

Company number: 07412677

Living Well Consortium Ltd.

Report and financial statements

For the year ended 31 March 2021



Living Well Consortium Ltd.

For the year ended 31 March 2021

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Living Well Consortium Ltd.For the year ended 31 March 2021

Status	The organisation is a Company limited by guarantee, incorporated on 19 October 2010.
Company number	07412677
Country of registration Registered office	England & Wales Avoca Court 23 Moseley Road Birmingham B12 0HJ
Directors who served during the year	A Dautovic R S Hadley (resigned 14 June 2021) M T Hogg L K Masiane L D McKiernan R P Owtrim
Bankers	Unity Trust Bank 4 Brindley Place Birmingham B1 2JB
Solicitors	Hempsons Solicitors 100 Wood Street London EC2V 7AN
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane London EC1Y 0TL

Living Well Consortium Ltd.

For the year ended 31 March 2021

Directors' annual report

The directors present their report and the audited financial statements for the year ended 31 March 2021.

The directors who served during the year and up to the date of approval of this report were as follows:

A Dautovic
R S Hadley (resigned 14 June 2021)
M T Hogg
L K Masiane
L D McKiernan
R P Owttrim

The directors have no beneficial interest in the Company it being limited by guarantee.

Principal activity

The principal activity of the Company is that of health activities, including services to improve people's mental health and wellbeing.

Responsibilities of the directors

The directors are responsible for preparing the directors' annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law and regulations). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Company will continue in operation

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Living Well Consortium Ltd.

For the year ended 31 March 2021

Directors' annual report

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the directors confirms to the best of his or her knowledge that there is no information relevant to the audit of which the auditor is unaware. Each of the directors also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditor.

Auditor

Sayer Vincent LLP was re-appointed as the Company's auditor during the previous year and has expressed its willingness to continue in that capacity.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 6 December 2021 and signed on their behalf by

M Hogg

Chair

Independent auditor's report

to the members of

Living Well Consortium Ltd. (formerly Birmingham Mental Health Consortium)

Opinion

We have audited the financial statements of Living Well Consortium (the 'company') for the year ended 31 March 2021 which comprise the statement of income and retained earnings, balance sheet, and the 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 company's affairs as at 31 March 2021 and of its loss for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 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 directors' 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 Living Well Consortium'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 directors 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 directors' annual report, other than the financial statements and our auditor's report thereon. The directors 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,

Independent auditor's report

to the members of

Living Well Consortium Ltd. (formerly Birmingham Mental Health Consortium)

we are required to determine whether this gives rise to 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 directors' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' annual report has 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 directors' annual report.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' annual report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities set out in the directors' annual report, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the 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 the aggregate, they could reasonably

Independent auditor's report

to the members of

Living Well Consortium Ltd. (formerly Birmingham Mental Health Consortium)

be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the company operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the company from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report

to the members of

**Living Well Consortium Ltd.
(formerly Birmingham Mental Health Consortium)**

Use of our report

This report is made solely to the 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 anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)
15 December 2021
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Living Well Consortium Ltd.

For the year ended 31 March 2021

Statement of income and retained earnings

	Note	2020/21	2019/20
		Total	Total
		£	£
Turnover	2	4,102,676	3,404,445
Cost of Sales		(3,374,654)	(2,722,927)
Gross surplus		<u>728,022</u>	<u>681,518</u>
Administrative expenses		(827,400)	(707,539)
(Deficit)/surplus on ordinary activities before interest and taxation	3	<u>(99,378)</u>	<u>(26,021)</u>
Profit on disposal of Fixed Assets		244	-
Interest receivable and similar income		-	662
(Deficit)/surplus on ordinary activities before taxation		<u>(99,134)</u>	<u>(25,360)</u>
Taxation on profits on ordinary activities	5	-	-
Total comprehensive (expenditure)/income		<u><u>(99,134)</u></u>	<u><u>(25,360)</u></u>
Retained earnings			
Accumulated surplus at start of year		411,761	614,997
Total comprehensive (expenditure)/income for the year		(99,134)	(25,359)
Distribution under gift aid to parent charity		-	(177,877)
Accumulated surplus at end of year		<u><u>312,627</u></u>	<u><u>411,761</u></u>

Living Well Consortium Ltd.

For the year ended 31 March 2021

Balance Sheet**Company number 07412677**

	Note		2020/21		2019/20
		£	£	£	£
Fixed assets:					
Property, plant and equipment	6		15,385		17,787
			15,385		17,787
Current assets:					
Debtors	7	1,028,821		914,709	
Cash at bank and in hand		188,145		66,008	
		1,216,966		980,717	
Creditors:					
Amounts falling due within one year	8	919,724		586,743	
Net current assets			297,242		393,974
Total assets less current liabilities			312,627		411,761
Net assets			312,627		411,761
Reserves					
Retained earnings			312,627		411,761
Total reserves			312,627		411,761

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors on 6 December 2021 and signed on behalf of the Board of Directors:

M Hogg

Chair

Living Well Consortium Ltd.

For the year ended 31 March 2021

Notes to the financial statements

1 Accounting policies

a) Statutory information

Living Well Consortium Limited is a Company limited by guarantee and incorporated in England and Wales.

The registered office address and principal place of business is 23 Moseley Road, Birmingham, B12 0HJ.

b) Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and the Companies Act 2006. The financial statements are prepared on the historical cost basis.

c) Estimates and judgements

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

d) Going concern

The directors consider that there are no material uncertainties about the Company's ability to continue as a going concern. The key sources of income have not been significantly negatively impacted during the COVID-19 Coronavirus outbreak, and there are reasonably secure income sources into the next reporting year such as new contract opportunities which the Company has been able to take advantage of.

e) Income

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

f) Interest receivable

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

g) Operating leases

Rental charges are charged on a straight-line basis over the term of the lease.

Living Well Consortium Ltd.

For the year ended 31 March 2021

Notes to the financial statements

h) Property, plant and equipment

Items of equipment are capitalised where the purchase price exceeds £500. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is calculated to write down the cost less estimated residual value of all equipment over their expected useful lives using a straight-line method. The useful lives applicable are:

- Computer equipment 3 years
- Furniture and fixtures 3 years

i) Debtors

Trade and other debtors are recognised at the settlement amount due.

Prepayments are valued at the amount prepaid net of any trade discounts due.

j) Cash at bank and in hand

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

k) Creditors and provisions

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

l) Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Turnover

Turnover is attributable to the principal activity of the Company.

3 (Deficit)/Surplus before tax is stated after charging/ (crediting):

	2020/21	2019/20
	£	£
Auditor's remuneration (excluding VAT):		
Audit	9,700	11,500
Other services	875	875
Depreciation	8,898	5,697
Interest receivable	-	(662)
Operating lease rentals		
Property	17,550	17,550
Other	624	-
	<hr/>	<hr/>

Living Well Consortium Ltd.

For the year ended 31 March 2021

Notes to the financial statements

4 Directors' and employees' costs and emoluments

No emoluments are paid to any director.

Staff costs during the year were as follows:

	2020/21	2019/20
	£	£
Wages and salaries	497,178	332,663
Social security costs	39,499	25,383
Employer's pension contribution	10,795	5,626
	<u>547,473</u>	<u>363,673</u>

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2020/21	2019/20
Administration	18	13
Management	<u>3</u>	<u>2</u>
	<u>21</u>	<u>15</u>

5 Taxation

	2020/21	2019/20
	£	£
Current tax		
UK corporation tax at 19% (2019/20: 19%)	-	-
	<u>-</u>	<u>-</u>
Tax on results of ordinary activities	-	-
	<u>-</u>	<u>-</u>
Total corporation tax recognised in profit or loss	<u>-</u>	<u>-</u>

Any profits may be paid to the parent entity by way of a distribution under gift aid and a corresponding tax credit is recorded at the point of the distribution, therefore there is no liability to corporation tax in either the current or prior financial year.

Living Well Consortium Ltd.

For the year ended 31 March 2021

Notes to the financial statements**6 Property, plant and equipment**

	Computer equipment	Furniture and Fixtures	Total
	£	£	£
Cost			
At the start of the year	29,950	5,387	35,337
Additions in the year	6,972	-	6,972
Disposals in the year	-	(1,214)	(1,214)
At the end of the year	<u>36,922</u>	<u>4,173</u>	<u>41,095</u>
Depreciation			
At the start of the year	15,807	1,743	17,550
Charge for the year	7,147	1,751	8,898
Disposals in the year	-	(738)	(738)
At the end of the year	<u>22,954</u>	<u>2,756</u>	<u>25,710</u>
Net book value			
At the start of the year	14,143	3,644	17,787
At the end of the year	<u>13,968</u>	<u>1,417</u>	<u>15,385</u>

Living Well Consortium Ltd.

For the year ended 31 March 2021

Notes to the financial statements

7 Debtors

	2020/21	2019/20
	£	£
Trade debtors	860,529	899,035
Other debtors	30,644	1,373
Prepayments	137,648	14,301
	<u>1,028,821</u>	<u>914,709</u>

8 Creditors: amounts falling due within one year

	2020/21	2019/20
	£	£
Trade creditors	576,983	463,849
Taxation and social security	54,220	53,344
Accruals	153,272	60,904
Deferred income	16,456	8,646
Amounts owed to group undertakings	118,793	-
	<u>919,724</u>	<u>586,743</u>

Living Well Consortium Ltd.

For the year ended 31 March 2021

Notes to the financial statements

9 Related party transactions income

Related party transactions are all carried out at arms' length.

The Company has taken advantage of the exemptions not to disclose any transactions with its parent undertaking conferred by FRS 102 on the grounds that the Company's results are included in the consolidated results of the parent undertaking.

Graham Beaumont was a Director of Living Well Consortium Limited during the previous financial year and is also a Director of Initiative for Social Entrepreneurs (ISE) CIC. Living Well Consortium Limited's office lease is with ISE CIC; the rent charged for 2020/21 was £17,550 (2019/20 financial year: £17,550). The amount owed by Living Well Consortium Limited to ISE CIC at 31 March 2021 was £5,265 (at 31 March 2020: £10,722). Graham Beaumont is also a director and secretary of Knowledge Plus Consultancy Limited which provided executive support to Living Well Consortium Limited during the current financial year; the amount charged by that Company for the 2020/21 financial year was £600 (2019/20: £25,800). The amount owed by Living Well Consortium Limited to Knowledge Plus Consultancy Limited at 31 March 2021 was £nil (at 31 March 2020: £1,264).

Amra Dautovic, a Director of Living Well Consortium Limited, is also Managing Director of MyTime, linked to Richmond Fellowship, a Company which provided services to fulfil various contracts during the financial year; the amount charged by that Company for these services during 2020/21 was £321,483 (2019/20: £198,239). The amount owed by Living Well Consortium Limited to Richmond Fellowship at 31 March 2021 was £129,487 (at 31 March 2020: £64,680).

Richard Hadley was a Director of Living Well Consortium Limited during the year and is an independent consultant; no consultancy support was provided during 2020/21, so the amount charged for this during 2020/21 was £nil (2019/20: £2,200). The amount owed by Living Well Consortium Limited to Richard Hadley at 31 March 2021 was £nil (at 31 March 2020: £nil).

Martin Hogg, a Director (and Chair) of Living Well Consortium Limited, is CEO of Citizen Coaching, a Company which provided services to fulfil various contracts during the financial year; the amount charged by that Company for these services during 2020/21 was £724,745 (2019/20: £337,674). The amount owed by Living Well Consortium Limited to Citizen Coaching at 31 March 2021 was £81,555 (at 31 March 2020: £47,916).

Lovemore Masiane, a Director of Living Well Consortium Limited and a Trustee of Living Well UK, is associated with Our Roots, a Company which provided services to fulfil various contracts during the financial year; the amount charged by that Company for these services during 2020/21 was £1,703,562 (2019/20: £1,276,764). The amount owed by Living Well Consortium Limited to Our Roots at 31 March 2021 was £197,781 (at 31 March 2020: £186,726).

Louise McKiernan, a Director of Living Well Consortium Limited and a Trustee of Living Well UK, is CEO of Disability Resource Centre (DRC), a Company which provided services to fulfil various contracts during the financial year; the amount charged by that Company for these services during 2020/21 was £12,530 (2019/20: £7,050). The amount owed by Living Well Consortium Limited to DRC at 31 March 2021 was £nil (at 31 March 2020: £nil).

Ronald Patrick Owttrim, a Director of Living Well Consortium Limited is also a Director of Health Exchange Limited (HEX). HEX provided services to fulfil various contracts during the financial year; the amount charged by that Company for these services during 2020/21 was

Living Well Consortium Ltd.

For the year ended 31 March 2021

Notes to the financial statements

£402,767 (2019/20: £544,869). The amount owed by Living Well Consortium Limited to Health Exchange Limited at 31 March 2021 was £72,985 (at 31 March 2020: £64,647).

There were no balances due to or from the above-named individuals at the balance sheet date.

10 Operating lease commitments

The Company's total future minimum lease payments under non-cancellable operating leases are as follows:

	Other	Property	Other	Property
	2020/21	2020/21	2019/20	2019/20
	£	£	£	£
Less than one year	624	17,550	-	17,550
Two to five years	2,652	-	-	-
	<u>3,276</u>	<u>17,550</u>	<u>-</u>	<u>17,550</u>

11 Ultimate Controlling party

The Company's ultimate parent undertaking and controlling party is Living Well UK, a registered Charitable Incorporated Organisation (registered number 1179472). Copies of the consolidated financial statements are available from the Charity Commission.