The changes and investment in transformation, IT infrastructure and systems allow us to stay ahead of the technology curve, and also provide savings in time and energy for managers and staff using reliable equipment with efficient WIFI.

Making every moment matter

Our programme of work around assistive technology, active support, positive behaviour support and total communication continued this year, enabling the people we support to be safe, active, understood, and to live more fulfilling lives.

Assistive technology has played an enormous role in enabling our service users to be understood and communicated with in a way that suits them. Our Makaton Champions training programme continues, with 17 new champions trained over the year, learning more than 450 Makaton signs. They have had ongoing training via Makaton Champion network meetings. We also ran bespoke training sessions for staff at some of our services with 30+ staff trained.

Our specialist positive behaviour support team are embedded across the organisation, informing good practice, developing improved ways of working with our service users and putting them – and their families – front and centre of how we improve their support.

Much of the team's work has been focussed on supporting people through transition, either from a hospital setting to supported living, or from children's social services to adult, or through changes in their life such as bereavement and grief.

Quality assurance

As part of our increased focus on performance management to get the best out of our staff, and ensure they have the tools and support they need to do their jobs, we launched a set of service based Key Performance Indicators (KPI's) and associated incentive scheme in April 2022.

Our frontline staff, service managers and deputies are all eligible to receive a bi-annual bonus payment if their service exceeds the 'FitzRoy Standard.' The KPIs include training compliance and performance against budget, encouraging all staff to see the vital role they play in achieving our KPIs.

As well as using incentives to improve performance, our new digital tools enable excellent oversight of what is happening 'on the ground' across our services, from reported occurrences to how regular staff supervision sessions are held.

Our digital occurrence reporting system enables our quality team, regional managers and health and safety manager to have clear oversight, where they can quickly spot trends or issues where staff might need further support.

Staff now report digitally, and a manager has an instant notification of a report being issued as well as saving managers a lot of time. Over a three-month period, we had more than 2,300 occurrence reports entered onto the system, rather than 2,300 paper forms often several pages long.

Respect and appreciate our remarkable staff

With the job market being so competitive, one of our biggest challenge remains to recruit and retain the best staff. We continually invest in recruitment, retention, and development, as well as placing an enormous focus on thanking and valuing our staff.

We launched our staff survey in November 2022, and while we always want to improve, the results were very encouraging. They showed that the measures we have put in place, including improved onboarding of new staff, increased benefits, and ways of working and being an above living wage employer, were having an impact.

- 91% staff felt proud to work at FitzRoy
- 95% said their work is more than just a job
- 96% said they felt trusted to carry out their work
- 85% recommend FitzRoy as a great place to work.
- 81% felt recognised and thanked by their managers

This year our Executive Team ran regional roadshows, meeting with all service and deputy managers across the country. The roadshows aim to increase communication and transparency with our operational colleagues, giving them greater understanding of organisational strategy and finances and the impact of KPI's and an opportunity to get to know and feedback directly to the Executive Team. This approach has been well received and we plan to continue to run them twice a year.

Recruitment

Staffing continues to be a day-to-day focus for many services, and achieving attractive pay rates will remain a huge area of focus for us. We remain aware of the continued increased cost pressures and its effect on the rising costs of employment. In order to attract and retain valued staff, our pay award in April 2023 ensures we remain ahead of national living wage, where all front-line staff are paid a minimum of £11 per hour.

Learning and development

In 2022/23 we launched several new initiatives, to improve the quality of the work we do, develop career pathways, and recognise our staff as experts in their sector.

- We have introduced registered managers training for all service and deputy managers to support our journey to be outstanding in each service
- Oliver McGowan training launched to all central support teams and incorporated into our training programme for support workers. This training provides our staff with the right skills and knowledge to provide safe, compassionate, and informed care to autistic people and people with a learning disability.
- Leading outstanding teams Service Manager training – this was reviewed in September 22 and of the cohort who attended, four have since been promoted

Our rigorous training programme continues, with 11,933 learning modules completed, almost double the amount completed the previous year. This is reflective of our growth as an organisation with vacancies being filled following our recruitment drive.

We also have 20 staff being supported through apprenticeship qualifications to aid their career progression.

As a result of the full organisational development review, we carried out in early 2022, we have been able to deliver on several of the recommendations around sustainable workforce planning and our structure for growth, including significant changes in resource in a number of functions and the rolling out performance based KPIs.

Thrive as a values-driven care provider

FitzRoy continues to develop services for people with complex support needs and more recently has won contracts to deliver enhanced mental health services. Since the Transforming Care initiative was established nearly 10 years ago, Local Authorities and Clinical Commissioning Groups have significantly increased the commissioning of complex/enhanced supported living.

Over the past five years the majority of new supported living services commissioned by Local Authorities have been for complex support needs services including those for learning disabilities, mental health, and people with complex forensic backgrounds.

In response to the increased complexity of the people we are supporting we have developed a clinical governance structure and established an integrated clinical support team. We have put in place the structure and staffing to enable our more complex support services to become a centre of excellence, sharing models of good practice across the organisation and with partners.

We continue to make positive strides with our business development team. This year we had enjoyed great success joining six new frameworks and winning 11 new contracts supporting another 238 people.

Elsewhere, we were saddened to have to make the difficult decision not to deliver care anymore in our two Manchester services. During these difficult financial times, we did everything we could to make the services run sustainably and worked closely with the local authority to find a workable solution. However, we were really delighted that all the residents found new homes that are much better suited to their support needs.

In July 2022, only eight weeks after we had been notified that we would be the new provider, 112 people supported by 175 staff and 26 property locations consisting of approximately 68 individual or shared flats/houses, transferred over to FitzRoy from a local provider in Coventry.

The transfer into FitzRoy was a huge undertaking, involving every department and exceptional teamwork in welcoming the new staff and 112 new people to the FitzRoy fold.

Since transfer, new CQC registrations have been put in place, quality audits have been completed and staff training continues. The passion from the staff who transferred in was evident in how they had fully embedded an active support approach.

Our property team worked with five different housing associations, raising concerns and issues with them as soon as they were identified. This is a huge piece of work engaging with commissioners to assess and manage some services requiring re-provision. We undertook a full RAG rated analysis of the properties for suitability, quality, and state of repair.

We have met with new Coventry families to talk to them about what they could expect from us as a values driven quality care provider and were pleased to see some of the new people supported attend our Nationwide Service User Forum.

Nationwide, our service user forum, meets four times a year, and members contribute new ideas and help us develop better communications for our service users. They supported the development of our annual Satisfaction Survey questionnaire. This was the first year that we asked if the service user had the capacity to answer the survey, for those that did not, we are identifying other ways, such as service visits and our quality checker programme, to gather their feedback.

2022 Satisfaction survey results from the people we support

- 100% agreed that they are supported to do the things that are important to them
- 99% agree that they are supported to make decisions and choices about their life
- 99% agreed they can work towards dreams and goals

Satisfaction survey results from their family and friends

- 94% agree that their relative gets the support they need from us
- 96% agree that our support workers help whenever their relative needs support
- 83% agree that their relative is supported to maintain and /or increase their levels of independence

Satisfaction survey results from professionals

- 98% agreed that they were confident that the person gets the right support at the right time
- 94% agreed that support workers communicate well with the person
- 96% agreed that they were confident that FitzRoy support the person to achieve their agreed outcomes

Fundraising to transform lives

2022/23 was a challenging year for everyone, including fundraising. The cost-of-living crisis in particular has affected the way that people donate and fundraise and the impact of covid, world events and the uncertain economic times continue to affect the sector.

Fundraising makes a significant difference to the lives of the people we support. It enabled us to continue to invest in assistive technology, deliver a state-of-the-art activity space in our Norfolk care home, and fund our extensive programme of digital transformation, investing in developing systems and processes that help us to work smarter and faster, driving quality improvement and innovation.

Thanks to our generous donors, we have raised £45,000 for our Above and Beyond fund, which will provide those vital extras for our services, whether it is garden furniture so a group of friends can sit in the sun and enjoy the garden, or money towards a long-awaited holiday. These are the life affirming activities that rely on fundraising and our supporters have made those activities possible.

We also held successful events celebrating our 60th anniversary, at Petersfield Museum and our Silver Birches care home in London.

We are extremely fortunate to benefit from legacy income which helps to fund our successful and ever-growing transformation programme. It has never been more important for us to support people with learning disabilities and autism through fundraising, and gifts in wills have made a tremendous impact, helping to ensure the sustainability of the charity.

Whether it is to fund an iPad that helps someone connect with their loved ones, our digital transformation, staff thank you celebrations, or our Love4Life dating and friendship programme that proves that everyone can find love, every penny raised made a tremendous difference.

Love4Life:

Our Love4Life networks in Hampshire and London are a successful and proven model for improving the outcomes, mental health, and wellbeing of people with learning disabilities and autism, many of whom have no access to any other support.

Demand for Love4Life membership is increasing, we are getting requests from across the southeast and beyond. Our plan was to set up more groups in new areas to tackle increasing levels of social exclusion and loneliness. To enable this expansion, on 1 April 2022, Love4Life became a Charitable Incorporated Organisation (CIO), and subsidiary of FitzRoy. Love4Life has its own separate accounts and has not been consolidated this year with FitzRoy Support based on materiality.

Financial Review

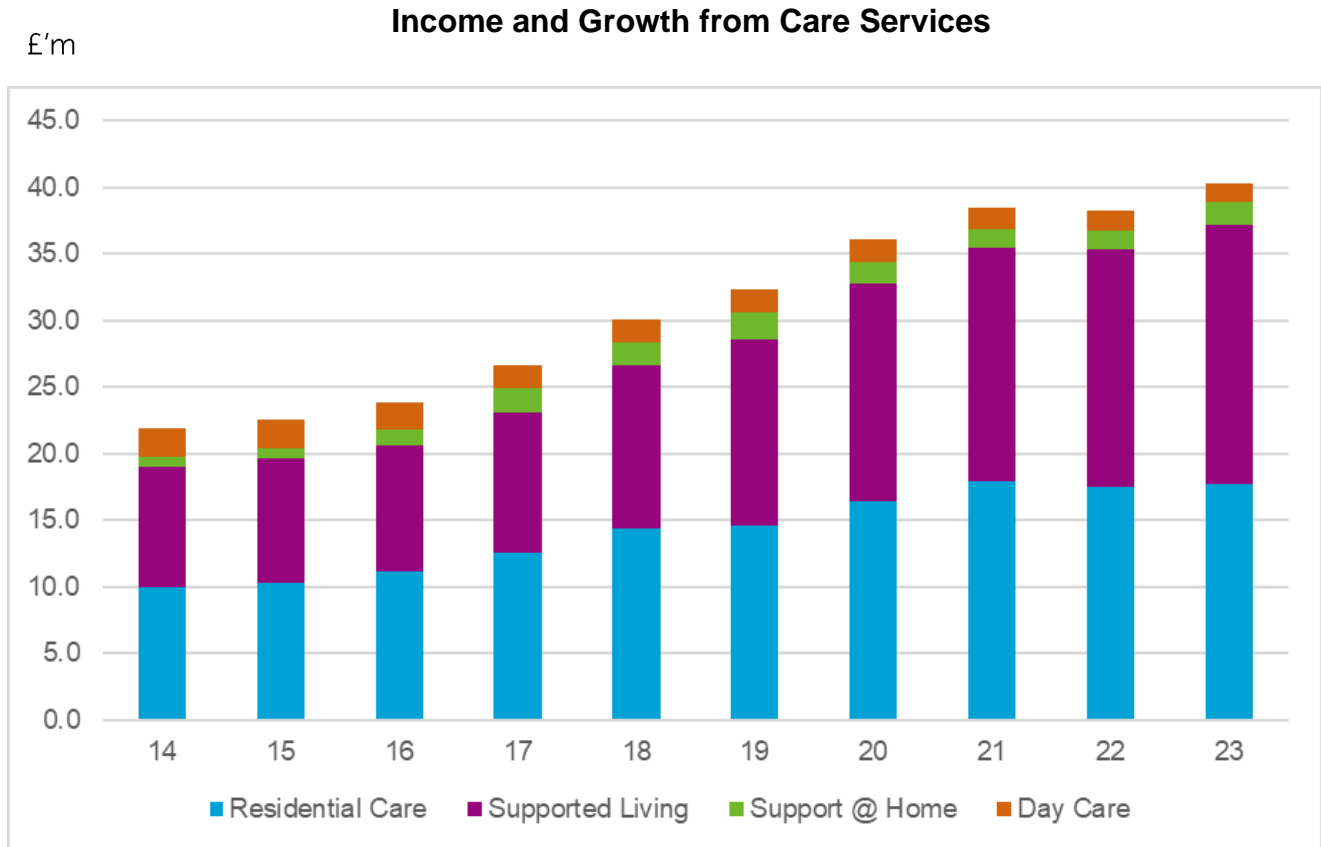
Despite the sector continuing to be under significant pressure from changes in legislation and resultant increasing costs, we have seen an increase in our operational income of 5.6%, due to tender wins in Nottingham and reputational contract gains in Coventry.

As well as working to deliver the best value for money, we continue to build on our strong relationships with stakeholders which continues to be critical to our success. It has brought access to new markets, driven innovation, and through stronger partnerships developed a deeper commitment to shared values.

We reported a deficit for 2022/23, but despite this we continue to have strong cash reserves, which in times of significant external financial pressures enables us to focus on our longer-term strategy.

We continued to work closely with local authorities, ensuring we were able to secure the fee uplifts required to deliver a quality service and remain a sustainable charity. We continue to produce forecasts post year end, which are reviewed by the Trustee Board.

INCOME



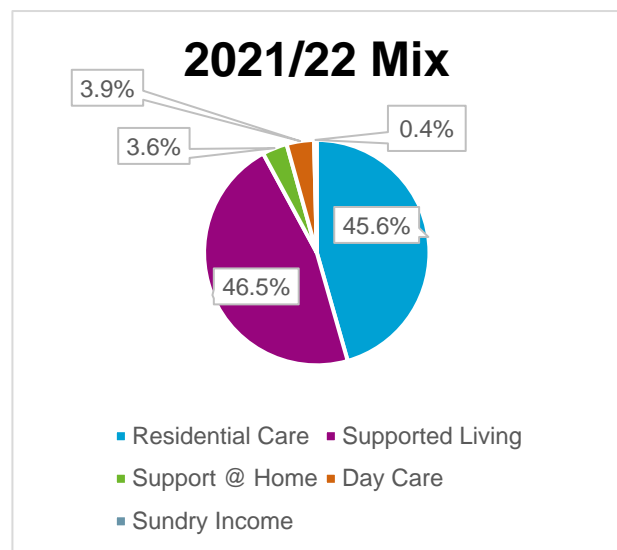
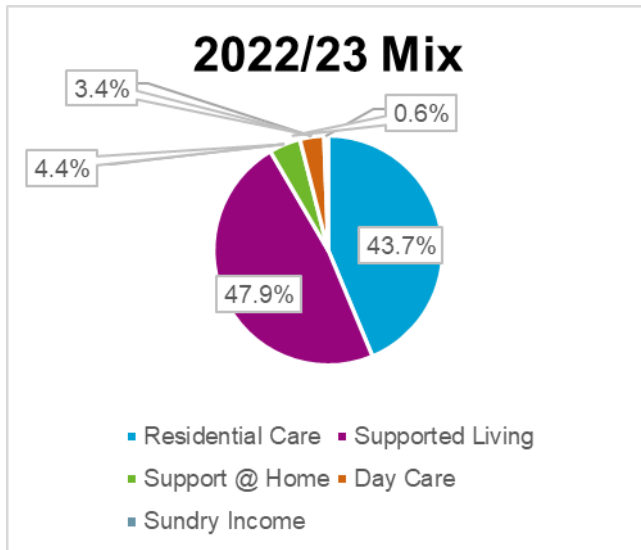
In the year to March 2023, we saw Income from Care Services increase by 5.6% to £40.5m. Included in the total income for 2022/23 is a total of £4.2m of new business, with the balance coming from local authority fee uplifts and changes to contracts.

Total income – which includes donations, care service fees and investment income, increased marginally by 0.6% overall, affected by donations and legacy income in the 2021/22 figures. Local authority fees continue to be the primary source of income.

Income saw an increase of 1.2% in long term residential care, a growth of 8.6% in supported living and 30.9% in support at home services. Day care continues on the downward trajectory with a drop of 8.2% reflecting the change in the way commissioners are contracting day care.

The increases are the result of tender wins in Nottingham and the novation of a large contract in Coventry, delivering both support at home and supported living services, with a new day care offering opening in the coming year.

Mix of Income



We have seen a positive shift in the Supported Living and Support at Home services within our portfolio, and a slight reduction in residential care. Day care as a percentage of total income reduced as a result of changes in local authority funding.

Our fundraising activities during the year resulted in donations of £0.6m for the full year. In 2022/23 we benefited from generous legacy donations of £0.4m, along with support from various Charitable Trusts and locally held fundraising events.

We continue to actively review our asset base and working capital to ensure that the organisation's funds are working hard for the people we support.

EXPENDITURE

Total expenditure increased in the year by 9.1%, with a significant increase in reliance on agency staffing being the main factor, which clearly reflects the sector wide staffing shortage.

We continue to focus on the quality of care delivered, coupled with a drive to improve staff recruitment and retention, with new systems in place to assist with this. External and legislative requirements continue to put pressure on costs, such as inflation and the national living wage, combined with the challenge of continuing fee uplifts that do not reflect fully the cost pressures we are experiencing.

Working capital management continues to be a priority, enabling the charity to be flexible in how we fund future growth. We maintain close working relationships with key local authorities to ensure invoicing and the receipt of funds are carried out in a timely manner. Fee debtor balances have increased during the last year as a direct result of the growth we have seen in the last 12 months, whilst there continues to be focus from both FitzRoy and the local authorities working closely together to ensure any issues are resolved as they arise.

RESERVES POLICY

Maintaining financial sustainability is one of the key elements in the charity's on-going risk assessment. The Trustees and Executive team review the main risks to the charity as part of their annual procedures.

The general reserve target was reviewed in 2023 and a range of £7.4m to £10.8m was set considering the continuing growth of the charity and the need to cover short term risks and uncertainties, working capital requirements and contractual obligations to staff. We end the year with free reserves within the target range, lower than the prior year due to losses incurred in 2022/23. Designated funds still include an amount for future property and digital transformation works.

Operationally this level of free reserve is needed to address the significant challenges we anticipate over the coming years. In particular, recruitment and retention issues, the necessity to continue to offer attractive pay and benefit packages to our care staff against a backdrop of ever tightening local authority

fee uplifts.

As we continue on our journey of digital transformation, bedding in those projects that went live in 2022/23 – rostering, online care planning and quality management tools – we will in 2023/24 focus on cyber security as well as other smaller projects. We also continue to invest in our property portfolio, resulting in a small projected surplus for 2023/24, contributing to our reliance on free reserve level as it stands today. Cash reserves reduced by £2.2m due to operational losses incurred during the year as well as a slight increase in debtors and an equally small decrease in creditors. Despite the reduction cash remains well controlled.

At 31 March 2023 FitzRoy held a total of £22.4m in reserves, with £0.56m Restricted, £13.8m Designated (made up of Fixed Asset fund of £12.2m and Maintenance & Redevelopment fund of £1.6m) and £8.1m Free Reserve. It is expected that the designated Maintenance & Redevelopment fund will be utilised during 2023/24 to facilitate maintenance of our property portfolio and to invest in new digital transformation projects or services.

	£k
Restricted Funds:	
Amenity, Friends & Development	559
Designated Funds:	
Fixed Asset Fund	12,216
Maintenance, redevelopment & transformation	1,574
General Funds:	
Free Reserve	8,079
TOTAL FUNDS	22,428

INVESTMENT POLICY

The Memorandum and Articles of Association of the Charity provide the Trustees with the powers to make investments as they see fit. The investment strategy which has been set by the Trustees acknowledges that the greater part of the Charity's assets are invested in properties used for the Charity's purpose. It aims to invest those reserves of the Charity not utilised in the Charity's properties and in excess of a prudent cash reserve, to maintain the capital value in real terms over the longer term.

The small part of investments held in equities decreased this year to £29k from £30k in the previous year to March 2022. The capital value of investments decreased this year with an unrealised loss in the year of £1.7k as a result of the changes in the stock market. The actual amount invested in the stock market at the end of the year, was £67.4k.

RISKS AND UNCERTAINTIES

A risk register has been established for some years and is reviewed on a regular basis by each sub-committee as well as the trustee board, it is then formally updated annually. The principal risks and uncertainties identified are failure to complete our digital transformation & business systems programme, loss of income, staff recruitment & retention, along with any changes in regulation, fraud, and pandemic. To manage these risks, we have a digital transformation and business systems strategy in place with a senior leadership team driving new ways of working, finance/operational process to address loss of income, processes in place to address the development of staff and their pay and benefits package, as well as tried and tested systems and procedures formulated to manage and mitigate the risks the charity faces.

In addition, we have a robust disaster recovery plan in place and have made a significant investment in our business systems, infrastructure & resource and will continue to prioritise this in the coming year, in order to ensure business continuity.

Given the nature of the sector that FitzRoy operates in, a key risk is delivering quality support to vulnerable adults, whilst actively working to minimise and protect those we support from any safeguarding issues.

We have seen a slight increase in inflation related fee increases compared to last year, however uplifts and the cost-of-living pressures remain critical challenges in the current environment of increased staffing costs along with recruitment difficulties facing the sector. In the medium-term, the sector continues to call upon the Government and Local Authorities to recognise the increasing funding pressure we face, specifically around the National Living Wage.

The overall vacancy rate of people that use our services reduced this year, as a percentage of income 5.4% (2022: 2.7%), a total of 26 (2022:24) vacancies at the end of the year. There are specific locations and specialised services where we continue to work closely with the local authorities to understand how best to ensure vacant beds match the needs of the individual's awaiting placement, and to understand the correct levels of demand in the area.

Long-term sustainability and liquidity remains a primary financial objective and the organisational strategy underpins this objective. Upward salary pressures, driven by legislation regarding the National Living Wage, compound this issue and mean we need to consistently review our processes for efficiencies, and our structure for opportunities to reduce our overhead base.

Being appropriately prepared for a major incident remains a critical priority with the continued review of our disaster recovery plan; this is actively reviewed by Executive team on a periodic basis.

Structure, Governance and Management

The charity is incorporated as a company limited by guarantee and is governed in accordance with its Memorandum and Articles of Association.

STATEMENT OF TRUSTEES' RESPONSIBILITIES AND CORPORATE GOVERNANCE

The Trustees constitute Directors of the Company for the purposes of the Companies Act 2006 and Trustees of the Charity for the purposes of the Charities Act 2011. A full list of all Trustees is given on page one.

In an effort to maintain a broad mix of both skills and diversity of Trustees, the Board regularly review its ability to provide support to the officers of the charity and, in the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election. Over the years we have employed selective advertising including social media channels, external recruitment consultants as well as more traditional networking opportunities to recruit Trustees. New Trustees are taken through an induction process that includes visits to a number of our services across the country to familiarise themselves with the running of the Charity. A number of our current Trustees have direct experience of learning disability within their own families.

Section 172 of the UK Companies Act 2006 states that all Trustees must act in accordance with a set of general duties. A Trustee of a charitable organisation must act in the way they consider, in good faith, would most likely promote the success of the charity for the benefit of its stakeholders as a whole, and in doing so have regard (amongst other matters) to the:

- likely consequences of any decisions in the long term
- interests of the charitable company's employees
- need to foster the charitable company's business relationships with suppliers, customers and other
- impact of the charitable company's operations on the community and the environment
- charitable company's reputation for standards and business conduct; and
- need to act fairly between members of the charitable company

The following paragraphs summarise how the Trustees fulfil their duties:

The Board of Trustees generally meets six times a year to assess the overall direction and governance

of FitzRoy but regularly reviews the frequency of meetings to support the needs of the organisation. The Trustees delegate the exercise of certain functions in connection with the management and administration of the charity to seven sub-committees, which are: Finance, Remuneration, Nominations, Quality, Safeguarding, Property, People, and Investment. These groups meet regularly and report back to the Board on a regular basis and seek full ratification of certain decisions.

Each year the Trustees hold an extended all day strategy meeting with the Executive team. This provides an opportunity to reflect on the strategic direction of the charity, visit services, meet service users, review the major risks to the charity and undergo training.

A review of Board performance and Trustee chair performance is conducted annually by way of survey to each individual Trustee. The consolidated survey feedback is discussed with the full Board with recommendations forming part of the annual governance workplan. In 2022/23 we undertook an external governance review conducted by an independent consultant. The final report, whilst including recommendations, which will be incorporated into our working governance practices during the coming year, also stated “We conclude that overall FitzRoy has a high standard of governance. It has appropriate structures, well managed processes, and excellent board dynamics”.

People we Support & families

We have a service user group, called Nationwide, where members of this group regularly report to the Board with their suggestions for the organisation. The board also meet with the Nationwide group socially on an annual basis.

An annual satisfaction survey is carried out, this is completed by the people we support and all external stakeholders, the results of which are reported back to this same group as well as the board of Trustees. The results are then used in various forms of external marketing communications including the FitzRoy news, communications with commissioners, donors, and families alike. The executive team, along with the board would reflect on suggestions, comments raised in the survey and feedback any actions.

Supporters & donors

We work closely with our supporters and donors to ensure we are engaging with them effectively. They receive our supporter communications based on their personal preferences and are engaged with on a one-to-one level with the fundraising team and CEO where appropriate.

The income from our supporters and donor’s links into the Finance Committee which meets four times per year, where budgets, forecasts and results are reviewed. A report from the Director of Transformation, IT, Comms & Fundraising is reviewed by the main board on a bi-monthly basis.

We have a group of Ambassadors who are made up of long-term supporters of the charity, trustees are involved an organised annual event to communicate the organisational strategy and get feedback from this valued group of supporters.

Employees

The knowledge and expertise of our staff across the organisation is a critical asset and helps the charity to thrive. Every day their commitment means that we achieve our charitable objectives, and we place a huge emphasis on recognising the tremendous contribution they make.

The global pandemic has shown us more than ever just how extraordinary our staff are. During Covid, we continued to prioritise the wellbeing of our staff and conducted regular staff temperature checks and virtual meetings with all service managers and deputies.

Our front-line teams have embraced digital transformation, and we are utilising technology to engage with staff more, ensuring everyone who works for FitzRoy feels valued and achieves their potential.

Going forward, we are seeking to enhance how we engage with staff and will integrate small and more regular pulse surveys into our digital support planning tool. We are also committed to enabling greater communication and connection across the organisation. This will be by improving our commitment to Workplace and encouraging people to regularly access our staff self-service portal.

Our senior management and trustees often visit services to meet with staff, the people we support and their families. The leadership team also meet with regional management teams on a regular basis where valuable feedback from frontline staff is discussed.

Suppliers

We value all our suppliers and have both local and national contracts, where appropriate. Communication transparency in dealing with suppliers is delegated to the Finance Committee and executive team who will discuss any major contracts and or supply issues as and when appropriate. Budgets, forecasts, and actual results are reviewed on a regular basis by the Finance Committee and the Board.

Community & Environment

FitzRoy hold community fundraising events in order to engage the local communities where the people we support live. We have local volunteers who support in many ways, which may include gardening, enabling the people we support to carry out volunteer work themselves, have a void in their community or carrying out activities within a service.

The trustees recognise the importance of leading a charity that not only generates value for its beneficiaries, but also to the wider society. We recognise the environmental and climate risks, and we are committed to reducing, where possible, the impact of our operations and minimise our environmental impact. In order to achieve this FitzRoy ensures waste is recycled where possible, the most efficient light sources are used and will continue to ensure the use of the most energy efficient heating systems, double glazed sealed units are in place in order to reduce energy usage.

During the last financial year, FitzRoy used 3,532,918 kWh (2022, 3,650,239 kWh) of energy from gas and electricity, as well as 118,924 litres (2022, 96,202 litres) of diesel, petrol, and heating oil. This resulted in total gross kg CO₂ of 775,561 (2022, 823,454) and an intensity ratio of tCO₂ of 0.01913 (2022, 0.021444) per £1m of income from care services.

The methodology used to produce these results was to collect the kWh, litres of diesel, petrol, and heating oil usage data from our various suppliers, we also used data collected from reimbursed business travel from our accounting systems. We then used the 'UK Government GHG Conversion Factors for Company Reporting' to convert the source data into kg CO₂e units and from then used our turnover for the year 2022/23 to produce our intensity ratio.

Modern Slavery

The organisation are committed to preventing modern slavery in its charitable activities and supply chains. Modern slavery encompasses slavery, forced labour, human trafficking, and domestic servitude. A copy of our modern slavery statement can be found on our website.

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with the UK Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements 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 of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 show and explain the Charity's transactions, 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.

All of the current Trustees have taken all reasonable steps which, to the best of their knowledge and belief they ought to have taken, to make themselves aware of any information needed by the Charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any information which they understand would be relevant to the audit of which the auditors are unaware.

The Charity is managed on a day-to-day basis by its Officers and Executive team under the leadership of the Chief Executive, who is appointed by and responsible to the Trustees.

The Board of Trustees review and approve changes in remuneration to all staff annually, with delegated powers to the Remuneration Committee for senior staff remuneration and performance, which is measured against overall organisational KPI's.

FUNDRAISING PRACTICES

FitzRoy is a charity primarily funded by local authorities, who pay for the care we provide. However, it is fundraising that enables us, particularly in an environment of shrinking care packages, to stay true to our values of providing transformative support.

Our supporters are especially important to us, and we see our relationship with them as a partnership; working together to achieve something special for vulnerable people. Thank you to all the individuals, trusts and foundations, community groups and companies who have supported us this year.

We are proud of our fundraising practise and work hard to make sure we are fully compliant with all relevant regulations. FitzRoy is an organisational member of the Fundraising Regulator and the Chartered Institute of Fundraising.

We take our responsibilities to our supporters very seriously; we never buy supporter data from third parties or sell supporter data to any other organisation or charities.

The fundraising team currently consists of 1.35 full-time equivalent professional fundraisers. We encourage all our colleagues based in our services across the country to fundraise. We support staff who fundraise for us with advice, materials, and practical help.

FitzRoy has several internal policies in place related to fundraising including an Individuals in Potentially Vulnerable Circumstances Policy. These are regularly reviewed by the Director of Transformation, IT, Communications and Fundraising who reports to the Board of Trustees on all aspects of fundraising strategy.

We received no complaints during 2022-2023.

We are immensely grateful to all the people who donated, took part in our fundraising activities, and cheered us on through what was another extremely challenging year.

ORGANISATIONAL CHANGES

Board of Trustees

During the year we saw one trustee resign and two new trustees be appointed.

Auditors

A resolution proposing that Moore Kingston Smith be reappointed as auditors will be put to the Annual General meeting.

The Trustees' Report and Strategic Report were approved by the Trustees in their capacity as Directors of the company on 6th July 2023 and are signed on their behalf by:



Martin Kyndt
Trustee and Chair of the Board of Trustees



Opinion

We have audited the financial statements of Fitzroy Support ('the company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2023 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 Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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 course of 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, 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.

Auditor's Responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

15 August 2023

Andrew Stickland (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date
9 Appold Street
London
EC2A 2AP

Statement of Financial Activities for the year ended 31 March 2023 (Incorporating an income and expenditure account)

	Notes	Unrestricted Funds	Restricted Funds	Total to 31 March 2023	Total to 31 March 2022
		£	£	£	£
Income and endowments from:					
Donations and Legacies		534,007	117,445	651,452	2,582,955
Charitable Activities - Income from care services		40,551,989	-	40,551,989	38,406,478
Investment income & interest receivable		97,112	-	97,112	11,269
Other:					
Gain on sale of fixed asset		-	-	-	33,800
Total Income	2	41,183,108	117,445	41,300,553	41,034,502
Expenditure on:					
Raising Funds		184,934	-	184,934	236,583
Cost of care services		42,361,829	146,971	42,508,800	38,875,198
Total Expenditure	3	42,546,763	146,971	42,693,734	39,111,781
Net income/(expenditure)		(1,363,655)	(29,526)	(1,393,181)	1,922,721
Net gains/(loss) on revaluation of investments	5	(1,690)	-	(1,690)	3,395
Transfers	8	20,000	(20,000)	-	-
Net movement of funds		(1,345,345)	(49,526)	(1,394,871)	1,926,116
<i>Reconciliation of funds:</i>					
Total funds brought forward	8	23,214,979	608,032	23,823,011	21,896,895
Total funds carried forward	8	21,869,634	558,506	22,428,140	23,823,011

* There are no recognised gains and losses other than those stated above.

* All of the above results derive from continuing activities.

* The notes on pages 25 to 32 form part of these financial statements.

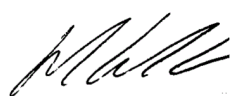
Balance Sheet as at 31 March 2023

Company Registration Number: 2699902

	Notes	£	2023 £	£	2022 £
Fixed assets					
Tangible assets	4				
Property			11,916,481		11,486,269
Equipment			299,785		190,825
			12,216,266		11,677,094
Investments	5		67,444		69,134
			12,283,710		11,746,228
Current assets					
Debtors	6	5,345,933		5,148,176	
Bank deposits		6,772,154		10,008,890	
Cash at bank and in hand		1,506,153		493,634	
		13,624,240		15,650,700	
Creditors: amounts falling due within one year	7	(3,479,810)		(3,573,917)	
Net Current Assets			10,144,430		12,076,783
Total assets less current liabilities			22,428,140		23,823,011
Total Net Assets			22,428,140		23,823,011
Funds					
Restricted income funds	8,9		558,505		608,031
Designated funds	8,9		13,790,674		14,092,664
Unrestricted income fund	8,9		8,078,961		9,122,316
Total charity funds	8,9		22,428,140		23,823,011

The notes on pages 25 to 32 form part of these financial statements.

The financial statements were approved by the Board, authorised for issue on 6th July 2023, and signed on its behalf by:



Martin Kyndt
Trustee and Chair of the Board of Trustees



Dawn Jacobs
Chair of the Finance Committee

Cash Flow Statement for the year ended 31 March 2023

	Notes	2023	2022
		£	£
Net cash inflow from operating activities (See note below)		(1,433,552)	630,723
Cash flows from investing activities:			
Interest received		94,768	9,823
Investment income		2,344	1,447
Purchase of tangible fixed assets	4	(887,777)	(320,716)
Proceeds on investments/sale of fixed assets		-	33,800
Net cash from investing activities		(790,665)	(275,646)
Cash flows from financing activities:			
Repayment of borrowings		-	-
Interest paid		-	-
Net cash used in financing activities		-	-
Change in cash and cash equivalents in the reporting period		(2,224,217)	355,077
Cash at start of year		10,502,524	10,147,447
Cash at end of year		8,278,307	10,502,524
(Decrease)/Increase in Cash		(2,224,217)	355,077

I. Reconciliation of net income to net cash inflow from operating activities

	2023	2022
	£	£
Net incoming resources	(1,394,871)	1,926,116
Return from investments	(97,112)	(11,269)
(Gains)/losses on investments	1,690	(3,395)
Bank interest paid	0	0
Depreciation charge	348,605	431,095
Surplus on sale of asset	-	(33,800)
Decrease/(Increase) in debtors	(197,758)	(1,275,956)
Increase/(Decrease) in creditors	(94,106)	(402,068)
Net cash inflow from operating activities	(1,433,552)	630,723

The notes on pages 26 to 33 form part of these financial statements.

Notes to the Financial Statements for the year ended 31 March 2023

1. ACCOUNTING POLICIES

a) Basis of accounting

FitzRoy is a public benefit entity, and the Trustees consider it to be a going concern. The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments. They accord with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2019) and Companies Act 2006. The accounts have been prepared under FRS 102 and SORP 2019.

The following are the principal accounting policies, which, other than stated below, have not changed in the year.

b) Going concern

We continue to produce detailed forecasts which cover the current financial year and 2/3 years hence, these are reviewed by the Finance Committee and board post year end. The 2023/24 projection shows a small surplus operationally, with the following years in greater surplus. Given our strong reserves position which enables us to carry out the work set out in our strategy, and the focused KPIs set for 2023/24, the Trustees have concluded that the charity can meet its debts as they fall due and consequently the charity continues to adopt the going concern basis in preparing its financial statements.

c) Group accounts

The charity has one subsidiary undertaking, Love4Life, a charitable incorporated organisation, which commenced activity on 1 April 2022. The financial statements of Love4Life have not been consolidated into these financial statements on the grounds of materiality and therefore these financial statements are those of the charity and not the group.

d) Fund accounting

Unrestricted funds comprise Designated Funds and the General Fund/Free Reserve and represent the accumulated net surplus of unrestricted income over expenditure. They are available for use by the Charity in furtherance of its general objectives. Designated funds comprise unrestricted funds which have been set aside at the discretion of the Trustees for specific purposes. Restricted funds are funds subject to specific restrictive conditions imposed by donors. Interest income is allocated to the various funds according to cash balances and investments attributable to them. The purpose and use of the designated and restricted funds are set out in the notes to the financial statements.

e) Income

Income is accounted for on a receivable basis, except donations which are credited in the year in which they are received. The charity's income largely comprises of contracts for care services, recognised as the service is delivered. Legacies are regarded as receivable when it is probable that the legacy will be received, and its value can be measured reliably.

Income from Government grants is accounted for when the charity has entitlement to the funds, any conditions attached to the grants have been met and it is probable that the income will be received, the amount can be measured reliably and is not deferred.

f) Expenditure

The expenditure is classified under categories which reflect the use of the resource. Central costs are allocated to cost of care services, this being over 99% of total direct expenditure. Irrecoverable VAT is included in expenditure.

g) Tangible fixed assets

The costs of acquisition of and adaptation to freehold properties, excluding the land value, are depreciated over their useful lives

Notes to the Financial Statements

Properties are split into their component parts and associated useful lives are:

- Bathrooms - 10 years
- Boilers and heating - 15 years
- Bricks and mortar - 100 years
- Electrical re-wire - 30 years
- Kitchens - 15 years
- Lifts - 40 years
- Roofs (*flat & pitched*) - 25 & 50 years
- Specialised baths - 10 years
- Windows and doors - 25 years

Other tangible fixed assets are stated at cost including any incidental expenses of acquisition and depreciated by equal annual instalments over the expected useful lives of the assets, which are as follows:

- Computers - 4 years
- Furniture and equipment - 4-8 years
- Motor vehicles - 4 years
- Office fixtures and fittings - 10 years
- Short leasehold properties - the length of the lease/ contract

Any expenditure below £2,000 is included in the Statement of Financial Activities.

h) Investments

Investments are stated at market value. All gains and losses on revaluations are shown in the Statement of Financial Activities. Income from the investments is recognised in the year in which it arises.

i) Financial Instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments in accordance with FRS102. Basic financial instruments are initially recognised at the transaction value and subsequently measured at their settlement value.

j) Debtors

Fee and other debtors are measured at their recoverable amounts, prepayments are valued at the amount prepaid at 31 March 2023.

k) Operating leases

Operating lease rentals are charged to the Statement of Financial Activities as they become due.

l) Creditors

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 recognised at their settlement amount after allowing for any trade discounts due.

m) Liquid resources

Cash at bank represents non-interest-bearing bank balances that form the day to day working capital of the Charity. Bank deposits represent funds not required immediately held in interest bearing accounts typically for fixed periods.

n) Key judgements & estimates

The Charity makes an estimate on the recoverable value of fee and other debtors. When assessing the impairment of these debtors, management considers factors including the ageing profile of the debtors and historical experience. £107,554 bad debt provision is included within the debtor balances in note 6. The charity estimates the useful lives of fixed asset components. The estimates and associated assumptions are based on historical experience within the charity and also by utilising guidance from the NHF (National Housing Federation). Dilapidation accruals are also estimated based on works required over the life of the repairing lease and historical experience.

Notes to the Financial Statements

n) Pension costs

The Charity participates in both defined benefit (multi-employer) and defined contribution schemes which require contributions to be made to separately administered funds. Contributions to the charity's defined contribution pension schemes are charged to the statement of financial activities in the year in which they are incurred. In the case of the multi-employer, defined benefit pension scheme where it is not possible to identify the underlying assets and liabilities relating to the individual participating employers, contributions for these schemes are also charged to the statement of financial activities in the year in which they are incurred.

2. INCOME

Income from Local Authorities relates to care services provided. £117,445 (2022 £255,263) of income from donations & legacies is classified as restricted, all other income was unrestricted.

3. EXPENDITURE

	Staff Costs £	Other Costs £	Total 2023 £	Total 2022 £
<i>Expenditure on:</i>				
Cost of Care Services				
Direct	34,198,370	4,664,353	38,862,723	35,570,355
Support	2,121,566	-	2,121,566	1,858,825
Marketing	-	46,637	46,637	52,509
Business Systems	-	292,390	292,390	238,346
Depreciation	-	15,549	15,549	15,549
Recruitment/Training/Insurance	-	52,127	52,127	174,958
Office & administration	-	892,597	892,597	782,677
Governance	145,000	80,211	225,211	181,979
	36,464,936	6,043,864	42,508,800	38,875,198
<i>Expenditure on raising funds:</i>				
Fundraising and publicity costs	127,528	57,406	184,934	236,583
Total Outgoing Resources	36,592,464	6,101,270	42,693,734	39,111,781

Expenditure included in the current year of £146,971 (2022 £290,999) is classified as restricted against the cost of care services.

	2023 £	2022 £
Total resources expended are stated after charging:		
Auditor's remuneration –		
Audit services	39,740	38,592
Other services	-	-
Depreciation of fixed assets	348,605	431,095
Lease Payments –		
Land & buildings	173,328	254,519
Plant, Equipment & Vehicles	317,240	338,893

Notes to the Financial Statements

	£	£
Other costs, analysed above as Governance, cover the following categories:		
Auditor's remuneration	39,740	38,592
Trustee meeting costs	12,654	4,048
Governance related professional fees	26,824	1,018
Trustee expenses	993	321
	80,211	43,979

Governance costs include audit fee, trustee related expenses, face-to-face meeting costs along with an allocation of staff costs to support the internal audit, statutory reporting, and strategic planning roles. Governance related professional fees include the external governance review as well as an external Theory of Change review including our vision and purpose.

	2023	2022
	£	£
Staff costs during the year amounted to:		
Salaries	27,611,432	25,779,643
Redundancy costs	48,102	6,193
Social security costs	2,310,754	2,051,916
Employer's pension contributions	777,179	794,084
Apprenticeship levy	123,972	116,480
Other forms of employee benefits	124,534	132,672
	30,995,973	28,880,988
Agency staff costs	5,596,489	3,950,605
	36,592,462	32,831,593

	Number 2023	Number 2022
The average number of full-time equivalents, including overtime and non-contracted staff but excluding agency staff was:		
Care provision	1010	966
Fundraising	3	3
Total	1013	969

	Number 2023	Number 2022
The average number of staff, comprising both part and fulltime employees, during the year, analysed by function was:		
Care provision	1355	1,331
Fundraising	4	6
Total	1359	1,337

Notes to the Financial Statements

At 31 March 2023, the Charity employed 619 (2022: 508) full time staff and 828 (2022: 716) part time staff. The total emoluments of employees earning more than £60,000 per annum (including benefits in kind but excluding employer's pension contributions) fall within the following bands:

	Number 2023	Number 2022
£70,001 - £80,000	1	2
£80,001 - £90,000	2	1
£90,001 - £100,000	1	1
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-

For the above members of staff, pension contributions amounting to £38,453 (2022: £36,890) were paid into a money purchase plan. Total salaries and benefits paid to key management personnel & directors amounted to £580,201 (2022 £554,567).

The Trustees neither received nor waived any remuneration during the current or preceding financial years. Travel expenses for their meetings reimbursed during the year amounted to £993 for 5 Trustees (2022: £321 for 2 Trustees), with a gradual shift to more face-to-face meetings and a more hybrid approach. The Charity operates a strict expenses policy that has been reviewed and approved by the Chairman and the Trustees and is applicable to all staff, Directors, and Trustees. There are no transactions with related parties which require disclosure (2022: none).

4. TANGIBLE FIXED ASSETS

	Freehold property £	Assets under construction £	Long leasehold £	Short leasehold £	Computers £	Furniture & Equipment £	Total £
Cost							
At 1 April 2022	14,270,941	405,016	789,451	706,880	323,511	1,374,585	17,870,384
Additions	375,464	308,775	-	23,500	-	180,038	887,777
Disposals	-	-	-	(191,256)	(6,775)	(32,058)	(230,089)
At 31 March 2023	14,646,405	713,791	789,451	539,124	316,736	1,522,565	18,528,072
Depreciation							
At 1 April 2022	3,375,882	-	789,451	520,686	323,511	1,183,760	6,193,290
Charge	257,085	-	-	20,442	-	71,078	348,605
Disposals	-	-	-	(191,256)	(6,775)	(32,058)	(249,744)
At 31 March 2023	3,632,967	-	789,451	349,872	316,736	1,222,780	6,311,807
Net book value							
At 1 April 2022	10,895,059	405,016	-	186,194	-	190,825	11,677,094
At 31 March 2023	11,013,438	713,791	-	189,252	-	299,785	12,216,266

Notes to the Financial Statements

5. INVESTMENTS

	2023	2022
	£	£
Market Value at 1 April 2022	69,134	65,739
Sale proceeds	-	-
Net unrealised investment gain/(losses)	(1,690)	3,395
Market Value as at 31 March 2023	67,444	69,134

Investments are analysed as follows:

Government Bonds	14,000	14,000
UK Equities	29,072	30,084
UK Investment Trusts	19,525	20,203
UK Unit Trusts	4,847	4,847
TOTAL	67,444	69,134

6. DEBTORS AND PREPAYMENTS

	2023	2022
	£	£
Fee debtors	2,988,467	2,196,868
Accrued income	486,087	192,492
Other debtors	1,511,279	2,435,345
Prepayments	360,100	323,471
	5,345,933	5,148,176

7. CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	619,432	681,156
Accruals and deferred income	1,990,845	1,990,757
Other creditors	322,760	377,099
Taxation and social security	546,773	524,905
	3,479,810	3,573,917

Deferred income of £832k (2022 £845k) relates to invoicing for care services in late March 2023, relating to services provided during April 2023.

Notes to the Financial Statements

8. FUNDS

	Balance at 1 April 2022	Incoming resources & unrealised loss	Outgoing resources	Inter fund transfers	Balance at 31 March 2023
	£	£	£	£	£
Amenity, Friends & Development Fund	608,031	117,445	(146,971)	(20,000)	558,505
Restricted funds	608,031	117,445	(146,971)	(20,000)	558,505
Designated funds					
Fixed asset funds	11,677,094	-	(98,861)	638,033	12,216,266
Maintenance and redevelopment projects	2,020,140	-	(139,057)	(504,689)	1,376,394
Transformation fund	395,430	-	-	(197,416)	198,014
sub-total	14,092,664	-	(237,918)	(64,072)	13,790,674
General fund	9,122,316	41,181,417	(42,308,844)	84,072	8,078,961
Total funds	23,823,011	41,298,862	(42,693,733)	-	22,428,140

Restricted Funds

The Amenity, Friends and Development fund relates to monies raised for specific projects in services or central support functions, as well as unexpended donations resulting from specific appeals to be applied on development projects and smaller projects across the activities of the Charity. Transfers take place from this to the Fixed Asset fund because of expenditure on capital items. Inter fund transfers represents designated funds previously classified as restricted funds, in recognition that the restriction placed on these funds has been fulfilled.

Designated Funds

The Fixed Asset Fund represents the net book value of unrestricted funds already invested in properties and other fixed assets. The Maintenance and Redevelopment Projects Fund represents estimated amounts required to fund the on-going refurbishment and maintenance programmes of properties in the next financial year, with the Transformation fund enabling us to invest in new digital transformation projects or services.

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Balance at 31 March 2023 £
Tangible fixed assets	12,216,266	-	12,216,266
Investments	67,444	-	67,444
Net Current Assets	9,585,925	558,505	10,144,430
Creditors: amounts due after more than one year	-	-	-
Total	21,869,635	558,505	22,428,140

Notes to the Financial Statements

10. PENSION SCHEMES

The Charity contributes towards three employee pension schemes. The Creative Personal Pension Scheme is a money purchase plan with the Charity contributing between 4% and 10% of members' salaries, and up to 3% for the Auto Enrolment Scheme. The NHS and Local Government Pension Scheme (LGPS) are both schemes we continue to pay into as a result of staff transferring in under TUPE. Both LGPS schemes have carried out valuations in 2019, allocating the FitzRoy share of liabilities which total £5.1k over the next 3 years. Contributions for both NHS and LGPS schemes vary and are advised by either the NHS or LGPS administrating bodies.

11. OPERATING LEASE COMMITMENTS

	Land & Buildings	Plant, Equipment & Vehicles	Other	Land & Buildings	Plant, Equipment & Vehicles	Other
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Total future minimum lease payments under operating leases, expiring:						
Within one year	198,635	210,885	14,043	180,983	226,076	20,153
In the second to the fifth year	316,653	268,941	4,315	302,919	398,697	11,311
After five years	114,002	-	-	128,494	-	-
Total	629,290	479,826	18,358	612,396	624,773	31,464

12. CAPITAL COMMITMENTS

No significant capital commitments at the time of signing, however we continue to invest in our business systems and properties.

13. TAXATION

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of 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. No tax charge arose in the period.

14. RELATED PARTY TRANSACTIONS

As of the 31st of March 2023, FitzRoy Support owed Love4Life £62,731 with Love4Life owing FitzRoy Support £65,182. During the year, FitzRoy Support charged Love4Life £27,800 in management fees, whilst also making a grant of £70,000 to Love4Life.

There were no other related party transactions carried out during the year.

FitzRoy

transforming lives

FitzRoy transforms lives every day, supporting people with learning disabilities to do the simple things that make a real difference to their everyday life.

Our values – See the Person, Be Brave and Be Creative - guide us each step of the way and are as important now as when the charity first began.

Our vision is a society where people are treated as equals, regardless of their disability.

Our mission is to transform lives by supporting people with learning disabilities to lead the lives they choose.

Join the conversation



Central Support, FitzRoy House, 8 Hylton Road, Petersfield, Hampshire, GU32 3JY
Call: 01730 711 111 Web: www.fitzroy.org

Registered charity number 1011290. A Company Limited by Guarantee. Registered in England, number 2699902

