

Annual Report & Financial Statements

Year ended 31 March 2024



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Chair and Chief Executive's Annual report

Directors Report

Active Prospects provides high-quality impactful supported living, residential and community services, activities, and employment, for people with learning disabilities, physical and mental health needs, and autistic people across south-east England.

We are ambitious for our people, staff, and organisation to be the best we can, and we are so proud of the energy, commitment and achievements that are made by everyone, to deliver our purpose.

We have grown from a turnover of £6.9 million for the year to March 2016, to £16.5 million for the year to March 2024, more than doubling the number of people we support, including those with more complex needs and continuing to add greater depth to our offers to deliver our purpose.

We would like in our report to thank all our dedicated and hardworking staff, members of the Board, people we support, coproducers and our wider partners for shaping Active Prospects and enabling us to deliver our purpose.

Our Why and Our Vision

Our why (our mission and purpose) is to enable people to lead full and aspiring lives. We believe that people should be supported to shape their own lives, and we facilitate what matters to them, both ordinary and extraordinary.

We enable people to do the ordinary things that we all do – choose what to wear, eat, sleep, go out, meet friends, have loving relationships, look after our health and wellbeing, do something meaningful such as learn a new skill, volunteer or have a job, have a tenancy, do our household chores, and so on.

We also enable people to dream big and do extraordinary things and support them to make this happen – for example, go on a big holiday, lead a campaign or project, change something in their community, do something for the first time that they have always wanted to do, climb a mountain or go to a festival.

Our vision is for Active Prospects is to become impactful regionally and nationally, through enabling people to improve their health and wellbeing.

We facilitate and collaborate on several impactful research, practice development and systems engagement pieces of work that enable people to shape their services and communities, with the ultimate focus of living well and full lives.

Our Values

Aspiring - We are ambitious for our people and ourselves

Caring - We care about people and their wellbeing, acting with kindness and empathy

Trusting - We act with integrity, and are open, honest and transparent

Inclusive - We actively promote Equity Diversity and Inclusion in all we do

Vocal - We amplify the rights of people to have a good life with equitable health and wellbeing outcomes

Ethical - We work with integrity, uphold good governance principles and act sustainably.

Our Approach

At Active Prospects we focus on three key things - **quality, impact, and equity**.

Working together is central to our purpose people to leading aspiring lives, establishing quality standards and approaches, with a drive to keep learning, improving, and innovating. We have increased our quality ratings through this period of growth, investing heavily in staff training, clinical leadership, coaching and quality assurance. All our services are rated as good by the CQC (Care Quality Commission), with half having outstanding domains.

Our recently refreshed jointly created outcome model enables people to identify their aspirational goals. We are driven to enable people to live their best lives and to have a full range of choices and opportunities, leading their lives and achieving the things that matter to them.

Our Underlying Pillars

A focus on quality and outcomes – we continue to invest in quality assurance, staff training and development as the quality of our provision is the foundation of our success and that of our people.

Working side-by-side with people we support – our award-winning approach to co-production with the people we support is one of our strengths and this centres everything we do and continues to drive us forward. Our people shape their care, what matters in supporting their wellbeing, and enabling inclusive communities. They advocate for system-wide improvements to address health and wellbeing inequalities as experts with lived experience.

Being resilient – it is tough working in social care and being reliant on publicly-funded services, and made even tougher by rising costs, but we do it because we believe in the power of great care to transform people's lives and widen opportunities. We are caring and supportive as colleagues. We pay above the real living wage and campaign for fair wages for care staff as skilled employees.

Problem-solving – although we believe it is important to highlight challenges and injustices, we will always strive to find solutions to difficulties and challenges. If there are gaps in services or needs not being met, we seek to address this. We are inspired by everyone throughout the organisation.

Focus on improvement – we invest in robust quality assurance giving us feedback and analytical reviews across all our areas. We identify, address and learn from our mistakes and from things that are not working, adapting and evolving shared best practice.

Creative – we don't stand still: we constantly look for new ways to provide better care and wellbeing and innovating to help people to lead aspiring lives.

Collaborative – as an active part of the Voluntary Community and Social Enterprise Sector both locally and nationally we join forces to support an equal say in strategic discussions and to support and drive best practice approaches, so everyone can live healthy and fulfilled lives.

Entrepreneurial – we invest in our future and look at ways to generate income to deliver our objectives, to meet the aspirations of people we support and to enhance our communities.

Impact of our work over the last year

We recently won Employer of the Year at the National Learning Disability & Autism Awards, a rare accolade for an organisation of our size and geographical coverage. We also won Supported Living Provider at the Surrey Care Awards, and one of our teams at a Horley-based supported living homes won Team of the Year. Our growth and commercial acumen were recognised by being named as one of the SE100 top social enterprises in the UK for the fifth year running.

100% of our CQC regulated services are rated overall as 'Good' with a half achieving 'Outstanding' ratings in individual domains. When family and friends were asked if they would recommend Active Prospects to a friend 96% of the respondents said they would. As part of our annual surveys, we found that 100% of the people we support felt that their service was caring or very caring.

We have continued to grow our property portfolio and service offer despite the challenging economic climate. In particular, we have strengthened our reputation as a regional leader in enabling people, often with complex needs and behaviours of concern, to leave hospital to live in bespoke homes in their community. We have supported over 50 people to do this in the last five years (outperforming many national providers), with a 64% reduction in people's significant behaviours of concern through our specialist support programmes and a 94% success rate for placements for people leaving hospital after three years.

Our track record has created a virtuous circle, leading to approaches from commissioners at other local authorities and further success in accessing NHS Capital Grants to develop new specialist homes. In summer 2023 we opened six new purpose-built homes in Earlswood, with new developments in Horsham and Brighton & Hove opening in Autumn 2024. In total we have been awarded £12 million of NHS Capital Grant to develop much needed new homes for people leaving hospital. The capital investment creates longer-term savings to the public purse of over £4 million per annum.

This year we raised nearly £800k of grants and voluntary income, which has enabled us to expand our service offer and invest in new equipment, technology and facilities for people. Notably we launched two ambitious new programmes:

- + **Active Wellbeing Coaching Service** in East Surrey for autistic people with mental health needs. The service will provide 1:1 and group coaching for 180 or more people over the next two years, with the aim to achieve measurable improvements in their wellbeing across up to 9 areas of wellbeing. Participants will benefit from social prescription support augmented by discretionary funding for specific activities, support or equipment which will make the biggest positive impact on their wellbeing. We are currently developing a wellbeing web app for participants to record and measure their progress.
- + **Care Talent Collective:** we are the lead organisation for this innovative alliance of seven Surrey-based care providers. Thanks to a grant from the Surrey Workforce Innovation Fund, we are trialling a fast-track management pathway for talented people who are new to the care sector, as well as an enhanced apprenticeship which is mainly targeted at school and college leavers. The Care Talent Collective has also been funded by the Surrey Health and Care Partnership to lead the delivery of Oliver McGowan Mandatory Training with Active Prospects again the lead provider and accountable body.

We have continued to make progress with digital transformation. After successfully introducing a new digital care management system (Sekoia) in 2022-23 to all services, we have this year rolled out a new staffing capacity and rota management system (Sona). We have also been testing Sensor Based Falls Prevention and Detection Technology Pilot as part of the Digitising Social Care (DiSC) Programme at Surrey Heartlands ICB. We have introduced Just Roaming sensor-based monitoring technology to some of our complex needs services and continue to look for other opportunities to increase people's wellbeing and independence through assistive technology. We are looking forward to the positive impact that the Wellbeing web app mentioned above will have on the lives of people we support.

We again received annual accreditation from the NHS as being compliant with their Data Security and Protection Toolkit and retained Cyber Essentials status.

We continue to support our sister charity the Pro-Active Community to lead the way in amplifying people's voices on the issues which are most important to them. This has included co-producing projects and research studies looking at health and wellbeing inequalities; midwifery support for people with learning disabilities; accessing adaptive primary care and health screening; and money management. During the year ahead, we expect to create at least 40 paid work opportunities for people with learning disabilities and autistic people as part of the rollout of Oliver McGowan Mandatory Training.

Recruitment and retention of staff has improved this year. We continue to invest in staff wellbeing and inclusivity, increasing the number of paid work opportunities for people we support, and taking opportunities to celebrate the achievements of staff and people we support through the monthly Aspiring Staff Awards and annual Star Awards. We organised staff events such as our Black History Month celebration, summer BBQ, and Pride picnic. We retained our Disability Confident Leader accreditation and Mindful Employer status. Our diversity pay gap reports show a positive gender outcome and improving ethnicity pay gap – with improving representation throughout our pay profiles.

Sector Leadership we pride ourselves in playing a leading sector role to ensure that the voices, ideas and needs of our people and communities are heard and involved in shaping local services and national policies. We represent the VCSE on the Surrey Heartlands ICB Partnership Committee and various Committees and Board to help shape local systems. Our CEO Maria Mills is the Chair of the Surrey Care Association and Board Member of the National Care Forum. We share our expertise in many areas and help lead and raise best practice.

Listening and acting on feedback

We have made some improvements this year to how we seek feedback from people we support, their families or friends, and other organisations. We have introduced The Big Feedback, a quarterly open invitation to all people we support to attend an in-person feedback event. The Big Feedback focuses on specific themes such as policy improvements, quality and strategic input. We have also introduced a new tenant satisfaction survey and snapshot questionnaires for professionals visiting our homes; visitor feedback was overwhelmingly positive, with 94 % of visitors expressing confidence that the person they were visiting was receiving excellent care from staff, and that the home was well managed. Comments included:

“Staff are very happy and upbeat. Such a lovely atmosphere each time I visit.”

“The staff are always so welcoming. We are offered coffee and it feels very homely. The people who live there are very comfortable and cosy in their home and go out for nice outings.”

“[Staff] were welcoming to me and clearly care deeply for the client I saw.”

Our annual family and friends survey has continued to be a useful exercise to identify any areas where we could make improvements as well as highlight any areas of good practice. There were many positive comments received and acknowledgement of the care that is shown to people by our staff:

“I deal with lots of agencies, [Active Prospects] are the best.”

“[Care is] exceedingly good - very supportive.”

“Active Prospects is the only company who have listened to me about his needs as a parent.”

We recognise that there were areas we need to work on as an organisation concerning how our services are delivered: one theme was a desire for more responsiveness to queries and regular communication. Overall, however we saw positive trends in many areas:

- + **97%** of respondents would recommend Active Prospects to a friend
- + **93%** of respondents thought that their relatives' needs were being met
- + **97%** of respondents rated the overall care and support received by their relative/friend as good or very good
- + **97%** of respondents rated the support and interaction provided by support workers as very good or good
- + **97%** of respondents thought support staff were very caring or caring
- + **90%** of respondents thought that their relative received very good or good levels of support and encouragement to live a full and active life
- + **86%** of respondents thought that support staff ensure their relative/friend accesses appropriate health checks and follow up
- + **100%** of respondents felt their relative was safe and protected from avoidable harm
- + **93%** of respondents thought staff were responsive or very responsive to comments and suggestions
- + **72%** of respondents thought communication they receive about their relative's support; health & wellbeing was good or very good
- + **58%** of respondents thought general communication from Active Prospects was good or very good
- + **100%** of respondents agreed that the service manager for their relative/friend's service is approachable
- + **77%** of respondents agreed that they knew how to make a complaint should they wish to do so
- + **100%** of respondents thought the overall appearance of their relative/friend's residential service was good or very good
- + **100%** of respondents thought the homeliness of their relative/friend's residential service was good or very good
- + **100%** of respondents thought the cleanliness of their relative/friend's residential service was good or very good

Key Risks and Mitigation

Risk	Mitigation
Cash Flow: failure to maintain positive cash flow and surplus	<ul style="list-style-type: none"> + Monthly Review of development costs + Monthly cash forecasting and trend analysis + Daily cash/income checks + Weekly voids meetings + Staff utilisation weekly checks + Proactive relationship with the bank
Costs rising higher than income	<ul style="list-style-type: none"> + Budget set conservatively + Focusing business on higher margin activity + VFM reviews + Fees negotiations
Failure in developments/new project delivery	<ul style="list-style-type: none"> + Flexing budget and overheads if development programme stalls/slows + Pro-active relationship management and development + Systematic and rigorous approach to fee negotiations + Use and development of relevant KPIs + Ensuring quality standards and reputation is enhanced and protected + Evaluation of services and their financial viability + Strategic plan - growth through property strategy & geographical expansion - slowed down due to current funding climate
Low Staffing Capacity: failure to attract/retain staff	<ul style="list-style-type: none"> + Reviews of recruitment, rewards and retention + Staff appraisal and development + Organisational and Management Culture + Effective communication + Development of working environments
Low staff Resilience and Wellbeing	<ul style="list-style-type: none"> + Wellbeing Strategy + Wellbeing Resources: EAP, MHFAs, signposting + Team meetings and 1:1 support + Regular Structure Reviews
Failure in Service Quality	<ul style="list-style-type: none"> + Quality Assurance framework + Audits and KPIs + Inspection visits + Quality checker visits

Risk	Mitigation
Failure in safeguarding/ health and safety	<ul style="list-style-type: none"> + Staff Code of Conduct + Recruitment policy and procedures including appointment checks + Staff training & onboarding + Policies & Procedures + Staff Training + Reviews + Health and Safety Lead , Pyrotech and audits + Work with networks to ensure current practice + Risk assessments + Clearly defined roles and responsibilities + Safeguarding reviews + Clear policy and procedures + Incident reporting, follow up and (where necessary) investigation + PR & Media Strategy
Business Continuity (problems resulting from system failure, Cyber Attack, Environmental condition, natural disasters or terrorist activity)	<ul style="list-style-type: none"> + Disaster Recovery Plan + Information Technology - Security + Regular Testing + Use of new technologies and approaches: especially cloud based + Information Technology Strategy
Failure to meet current and emerging Legislation & Policy Changes - Compliance /Housing Benefit	<ul style="list-style-type: none"> + Environmental scanning through networks and membership groups e.g. SCA, VODG and LDE + Annual strategic planning and business planning ensuring that political, economic, social and technological factors are covered + Campaigning in partnership with relevant groups + Property development and maintenance to meet required standards and expectations + CEO co-chairs VODG housing group - there is regular DWP inputs on housing benefit - whole sector would be impacted
Failure to maintain Commissioner Relationships: Loss of contacts	<ul style="list-style-type: none"> + Stakeholder mapping and improvement plans + Monthly KAR Reports + Board Reports + Personal Relationships + Pro-active use of events to develop links
Failure to deliver new complex needs voids/Increasing Void Levels and failure to respond	<ul style="list-style-type: none"> + Focus new business on younger client group + Care Assessment Reviews + Monitoring of profiles and strategic plans + Working in conjunction with SCA to ensure costs fully covered by SCC + Reassess people with more complex needs to ensure right level of support provided and funded

Analysis of financial results 2023/24

Our Turnover increased in 2023/24 to £16.5m from £14.1m in 2022/23. This was as a result of price uplifts and as a result of new services being brought into operation.

Over 2023/24 we were able to produce an operating surplus of £659k compared to £284k in the prior year. After allowing for our pension liabilities our surplus for the year was £548k compared to £231k in the prior year. The surplus for 2022/23 was 2 % of our income and for 2023/24 this increased to 3 % : this being within the expectation of 3-4 % for our sector. This is against the background of continued increased costs and high inflation. This has been managed by the rationalisation of central office staff in the prior year and through continued careful cost control. Although we are a not-for-profit organisation, surpluses are required to allow us to reinvest in and maintain our properties, to meet covenant requirements from lenders, and to also allow us to build an acceptable level of free reserves to buffer against unforeseen circumstances or periods of significantly reduced income.

During the year we continued two major development projects in partnership with the NHS. This has resulted in an increase of £1.3m in our fixed assets.

We have also improved our cash position from £2.1m in 2022/23 to £3.3m in 2023/24. This has been achieved through prudent cash management, and also the receipt of NHS Capital Grants, and the receipt of large project grants at the end of 2023/24 for which expenditure did not occur until the following year. This is reflected in our unamortised grant value increase from £12.7m to £14.0m.

Going concern assessment for Active Prospects

For Active Prospects 2023/24 was like for all organisations in the care sector a real challenge both operationally and financially. However, we are pleased to say we have come out of the end of 2023/24 still in a strong financial position in terms of both contribution and cash management.

As an organisation, we continued to feel the impact of the cost-of-living crisis and the continued shortage of skilled staff in the sector.

The increased cost of living continues to impact our organisation in multiple ways:

- + Continuing increases in our ongoing maintenance costs for both raw materials and contractor costs. This is also reflected in the cost of the renovation works to our new properties.
- + Our commercial utility contract was fixed until Autumn 2023, and we were tied into significant cost increases of approximately 300 % of pre pandemic rates. The contracts were renewed in 2023 however these are at still significantly greater rates than obtain only a few years prior.
- + All consumable costs have continued to increase by the large inflationary rates seen across the country.

To manage these increases, we remain extremely prudent in terms of our cost management with extensive controls to try and minimise the impact of inflation on our cost base. In the prior year we had to make a number of central office positions redundant or did not back fill leavers. These positions remained unfilled for the current year thus helping control our central costs.

We have been able to continue to develop new properties in the year funded with grant monies from the NHS. We have brought on stream six flats with extensive communal facilities for people with complex needs in Redhill.

In Autumn 2024 we will be opening two further Complex needs properties - a four flat development in Horsham and a four flat development in Brighton.

As seen in the press, the care industry struggled to recruit and retain staff during the pandemic and unfortunately this situation remains. We have worked tirelessly to make sure we keep a core number of staff and limit the need for agency staff. We have increased the benefits package to staff and increased pay to our care staff by over 20% over the last two years. We aim to remain paying above the Real Living Wage.

We ascertain we are able to generate sufficient cash to meet our operational and financing repayment obligations for the next twelve months. We shall also continue to meet our loan covenants over the same period.

The Board has formally considered all key factors and considers that the organisation remains a going concern.

Our reserves policy

Active Prospects has a target level of cash reserves that will enable us to guard against uncertainties, invest in the future, continue to operate in a period of reduced income or increased expenditure and, should it be necessary, to cease to operate and wind up in an orderly fashion. The desirable level of reserves for this purpose will be three months' operating costs

It is acknowledged that even with the small diversity of funding bodies involved with Active Prospects, it is unlikely that no income will be received for a period of three full months. However, even with shortfalls in funding from one body this can be impactful.

However, it is further acknowledged that many of Active Prospects' activities relate to the provision of services that would likely be transferred to a new provider if Active Prospects were unable to continue to deliver those services and the associated operational staff would TUPE to that new provider.

Active Prospects approach to the minimum values of cash reserves is to ensure enough cash reserves to maintain normal core central operational activities for a period of six months to allow time for a restructure and handover, during which time operational staff would transfer to a new provider.

To meet the target for cash reserves in this policy, we require cash to be held equivalent of three months' operating costs. From the 2024/25 Budget this is £4.5m.

To meet the minimum value of cash reserves would be six months' budgeted core central running costs of £3.2m

As at the end of 2023/24 our cash reserves were £3.3m: although we have not reached our target level yet we have sufficient cash to meet our minimum cash reserve requirement. Per our reserves policy we continue to obtain surpluses of at least 2% of turnover in order to build the reserves to the target level.

In 2022/23 a new designated element of £0.68m for Repair Reserves was separately identified in our reserves for longer term repairs and renovations across our properties. During 2023/24 a further £0.08m was received and £0.07m was expended against this. The balance as at 30th April 2024 is £0.69m.

Our total reserves as of 31st March 2024 were £3.9m, of which £3.2m is free reserves and £0.7m is the Repairs Reserves.

Trustee governance, responsibilities and training

Active Prospects regularly reviews the skills and competencies of those on its Management Board and Sub-Committees to support meeting its governance requirements and strategic objectives, as well as to represent its communities. Board Members are appointed on three-year terms with a maximum tenure of 9 years. The Board and its sub-Committees all have clear terms of reference and each meet four times a year with an additional annual away day focused on key strategic themes and learning and development.

The Board agrees the broad strategy of the organisation, borrowing and investment strategies, risk management policies and performance. The Board are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations. In preparing the financial statements the Board are responsible for:

- + Selecting suitable accounting policies and applying them consistently.
- + Making judgements and estimates that are reasonable and prudent.
- + Stating whether the financial statements have been prepared in accordance with applicable law.
- + Preparing the financial statements on the going concern basis unless it is inappropriate so to do.

We recruit new Board Members through an open and transparent process. We use external advertising and consultants to increase our reach beyond our own channels (e.g. website and social media accounts) with an interview process against role descriptions. New members are provided with a thorough induction to support their understanding of governance requirements, strategy, operations, finance and risk. Training and learning are offered on an ongoing basis to support key areas, ranging from equity, diversity and inclusion, through to safeguarding and pension management. There is an appraisal process every two years to consider individual and collective development and this informs further governance support.

Officer roles are elected by members at the Board meeting following the AGM with appointments made on a 3-year term and maximum 2 terms.

Delegation of Responsibilities

The Organisation's Standing Orders consider what is the Board's responsibility and what is delegated to the Executive staff team. These are available on our website.

21.1 Annual returns to regulatory bodies

Ref	Authority for	Delegated to
AR1	Approving Annual Returns to Mutual Register as part of the Financial Conduct Authority	Company Secretary - currently the Chief Executive

21.2 Governance and strategic management and control

Ref	Authority for	Delegated to
G1	- Approval of Strategic Plan	Board
	- Approval of Business Plan	Board
	- Approval of subsidiary 3-year strategies such as Property, Business Development, Marketing, Quality, Equity Diversity, and Inclusion, Training and Development Strategy etc.	Relevant Committee, noted by Board
	- Annual plans for Teams and Departments	Executive Management Team
G2	Approval of authorised signatories	Board
G3	Approval of recommendation to the AGM on the appointment of the external auditors	Board, on recommendation from the Finance Audit & Risk Committee
G4	Approval of appointment of internal auditors	Board, on recommendation from Finance Audit & Risk Committee
G5	Recommending the external and internal audit fees	Board, on recommendation from Finance Audit & Finance Committee
G6	Agree any remedial action identified by the internal auditor	Board, on recommendation Finance Audit & Risk Committee
G7	Preparation and issue of notice, agenda, papers and minutes for meetings of Board	Chief Executive, in consultation with the Chair
G8	Approval of draft minutes of Board meetings	Chair
G9	Preparation and issue of notices, agenda, papers and minutes Committees	Chief Executive, in consultation with respective Chairs
G10	Preparation and issue of notices, agenda, papers and minutes of Hearing/Appeals/Advisory Panels, and Working Groups (parties/groups/panels)	Chief Executive (unless the subject of a hearing or appeal) in consultation with respective Chair
G11	Approval of draft minutes of Committee meetings	Appropriate Chair
G12	Preparation and issue of notice, agenda, papers and minutes for AGM	Secretary, in consultation with Chair

21.2 Governance and strategic management and control (continued)

Ref	Authority for	Delegated to
G13	Approval and Monitoring of all Registers required by Regulators	Board and for asset/financial registers on recommendation from Audit & Finance Committee
G14	Maintenance of all Registers required by Regulators	Chief Executive
G15	Making/approving statements to the press or other public statements	Chief Executive or Director of Business Development

21.3 Finance and Risk Management

Ref	Authority for	Delegated to
F1	Agreeing Financial Regulations and Procedures	Board
F2	Approving borrowing and investment strategies and principles	Board
F3	Ensuring borrowings and investments comply with statutory and regulatory requirements and Rules	Chief Executive, Finance Audit & Risk Committee and Board
F3	Reviewing the Organisation's statement on internal control systems prior to endorsement by Board and reviewing business risk and the management of these risks.	Board on recommendation from Finance Audit & Finance Committee
F4	Approval of Annual Accounts	Board on recommendation from Finance Audit & Risk Committee
F5	Approval of Budget	Board on recommendation from Finance Audit & Risk Committee
F6	Monitoring financial performance and reporting to the Board	Chief Executive, Director of Finance and Finance Audit & Risk Committee
F7	Ensuring annual external audit carried out	Finance Audit & Risk Committee and Director of Finance
F8	Agreeing and implementing remedial action identified in the course of the annual external audit	Finance Audit & Risk Committee (reporting to Board)
F9	Agreeing and overseeing the implementation of changes to accounting policies and practices	Finance Audit & Risk Committee
F10	- Agreeing the opening and closure of bank or building society accounts	Board, on recommendation from Finance Audit & Risk Committee
	- Holding of all bank and cheque books and other financial documentation	Director of Finance
F11	Approve the terms of all insurances	Finance Audit & Risk Committee
F12	Agree internal management control systems	Finance Audit & Risk Committee

21.3 Finance and Risk Management (continued)

Ref	Authority for	Delegated to
F13	Incur and instruct payment of all items of budgeted expenditure within the terms of agreed budgets and financial regulations	Chief Executive and officers specifically identified in Financial Regulations
F14	Agree action to address short term cash flow difficulties	Board
F15	Approval of the setting of annual rents and service charges	Board
F16	Agree to write off rent, rechargeable repairs, care invoices or other tenancy related debt within the terms of financial regulations above £20k a year (profile to come to the Finance Audit & Risk Committee as part of agreeing annual accounts)	Board
F17	- Agreeing process for appointment of new contractors and consultants under the terms of the procurement policy	Chief Executive
	- Maintenance of list of current contractors/consultants – annual reporting	Board
F18	Negotiating terms of loans to fund Organisation short, medium- and long-term requirements and making recommendations to the Board	Board
F19	Approving loan terms or parameters	Board
F20	Negotiating grant(s) to fund individual developments or acquisitions	Chief Executive

21.4 Employment and employer responsibilities

Ref	Authority for	Delegated to
E1	- Approve overall staffing budget	Board
	- Approval of Executive Leadership Team roles	Board
	- Approval of new or changed job roles (excluding ELT) within budget	Executive Management Team
E2	Approve significant changes to terms and conditions of employment	Board on recommendation from the People and Remuneration Committee
E3	Development and negotiation of all issues relating to remuneration of staff	Board on recommendation from the People and Remuneration Committee
E4	- Approving pension policy and arrangements and any other non-contractual benefits e.g. death in service benefits	Board
	- Day to day pension operations and signatory	Director of Finance
E5	Recruitment of Chief Executive	Board
E6	Recruitment of Executive staff	Chief Executive/ Board
E7	Line Management of Chief Executive	Chair
E8	Line Management of senior staff	Chief Executive
E9	Line Management of all other staff	Appropriate director/manager/team leader

21.4 Employment and employer responsibilities (continued)

Ref	Authority for	Delegated to
E10	Grievance and Disciplinary issues relating to Chief Executive	Chair
E11	Grievance and Disciplinary issues relating to Executive staff	Chief Executive or Board member
E12	Grievance and Disciplinary issues relating to all other staff	Appropriate manager/team leader
E13	Appeals Grievance, Disciplinary	One grade above hearing
E14	Dismissal	Panel and one EMT member with HR advice
E15	Suspension	EMT member with HR advice
E16	Whistleblowing outcome	EMT member, or Board if involve an Executive Team Member
E17	Redundancy	Less than 5 members of staff and no senior managers – Executive Management Team Otherwise Board, following recommendation from the People and Remuneration Committee

21.5 Housing, property management and care/service delivery

Ref	Authority for	Delegated to
H1	Signing tenancy agreements	Supported Housing Officer, Property Team Coordinator
H2	Entering into new management agreements or leases for supported or temporary housing Renewing management agreements or leases for supported or temporary housing	Board Chief Executive, Director of Property
H3	Entering into agency agreements for the receipt or provision of housing or property services e.g. management services, where these have financial or policy implications. Renewing agency agreements for receipt or provision of housing or property services	Board or as delegated to Chief Executive Chief Executive, Director of Care, Director of Property
H4	Instructing Recovery Action for breach of tenancy conditions	Director of Property and Director of Care
H5	Approving Eviction	Director of Property and Director of Care
H6	Approving the terms of the customer satisfaction survey	Director of Care
H7	Appointment of Contractors and Consultants for works, goods and services under the terms of the procurement policy, within budget and financial regulations.	Chief Executive or designated officer
H8	Agreeing the 30-year Property management plan and 3-year major repairs plan	Board
C1	Agreeing individual care contracts within an agreed framework	Director of Care
C2	Ending a care contract for an individual	Chief Executive
C3	Agreeing care/service contract value >£500k a year	Board, less £500k Chief Executive

21.6 Acquisition, Development or Disposal of land or property

Ref	Authority for	Delegated to
D1	Disposal of land and property	Board
D2	Taking and granting of leases over 3 years	Board
D3	Negotiating terms for the acquisition of sites or property and making recommendations to Board of Trustees	Chief Executive
	Approving Site or Property Acquisition	Board
D4	Approving: <ul style="list-style-type: none"> • in principle investment in new development or acquisition; • outline development proposals; • the establishment of development contracts or offers to purchase; • associated terms and parameters. 	Board, on recommendation of the Business Development Committee
	Negotiating or procuring development or acquisition contracts within set parameters	Chief Executive
D6	Agreeing savings to individual schemes:	Chief Executive
D7	Approving claims against Contractors/Consultants	Chief Executive, Director of Finance
	Intimating claims to contractors or consultants	

Public benefit guidance

Our trustees/Board Members review all appliance guidance and meet all requirements as an organisation with a charitable purpose.

Our charity trustees must ‘have regard’ to the commission’s public benefit guidance ‘when exercising any powers or duties to which the guidance is relevant’.

‘Having regard’ to its public benefit guidance means our charity trustees should be able to show that:

- + they are aware of the guidance
- + they have taken it into account when making a decision to which the guidance is relevant
- + if they have decided to depart from the guidance, they have good reasons for doing so

This requirement is covered in our board member’s handbook and as part of their induction. We review compliance with the Charity Codes and guidance regularly and make decisions with these in full regards.

Our future plans

Our forward strategy highlights our plans for the next three years and our key developments, targets and goals. We recognise the challenges of Social Care being in crisis, severe Cost of Living pressures and volatile policy changes that come with a change of government. We will however focus on being Louder and remaining Resilient and Impactful.

Decades of underfunding and neglect from Governments has seen thousands of people unable to get the care they need and a sector workforce that whilst bigger than the NHS, is not valued by society nor paid fairly in comparison to similar roles.

We are actively leading campaigns to create a new and fair deal for social care, with people who are supported and for our social care staff, and to shape local and national approaches and services. Whatever happens – we will be the best organisation we can be.

Our key strategic objectives

Given the scale of the challenges over the next three years, alongside our ambition to be regionally and nationally impactful - we will be focusing on the following themes:

A Louder Voice

A Louder Voice People having a strong impactful voice in shaping their health and wellbeing locally and nationally.

- + To continue to build our co-design work and range of impactful projects and programmes alongside the Pro-Active Community and experts by experience.
- + To increase the visibility and reach of our Voice work through regional and national events and joined-up collaborative work with key influencing bodies each year.
- + To develop and structure our advocacy and buddying approaches.
- + To further progress our leading work in developing and sharing best practice to support healthy weight and lifestyles with people with a learning disability in Surrey and other Integrated Care Systems.
- + To build further relationships with universities and research bodies to deliver expert by experience and evidence-based work to addressing health inequalities and contribute to System Leadership in these areas.
- + To further invest in and develop a substantial pool of experts by experience to be partners in quality assurance, research and training initiatives across our geographical areas.
- + To position and use our representative voice as system and sector leaders to advocate for the rights of the people we serve, that our staff as recognised and rewarded as skilled employees, and that the wider political and social environment supports our common purpose.

An Aspiring Life

An Aspiring Life People leading ordinary and extraordinary lives with equitable health and wellbeing outcomes.

- + To further position our offer and expertise as a complex care provider and successfully establish new services in Brighton and Sussex.
- + To launch our Aspiring Lives care and support model and outcome framework by June 2024, with qualitative progression analysed every 6 months, including web based App and life skills tools.
- + To introduce new quality assurance approaches that continues to ensure feedback and collaborative improvement drive quality standards.
- + To update our strategies and best practice and risk development with linked training, for supporting older people, autistic people, health condition management, people with forensic support, people with mental needs, those who self-harm, and complex care, as part of a detailed delivery plan from September 2024.
- + To continue to be a leading provider of services to people requiring intensive support leaving hospital – consolidating and extending our reach in the south-east through 10-15 new homes coming into management each year with new approaches developed to fund this from March 2025.
- + To successfully deliver innovative new services that address unmet needs, including support for autistic people with mental health needs, support for people with complex needs and further application of assistive technology.
- + To continue to support financial wellbeing and enable people to live their best life possible.
- + To develop a move-on strategy with people including looking at longer-term resilience support.

An Employer of Choice

Sector-leading employee engagement, development, belonging and wellbeing, enabling colleagues to also lead aspiring lives to be the best we can.

- + To continue to lead collaborative sector and place-based work development projects to attract people to work and develop in our sector, including fair rates of pay.
- + To ensure our Inclusive Wellbeing Committee delivers our wellbeing strategy with work programmes and initiatives to support staff wellbeing and resilience.
- + To continue to offer comprehensive workforce development for all our roles and Experts by Experience with updated opportunities promoted every 6 months.
- + To develop and deliver new coaching approaches for managers linked to practice-based competencies from January 2025.
- + To retain top 100 Great Places to Work Large Organisations position and drive continuous improvement in our staff engagement, wellbeing and retention.
- + To further enhance our communication channels to connect, include and engage our staff and people.
- + To place our culture and values at the heart of our organisation, with ongoing programmes to support their evolution and embed them in everything we do.

A Creative Approach

Investing in innovation, increasing our fundraising, and working in partnership.

- + To support our culture of innovation throughout Active Prospects with a new framework from April 2024, and ongoing income generation and investment to deliver new approaches and services.
- + To further evolve and deliver approaches to sector-wide collaborative training and workforce development including roll out of Oliver McGowan Mandatory Training and accelerated career pathways.
- + To attract £500k a year new funding through fundraising and partnerships.
- + To position further on sector alliances and partnerships with an updated strategy by September 2024.
- + To update our positioning with Commissioners in the south-east from April 2024 with an updated plan produced from September 2024 and deliver further consolidation in newer areas.
- + To further develop our learning and employment offer for young people and the people we support with an updated offer by September 2024.

- + To update our marketing strategy to support our new strategic objectives by September 2024.

A Resilient Sustainable Equitable Organisation

Leaner, smarter and more sustainable working, further enabled by digital systems and our foundation of Belonging, Diversity Equity and Inclusion.

- + To provide high-quality safe home environments and housing support, working towards delivery of our ambitious sustainability goals and improvement/replacement of older stock.
- + To continue to deliver a programme of system reviews and development focused on impactful digital infrastructure, investment and governance, and leaner processes.
- + To deliver our Belonging Diversity, Equity and Inclusion strategy and action plans, continuing to drive our sector leading work in this area.
- + To maintain our continued viability through dynamic management of our business and the challenges facing us including effective procurement reviews and cost management, further development of our risk management and internal controls frameworks, and sustainable funding negotiations.
- + To continue to develop our risk management approaches including policy changes to exempt rents, social care funding and reform, and continued funding pressures.
- + To look at our borrowing and regulatory strategy from April 2025 so that we may continue to develop more homes as well as through partnership arrangements.
- + To support and develop our governance to support our plan, including enhancing expert by experience representation from September 2024 at Board level and enhanced engagement structures.



Maria Mills
CEO



Chris Poole
Chair of the Board

Members and Advisors

Members of the Board

Mr C Poole (Chair)
Ms A Clements
Mr M Clinton (resigned September 2023)
Ms S Coomes
Mr A Cross
Ms D Esptein (appointed May 2023)
Mr P Frackiewicz
Mr C Gilmour (appointed September 2023)
Mr I Lewis
Mr R Thakrar
Mr O Vallis
Ms F Walker (appointed May 2023)
Mr D Witharana

Secretary

Mrs M Mills

Registered Office

1 Castlefield Court
Church Street
Reigate
Surrey
RH2 0AH

Registered Society Number

26618R

Auditors

Moore Kingston Smith
9 Appold Street
London
EC2A 2AP

Bankers

Barclays Bank

1 Churchill Place
Canary Wharf
London
EC14 5HP

Website

activeprospects.org.uk

Report of the Independent Auditors on the Financial Statements

Opinion

We have audited the financial statements of Active Prospects for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the statement of changes in reserves, the cash flow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 society's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

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 society 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 of our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members' 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 society'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 members 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 members are responsible for the other information. 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the information given in the Chair & Chief Executives' and Members' Annual Report is inconsistent in any material respect with the financial statements; or
- the association has not kept proper accounting records: or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the Board members' Responsibilities Statement, the board members 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 board members 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 board members are responsible for assessing the society'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 board members either intend to liquidate the society or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 83 of the Co-operative and Community Benefit Societies Act 2014 and report in accordance with regulations made in that Act. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. 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 society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' 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 society'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 society 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.

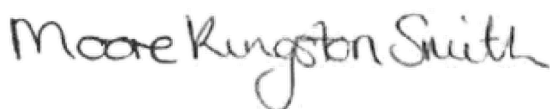
Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 society.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Co-operative and Community Benefit Societies Act 2014, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the society complies with these requirements by discussions with management and those charged with governance.



Moore Kingston Smith LLP | Statutory Auditor

- 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 society's members, as a body, in accordance with Part 7 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society'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 anyone other than the society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

31 October 2024

9 Appold Street,
London,
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Statement of Financial Activities

Year ended 31 March 2024

		2024	2023
	Note	£	£
INCOME	3		
Donations		2,600	4,940
Charitable Activities		16,411,075	14,039,043
Other Trading Activities		60,170	65,534
Investment		5,135	1,433
Total Income		16,478,980	14,110,950
EXPENDITURE	4		
Raising Funds		92,693	79,932
Charitable Activities		15,726,988	13,747,060
Other Services		-	-
Total Expenditure		15,819,681	13,826,992
Net Income		659,299	283,958
Actuarial gains and (losses) on defined benefit pension schemes	18	(111,411)	(53,220)
NET MOVEMENT IN FUNDS		547,888	230,738
Reconciliation of funds			
Funds brought forward		3,393,375	3,162,637
Funds carried forward		3,941,263	3,393,375

All amounts relate to continuing activities.

Balance Sheet

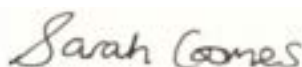
Year ended 31 March 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Housing land and buildings	8	21,537,974	20,412,633
Other fixed assets	9	1,368,830	1,190,212
		22,906,804	21,602,845
CURRENT ASSETS			
Debtors	10	1,201,458	973,789
Cash at bank and in hand		3,273,999	2,102,343
		4,475,457	3,076,132
LESS CURRENT LIABILITIES			
Creditors: amounts falling due within one year	11	(2,438,209)	(2,364,656)
Deferred Income	12	(698,778)	(466,160)
		(3,136,987)	(2,830,816)
NET CURRENT ASSETS/LIABILITIES		1,338,470	245,316
TOTAL ASSETS LESS CURRENT LIABILITIES		24,245,274	21,848,161
CREDITORS: amounts falling due after more than one year			
Loans	13	(5,778,439)	(5,154,447)
Pension - defined benefit liability	18	(529,834)	(552,781)
Unamortised grants	14	(13,995,738)	(12,747,558)
		(20,304,011)	(18,454,786)
NET ASSETS		3,941,263	3,393,375
CAPITAL AND RESERVES			
Share Capital	15	62	62
Unrestricted funds	16	3,941,201	3,393,313
		3,941,263	3,393,375


These financial statements were approved and authorised for issue by the Board and signed on its behalf by:



Chris Poole | Chair



S Coomes | Board Member



M Mills | Secretary

Statement of Changes in Reserves

Year ended 31 March 2024

	Share Capital	Unrestricted Funds	Restricted Funds	Total
	£	£	£	£
Balance at 1 April 2022	62	3,162,575	-	3,162,637
Surplus/(deficit) for the year	-	230,738	-	230,738
Balance at 1 April 2023	62	3,393,313	-	3,393,375
Surplus /(deficit) for the year	-	547,888	-	547,888
	-			-
Balance at 31 March 2024	62	3,941,201	-	3,941,263

Statement of Cash Flows

Year ended 31 March 2024

	2024	2023
	£	£
Net cash provided by operating activities	2,048,990	633,565
Interest paid	(449,681)	(337,207)
Net cash inflow from operating activities	1,599,309	296,358
Cash flows from investing activities		
Investment income received	5,135	-
Capital grant received	1,511,490	1,964,745
Payments to acquire tangible fixed assets	(1,915,305)	(2,453,700)
Proceeds from sale of fixed assets	-	-
Net cash (used in)/provided by investing activities	(398,680)	(488,955)
Cash flows from financing activities		
Repayments of hire purchase agreements	-	(7,541)
Repayment in borrowing	(28,973)	(116,751)
Net cash (used in) financing activities	(28,973)	(124,292)
Change in cash and cash equivalents	1,171,656	(316,889)
Cash and cash equivalents brought forward	2,102,343	2,419,232
Cash and cash equivalents carried forward	3,273,999	2,102,343

Notes to the cashflow	2024	2023
	£	£
Reconciliation of net income /(expenditure) to net cash used in operating activities		
Net income(expenditure for the year	659,299	283,958
Profit/loss on disposal of fixed assets	(1,750)	-
Interest paid	449,681	337,207
Interest receivable	(5,135)	-
Amortisation of grants	(263,310)	(203,322)
Depreciation	611,347	448,083
Decrease/(increase) in debtors	(227,669)	82,397
(Decrease)/increase in creditors	842,527	(236,758)
Increase/(decrease) in defined benefit pension provision	(16,000)	(78,000)
Net cash (outflow/inflow from operating activities)	2,048,990	633,565

Notes to the Financial Statements

Year ended 31 March 2024

1 ACCOUNTING POLICIES

Entity status

Active Prospects is a community benefit society registered under the Co-operative and Community Benefit Societies Act 2014. It has charitable objectives and is recognised as charitable by HMRC.

The registered office is 1 Castlfield Court, Church Street, Reigate, Surrey, RH2 0AH.

Basis of Accounting

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which includes 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) and in accordance with the Co-operative and Community Benefit Societies Act 2014.

The accounts are prepared under the historical cost basis.

The Society is a Public Benefit Entity as defined by FRS102.

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. Fair value movements are dealt with through the income statement.

Going Concern

The Board have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Society to continue as a going concern. The Board has made this assessment for a period of at least one year from the date of approval of the financial statements.

In view of the level of assets held and the projected income, expenditure and cash flows, the Board has concluded that there is a reasonable expectation that the society has adequate resources to continue in operational existence for the foreseeable future.

The society therefore continues to adopt the going concern basis in preparing its financial statements.

Subsidiary company

The financial statements reflect the results and financial position of Active Prospects only, and not its wholly owned subsidiary Hethersett Housing Association Limited because the entity was dormant during the current and previous financial years.

Income and expenditure

Income and expenditure are accounted for on an accruals basis, inclusive of VAT. This means that income and expenditure are shown in the accounts for the year to which they relate, even if they were received or paid in a different year, provided that the receipt or payment is probable at the balance sheet date.

Grants

Grants receivable are accounted for over the period to which they relate. If the grant is received with specific performance conditions, it is recognised as deferred income until the conditions are met and then recognised in turnover. Government grants comprise amounts received during the year adjusted for income which relates to future periods. Deferred income relating to grants is included in deferred income in creditors as deferred income.

Notes to the Financial Statements (continued)

Year ended 31 March 2024

Fixed assets - land and buildings

Housing properties are stated at cost, or deemed cost at 1 April 2014. Cost comprises the following:

- a) the cost of acquiring land and buildings;
- b) development expenditure;
- c) interest charged on mortgage loans raised to finance the scheme before its operation.

Capital grants

Capital grants received in relation to the housing properties are accounted for using the accruals model set out in FRS 102. Grants are credited separately to the balance sheet as deferred income and is released to the Statement of Income in line with the useful life of the assets funded by them.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recorded at cost and subsequently measured at market value at the balance sheet date. Any gains or losses arising from revaluation and disposals throughout the year are taken to the Statement of Financial Activities.

Current asset investments

Current asset investments are initially recorded at cost and subsequently measured at market value at the balance sheet date. Any gains or losses arising from revaluation and disposals throughout the year are taken to the Statement of Financial Activities.

Pension costs

The Society participates in a multi-employer Social Housing Pension Scheme. Additionally there are some employees who participate in the NHS pension scheme due to historical employment agreements. Both schemes are treated as defined contribution schemes.

The society pays agreed deficit contributions to the multi employer scheme. As required by FRS 102 provision is made for the net present value of the contributions. The movement in the provision is dealt with through the Statement of Financial Activities. Full details are provided in note 18.

Employee benefits

The cost of short-term benefits are charged as an expense as they fall due. Any unpaid short-term benefits for services rendered during the period are recognised as a liability.

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement.

Depreciation

Provision is made for depreciation on all tangible fixed assets (other than those financed by grant) at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life from the date of acquisition, as follows:

Freehold buildings (excluding land)	2 % per annum
Leasehold buildings	2 % per annum
Building Enhancements	12.5 % per annum
Motor vehicles	25 % per annum
Office equipment	25 % per annum
Furniture and equipment	25 % per annum

Freehold land is not depreciated.

Notes to the Financial Statements (continued)

Year ended 31 March 2024

Operating Leases

Rentals paid under operating leases are charged to expenditure as incurred.

Financial Instruments

i) Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

ii) Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

Restricted reserves

Restricted reserves are monies received for a specified purpose that have not been expended at the balance sheet date.

Designated reserves

Designated reserves are those which have been allocated for a specific purpose by the members.

Unrestricted reserves

Unrestricted reserves are available to the Society for its general purposes and are to be drawn upon in the event of reductions in income, unexpected costs and property investment.

Critical accounting estimates and areas of judgement

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the Members in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry any significant risk of material adjustment on the next financial year.

The properties purchased with funding from Social and Sustainable Capital have been discounted to arrive at the present value of the loan at 31 March 2024. The valuation was calculated using the UK House Price Index available from HM Land registry at <https://landregistry.data.gov.uk>. In calculating the valuation an assumption was made that 50% of renovation work undertaken by Active Prospects is client specific and does not increase the value of property on the open market and therefore has been excluded from the valuation.

Notes to the Financial Statements (continued)

Year ended 31 March 2024

2. NET INCOME

The net income for the year is stated after charging:

	2024	2023
	£	£
Depreciation:		
- housing properties	379,612	310,701
- other fixed assets	231,735	137,382
	611,347	448,083
Auditors' remuneration (including VAT)		
- in respect of audit services	20,344	23,100
Members expenses	1,394	12

3. INCOME

	2024	2023
	£	£
Income from donations	2,600	4,940
Income from charitable activities		
Care and support	13,388,074	11,308,449
Property services	2,516,722	2,315,909
Government grants released to income	263,310	203,322
Income from grant funding	241,219	211,363
Other income	1,750	-
Total income from charitable activities	16,411,075	14,039,043
Income from other trading activities	60,170	65,534
Investment income	5,135	1,433
Total Income	16,478,980	14,110,950

Notes to the Financial Statements (continued)

Year ended 31 March 2024

4. EXPENDITURE

	Raising Funds	Charitable Activities			Total Expenditure
		Care & Housing	Head Office	Total	
	2024	2024	2024	2024	2024
	£	£	£	£	£
Staff Costs	46,242	10,652,278	800,542	11,452,820	11,499,062
Recruitment & Training	-	182,588	5,983	188,571	188,571
Legal & Professional	563	107,738	110,779	218,517	219,080
IT & communication	8,190	75,323	324,701	400,024	408,214
Interest & Similar Costs	891	436,773	12,017	448,790	449,681
Utilities & Council Tax	3,417	613,916	33,556	647,472	650,889
Maintenance & Cleaning	3,198	493,724	27,486	521,210	524,408
Equipment replacement	1,017	241,685	26,052	267,737	268,754
Depreciation	-	606,914	4,433	611,347	611,347
Rent	21,445	166,451	147,008	313,459	334,904
Foods	189	99,863	-	99,863	100,052
Activities	25	70,456	-	70,456	70,481
Insurance	-	119,676	4,615	124,291	124,291
Other	7,516	296,156	66,275	362,431	369,947
Total	92,693	14,163,541	1,563,447	15,726,988	15,819,681

Notes to the Financial Statements (continued)

Year ended 31 March 2024

The comparatives for 2023 are shown below:

Expenditure	Raising Funds	Charitable Activities			Total Expenditure
	2023	Care & Housing	Head Office	Total	2023
	£	£	£	£	£
Staff Costs	40,078	9,457,361	651,999	10,109,360	10,149,438
Recruitment & Training		198,655	19,914	218,569	218,569
Legal & Professional	507	40,768	127,418	168,186	168,693
IT & Communication	1,916	60,017	285,545	345,562	347,478
Interest & Similar Costs	1,145	326,320	9,742	336,062	337,207
Utilities & Council Tax	2,954	381,536	24,105	405,641	408,595
Maintenance & Cleaning	3,751	562,435	22,496	584,931	588,682
Equipment replacement	437	281,521	34,252	315,773	316,210
Depreciation	-	440,036	8,047	448,083	448,083
Rent	21,522	156,519	135,458	291,977	313,499
Foods	-	90,539	-	90,539	90,539
Activities	229	50,603	-	50,603	50,832
Insurance	-	91,212	-	91,212	91,212
Other	7,393	159,542	131,020	290,562	297,955
Total	79,932	12,297,064	1,449,996	13,747,060	13,826,992

Notes to the Financial Statements (continued)

Year ended 31 March 2024

5. SALARY COSTS

The cost of employing staff during the year was:	2024	2023
	£	£
Salary and agency costs	10,319,686	9,107,620
Social security costs	882,625	785,798
Pension costs	296,751	256,020
Total	11,499,062	10,149,438

The total amount of employee benefit paid to key management personnel for their services, excluding pension, contributions, was £540,655 (2023: £517,974). Key management personnel is comprised of the Chief Executive Director of Care, Director of Finance and Resources, Director of People and Director of Business Development and Director of Properties.

Average full time equivalent number of employees during the year was:	2024	2023
Head Office Staff	26	28
Care Staff	285	265
Total Staff	311	293

Number of employees who received remuneration over £60,000, excluding pension contributions, during the year was:

	Number of Employees	
Remuneration	2024	2023
£60-£70k	4	-
£70-£80k	1	3
£80-£90k	3	3
£90-£100k	1	-
£100-£110k	-	1
£110-120K	1	-

The Board Members did not receive any remuneration or other benefits during the year (2023: £nil).

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2024	2023
	£	£
Mortgage interest and similar	436,772	325,135
Hire Purchase Interest	-	1,183
Bank Charges	12,909	10,889
Total Interest	449,681	337,207

Notes to the Financial Statements (continued)

Year ended 31 March 2024

7. CORPORATION TAX

Confirmation has been received from HM Revenue & Customs that Active Prospects is an exempt charity, and therefore not subject to corporation tax.

8. TANGIBLE FIXED ASSETS

	Long Leasehold housing, land and buildings	Freehold housing, land and buildings	Assets in the course of construction	Total
	£	£	£	£
Cost				
At 1 April 2023	347,584	22,573,625	164,662	23,085,871
Additions	-	983,123	738,396	1,721,519
Disposals	-	-	-	-
AUC capitalised	-	-	(216,566)	(216,566)
At 31 March 2024	347,584	23,556,748	686,492	24,590,824
Depreciation				
At 1 April 2023	133,195	2,540,043	-	2,673,238
Charge for the year	5,185	374,427	-	379,612
Disposals	-	-	-	-
At 31 March 2024	138,380	2,914,470	-	3,052,850
Net book value				
At 31 March 2024	209,204	20,642,278	686,492	21,537,974
At 31 March 2023	214,389	20,033,582	164,662	20,412,633

Fixed Charges are held on the following properties as security over loans made to Active Prospects (see note 13)

Financial Institution	Property
Barclays Bank	23 Montfort Rise, Redhill 33 Welcomes Road, Kenley 22-38 Chestnut Court, Princes Road, Redhill 33 Blanford Road, Reigate 50 Cheyne Walk, Horley Beech Lodge, Waller Lane, Caterham
Social and Sustainable Capital	59 Three Bridges Road, Crawley Oakfield Lodge, Axes Lane, Salfords 44 Copthorne Road, Leatherhead

The Secretary of State for Health also holds legal charges over those properties where the purchase was funded by NHS grants. As at 31 March 2024 Active Prospects has capital commitments of £977k (2023: £1,508k).

Notes to the Financial Statements (continued)

Year ended 31 March 2024

9. OTHER ASSETS

	Vehicles	Furniture and Equipment	Building Enhancements	Intangible Assets	Total
	£	£	£	£	£
Cost					
At 1 April 2023	225,630	431,448	1,105,445	24,360	1,786,883
Additions	-	33,096	160,691	-	193,787
Transfer	-	-	216,566	-	216,566
Disposals	(14,495)	-	-	-	(14,495)
At 31 March 2024	211,135	464,544	1,482,702	24,360	2,182,741
Depreciation					
At 1 April 2023	168,564	334,080	69,667	24,360	596,671
Charge for the year	22,074	47,830	161,831	-	231,735
Disposals	(14,495)	-	-	-	(14,495)
At 31 March 2024	176,143	381,910	231,498	24,360	813,911
Net Book Value					
At 31 March 2024	34,992	82,634	1,251,204	-	1,368,830
At 31 March 2023	57,066	97,368	1,035,778	-	1,190,212

10. DEBTORS

	2024	2023
	£	£
Amounts receivable within one year:		
Rent receivable	145,253	117,841
Care and support receivable	407,534	150,444
Prepayments and accrued income	592,471	642,340
Other debtors	56,200	63,164
Total	1,201,458	973,789

With the exception of prepayments, all debtors are financial instruments and are measured at present

Notes to the Financial Statements (continued)

Year ended 31 March 2024

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Mortgage loans	168,224	768,663
Other taxation and social security	223,789	175,706
Trade creditors	582,324	259,863
Pension deficit contributions	134,166	127,219
Accruals	907,446	623,225
Other creditors	422,260	409,980
Total	2,438,209	2,364,656

All creditors are financial instruments and are measured at present value.

12. DEFERRED INCOME

	2024	2023
	£	£
Balance at 1 April 2023	466,160	402,938
Amount released to incoming resources	(551,728)	(333,270)
Amount deferred in the year	784,346	396,492
Balance at 31 March 24	698,778	466,160

Income is deferred if it relates to a future period.

Notes to the Financial Statements (continued)

Year ended 31 March 2024

13. LOAN: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Mortgages	3,445,220	2,873,754
Social and Sustainable Finance Loan	2,333,219	2,280,694
Total	5,778,439	5,154,448

In November 2019 Active Prospects entered into an agreement with Social and Sustainable Capital LLP to have access to a loan facility of £3,400,000. Active Prospects drew down £2,162,000 and no further funds will be drawn under this agreement. The loan will be repayable in November 2029.

In May 2023 Active Prospects signed an agreement with Barclays Bank to refinance the mortgages currently held with Lloyds Bank. A mortgage of £2,100,000 was arranged with Barclays Bank which repaid the pre-existing Lloyds Bank mortgages and consolidated the loans. The transaction completed in August 2023. A fixed charge is held over the following properties as security over the loan:

- 23 Montfort Rise, Salfords
- 33 Welcomes Road, Kenley
- 2 Beech Lodge, Waller Lane, Caterham
- 33 Blanford Road, Reigate
- 50 Cheyne Walk, Horley
- 22-38 Chestnut Court, Princes Road, Redhill

Loans payable by instalments	2024	2023
	£	£
Within 1 year	168,224	768,663
In 2-5 years	767,885	601,979
In 5 years or more	5,010,553	4,552,468
Total Loans	5,946,662	5,923,110

Notes to the Financial Statements (continued)

Year ended 31 March 2024

14. GRANTS RECEIVED

	Long Leasehold housing, land and building £	Freehold housing, land and buildings £	Total £
Grants received			
At 1 April 2023	158,847	12,588,711	12,747,558
Additions	-	1,511,490	1,511,490
Disposals	-	-	-
Amortisation	3,714	259,596	263,310
At 31 March 2024	155,133	13,840,605	13,995,738

	2024 £	2023 £
Amounts due to be released in:		
Less than one year	292,381	257,648
More than one year	13,703,357	12,489,910
Total	13,995,738	12,747,558

15. SHARE CAPITAL

	2024 £	2023 £
Allotted, issued and fully paid ordinary shares of £1 each	62	62

Notes to the Financial Statements (continued)

Year ended 31 March 2024

16. UNRESTRICTED FUNDS

	At 1 April 2023	Incoming Resources	Outgoing Resources	Transfers	At 31 March 2024
	£	£	£	£	£
Pension deficit reserve	(680,000)	-	(111,411)	127,411	(664,000)
Repairs reserve	679,000	-	(68,157)	82,072	692,915
Unrestricted funds	3,394,313	16,478,980	(15,751,524)	(209,483)	3,912,286
Total	3,393,313	16,478,980	(15,931,092)	-	3,941,201

The unrestricted funds have the following designations:

Pension deficit contribution	An amount equal to the amounts provided for future contributions which will be paid from future income
Repairs reserve	The management of Active Prospects have resolved to reclassify a portion of the unrestricted reserves to create a designated repairs reserve for the ongoing repairs to the properties owned or leased by the organisation and occupied by tenants. The fund will fund the cost of repairs to specific categories of repair including boilers, kitchens, bathrooms and fire safety.
Unrestricted reserve	These reserves are undesignated representing free reserves to be drawn upon in the event of reductions in income, unexpected costs and property investment.

17. COMMITMENTS UNDER OPERATING LEASES

As at 31 March 2024, Active Prospects had total commitments under non-cancellable operating leases as set out below:

Operating leases payable:	2024	2023
	£	£
Less than one year	187,666	194,676
In two to five years	408,603	559,294
After five years	-	-
Total	596,269	753,970

A charge of £227k (2023: £227k) is included in the Statement of Financial Activities in respects of operating leases in the year.

Notes to the Financial Statements (continued)

Year ended 31 March 2024

18. PENSIONS COSTS

(A) TPT RETIREMENT SOLUTIONS – SOCIAL HOUSING PENSION SCHEME

The company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2023. The scheme deficit calculated in the valuation is £693m which is a reduction from the £1,560m deficit calculated in the valuation at 30 September 2020. The reduction in the deficit is due primarily to changes in government bond yields and inflation. A recovery plan is in place to remove this deficit by 31 March 2028.

The Scheme is classified as a ‘last-man standing arrangement’. Therefore the company is potentially liable for other participating employers’ obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. The valuation at 30 September 2023 considered the last man standing risk to employers to be remote.

Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme. For financial years ending on or before 28 February 2019, it was not possible for the company to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the company has accounted for the Scheme as a defined contribution scheme.

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2023. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2023 to 29 February 2024 inclusive. The liabilities are compared, at the relevant accounting date, with the company’s fair share of the Scheme’s total assets to calculate the company’s net deficit or surplus.

PRESENT VALUES OF DEFINED BENEFIT OBLIGATION, FAIR VALUE OF ASSETS AND DEFINED BENEFIT ASSET (LIABILITY)

	31 March 2024 (£'000s)	31 March 2023 (£'000s)
Fair value of plan assets	2,076	2,199
Present value of defined benefit obligation	2,740	2,879
Surplus (deficit) in plan	(664)	(680)
Defined benefit asset (liability) to be recognised	(664)	(680)

Notes to the Financial Statements (continued)

Year ended 31 March 2024

(A) TPT RETIREMENT SOLUTIONS – SOCIAL HOUSING PENSION SCHEME (continued)

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION

	Period from 31 March 2023 to 31 March 2024 (£'000s)
Defined benefit obligation at start of period	2,879
Expenses	6
Interest expense	129
Actuarial losses (gains) due to scheme experience	(109)
Actuarial losses (gains) due to changes in demographic assumptions	(32)
Actuarial losses (gains) due to changes in financial assumptions	(7)
Benefits paid and expenses	(126)
Defined benefit obligation at end of period	2,740

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS

	Period from 31 March 2023 to 31 March 2024 (£'000s)
Fair value of plan assets at start of period	2,199
Interest income	100
Experience of plan assets (excluding amounts included in interest income) - gain (loss)	(214)
Employer contributions	117
Benefits paid and expenses	(126)
Fair value of plan assets at end of period	2,076

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2023 to 31 March 2024 was (£114,000).

DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME (SO CI)

	Period from 31 March 2023 to 31 March 2024 (£'000s)
Expenses	6
Net interest expense	29
Defined benefit costs recognised in statement of comprehensive income (SoCI)	35

Notes to the Financial Statements (continued)

Year ended 31 March 2024

(A) TPT RETIREMENT SOLUTIONS – SOCIAL HOUSING PENSION SCHEME (continued)

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME (OCI)

	Period from 31 March 2023 to 31 March 2024 (£'000s)
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	(214)
Experience gains and losses arising on the plan liabilities - gain (loss)	109
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	32
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	7
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(66)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-
Total amount recognised in other comprehensive income - gain (loss)	(66)

Notes to the Financial Statements (continued)

Year ended 31 March 2024

(A) TPT RETIREMENT SOLUTIONS – SOCIAL HOUSING PENSION SCHEME (continued)

ASSETS	31 March 2024	31 March 2023
	(£'000s)	(£'000s)
Global Equity	207	41
Absolute Return	81	24
Distressed Opportunities	73	67
Credit Relative Value	68	83
Alternative Risk Premia	66	4
Emerging Markets Debt	27	12
Risk Sharing	121	162
Insurance-Linked Securities	11	55
Property	83	95
Infrastructure	210	251
Private Equity	2	-
Private Debt	82	98
Opportunistic Illiquid Credit	81	94
High Yield	-	8
Cash	41	16
Long Lease Property	13	66
Secured Income	62	101
Liability Driven Investment	845	1,012
Currency Hedging	(1)	4
Net Current Assets	4	6
Total Assets	2,076	2,199

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

KEY ASSUMPTIONS	31 March 2024	31 March 2023
	% per annum	% per annum
Discount Rate	4.6	4.57
Inflation (RPI)	3.45	3.49
Inflation (CPI)	3.08	3.05
Salary Growth	3.87	3.75
Allowance for cummulation of pension for cash at retirement	75 % of max allowance	75 % of max allowance

The mortality assumptions adopted at 31 March 2024 imply the following life expectancies.

Life expectancy at age 65 years	Years
Male retiring in 2024	20.5
Female retiring in 2024	23
Male retiring in 2044	21.8
Female retiring in 2044	24.4

Notes to the Financial Statements (continued)

Year ended 31 March 2024

(B) NHS PENSION SCHEME

Some past and present employees are covered by the provisions of the two NHS pension schemes. At 31 March 2024 there were less than 10 employees at Active Prospects who participate in the NHS pension scheme. Details of the benefits payable and rules of the schemes can be found on the NHS pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit scheme that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable the NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.