

Charity number: 1179472  
Company number: CE014817

# Living Well UK

## Report and consolidated financial statements

For the year ended 31 March 2022



# Living Well UK

For the year ended 31 March 2022

## Reference and administrative information

---

### Contents

Reference and administrative information.....	3
Trustees' annual report.....	4
Independent auditor's report to the trustees of Living Well UK.....	14
Consolidated Statement of Financial Activities.....	18
Balance Sheets .....	19
Statement of cash flows.....	20
Notes to the financial statements.....	21

## Living Well UK

For the year ended 31 March 2022

### Reference and administrative information

---

<b>Charity number</b>	1179472
<b>Country of registration</b>	England & Wales
<b>Registered office</b>	Avoca Court 23 Moseley Road Birmingham B12 0HJ
<b>Trustees</b>	R Hadley (appointed 17 June 2021) D Hay L K Masiane L D McKiernan (Chair) A Rahman
<b>Key management personnel</b>	
Chief Executive Officer	B Howells
Executive Clinical Director	P Kwesiga
Finance Director	S Munday
<b>Bankers</b>	Unity Trust Bank 4 Brindley Place Birmingham B1 2JB
<b>Solicitors</b>	Hempsons Solicitors 100 Wood Street London EC2V 7AN
<b>Auditor</b>	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane London EC1Y 0TL

## **Living Well UK**

For the year ended 31 March 2022

### **Trustees' annual report**

The trustees present their report and the audited financial statements for the year ended 31 March 2022.

Reference and administrative information set out on page 3 forms part of this report.

The financial statements comply with current statutory requirements, the Charity's constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

### **Objectives and activities**

#### **Purposes and aims**

The objects of Living Well UK, the Charitable Incorporated Organisation (CIO) are the relief of sickness and preservation of health, with particular emphasis on mental health, in principally (but not exclusively) the Midlands, by:

- 1 Providing psychological therapy sessions, and providing counselling and self-help solutions;
- 2 Providing support services, wellbeing services, and social prescribing;
- 3 Contributing towards training and qualifications of practitioners and therapists (providing education for organisations and professionals in the mental health field);
- 4 Promoting research for the public benefit and to publish the useful results;
- 5 Providing grants to organisations in the mental health field.

The trustees review the aims, objectives and activities of the Charity each year.

This report looks at what the charitable group has achieved and the outcomes of its work in the reporting period.

The group comprises Living Well UK – the CIO, and Living Well Consortium Ltd. (LWC) – the trading subsidiary. LWC generates income from government contracts in fulfilment of counselling services under the IAPT pathways, and incurs costs in relation to the fulfilment of this commissioned service.

The trustees report the success of each key activity and the benefits the organisation has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the Charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

#### **Achievements and performance**

The trustees are proud of the various services provided by LWC, and its own activities undertaken during 2021/22.

## **Living Well UK**

For the year ended 31 March 2022

### **Trustees' annual report**

#### **Providing psychological therapy sessions, and providing counselling and self-help solutions**

##### **IAPT (IMPROVING ACCESS TO PSYCHOLOGICAL THERAPIES)**

IAPT provision is a core service for LWC, which is a leading provider of the service in the West Midlands delivering to Birmingham and Solihull.

##### **IAPT HIGHLIGHTS**

During 2021/22, LWC successfully triaged/assessed over 14,000 clients, enabling them to access the correct treatment in a timely and effective way.

Of that number, over 11,500 clients started treatment and were seen for one-to-one treatment through our IAPT provision. Clients received between 4 and 5 sessions of help on average.

Within IAPT, we are especially pleased with our low waiting times. The national target is for 75% of clients to be seen within six weeks; at LWC we average 94% of clients being seen within six weeks.

The second waiting times KPI is for 95% of clients to be seen within 18 weeks. At LWC we average 98% of clients seen within 18 weeks.

Based on patient feedback surveys, over 90% of clients were extremely satisfied with the service that they received from LWC during 2021/22.

There is national expectation for 50% of people being treated by IAPT to recover by the end of their treatment. Over the past year, an average of 52% of LWC clients have achieved recovery by the end of their treatment.

A large portion of our IAPT delivery is done alongside the Forward Thinking Birmingham (FTB) partnership which is comprised of statutory, VCSE (Voluntary, Community and Social Enterprise) and independent organisations who work together to collectively provide a dynamic approach to mental health services for children, young people and young adults (CYPYA) living in Birmingham (16-24 year olds). During 2021/22, LWC supported 4,906 CYPYA through this service.

##### **ASSESSMENT AND TRIAGE**

To meet the growing demands of people needing our service we have grown our in-house assessment and triage service during 21/22. Through this growth we have nine dedicated Triage and Assessment workers. This has enabled us to allow patients to be referred directly to us and means that we can assess a far greater proportion in-house.

Having a skilled team providing these interventions has enabled us to get people into the correct service quicker and more effectively. It also enables providers to start treatment with more information the client, therefore leading to better outcomes.

##### **IAPT AND LONG-TERM CONDITIONS (LTC)**

LWC are commissioned to deliver IAPT as an integrated pathway with LTC management. Based on the results of the pilots, the conditions that were chosen to pilot the service with were Diabetes, COPD and Medically Unexplained Symptoms (MUS). The service continues to run successfully with 504 clients being treated during 2021/22. We remain the only commissioned organisation delivering this in the West Midlands.

## **Living Well UK**

For the year ended 31 March 2022

### **Trustees' annual report**

#### **WALKING THERAPY**

In 2021/22 LWC responded to client feedback requesting the option to receive IAPT/counselling whilst outdoors or walking. To meet those needs we employed three dedicated Walking Therapists. They provide sessions while walking with the person needing help around green spaces in Birmingham. The service has been very well received and often carries a waiting list. Since commencing the service mid-year, we have had nearly 90 people receive a course of treatment while walking. For IAPT this is the first service of its kind in the UK.

#### **COGNITIVE BEHAVIOURAL THERAPY (CBT) AND PERSONAL TRAINING**

To support an NHS drive to deliver innovation in Mental Health services we have created a pilot that provides people with CBT alongside the support of a qualified Personal Trainer. We currently employ one person in this service and are looking to expand in 2022/23.

#### **11-16 COUNSELLING AND SUPPORT**

As part of the FTB partnership we were asked to run a pilot that helped them with a growing waiting list of 11- 16 year olds who need counselling. We provided support for nearly 100 young people a month towards the end of the financial year (Jan to April) and the pilot has now been extended for further 12 months.

#### **STEP 4**

Step 4 is a bespoke model, created by LWC that supports complex Young People who have higher needs than IAPT can provide. Through this service we worked with nearly 450 people across 12 months. The model for Step 4 attracts wide interest and we expect it to continue to grow.

#### **LISTENING SERVICE**

In partnership with the NHS and consortium members we created an 'active listening' service for those for whom IAPT or other Mental Health services are not appropriate. The Service trains practitioner to provide up to 12 listening sessions to people who need somewhere to talk. In 2021/22, 564 people used this service.

#### **HEALING CIRCLES**

The Group introduced African Healing Circles (now referred to as 'Healing Circles') in collaboration with Consortium members in 2020/21. Healing Circles are a way to bring those from African and Caribbean backgrounds to meet for group discussions and talk about the impact of race on their mental health. This service has grown in 2021/22 and nearly 350 people have accessed the service.

#### **COVID SITUATIONAL COUNSELLING**

Throughout 2021/22, 489 people were seen for counselling as part of the COVID counselling service including 184 key workers. Mobilising the support of all Consortium members enabled referrals from the general public to be in treatment within two weeks, while key workers waited just 48 hours.

### **Contributing towards training and qualifications of practitioners and therapists (providing education for organisations and professionals in the mental health field)**

#### **IAPT WORKFORCE DEVELOPMENT**

Through LWC contracts, the group holds one of the highest IAPT placements in the West Midlands with 28 IAPT trainees placed across the Consortium, endorsed and funded by Health Education England. LWC has gone further to increase IAPT capacity by self-funding additional trainee posts under the same National IAPT curriculum.

## **Living Well UK**

For the year ended 31 March 2022

### **Trustees' annual report**

In addition to trainees, and again through LWC, the group utilises around 65 IAPT qualified therapists that are directly employed by members of the Consortium enabling them to meet 100% of commissioned targets and service demand. LWC are one of the leading IAPT workforces in England. The Charity is proud that LWC finished 2021/22 with nine IAPT Graduates in Cognitive Behavioural Therapy High Intensity and ten Psychological Wellbeing Practitioners, all securing jobs within Consortium organisations following their university courses.

LWC has invested in clinical training programmes for its members to up-skill their staff and ensure service quality is of the highest standard throughout the course of the COVID-19 pandemic.

### **Providing grants to organisations in the mental health field**

#### **LIVING WELL UK GRANT SCHEME**

In the previous financial year, under two investment strands, the group awarded grants for venue improvement and innovation with applications ranging from £500 up to £5,000. In 2020/21, the impact of the grants was realised, with 10% of consortium members receiving venue funding to improve their premises and 15% of consortium members receiving innovation funding to develop and try new ideas.

The impact of these grants continued to be seen through 2021/22 as the services funded began to show positive outcomes.

#### **CHILDREN AND YOUNG PEOPLE'S GRANT FUNDED ACTIVITY**

The group was also successful in securing funding from Birmingham City Council, Heart of England Community Foundation and BBC Children in Need to improve the wellbeing of children and young people. Working in partnership with Consortium members, the Charity delivered nature therapy, sports and creative activities, and one-to-one support for low intensity mental health needs such as anxiety and depression. 439 children and young people were supported through this partnership.

### **PROMOTION AND PARTNERSHIP**

#### **RUNNING THERAPY**

In partnership with a specialist running charity, we have created a Running for Wellbeing course that people struggling with their Mental Health can attend. In 2021/22 over 200 people attended.

#### **SOLIHULL MOORS**

We entered a partnership with Solihull Moors Football Club, which led to them promoting and advertising our services to all their Junior and Senior football teams. This saw over 1000 players across Birmingham wearing kits supported by LWUK.

#### **MOBILE VILLAGE**

Alongside charity The Village we funded the creation of a Mobile Garden that can enable people at outreach events to have a place to come and chat about their Mental Health in a green environment.

## **Living Well UK**

For the year ended 31 March 2022

### **Trustees' annual report**

#### **Beneficiaries of our services**

There are two principal beneficiaries of the charitable group's services:

- Residents and people working in Birmingham and the West Midlands; and
- Member organisations of LWC

The primary beneficiaries of the services are those patients who have a GP in the area and who are referred or self-referred to LWC for primary care psychological therapies. In the year ended 31 March 2022, over 22,500 patients received services from LWC or its member organisations under NHS contracts in Birmingham and Solihull.

Member organisations receive business support, clinical governance and operational support from LWC and trading opportunities through contracts, which are managed by LWC.

LWC maintains a focus on supporting the Black, Asian and Minority Ethnic (BAME) community and the group is pleased that it was able to assist over 4,500 individuals from this community with treatment, as well as recommending the service to a friend or family.

LWC operated a Customer Satisfaction survey, with a response rate of 97% during the year, which was consistent with prior year. 95% of respondents recommended our service, had trust in our staff and felt involved during the process.

#### **Financial review**

The financial performance of the group shows income generated of £4,855k, and costs incurred of £4,958k. The unrestricted reserves of the group were £768k at the start of the year, and restricted reserves were £17k at the start of the year. LWUK had net outgoing resources of £160k, and LWC reported a net profit of £73k, thus resulting in net outgoing resources for the group of £104k, and total funds for the group of £681k at 31 March 2022. The unrestricted reserves of the group were £649k at the end of the year, and restricted reserves were £32k at the end of the year. This was broadly in line with expectations, against one scenario which forecast net group outgoing resources of £88k. There was no significant financial impact arising from the COVID-19 Coronavirus pandemic during the financial year.

The group had cash of £360k at 31 March 2022.

#### **Principal sources of funds (including any fundraising)**

In previous years, the principal source of funds for the group has arisen from the activities of LWC, and this remained the case for 2021/22. As noted in this report it remains the intention to continue to identify other sources of funds for the group which are expected to continue to play an important role in delivering the objectives of the group. During 2021/22, the group applied and was successful in qualifying for grant funding from several providers, with contributions as stated above.

#### **Reserves policy and going concern**

The Charity has a reserves policy to maintain reserves equivalent to at least three months of operating costs in cash reserves as activities continue to expand. The minimum reserves needed have been calculated at approximately £150,000, based on committed operational and overhead expenditure.

Owing to the Charity having relatively low levels of operating costs, but LWC with staffing and overhead commitments, the trustees believe that the group is in a good financial



## Living Well UK

For the year ended 31 March 2022

### Trustees' annual report

position, with charitable unrestricted funds totalling £336k at 31 March 2022 (£455k at 31 March 2021), and group unrestricted funds of £649k at 31 March 2022 (£768k at 31 March 2021).

These reserves will continue to be utilised in future financial periods and the trustees review the reserves policy for the Charity on an annual basis, in particular the need for the group to hold cash reserves as activity continues to grow.

LWC also has an aim to hold its own cash reserves to cover three months of operating costs and to ensure that it has sufficient cash to manage any delays in receiving payments from customers.

In relation to going concern, the trustees have assessed the financial and operating outlook to identify any material uncertainties that impact on the charity's ability to continue operating. Looking at LWC, the trustees have looked at the overall financial sustainability due to the risk of a global economic downturn, which would be less impactful to LWC as there is a high level of NHS funded commitments. They have looked at the likelihood of a loss of or delay in receiving funding as significant events may need to be cancelled, and have again concluded that most income (in LWC) is commissioned from NHS funded commitments. The trustees have also considered any pressures on working capital if there are delays in paying invoices or processing funding applications. LWC have in turn considered different budget scenarios and the effect of planned income not being received; the LWC business model is based around commissioned activity, so most operational costs are related to operational income, and so reduction in income would be matched by a corresponding reduction in expenditure.

### Principal risks and uncertainties

Principal risk identified	Steps taken to mitigate
NHS commissioning is changing dramatically moving into 2022/23. The Clinical Commissioning Groups (CCG) which provide Mental Health funding are disbanding and becoming Integrated Bodies (ICB). This could mean that LWC will have a completely new set of commissioners/partners moving forward	Regular discussions continue with existing NHS commissioners regarding the changes and where LWC fit going forward.  Key relationships are being built with leaders in the newly formed ICB The contracting business model of LWC enables the business to reduce direct costs to offset the loss of income.  The quality of services we currently deliver is high so our data and history of delivery leads to a good reputation
LWC delivers services to a complex, multi-agency mental health system, and the quality of services provided by consortium members needs to reflect this.  Presenting complexity of people needing services continues to rise adding risk and high need into a stretched system.	A substantial and multi-faceted training programme and clinical guidance is provided to member organisations.  LWC continues to grow its qualified staff and has the highest number of Trainee practitioners in its history.  LWC employs individuals to provide clinical oversight and support.

**Trustees' annual report**

Principal risk identified	Steps taken to mitigate
	<p>A business support programme is offered to all providers and potential providers, to ensure that each business models based on sustainability.</p> <p>A Risk Register is in place to track high level incidents.</p> <p>The Trustee Board has identified the need for a Trustee with senior clinical experience and is attempting to recruit that role.</p>
<p>Provider members of LWC are unable to attract and retain qualified staff.</p>	<p>A programme of CPD continues to be implemented by the group to enable current employees of providers to retain their qualified practitioner status.</p> <p>Direct recruitment programmes continue to be undertaken by LWC to attract new practitioners for provider members.</p> <p>LWC has provided funding to help providers develop the clinical governance needed to support the recruitment and retention of staff.</p> <p>LWC is part of a regional staff Wellbeing work stream. This is enabling the system to look differently at staff retention.</p> <p>Workforce planning discussions continue with commissioners to ensure that the future workforce meets their planning assumptions.</p> <p>LWC has strengthened its links and partnerships with universities and other training institutions to enable the flow of qualified staff to grow.</p> <p>A new traineeship model is still being developed with Forward Thinking Birmingham (FTB), to create a sustainable training and employment pathway for people with lived experience.</p>
<p>New contract opportunities can provide clinical and financial risk.</p>	<p>New contract opportunities continue to be fully assessed to ensure the providers have the clinical capacity and skills to deliver the contract.</p>

## Living Well UK

For the year ended 31 March 2022

### Trustees' annual report

Principal risk identified	Steps taken to mitigate
	The group provides support to enable providers to develop and grow  New contract opportunities are modelled to ensure they are financially viable for the group and the delivery partners.
Delays in receipts from customers negatively impact cash flow.	LWC holding sufficient cash reserves to enable the business to manage its cash position should amounts be received after the due date; credit control procedures continue to be tightened in relation to chasing persistent debt.
The COVID-19 pandemic continues to impact the operation of the group, including its ability to deliver services to key beneficiaries; similarly, it may impact the financial sustainability of member organisations and providers.  Financial sustainability of individual consortium members may impact on LWC's delivery of contracted services.	LWUK and LWC remain set up to be fully operational for remote workers. Home working arrangements for all staff are reviewed and co-ordinated by the management team. Website based support continues, including Live Chat to enable access to services for beneficiaries.  Through annual audits of consortium members, financial sustainability is covered, including the requirement for their own reserves to be at acceptable levels.

### Fundraising

The charity does not carry out external fundraising campaigns; during the year, costs of raising funds are related to advertising and marketing activity, promotional materials, and costs of attendance at events to promote charitable activities.

### Plans for the future

The group intends to:

- Continue delivering innovative and effective services through generated funding from grants and trusts awarding organisations.
- Invite applications from potential members to become part of the Consortium.
- Provide funding to support innovation in the sector.

The group is committed to developing a vision that will allow us to take the lead in enabling the system to provide quicker, easier and simpler treatment at the point of need.

LWC intends to:

- Continue delivering Mental Health services across Birmingham and Solihull; alongside this there is a clear view to grow our delivery in other areas.
- Continue receiving funding for IAPT trainees, with 32 trainees confirmed for 2022/23 keeping us a key player in developing new staff for the Mental Health sector.
- Grow its IAPT delivery through providing more services closer to where people in communities need it.
- Grow its IAPT delivery by 15% in 2022/23

## **Living Well UK**

For the year ended 31 March 2022

### **Trustees' annual report**

#### **Structure, governance and management**

The organisation is a Charitable Incorporated Organisation (CIO) registered as a charity on 8 August 2018 in England and Wales. It is referred to within this report as 'the Charity'.

The Charity is constituted under a constitution document, agreed by members at a general meeting dated 3 December 2018.

All trustees give their time voluntarily and any expenses or remuneration reclaimed from the Charity are set out in note 6 to the accounts. The total amount reimbursed to Trustees during the year was £nil (2020/21: £nil).

#### **Appointment of trustees**

Trustees are appointed by election at the Annual General Meeting (AGM) of the Charity. Member organisations are asked to nominate suitable trustees and to complete a simple CV and nomination form. An election will occur at any AGM where the number of nominations exceeds the number of trustees retiring (and not seeking re-election).

Trustees retire on a 3-year cycle to ensure that there are continuing trustees on the Board and the aim is to attract two new trustees annually.

There was one new appointment to the Board of Trustees during the year; Richard Hadley (a former director of LWC) was appointed as a trustee to the Charity Board on 17 June 2021.

#### **Trustee induction and training**

The Charity recognises that the trustee role is critical to the successful functioning of the Charity and its trading subsidiary. To achieve this, it has an induction programme for new trustees; the Chair and Executive Assistant ensure that all new trustees are inducted to their role and understand the requirements of a charity trustee (as outlined by the Charity Commission). Additionally, the Executive Assistant manages the induction programme for the trustee and ensures that new trustees meet with appropriate staff and existing trustees and cover the items on the new trustee induction list.

#### **Related parties and relationships with other organisations**

As noted above, the Charity has a trading subsidiary, LWC which trades as Living Well Consortium (a company limited by guarantee, registered company number 07412677).

LWC is a membership body and works with and through its members to achieve its objects.

LWC delivers on contracts through services provided by various member bodies, including the provision of their staff to fulfil contracts across IAPT, FTB, LTC, Covid Situational Counselling, and, during part of 2021/22, Worcester Triage referrals and a Shropshire. Telford & Wrekin treatment and triage service.

A full list of the members and their activities can be found on the website at [www.livingwellconsortium.com](http://www.livingwellconsortium.com).

#### **Remuneration policy for key management personnel**

The Charity does not employ any staff, but LWC does. The pay and remuneration of all LWC key management personnel has been reviewed in consultation with third party legal advisors (Work Nest), and appropriate salary bandings were reset in accordance with national benchmarks.

## **Living Well UK**

For the year ended 31 March 2022

### **Trustees' annual report**

#### **Statement of responsibilities of the trustees**

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the group's financial activities during the period and of its financial position at the end of the period.

In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation

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

The trustees 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.

#### **Auditor**

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

The trustees' annual report has been approved by the trustees on 31 January 2023 and signed on their behalf by

L McKiernan

Trustee

## **Independent auditor's report to the trustees of Living Well UK**

### **Opinion**

We have audited the financial statements of Living Well UK (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the consolidated and parent charitable company statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows 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 group and parent charity's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, 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 Charities Act 2011

### **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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

For the year ended 31 March 2022

### **Independent auditor's report to the trustees of Living Well UK**

statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements
- Sufficient accounting records have not been kept; 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 trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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.

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.

## **Independent auditor's report to the trustees of Living Well UK**

### **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 group'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 group 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 group 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



For the year ended 31 March 2022

## **Independent auditor's report to the trustees of Living Well UK**

### **Use of our report**

This report is made solely to the parent charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the parent charity's trustees 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 parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed

31 January 2023

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

## Living Well UK

For the year ended 31 March 2022

### Consolidated Statement of Financial Activities

	Note	Unrestricted	Restricted	2021/22 Total	Unrestricted	Restricted	2020/21 Total
		£	£	£	£	£	£
<b>Income from:</b>							
Donations		-	-	-	30	-	30
Charitable activities	2						
Therapy Sessions		1,530,764	-	1,530,764	1,346,204	24,600	1,370,804
Counselling and Self-help		1,665,928	13,932	1,679,860	1,447,395	41,267	1,488,662
Support Services		61,523	53,333	114,856	649,925	109,910	759,835
Wellbeing Services		320,958	-	320,958	190,431	3,650	194,081
Social Prescribing		-	27,500	27,500	40,000	-	40,000
<b>Other Income</b>							
Contribution towards training		829,829	-	829,829	397,127	-	397,127
Local Outreach programmes		22,836	112,035	134,871	-	-	-
Miscellaneous income		216,111	-	216,111	11,600	-	11,600
<b>Total income</b>		<b>4,647,949</b>	<b>206,800</b>	<b>4,854,749</b>	<b>4,082,711</b>	<b>179,427</b>	<b>4,262,138</b>
<b>Expenditure on:</b>							
Raising funds	3	139,198	-	139,198	135,526	-	135,526
Charitable activities	3						
Therapy Sessions		1,395,966	-	1,395,966	1,386,263	43,928	1,430,191
Counselling and Self-help		1,557,288	58,388	1,615,676	1,054,966	51,291	1,106,257
Support Services		174,334	35,723	210,057	954,350	8,677	963,027
Wellbeing Services		519,909	-	519,909	177,010	20,051	197,061
Social Prescribing		83,936	6,652	90,588	10,972	36,939	47,911
Contribution towards training		888,473	-	888,473	454,223	-	454,223
Local Outreach programmes		7,625	90,886	98,511	9,531	1,883	11,414
Grants payable	4	-	-	-	25,341	-	25,341
Tax payable by subsidiaries	9	-	-	-	-	-	-
<b>Total expenditure</b>		<b>4,766,729</b>	<b>191,649</b>	<b>4,958,378</b>	<b>4,208,182</b>	<b>162,769</b>	<b>4,370,951</b>
<b>Net movement in funds</b>		<b>(118,780)</b>	<b>15,151</b>	<b>(103,629)</b>	<b>(125,471)</b>	<b>16,658</b>	<b>(108,813)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward	17	767,535	16,658	784,193	893,006	-	893,006
<b>Total funds carried forward</b>		<b>648,755</b>	<b>31,809</b>	<b>680,564</b>	<b>767,535</b>	<b>16,658</b>	<b>784,193</b>

## Living Well UK

For the year ended 31 March 2022

### Balance Sheets

	Note	<b>The Group 2021/22</b>	<b>The charity 2021/22</b>	<b>The Group 2020/21</b>	<b>The charity 2020/21</b>
<b>Fixed assets:</b>					
Tangible assets	10	8,459	-	15,385	-
Total non current assets		8,459	-	15,385	-
<b>Current assets:</b>					
Debtors	13	2,672,257	112,199	1,057,862	147,835
Cash at bank and in hand		360,355	336,226	528,700	340,554
		3,032,612	448,425	1,586,562	488,389
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	14	2,360,507	80,494	817,754	16,826
<b>Net current assets</b>		<b>672,105</b>	<b>367,931</b>	<b>768,808</b>	<b>471,562</b>
<b>Total net assets</b>	16	<b>680,564</b>	<b>367,931</b>	<b>784,193</b>	<b>471,562</b>
<b>Funds:</b>					
Restricted income funds:					
Grant funded programmes	17	31,809	31,809	16,658	16,658
Unrestricted income funds:					
General funds		648,755	336,122	767,535	454,904
<b>Total funds</b>		<b>680,564</b>	<b>367,931</b>	<b>784,193</b>	<b>471,562</b>

Approved by the trustees on 31 January 2023 and signed on their behalf by

L McKiernan  
Chair

## Living Well UK

For the year ended 31 March 2022

### Statement of cash flows

	2021/22	2021/22	2020/21	2020/21
	£	£	£	£
<b>Cash flows from operating activities</b>				
Net expenditure for the reporting period	(103,629)		(125,472)	
Depreciation charges	8,415		8,898	
(Increase)/decrease in debtors	(1,614,395)		(143,153)	
Increase/(decrease) in creditors	1,542,753		221,383	
Net cash used in operating activities		(166,856)		(38,345)
<b>Cash flows from investing activities:</b>				
Proceeds from disposal of fixed assets	444		475	
Purchase of fixed assets	(1,933)		(6,972)	
Net cash used in investing activities		(1,489)		(6,497)
<b>Change in cash and cash equivalents in the year</b>		(168,345)		(44,842)
Cash and cash equivalents at the beginning of the year		528,700		573,542
<b>Cash and cash equivalents at the end of the year</b>		<b>360,355</b>		<b>528,700</b>

## **Living Well UK**

For the year ended 31 March 2022

### **Notes to the financial statements**

#### **1 Accounting policies**

##### **a) Statutory information**

Living Well UK is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission for England and Wales.

The registered office address is Avoca Court, 23 Moseley Road, Birmingham, B12 0HJ.

##### **b) Basis of preparation**

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The CIO was incorporated on 8 August 2018 and established control over its subsidiary Living Well Consortium) on 3 December 2018.

These financial statements consolidate the results of the Charity and its wholly owned subsidiary on a line-by-line basis. Transactions and balances between the Charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the Charity's balance sheet. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees 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.

##### **c) Public benefit entity**

The charity meets the definition of a public benefit entity under FRS 102.

##### **d) Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

None of the group's key sources of income have been negatively impacted since the COVID-19 Coronavirus outbreak, and the trustees believe there are reasonably secure income sources within the next reporting year.

## **Living Well UK**

For the year ended 31 March 2022

### **Notes to the financial statements**

The trustees have assessed the financial and operating outlook to identify any material uncertainties that impact on the charity's ability to continue operating.

The trustees have looked at the overall financial sustainability due to the risk of a global economic downturn, which would be less impactful to LWC as there is a high level of NHS funded commitments. They have looked at the likelihood of a loss of or delay in receiving funding as significant events may need to be cancelled, and have again concluded that most income (in LWC) is commissioned from NHS funded commitments. The trustees have also considered any pressures on working capital if there are delays in paying invoices or processing funding applications. LWC have in turn considered different budget scenarios and the effect of planned income not being received; the LWC business model is based around commissioned activity, so most operational costs are related to operational income, and so reduction in income would be matched by a corresponding reduction in expenditure.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

#### **e) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

#### **f) Interest receivable**

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

#### **g) Fund accounting**

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

#### **h) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of supporting beneficiaries and undertaken to further the purposes of the group and their associated support costs

## Living Well UK

For the year ended 31 March 2022

### Notes to the financial statements

- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### i) Allocation of support costs

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Categories for allocation of cost	Proportion of total cost
Raising Funds	2.8%
Therapy Sessions	28.2%
Counselling & Self-help	32.6%
Support Services	4.2%
Wellbeing Services	10.5%
Social Prescribing	1.8%
Training	17.9%
Local Outreach Programmes	2.0%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities.

#### j) Operating leases

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

#### k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

The depreciation rates in use are as follows:

Computer equipment	33.33% per annum, straight line (over three years)
Furniture and fixtures	33.33% per annum, straight line (over three years)

#### l) Investment in subsidiaries

Investment in subsidiaries is stated at cost.

## **Living Well UK**

For the year ended 31 March 2022

### **Notes to the financial statements**

#### **m) Debtors**

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

#### **n) 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.

#### **o) Creditors and provisions**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

#### **p) Financial instruments**

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



## Living Well UK

For the year ended 31 March 2022

### Notes to the financial statements

## 2 Income from charitable activities

	Unrestricted 2021/22	Restricted 2021/22	Total 2021/22	Unrestricted 2020/21	Restricted 2020/21	Total 2020/21
<b>Income from all activities:</b>						
	£	£	£	£	£	£
Therapy Sessions	1,530,764	-	1,530,764	1,346,204	24,600	1,370,804
Counselling and Self-help	1,665,928	13,932	1,679,860	1,447,395	41,267	1,488,662
Support Services	61,523	53,333	114,856	649,925	109,910	759,835
Wellbeing Services	320,958	-	320,958	190,431	3,650	194,081
Social Prescribing	-	27,500	27,500	40,000	-	40,000
Contribution towards training	829,829	-	829,829	397,127	-	397,127
Local outreach services	22,836	112,035	134,871	-	-	-
Miscellaneous income	216,111	-	216,111	11,600	-	11,600
Donations and legacies	-	-	-	30	-	30
	4,647,949	206,800	4,854,749	4,082,712	179,427	4,262,139
	<b>Unrestricted 2021/22</b>	<b>Restricted 2021/22</b>	<b>Total 2021/22</b>	<b>Unrestricted 2020/21</b>	<b>Restricted 2020/21</b>	<b>Total 2020/21</b>
<b>Government contracts:</b>	£	£	£	£	£	£
Birmingham and Solihull CCG IAPT KPI4, LTC and Covid-19 situational counselling	2,110,230	-	2,110,230	1,637,825	-	1,637,825
Birmingham Womens and Childrens NHS trust	1,429,858	-	1,429,858	1,346,204	-	1,346,204
Hereford & Worcester Triage	-	-	-	452,332	-	452,332
Midlands NHS ST&W Triage and referrals	18,217	-	18,217	197,593	-	197,593
<b>Non-government contracts:</b>						
Grant income	-	206,799	206,799	-	179,427	179,427
MIND FTB Funding	-	-	-	40,000	-	40,000
Donations and legacy	-	-	-	30	-	30
Invoiced income	34,776	-	34,776			
	3,593,081	206,799	3,799,880	3,673,984	179,427	3,853,411
	<b>Unrestricted 2021/22</b>	<b>Restricted 2021/22</b>	<b>Total 2021/22</b>	<b>Unrestricted 2020/21</b>	<b>Restricted 2020/21</b>	<b>Total 2020/21</b>
<b>Other income:</b>	£	£	£	£	£	£
<b>Government contracts:</b>						
Birmingham and Solihull Funded trainees	303,326	-	303,326	140,565	-	140,565
Health Education England Funded trainees	526,503	-	526,503	256,562	-	256,562
<b>Non-government contracts:</b>						
Kickstart, Respite care, Wellbeing and platform referrals	224,860	-	224,860	11,356	-	11,356
Profit from disposal of fixed assets	178	-	178	244	-	244
	1,054,867	-	1,054,867	408,727	-	408,727

## Living Well UK

For the year ended 31 March 2022

### Notes to the financial statements

#### 3 Analysis of expenditure

2021/22 Analysis of expenditure	Raising funds	Charitable activities										Total
		Therapy Sessions	Counselling and Self-help	Support Services	Wellbeing Services	Social Prescribing	Training	Local Outreach programmes	Grants payable	Governance costs	Support costs	
	£	£	£	£	£	£	£	£	£	£	£	£
Staff costs (Note 6)	-	-	-	-	-	-	-	-	-	-	654,480	654,480
Payments to partners	-	1,156,462	1,338,476	174,018	429,512	75,046	736,039	81,609	-	-	-	3,991,162
Advertising and marketing	95,599	-	-	-	1,197	-	-	-	-	-	-	96,796
Staff expenses	19,718	-	-	-	-	-	-	-	-	-	-	19,718
Office expenses	-	-	-	-	-	-	-	-	-	-	165,601	165,601
Audit, accountancy and consultancy support	-	-	-	-	-	-	-	-	-	13,350	17,272	30,622
	115,317	1,156,462	1,338,476	174,018	430,709	75,046	736,039	81,609	-	13,350	837,353	4,958,379
Support costs	23,507	235,746	272,849	35,474	87,800	15,298	150,042	16,636	-	-	(837,353)	-
Governance costs	375	3,758	4,350	566	1,400	244	2,392	265	-	(13,350)	-	-
<b>Total expenditure 2021/22</b>	<b>139,199</b>	<b>1,395,966</b>	<b>1,615,676</b>	<b>210,057</b>	<b>519,909</b>	<b>90,588</b>	<b>888,473</b>	<b>98,510</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,958,379</b>

2020/21 Analysis of expenditure	Raising funds	Charitable activities										Total
		Therapy Sessions	Counselling and Self-help	Support Services	Wellbeing Services	Social Prescribing	Training	Local Outreach programmes	Grants payable	Governance costs	Support costs	
	£	£	£	£	£	£	£	£	£	£	£	£
Staff costs (Note 5)	-	55,523	15,033	51,443	-	-	-	-	-	-	421,072	543,071
Payments to partners	-	1,172,524	934,865	775,469	168,841	41,139	390,023	9,800	25,341	-	-	3,518,002
Advertising and marketing	51,795	-	-	-	368	-	-	-	-	-	-	52,163
Staff expenses	64,576	-	-	-	-	-	-	-	-	-	-	64,576
Office expenses	-	-	-	-	-	-	-	-	-	-	177,058	177,058
Audit, accountancy and consultancy support	-	-	-	-	-	-	-	-	-	12,700	3,383	16,083
	116,371	1,228,047	949,898	826,912	169,209	41,139	390,023	9,800	25,341	12,700	601,513	4,370,953
Support costs	18,759	197,965	153,126	133,301	27,277	6,632	62,873	1,580	-	-	(601,513)	-
Governance costs	396	4,180	3,233	2,814	576	140	1,327	33	-	(12,700)	-	-
<b>Total expenditure 2020/21</b>	<b>135,526</b>	<b>1,430,192</b>	<b>1,106,257</b>	<b>963,027</b>	<b>197,062</b>	<b>47,911</b>	<b>454,223</b>	<b>11,413</b>	<b>25,341</b>	<b>-</b>	<b>-</b>	<b>4,370,953</b>

## Living Well UK

For the year ended 31 March 2022

### Notes to the financial statements

#### 4 Grant making activities

There were no grants awarded during 2021/22

<b>Grant making activities</b>	<b>Grants to institutions</b>	<b>Total 2021/22</b>	<b>Grants to institutions</b>	<b>Total 2020/21</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
Innovations grants	-	-	-	-
Venues grants	-	-	-	-
Pilot scheme grants	-	-	-	-
Technology grants	-	-	30,840	30,840
Reclaim of grants made in prior year	-	-	(5,499)	(5,499)
At the end of the year	-	-	25,341	25,341
Grants awarded as follows:				
	<b>Total 2021/22</b>		<b>Total 2020/21</b>	
<b>Recipient of grant award</b>	<b>Value</b>		<b>Value</b>	
Better Pathways	-		2,500	
Birmingham MIND	-		2,500	
Change Birmingham Brief Therapy	-		2,500	
Disability Resource Centre	-		2,500	
icap	-		2,500	
Legacy WM	-		2,500	
Murray Hall Community Trust	-		2,500	
Spring to Life	-		2,500	
St Martin Centre for Health and Healing	-		2,500	
WAITS (Women Acting In Todays Socie	-		840	
Women's Consortium	-		2,500	
Bethel Health and Healing Network	-		2,500	
Our Roots	-		2,500	
	-		30,840	

The round of grants paid during 2020/21 were to support member organisations in the purchase of IT equipment to enable them to work remotely.

## Living Well UK

For the year ended 31 March 2022

### Notes to the financial statements

#### 5 Net expenditure for the reporting period

	2021/22	2020/21
	£	£
This is stated after charging/ (crediting):		
Depreciation	8,415	8,898
Operating lease rentals:		
Property	17,550	17,550
Other	624	624
Auditor's remuneration (excluding VAT):		
Audit	13,350	11,700
Other services	1,250	875

#### 6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2021/22	2020/21
	£	£
Salaries and wages	595,563	493,381
Social security costs	48,717	39,012
Employer's pension contribution	10,200	10,678
	<b>654,480</b>	<b>543,071</b>

Employees earning more than £60,000 during the year (2020/21: none)		
£60,001-£70,000	1	-
	<b>1</b>	<b>-</b>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel was £172,435 (2020/21: £136,663)

The total amount paid to key management personnel under a consultancy agreement was £nil (2020/21: £nil)

#### 7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 31 (2020/21: 21).

The average number of employees Full Time Equivalent (FTE) head count based on number of staff employed during the year was 25 (2020/21: 19).

## Living Well UK

For the year ended 31 March 2022

### Notes to the financial statements

## 8 Related party transactions

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

Amra Dautovic, (a Director of LWC) is also Managing Director of MyTime, linked to Richmond Fellowship, which provided services to LWC during the financial year; the total amount invoiced by Richmond Fellowship to LWC during the year totalled £232,606 (2020/21: £321,483). The amount owed by LWC to Richmond Fellowship at 31 March 2022 was £6,760 (at 31 March 2021: £129,487). The amount owed by LWUK to Richmond Fellowship at 31 March 2022 was £nil (at 31 March 2021: £nil).

Davy Hay, (a Trustee of Living Well UK) is a Director of Pattigift Therapy CIC (Pattigift), which provided services to LWC during the financial year; the amount invoiced from Pattigift Therapy CIC to LWC during the year totalled £119,085 (2020/21: £144,630). Pattigift Therapy CIC also received contributions paid by LWUK during 2021/22 for Healing Circles work; the total amount paid over was £35,000. The amount owed by LWC to Pattigift Therapy CIC at 31 March 2022 was £16,831 (at 31 March 2021: £7,589). The amount owed by LWUK to Pattigift Therapy CIC at 31 March 2021 was £nil (at 31 March 2020: £nil).

Martin Hogg, (a Director (and Chair) of Living Well Consortium) is also CEO of Citizen Coaching, which provided services to LWC during the financial year; the total amount invoiced from Citizen Coaching to LWC during the year totalled £861,306 (2020/21: £724,745). The amount owed by LWC to Citizen Coaching at 31 March 2022 was £69,858 (at 31 March 2021: £81,555). The amount owed by LWUK to Citizen Coaching at 31 March 2021 was £nil (at 31 March 2020: £nil).

Lovemore Masiane, (a Director of Living Well Consortium and a Trustee of Living Well UK) is associated with Our Roots CIC, which provided services to LWC during the financial year; the total amount invoiced from Our Roots CIC to LWC during the year totalled £1,575,816 (2020/21: £1,703,562). The amount owed by LWC to Our Roots CIC at 31 March 2022 was £130,636 (at 31 March 2020: £186,726). Our Roots CIC also received contributions paid by LWUK during 2021/22 for Healing Circles work; the total amount paid over was £15,000. The amount owed by LWUK to Our Roots at 31 March 2022 was £nil (at 31 March 2021: £nil).

Louise McKiernan, (a Trustee of Living Well UK, and a Director of Living Well Consortium) is CEO of Disability Resource Centre (DRC), which provided services to LWC during the financial year; the amount invoiced from DRC to LWC during the year totalled £15,110 (2020/21: £12,530). The amount owed by LWC to DRC at 31 March 2022 was £nil (at 31 March 2021: £nil). The amount owed by LWUK to DRC at 31 March 2022 was £nil (at 31 March 2021: £nil).

Ronald Owttrim, (a former director of Living Well Consortium), was also a named director of Health Exchange Limited (HEX), which provided services to LWC during the financial year; the amount invoiced from HEX to LWC during the year totalled £231,103 (2020/21: £402,767). The amount owed by LWC to HEX at 31 March 2022 was £nil (at 31 March 2021: £nil). The amount owed by LWUK to HEX at 31 March 2022 was £nil (at 31 March 2021: £nil). Aftab Rahman, (a Trustee of Living Well UK) is also associated with Legacy West Midlands; the total amount funded or invoiced from Legacy to LWUK during the year totalled £nil (2020/21: funding of £nil). The amount owed by LWC to Legacy WM at 31 March 2022 was £nil (at 31 March 2021: £nil). The amount owed by LWUK to Legacy WM at 31 March 2022 was £nil (at 31 March 2021: £nil).

## Living Well UK

For the year ended 31 March 2022

### Notes to the financial statements

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties

#### 9 Corporation Tax

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. LWC distributes available profits to the parent charity under Gift Aid.

#### 10 Tangible Fixed Assets

	<b>Computer equipment</b>	<b>Furniture and Fixtures</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At the start of the year	36,922	4,173	41,095
Additions in the year	1,933	-	1,933
Disposals in the year	(543)	-	(543)
At the end of the year	38,312	4,173	42,485
<b>Depreciation</b>			
At the start of the year	22,954	2,756	25,710
Charge for the year	7,399	1,016	8,415
Disposals in the year	(99)	-	(99)
At the end of the year	30,254	3,772	34,026
<b>Net book value</b>			
At the start of the year	13,968	1,417	15,385
At the end of the year	8,058	401	8,459

All fixed assets are held by the charity's trading subsidiary, LWC.

## Living Well UK

For the year ended 31 March 2022

### Notes to the financial statements

#### 11 Subsidiary Undertaking

The Charity has control over the activities of Living Well Consortium Limited, a company registered in England. The company number is 07412677. The registered office address is 23 Moseley Road, Birmingham, B12 0HJ.

All activities have been consolidated on a line-by-line basis in the statement of financial activities.

Available profits may be distributed under Gift Aid to the parent charity.

The trustees Louise McKiernan, and Lovemore Masiane are also directors of the subsidiary, and the trustee Richard Hadley was also a director of the subsidiary before being appointed to the Charity Board in June 2021.

A summary of the results of the subsidiary for their full financial year is shown below:

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
Turnover	4,600,995	4,102,676
Cost of sales	(3,606,432)	(3,374,654)
Gross surplus	994,563	728,023
Administrative expenses	(921,509)	(827,400)
Surplus/(Deficit) on ordinary activities before interest and taxation	73,054	(99,377)
Profit on disposal of fixed assets	178	244
Interest receivable and similar income	-	-
Surplus/(Deficit) on ordinary activities before taxation	73,232	(99,133)
Taxation on profit on ordinary activities	-	-
Profit/(Loss) for the reporting period	73,232	(99,133)
Retained earnings		
Total retained earnings brought forward	312,627	411,760
Profit/(Loss) for the reporting period	73,232	(99,133)
Distribution under Gift Aid to parent charity	-	-
Total retained earnings carried forward	385,859	312,627

## Living Well UK

For the year ended 31 March 2022

### Notes to the financial statements

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
The aggregate of the assets, liabilities and reserves was:		
Assets	2,692,512	1,232,351
Liabilities	(2,306,653)	(919,724)
Reserves	<b>385,859</b>	<b>312,627</b>

## 12 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>
Gross income	445,026	256,385
Result for the year	<b>(160,205)</b>	<b>(26,340)</b>

## 13 Debtors

	<b>The group</b>	<b>The charity</b>	<b>The group</b>	<b>The charity</b>
	<b>2021/22</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	2,363,945	11,300	860,529	-
Other debtors	165,362	5	59,653	29,010
Prepayments	142,950	1,025	137,680	32
Amounts owed from group undertakings	-	99,869	-	118,793
	<b>2,672,257</b>	<b>112,199</b>	<b>1,057,862</b>	<b>147,835</b>

## 14 Creditors: amounts falling due within one year

	<b>The group</b>	<b>The charity</b>	<b>The group</b>	<b>The charity</b>
	<b>2021/22</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	292,043	50,478	589,152	12,169
Taxation and social security	474,077	-	54,220	-
Accruals	273,394	15,392	156,937	3,669
Other creditors	489	489	989	989
Amounts owed to group undertakings	-	-	-	-
Deferred income	1,320,504	14,135	16,456	-
	<b>2,360,507</b>	<b>80,494</b>	<b>817,754</b>	<b>16,826</b>



## Living Well UK

For the year ended 31 March 2022

### Notes to the financial statements

#### 15 Deferred income

	<b>The group</b>	<b>The charity</b>	<b>The group</b>	<b>The charity</b>
	<b>2021/22</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at the beginning of the year	16,456	-	8,646	-
Amount released to income in the year	(16,456)	-	(8,646)	-
Amount deferred in the year	1,320,505	14,135	16,456	-
Balance at the end of the year	<b>1,320,505</b>	<b>14,135</b>	<b>16,456</b>	<b>-</b>

Deferred income comprises contract income received in advance.

#### 16 Analysis of group net assets between funds

	<b>General unrestricted</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	8,459	-	8,459
Net current assets	640,296	31,809	672,105
Net assets at 31 March 2022	<b>648,755</b>	<b>31,809</b>	<b>680,564</b>
	<b>General unrestricted</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<i>Tangible fixed assets</i>	<i>15,385</i>	<i>-</i>	<i>15,385</i>
<i>Net current assets</i>	<i>752,150</i>	<i>16,658</i>	<i>768,808</i>
<i>Net assets at 31 March 2021</i>	<b><i>767,535</i></b>	<b><i>16,658</i></b>	<b><i>784,193</i></b>

## Living Well UK

For the year ended 31 March 2022

### Notes to the financial statements

#### 17 Movements in funds

	At 1 April 2021	Income & gains	Expenditure & losses	At 31 March 2022
	£	£	£	£
Restricted funds:				
Grant awards	16,658	206,800	(191,649)	31,809
Unrestricted funds:				
General funds	767,535	4,647,949	(4,766,729)	648,755
<b>Total funds</b>	<b>784,193</b>	<b>4,854,749</b>	<b>(4,958,378)</b>	<b>680,564</b>
	At 1 April 2020	Income & gains	Expenditure & losses	At 31 March 2021
	£	£	£	£
Restricted funds:				
Grant awards	-	179,427	(162,769)	16,658
Unrestricted funds:				
General funds	893,006	4,082,711	(4,208,182)	767,535
<b>Total funds</b>	<b>893,006</b>	<b>4,262,138</b>	<b>(4,370,951)</b>	<b>784,193</b>

Restricted funds include grant funding received for projects to be delivered during the year and continuing into 2022/23.

	At 1 April 2021	Income & gains	Expenditure & losses	Transfers	At 31 March 2022
	£	£	£	£	£
BBC Children in Need	-	53,333	(35,723)	-	17,610
National Lottery - Healing Circles	13,932	13,932	(58,388)	-	(30,524)
CAST and Good Things Foundation	2,727	18,750	(12,850)	-	8,627
BVSC and Street Games	-	90,491	(76,476)	-	14,015
Kickstart	-	27,500	(6,606)	-	20,894
Digikicks	-	2,794	(1,607)	-	1,187
<b>Total funds</b>	<b>16,659</b>	<b>206,800</b>	<b>(191,650)</b>	<b>-</b>	<b>31,809</b>

#### Birmingham City Council, BBC Children in Need, Childhood Trauma

These grants were used to help engage with Heart of England on a Young Person's provision for 11–24-year-olds. The grants were used to in delivering nature therapy, sports and creative activities with 1:1 support for low intensity mental health needs.

#### National Lottery - Healing Circles

A grant was awarded during 2020/21 and work continued to bring those from African and Caribbean backgrounds to meet for group discussions and talk about the impact of race on their mental health. The project was funded from reserves into 2021/22.

#### CAST and Good Things Foundation

This grant was used towards tackling inequalities in digital access, by providing equipment, and giving tutorials to help clients access websites for further wellbeing

## Living Well UK

For the year ended 31 March 2022

### Notes to the financial statements

services; a grant was used to help those without internet access or their own digital devices to complete the 2021 Online Census.

#### BVSC and Street Games

A grant was awarded to cover costs of running activities as part of the Holiday Activities Fund (HAF) – during the summer and winter school holidays in 2021 – a series of outdoor physical activity sessions were run each week.

#### Kickstart

Grants were awarded for placement of individuals on the government backed Kickstart scheme – supporting young people aged 18-25 with work placements within Consortium member organisations across the West Midlands for 6 months.

#### Digikicks

The Charity were engaged to support vulnerable adults with low and no digital skills to gain access to devices and training.

## 18 Operating lease commitments payable as a lessee

	<b>Other</b>	<b>Property</b>	<b>Other</b>	<b>Property</b>
	<b>2021/22</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2020/21</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
The groups total future minimum lease payments under non-cancellable operating leases is as follows:				
Less than one year	624	35,550	624	17,550
Two to five years	2,028	-	2,652	-
	<b>2,652</b>	<b>35,550</b>	<b>3,276</b>	<b>17,550</b>