

SOCIAL CARE IN ACTION

CONSOLIDATED
REPORT AND FINANCIAL STATEMENTS

FOR THE 18 MONTH PERIOD ENDED
30 SEPTEMBER 2020

A COMPANY LIMITED BY GUARANTEE

COMPANY REGISTRATION NUMBER: 04526806

REGISTERED CHARITY NUMBER: 1096903

SOCIAL CARE IN ACTION
FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED
30 SEPTEMBER 2020

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SOCIAL CARE IN ACTION

REPORT OF THE TRUSTEES

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020

The trustees are pleased to present their annual report and audited consolidated Financial Statements of the charitable company and its subsidiaries for the 18 month period ended 30 September 2020, which are also prepared to meet the requirements for a Directors' Report and Financial Statements for Companies Act purposes.

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name Social Care in Action	Registered Office Amplevine House Dukes Road Southampton SO14 0ST
Charity Registration Number 1096903	
Company Registration Number 04526806	

DIRECTORS AND TRUSTEES

The directors of the charitable company, for the purposes of company law, are also its trustees for the purpose of charity law. The trustees who served during the year and since the year end are as follows:

L Judd	Chair		
G Dibben	Secretary		
D Chamberlain			
E Hickman			
D Lodge			
D Corben		Appointed	Mar 21
R Dickenson	Treasurer		
M Patel		Resigned	Feb 20
M Venables		Resigned	Dec 19
E Keogh		Resigned	Oct 19

GROUP REGISTERED SOCIETIES AND CHARITABLE COMPANIES

SCA Care	Registered Society No: 27461R
SCA Trafalgar Dental Services	Registered Society No: 29975R
SCA Transport Services	Registered Society No: 29035R
SCA Fenwick 2 Limited	Registered Society No: 30336R
SCA Trafalgar Limited	Company No: 12144599
Options Wellbeing Trust	Charitable Company No: 1100782
The Steven James Practice	Charitable Company No: 5278016
Southampton Healthy Living	Company No: 10627689

SENIOR MANAGEMENT TEAM

D Freshwater	Chief Executive	
J Mills	Head of Finance	
K McCarthy	Head of Human Resources	
F Hardie	Head of Business Development	Resigned Mar 20
M Wrycraft	Head of Facilities	
N Keeley	Options Wellbeing Trust Operations Director	
W Lee	Head of Health & Wellbeing	
R Rossiter	Director of Integrated Services	

OUR ADVISORS

Auditor Saffery Champness LLP Midland House 2 Poole Road Bournemouth, BH2 5QY	Bankers Lloyds Bank 30 Commercial Road Totton SO40 3TH
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REPORT OF THE TRUSTEES (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020 STRATEGIC REPORT

The charitable company presents its Report and Strategic Report.

AIMS AND OBJECTIVES

The charitable company's aims and objectives are:

- the advancement of health and the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage for the public benefit in particular, but not limited to the practice and provision of health, education, care or community services; and
- to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

Public Benefit Statement

Our main activities and who we try to benefit are described above.

Our charitable activities focus on care in the community, transport, dentistry, training, counselling services and operating a wellbeing centre.

All of our activities are undertaken to further our charitable purposes for the public benefit. In shaping our objectives and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit including the guidance 'Public Benefit: Running a Charity (PB2)'.

ACHIEVEMENTS AND PERFORMANCE

The 18 month period leading up to Sept 2020 has undoubtedly been one of the most dynamic and challenging periods in the Group's history to date. The final six months seeing the charity rising to meet the twin challenges of preparing for a major divestment and the Covid 19 pandemic with its unprecedented issues and inherent opportunities for our charity to demonstrate its impact.

SCiA's main aim during the reported 18 month period has been to continue to work in partnership with Southampton City Council, Hampshire County Council, the NHS and GamCare whilst also looking to generate greater revenues from 'private' clients. Furthermore we have also undertaken a thorough review of all contracted work, assessing each contract/activity for financial viability. Once the pandemic struck our focus naturally turned to protecting our colleagues and customers and working closely with Southampton City Council, Hampshire County Council and the NHS to ensure that the most vulnerable continued to receive the care and support they needed to endure the lockdowns.

SCA Care has supported 797 customers in total during this during this 18 month period; 306 customers in the Southampton Living Well service (SLW), 381 in Home Care (including the complex care service) and 110 across the three Extra Care services across.

Trafalgar Dental Services (SCA Trafalgar Ltd) saw 110,904 UDAs achieved

Options and SJP have delivered 6000 GamCare counselling sessions combined

SCA Transport supported 690 customers and completed 15,258 passenger journeys

SCA Care - Home Care

The 18 month period began with a growth in hours for the Home Care team who were supported by the employment of a dedicated Recruitment Manager tasked to service hiring needs across all of SCA Care. The increase in hours came from additional local authority and NHS funded packages, but also saw the charity increase its self-funded work. Improving the profitability of the Division was hampered however by our commitment to a cohort of SCC customers (c30) whose packages had become unviable for us to service given rising costs and the rate of pay from SCC at that time. Following consultation with SCC we therefore handed back that work over a period of two months, which resulted in Home Care supporting fewer people but having higher returns. In conjunction with this action we also submitted new rates to SCC reflecting the genuine cost of delivery which became effective from 1/4/20. This marked a financial turning point for Home Care and in contrast to the period leading up to April 2020 during which a deficit had been incurred, the performance post the rate increase returned a surplus and each subsequent package we have agreed to take on from SCC must first pass financial viability scrutiny. With the advent of the pandemic and subsequent lockdown the Home Care team faced this unwelcome challenge with unwavering fortitude and commitment. The adoption of new infection control and PPE regimes in addition to standard duties was achieved quickly and effectively thanks to strong leadership and an engaged workforce.

The sourcing of appropriate PPE was a priority and we are pleased to report that thanks to concerted management efforts SCA Care has always remained well provisioned.

One immediate impact of the pandemic saw some customers reacting by reducing or suspending entirely their care packages for fear of cross infection. Despite reassurances regarding steps being taken a percentage of contracted hours was therefore lost overnight. In response SCC agreed to pay to the 'booked hours' for certain customers despite actual delivery being reduced. This support was vital to be able to retain capacity in the service, which like many home-care services can quickly come under pressure when there are unforeseen absences.

A proportion of our private business was also lost immediately once the full extent of the pandemic was understood. We were able to re-deploy capacity created within the staff team however to SCC funded work, which despite the crisis saw numerous packages regularly offered to providers.

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (Continued)

Furthermore we ensured that colleagues who could not work due to their health/shielding requirements saw their income protected via the Furlough scheme. Salaries were also maintained in full with SCA Care contributing the shortfall not covered by the government's job retention scheme.

SCA Care - Extra Care

All three of Our Extra Care schemes were inspected by the CQC for the first time during Nov 19 and we are delighted to report that all three achieved GOOD status and staff were praised on many points by the inspector. Alongside ensuring the quality of care delivered, reducing the cost of employing agency staff in the Schemes has also been a focus for this 18 month period, and with the support of the dedicated Recruitment Manager Extra Care has significantly benefited from quicker and more responsive recruitment seeing the spend on agency costs drop by £50k between Apr 19 and Apr 20.

Maintaining the reduction in agency spend was made considerably more difficult after the pandemic began however as the need for diligent staff to self-isolate to protect customers meant more absence than normal at a time of heightened pressure for the team.

Financial support from HCC, with a guaranteed level of income throughout the first 6 months of Covid and the promise of more financial support from central Government ahead, meant that there was never hesitation to call upon external resources when required however, our customers' and colleagues' safety being the absolute priority across all of SCA Care.

SCA Care - Complex Care

In January 2020 we renamed our Learning Disabilities and Mental Health service as '**Complex Care**' and continued to grow the number of customers supported. As an organisation, we are constantly reviewing our service models to improve choice and outcomes for vulnerable older people and disabled people who are at risk of dependence without such provision. The recruitment of an experienced manager and a renewed focus on promoting our Complex Care offer has enabled us to win and deliver larger packages of support in this area. In Apr 2019 we were also successful in winning a place on SCC's Provider Framework for 'Continuing Health Care'/Complex care, opening up further opportunities to support local customers.

The pandemic had a similar effect on the Complex Care Team as it has for Home Care and Extra Care with those who needed to shield being financially supported to maintain full income. Likewise both teams performed with the same level of commitment and purpose.

SCA Care - Day Care (Southampton Living Well)

During the 18 month period covered we have continued to benefit from working in partnership with Age UK Southampton, who support us in the delivery of the Southampton Living Well (SLW) contract. This Southampton City Council commissioned service is focussed on transforming the way traditional day services are offered to older people living in the city, providing activities and outings to alleviate isolation, reconnect

individuals with their community and support people earlier in the ageing process to enjoy life and reduce their future care requirements.

Sadly however we had to close our day care provision in the New Forest in December 2019 delivered from the Fenwick Health and Well-being centre. Despite repeated marketing and promotional pushes, without a consistent local authority customer base the service failed to attract the required number of self-funders to make the service financially viable. We are grateful to the many volunteers over the years who gave their time to support the customers and staff.

In line with the national lockdown in March the SLW Hubs were closed to customers. SCC continued to fund the service however and the team swiftly shifted their efforts to delivering a community support service. SLW customers were regularly contacted via phone and enjoyed socially distanced doorstep visits. For those who required meal companions were provided in partnership with City Catering, prescription and shopping errands were also undertaken and when permitted by Government guidance, trips out in pairs to re-connect with friends and enjoy open spaces also formed part of the 'SLW under lockdown' offer.

SCA Transport

SCA Transport has had a busy time supporting a total of 690 customers throughout this reporting 18 month period, with the SCC funded SLW and 'Dial A Ride' remaining its principal clients.

A new service to help people home from Southampton General Hospital was also brought on-line (**Home from Hospital**) in June 19 with the ambition of the service being to support the hospital to free up space and ensure that patients who are ready for discharge do not see their hospital stay prolonged unnecessarily. This both improves the patient experience and supports the hospital to save the costs of re-admission for patients they cannot safely discharge.

The benefits of the SCiA Group structure were evident with SCA Transport supporting SCA Care by providing customers with door-to-door transport to the **Southampton Living Well Hubs**. The National Lockdown from March 2020 however saw the doors to the SLW Hubs temporarily closed and the team re-deployed to work side by side with their colleagues in SCA Care. Together the drivers, escorts and care staff responded to the call from Southampton City Council and seamlessly shifted to a model of community support, involving duties such as welfare calls (both remote and socially distanced with PPE doorstep visits), prescription and shopping errands, companionship visits and (when permitted within guidance) trips out in pairs to re-connect with friends and enjoy open spaces.

The **Dial-A-Ride** (DAR) service also continued to demonstrate its value to its membership, ensuring that no-one with a disability is isolated for want of safe, secure and appropriate transport. The DAR membership continued to enjoy group trips out to socialise, reminding all that this 'transport' service also has a key role to play in connecting otherwise isolated people with their neighbours and wider communities. Sadly, as above, the

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (Continued)

journey numbers plummeted as expected when the lockdown struck however and spare capacity was deployed to both support DAR customers in their homes (akin to the offer made above to SLW customers) and as directed by SCC Additional contracted work included 'Medi Match' - transporting denture moulds from dental practices to the manufacturers - this continued to provide a modest income stream until the pandemic began and normal dentistry was suspended. The viability of future medi-match work will depend upon the speed at which the dentistry sector returns to normal levels of activity.

Similarly the **Car-share** scheme - which sees SCA Transport provide bespoke journeys for residents of Eastleigh Borough Council not served by public transport routes – also continued to deliver to expected levels. This was until the advent of the National Lockdown however which saw people heed government advice to stay home.

Overarchingly the value of our community transport service was reinforced to all during this 18 month period as the team responded magnificently to the challenges of the pandemic and the need to change models to meet the needs of our community.

SCA Trafalgar

SCA Trafalgar continued to offer high quality dentistry and receive consistent positive reviews from patients across our six practices and via the NHS 111 service, which ensures that those patients who are unable to access dental services are able to be supported when they are experiencing dental pain or problems. This continued until such time as the Covid crisis prompted a partial close-down, followed by much restricted working practices aimed at reducing the rate of transmission of the virus.

Prior to Covid the business had continued to suffer from similar operating challenges as in recent years, principally being the cost of sourcing and retaining GDPs within the funding envelope afforded by the NHS contracts and the nature of the contracts themselves.

Formerly fruitful routes, such as recruiting dentists from the EU, have become increasingly difficult as the number of dentists arriving to work in the UK has been steadily declining since the 2016 referendum result. The accreditation system for foreign dentists, which purported to take six weeks to review and approve their applications to work on NHS contracts in the UK, also routinely took six months plus to process those GDPs who did wish to join the workforce; meaning many potential hires were lost to private practice before we could take them on as the accreditation review is not required in the same manner.

Changes to the terms of the NHS contract also meant that more consultation and note taking was required to be undertaken by GDPs at each session. This required more time to be spent with NHS patients, but for no more funding/UDAs (Unit of Dental Activity) per treatment, and thus the productivity of GDPs per head was reduced at the same time as the business was struggling to hire enough dentists.

Despite repeated petitions to the NHS demonstrating how the costs of delivery were exceeding the payments received and to raise the UDA rates accordingly we were denied any increases. With a lack of qualified dentists available in the market to join the team on a permanent basis the only way to deliver our 'payment by results' contracts was therefore through engaging locum dentists on expensive day rates, thus exacerbating the problem. These increasing recruitment costs which the organisation was not compensated adequately for via its NHS contracts, combined with the challenge of delivering enough UDAs thanks to the changes in NHS expectations saw the business losing money. Focussed efforts to improve recruitment outcomes, including taking advice from a former Chief Dentist and publishing an article in 'The Dentist' magazine extolling the virtues of working for a social enterprise dental provider sadly yielded little result.

These enduring challenges therefore prompted a debate about whether Trafalgar's charitable mission - to ensure NHS dentistry remained accessible in areas of deprivation - was still achievable in the current market. Observation of the industry at large highlighted that Trafalgar's focus on NHS work - discounted for all and free to those who cannot afford it - was a relative anomaly in an industry with ever increasing numbers of dentists and patients turning to private dental healthcare/insurance plans as they balanced their exposure to NHS funding.

Following a fulsome discussion and debate about what would need to be done to turn the business around, with the overarching focus of the SCiA Group's charitable mission in mind, the difficult decision was taken by the SCA Trafalgar Dental Services Board in June 2019 to seek a buyer for the business and to plan to re-invest any surplus funds post-sale back into the charitable mission of the Group as a whole.

The Chair of Trafalgar then supported the Group CEO and Head of Finance to identify and engage a consultancy whom in turn introduced a number of potential buyers to enter confidential discussion. With an emphasis on understanding company values and future intentions, the leadership team met with the representatives of four major dental groups before signing Heads of Terms with one and beginning the due diligence process requiring a significant resource to satisfy the queries of the buyers' solicitor.

In March 2020 normal business came to a halt however as dentistry was all but closed down by the Chief Dental Officer for England and Wales in response to the Coronavirus pandemic. Concerns over the transmission of the virus via 'Aerosol Generating Procedures', which includes the majority of routine dental procedures, meant that the doors were closed to patients in normal practices whilst regional Emergency Dental Treatment Hubs were established. Triaging by telephone and giving both advice and prescriptions for antibiotics continued, but all face to face delivery was halted.

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (Continued)

NHS contractors continued to be paid to the full value of their contracts however, minus 16.75% abatement which was retained by the NHS, in return for the NHS funding continuing providers had to commit to remunerating all colleagues 'as normal' and to also making them available for the fight against Covid. As infection control specialists our GDPs and Dental Nurses were recognised as having key skills and as a precaution the NHS asked all to be ready to support the Health Service in whatever capacity was required, up to and including working in the Nightingale emergency Covid hospitals. A further option was put to NHS contractors that they could also opt to 'earn' their continued funding by supporting their Local Authorities and voluntary sector in the response to the virus.

As a part of the SCiA Group, SCA Trafalgar was well placed to provide community support locally and in agreement with the NHS our emphasis turned to doing so. Our Practice Managers and staff supported with a number of initiatives including both supporting homeless people with dental well-being packs and advice in Gosport, to supporting the city-wide voluntary sector network in Southampton which co-ordinated a range of practical support including shopping and prescription runs for those who were alone and vulnerable.

In line with a directive from the CDO and with new operating procedures to guide staff, our patients started to slowly return to surgeries from July to take up a limited number of appointments in line with the availability of specialist PPE and the requirement to leave surgeries 'fallow' between procedures for a minimum forty minutes. The twin challenges of progressing the sale and responding to the pandemic has characterised the final third of the reporting period. The pandemic did not affect the buyer's plans and subsequent to the period end the sale did complete.

Options Wellbeing Trust

Along with growing the number of self-funded clients, GamCare remained the principal commissioner for Options Wellbeing Trust during the 18 month period reported and was the core focus of activity. A new service delivery model was implemented, supported by the extensive training required, and in recognition of its commitment, expertise and past performance Options were awarded a further three-year contract to deliver a range of support services for problem gamblers through GamCare.

The new 'recovery approach' focussed model allows clients to escalate or reduce the intensity level of the intervention according to their needs. Whilst we welcome this new model as it allows Options the opportunity to increase the range of services we are able to offer to problem gamblers, delays in the development of the assessment tools required has in part led to a lower number of clients accessing the service than the contract target requires. A 16% reduction in referrals from the GamCare helpline, which remain the main source of referrals, exacerbated the problem which was impacted

yet further by the national lockdown following the Covid outbreak.

A closer working relationship with fellow GamCare partner 'The Steven James Practice' developed during the period (see below), and a valuable exchange of ideas and approaches informed a dedicated marketing campaign designed to drive GamCare referrals to both organisations. Despite best efforts however referrals remained low due primarily to the challenge of customers being confident in finding enough confidential time and space when many were isolating in their homes with partners and families.

A new initiative during the 18 month period has seen the Annexe behind Options HQ let to the NHS and turned into a drop-in 'Recovery Cafe' for clients of the local Mental Health Team. Based on a model proven effective in neighbouring Bournemouth, 'The Lighthouse' is a low-key, welcoming refuge, open late into the evening where people can come for conversation, coffee and help with their mental health if they need it.

The Steven James Practice

In September 2019 the Group Board were delighted to welcome The Steven James Practice (SJP) into the Social Care in Action Group. Originally constituted to support people living with blood-borne viruses during the 18 month period of the AIDS epidemic, SJP's emphasis has shifted in recent years as the need for that work has thankfully diminished in line with improved medicines. Now SJP work alongside Options in the GamCare partnership and deliver counselling support for problem gamblers across Dorset, Devon and Somerset. Following the path taken by Options in 2016, SJP saw the potential of joining the Group in terms of enhanced governance, leadership, resources and back-office support and hence made a petition to the Chair and CEO for consideration. Following a due diligence exercise the Group Board concurred that SJP would make a good addition to the Group and so passed the necessary resolution.

Prior to the lockdown in March SJP had fallen short of the contracted target with GamCare, which whilst in part can be attributed to a significant drop in referrals from the national helpline, also highlighted the need for a concerted marketing campaign to raise the profile of the offer to prospective clients. As a new member of the SCiA Group SJP were able to draw upon resources and expertise to do so and until Covid intervened there was a marked increase in referrals and self-referrals. Unfortunately, mirroring Options' experience under Lockdown, whilst some new clients continued to register with the service after March the number reduced markedly as people found it harder to find the physical space and time for the confidential conversations required.

Similarly to Options, SJP also support fee paying clients with a range of issues and during the period used a mix of both face to face and remote support by video chat and telephone to deliver its services.

The number of private customers remained a small percentage of overall activity, but we anticipate that once lockdown rules are relaxed the marketing plan will continue to impact positively both on the number of GamCare clients and self-funders alike.

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (Continued)

SCA Fenwick2

SCA Fenwick2 has continued to operate as a Health and Wellbeing hub for the local community and surrounding areas, delivering services through third party providers to meet the needs of the local demographic. A wide range of organisations delivered health and wellbeing services from the Centre, including: Older people's club, Carers groups, Physiotherapy/Occupational Therapy, Massage, Counselling incl 'Relate', IAG, Gym facilities, exercise classes, meeting room hire and office rental.

This period saw the closure of SCA Care's Day Care provision at the Centre however due to it being financially unsustainable and this action has prompted a broader conversation with our partners at the Fenwick Centre – the League of Friends of the Fenwick (LOFF) – about the future plans for the building. At over 100 years old the former cottage hospital is in need of significant maintenance and an assessment of the future costs of repairing the building and maintaining it for the longer term is required if we are to plan properly for its sustainable future.

With the onset of the pandemic the premises were closed and the staff team furloughed, with the remainder of their salaries being paid to maintain full incomes.

FINANCIAL REVIEW

These Financial Statements reflect the financial activity of Social Care in Action as a group of social enterprises and individually, whose activities are primarily training, employment enabling and consultancy work. These consolidated Financial Statements for the SCiA group of social enterprises reflect the combined income and expenditure of the businesses, its activities and impacts. The SCiA group of social enterprises incurred a deficit of £162,299 in the 18 month period to 30 September 2020 (12 months to 31 March 2019 - deficit of £587,591). The group income in the 18 month period ended 30 September 2020 was £11,801,911 compared to £8,230,449 in the previous year. Expenditure for the 18 month period was £12,340,743 compared to £9,078,496 in the previous year.

The group now has a total reserve of £963,578 at 30 September 2020 compared to £1,126,669 at 31 March 2019.

The trustees are satisfied with the financial stability of the group, as their plan for divesting of the dentistry operations occurred shortly after the period end and provided the group with sufficient reserves to secure its future needs.

Post Balance Sheet Event

Since the period end, SCA Trafalgar Dental Services completed the sale of its subsidiary company SCA Trafalgar Limited on 30 October 2020, this has resulted in an increase in reserves and funds of £3,906,359 to the group.

Principal Funding Sources

The principal funding sources for the individual charitable company are currently by way of training sales to SCA Care and SCA Trafalgar Dental Services.

Investment Powers and Policy

The trustees do not consider it prudent, at this stage, to invest income in stocks, shares or bonds for the longer term. The policy for investment is, therefore, to retain funds as cash and place them on bank deposit at the best rate obtainable.

Reserves Policy and Going Concern

It is the policy of the charitable company to aim towards maintaining unrestricted funds, which are the free reserves of the charitable company, at a level where unrestricted funds will be sufficient to meet its outgoing expenses.

The trustees are considering ways in which additional unrestricted funds could be raised. The level of reserves is part of the charitable company's business planning, budgeting and forecasting process. It takes into account:

- risks associated with each stream of income and expenditure being different from that budgeted;
- planned activity levels; and
- organisational commitments.

It is the trustees intention to review this policy with the aim of holding approximately three months running costs as free reserves over a time period of five years. As at 30 September 2020 that would equate to a maximum of £650,000. The actual free reserves held at that date was (£464,839). Shortly after the period end the post balance sheet event has led to the free reserves increasing to £3,441,520

The trustees are of the view that the charitable company and group are a going concern.

PLANS FOR FUTURE 18 MONTH PERIODS

Covid 19

As infection rates continued to rise in Autumn 2020 the leadership of the SCiA Group had a clear, immediate focus, which is to retain our core service provision, supporting the most vulnerable in our communities through our care, transport and counselling services. We will continue to do all that is required to keep our customers and colleagues safe and will also continue to work closely with SCC, HCC and the NHS to flex our provision and innovate where required to support our communities. Whilst clearly there is still much to understand about the virus we are encouraged by the development of the various vaccines globally and the plans to safeguard the most vulnerable in our population as soon as possible.

Preparing for the 'new normal' is the challenge ahead now, which we sincerely hope will include a new found appreciation from Government of the importance of the work of our carer colleagues, which in turn translates into effective legislation to finally end the UK's annual Adult Social Care funding crisis.

Strategic Review

Following expiration of the previous three year strategic plan the Board and Executive Management Team are now planning a thorough review of all the Group's

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020

PLANS FOR FUTURE 18 MONTH PERIODS (Continued)

potential new innovations. An external consultant will support this process, bringing objectivity and fresh eyes to the challenges and opportunities that the Group has ahead. The output from this exercise is anticipated to be both a three year 'road map', and where required a suite of costed business plans, designed to bring order and focus to the Group's new business and development activity.

Following the divestment of Trafalgar the CEO will also conduct a review of the ongoing back-office and Leadership team requirements of the Group, to test previous assumptions of what's needed against actual, post-Trafalgar requirements.

SCA Trafalgar Ltd

The sale of SCA Trafalgar Ltd was completed on 30th October 2020. The trustees wish to express their thanks and gratitude to the staff of SCA Trafalgar Ltd for their endeavours during SCiA ownership, and wish them well under their new owner.

SCA Care - Home Care/Complex Care

In addition to maintaining a sharp focus on infection control and understanding the mental and physical health consequences of lockdown on our customers, the next period for Home Care will be characterised by a focus on both recruitment and retention. The Director of Integrated Services and the Head of HR will therefore collaborate on a top to bottom review of all of our processes and behaviours as a company.

Industry surveys routinely highlight **Training, Values** and whether workers' **Voices** are heard as important factors when carers are choosing to join or stay with a care provider. Our ambition is to focus on these aspects of working life at SCA Care in order to grow our team.

New business will come primarily from SCC and the NHS via our existing contracts and there will be an emphasis on **growing our Complex Care** hours and **trials of the delivery of 'live-in' care**.

SCA Care - Day Care – Southampton Living Well

The immediate future for SLW will be dictated by the speed at which the pandemic can be brought under control and confidence return to our customers and our commissioners regarding the possibility of re-opening. SLW's purpose is to transform the previous day care service into a rich Day Opportunities Offer with provision in strategically located Hubs coupled with activities out in the community, designed to help people to stay physically and mentally active for longer. Covid has irrevocably affected all older person's services however and we anticipate working with our partners Age UK Southampton and our commissioners at SCC to re-design the service for a world with Covid.

SCA Care - Extra Care

As for Home Care the focus on maintaining our clients' and colleagues' safety remains the top priority for our Extra Care team. This is particularly challenging in an environment where residents' families and friends can visit the Schemes at will, so we will continue to work

closely with the landlord - New Forest District Council - and our commissioner - Hampshire County Council - to ensure that all is done to manage infection control effectively.

SCA Transport

With SLW still closed for normal business and Dial-A-Ride numbers remaining low due to lockdown, it is expected that for the next 6-12 months the SCA Transport team will continue to work flexibly with our commissioners to meet the needs of the community. The transporting of vulnerable customers to their vaccinations and important medical appointments is a new service innovation that will be starting in the first quarter of 2021. Covid has also caused a delay in the council's planned procurement of an 'Integrated Community Transport' contract which would see our current Dial-A-Ride and Home from Hospital contracts bundled along with other transport spend the council makes when paying for journeys for social care customers.

The scale and terms of this opportunity will be important for us to review when published, as we are entering the final years of operation for a percentage of our current fleet and new investment will need to be considered in the context of sustainable contracts being available to win.

Options Well-Being Trust

With the mental health impact of Covid anticipated to be significant and wide-reaching, Options is preparing to both grow self-funded counselling in the period ahead and to see an increase in the number of clients being supported via the GamCare contract. It is also planned to diversify income streams in order to be able to serve a wider cohort, including those who do not qualify for GamCare but cannot afford to pay privately.

We will also review the on-line offer from Options and explore the synergies and savings that could be gained by working more closely with The Steven James Practice. Furthermore we plan to refurbish the main Options building in Shirley Southampton in order to provide a modern and welcoming environment for clients which is also a comfortable workplace for our colleagues.

The Steven James Practice

SJP are anticipating similar levels of demand for their services in the period ahead to Options and are preparing accordingly by identifying and training Associate Counsellors. Income diversification will be particularly important for SJP in the months ahead to balance the valued contract with GamCare, and as part of the SCiA Group there are now additional resources available to the Practice Manager to identify and bid for new work, as well as the opportunity to bid in partnership with Options. Increasing the volume and impact of SJP's marketing, promotion and online presence has also been identified as a key success metric for the coming period.

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The company is a charitable company limited by guarantee, incorporated on 5 September 2002 and registered as a charity on 8 April 2003. The charitable company was established under a Memorandum of Association which established the objectives and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of Trustees

The directors of the company are also charity trustees for the purposes of charity law and, under the charitable company's Articles, are known as members of the Board. The directors are reappointed in accordance with the Memorandum and Articles of Association.

Trustee Induction and Training

A programme is employed for the induction of new trustees. This includes visiting the offices, meeting staff and observing how the charitable company operates. It also encompasses a full induction in the charitable company's policies and procedures and involves examining the business plan.

Organisational Structure

Day to day operations and responsibilities are delegated to the Senior Management Team, who are responsible for ensuring the charitable company delivers the services specified, meets key performance targets and stays within the agreed budgets.

Risk Management

The trustees have conducted a review of the major risks to which the charitable company is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charitable company faces. Significant external risks have led to the development of a strategic plan. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. The trustees have identified reputational risk, financial risk, IT risk and health and safety risk as being the major risks they are exposed to. To mitigate these the charitable company have controls which include partnership working, upgrading electronic networks and introducing technology to record events as and when they occur. In addition, all staff are provided with handbooks detailing the organisations expectations when they join.

Related Parties

Social Care in Action is a member of the SCiA group of social enterprises. The other members of the group, who are all Registered Societies under the Co-operative and Community Benefit Societies Act 2014, are SCA Care, SCA Transport Services, SCA Trafalgar Dental Services and SCA Fenwick 2 Limited, along with Options Wellbeing Trust a company limited by guarantee and Registered Charity and Southampton Healthy Living a company limited by guarantee.

The charitable companies and registered societies are all operated and managed on a unified basis with Social Care in Action acting as the parent body.

Key Management and Personnel Remuneration

The directors consider the board of directors, who are the charitable company's trustees and the senior management team, comprise the key management personnel of the charitable company in charge of directing and controlling,

running and operating the charitable company on a day to day basis. All directors give their time freely as trustees in the year.

Pay Policy for Senior Staff

The trustees review the remuneration of senior staff 18 months periodically on the basis of the performance of the individual concerned and the charitable company and group as a whole.

RESPONSIBILITIES OF TRUSTEES

The trustees (who are also directors of Social Care in Action for the purposes of company law) are responsible for preparing the Annual Report of the Trustees and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare Financial Statements for each financial year. Under company law the trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 18 month period. In preparing these Financial Statements the trustees are required to:

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

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the charitable company and to enable them to ensure that the Financial Statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements may differ from legislation in other jurisdictions

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020

RESPONSIBILITIES OF TRUSTEES (Continued)

Statement as to Disclosure to our Auditors

In so far as the trustees are aware, at the time of approving our Report of the Trustees:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charitable company's and group's auditor is unaware; and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the charitable company's and group's auditor is aware of that information.

AUDITOR

A resolution to re-appoint Saffery Champness LLP will be submitted to the annual general meeting.

Approved by the trustees on 25 May 2021 and signed on their behalf by:

.....
L JUDD
CHAIR

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SOCIAL CARE IN ACTION

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020

Opinion

We have audited the financial statements of Social Care in Action for the 18 month period ended 30 September 2020 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charitable Company Balance sheet, Consolidated Statement of Cash Flows and 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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 30 September 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the 18 month period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial 18 month period for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report. We have nothing to report in respect of the following matters where the Companies Act 2006 require us to report to you if, in our opinion:

- the group or parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)**FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020****Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 8 - 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the 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's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members and the trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and 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 charitable company, the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed. Any knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Nicholas Fernyhough (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP**

Chartered Accountants

Statutory Auditors

**Midland House
2 Poole Road
Bournemouth
BH2 5QY
May 2021**

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Section 408 exemption has been taken and the parent company's own profit and loss account has been omitted from the financial statements

SOCIAL CARE IN ACTION

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNTS)**

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020

Consolidated

	Note	Unrestricted Funds 18 mths 2020 £	Restricted Funds 18 mths 2020 £	Total Funds 18 mths 2020 £	Total Funds 12 mths 2019 £
INCOME					
Donations and legacies	2	179,224	7,078	186,302	2,843
Charitable activities	3	6,907,451	450,852	7,358,303	6,885,760
Investment income	4	232,733	-	232,733	142,764
Community benefit trading		4,024,573	-	4,024,573	1,188,400
Other Income					
Gain on disposal of fixed assets		-	-	-	10,682
TOTAL		11,343,981	457,930	11,801,911	8,230,449
EXPENDITURE					
Charitable activities		8,578,697	443,882	9,022,579	7,833,313
Community benefit trading		3,250,688	-	3,250,688	1,186,167
Costs of fundraising		67,476	-	67,476	59,016
TOTAL	5	11,896,861	443,882	12,340,743	9,078,496
NET GAINS ON INVESTMENT PROPERTY		-	-	-	60,220
NET EXPENDITURE FOR THE 18 MONTH PERIOD	7	(552,880)	14,048	(538,832)	(787,827)
OTHER RECOGNISED GAINS					
Defined benefit pension scheme	25	343,626	-	343,626	179,923
Gains on revaluation of fixed assets		32,907	-	32,907	20,313
MOVEMENT IN FUNDS FOR THE 18 MONTH PERIOD BEFORE TAX		(176,347)	14,048	(162,299)	(587,591)
TAX	10	(792)	-	(792)	-
NET MOVEMENT IN FUNDS FOR THE 18 MONTH PERIOD		(177,139)	14,048	(163,091)	(587,591)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,119,389	7,280	1,126,669	1,714,260
TOTAL FUNDS CARRIED FORWARD		942,250	21,328	963,578	1,126,669

The net expenditure for the purposes of the Companies Act 2006 comprises the net expenditure before other recognised gains for the 18 month period end of £538,832 (2019: 12 month Expenditure £787,827).

SOCIAL CARE IN ACTION

CONSOLIDATED AND PARENT BALANCE SHEET

AS AT 30 SEPTEMBER 2020

	Note	Consolidated		Charitable Company	
		September 2020 £	March 2019 £	September 2020 £	March 2019 £
FIXED ASSETS					
Tangible fixed assets	11	1,529,088	1,611,653	27,378	39,847
Investment property	12	190,000	190,000	-	-
Intangible assets	13	5,000	20,000	-	-
Investments	14	-	-	4	4
TOTAL FIXED ASSETS		1,724,088	1,821,653	27,382	39,851
CURRENT ASSETS					
Stock		31,380	24,851	-	-
Debtors	15	782,754	1,271,494	509,561	163,853
Cash at bank and in hand		795,761	1,459,822	8,715	376,558
TOTAL CURRENT ASSETS		1,609,895	2,756,167	518,276	540,411
LIABILITIES					
Creditors: Amounts falling due within one year	16	(2,066,205)	(2,699,758)	(329,235)	(477,909)
NET CURRENT ASSETS		(456,310)	56,409	189,041	62,502
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS: Amounts falling due after more than one year	18	(304,200)	(751,393)	(48,750)	(25,195)
NET ASSETS	23	963,578	1,126,669	167,673	77,158
GROUP / CHARITABLE COMPANY FUNDS					
Unrestricted Income Funds:	24				
- General funds		615,455	825,501	160,518	69,878
- Revaluation reserve		326,795	293,888	-	-
Total Unrestricted Income Funds		942,250	1,119,389	160,518	69,878
Restricted income funds	24	21,328	7,280	7,155	7,280
GROUP / CHARITABLE COMPANY FUNDS		963,578	1,126,669	167,673	77,158

The trustees have prepared group Financial Statements in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These Financial Statements constitute the annual Financial Statements required by the Companies Act 2006 and are for circulation to members of the charitable company.

The consolidated Balance Sheet incorporates all the charitable companies and registered societies within the SCiA group. The notes on pages 16 to 33 form part of these Financial Statements.

Approved by the trustees on 25 May 2021 and signed on their behalf by:

.....
L JUDD
CHAIR

.....
R DICKENSON
TREASURER

SOCIAL CARE IN ACTION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020

	Note	Consolidated	
		18 mths 2020 £	12 mths 2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash (used in) / provided by operating activities	1	(453,553)	(640,046)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Income		397	3,009
Proceeds from sale of property, plant and equipment		-	10,682
Purchase of property, plant and equipment		(164,054)	(125,019)
NET CASH USED IN INVESTING ACTIVITIES		(163,657)	(111,328)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash (out)/inflows due to changes in members' shares in subsidiary societies		(6)	(3)
Repayments of borrowing		(459,867)	(55,384)
Cash inflows from new borrowing		312,000	454,500
Cash inflow from acquisition of Steven James Practice		152,519	-
Repayments of obligations under finance leases		(51,497)	(48,575)
NET CASH PROVIDED (USED IN)/BY FINANCING ACTIVITIES		(46,851)	350,538
Change in cash and cash equivalents in the year			
Cash and cash equivalents at the beginning of the period		1,459,822	1,860,658
Cash and cash equivalents at the end of the period	2	795,761	1,459,822

SOCIAL CARE IN ACTION

NOTES TO THE CASH FLOW STATEMENT

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Consolidated	
	18 mths 2020	12 mths 2019
	£	£
Net expenditure for the 18 month period as per the Statement of Financial Activities	(163,091)	(587,591)
Adjustments for:		
Interest income shown in investing activities	(397)	(3,009)
Depreciation charges	280,025	205,091
Amortisation charges	15,000	10,000
Revaluation of fixed assets	(32,907)	(80,533)
Pension fund surplus	(343,626)	(179,923)
Gain on disposal of fixed assets	-	(10,682)
(Increase)/Decrease in stock	(6,529)	(5,834)
Decrease /(Increase) in debtors	488,740	(154,314)
(Decrease)/Increase in creditors	(690,768)	166,749
Net cash (used in)/provided by operating activities	(453,553)	(640,046)

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Consolidated	
	18 mths 2020	12 mths 2019
	£	£
Cash at bank and in hand	795,761	1,459,822
Total cash and cash equivalents	795,761	1,459,822

SOCIAL CARE IN ACTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18 MONTH PERIOD ENDED 30 SEPTEMBER 2020

1. ACCOUNTING POLICIES

Charity Information

Social Care in Action is a charitable company established under its Memorandum and Articles of Association and registered with the Charity Commission and Companies House in England and Wales.

The principal address is Amplevine House, Dukes Road, Southampton, SO14 0ST.

The charitable company is a public benefit company.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

(a) Basis of Preparation

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Financial Statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest £.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

(b) Group Financial Statements

The consolidated Financial Statements incorporate the results of Social Care in Action and its related Registered Societies and charitable companies on a line by line basis.

The consolidated entity is referred to as the SCiA group of social enterprises (group).

The Charity has taken advantage of the exemption, under section 408 of the Companies Act 2006, not to publish its own Statement of Financial Activities. The charitable company's total income was £1,434,202 (2019: £771,494) and its total expenditure was £1,343,664 (2019: £861,759) resulting in a net surplus of £90,538 (2019: deficit £90,265). The Steven James Practice, a company limited by guarantee and registered Charity was acquired into the group in September 2019. Its reserves at the point of acquisition were treated as a donation to the group.

(c) Income

All income is included in the Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are included in full in the Statement of Financial Activities when receivable.
- Income from charitable activities is accounted for when earned.
- Income from government and other grants, whether "capital" grants or "revenue" grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.
- Investment income is included when receivable.
- Donated services and facilities are included at the value to the charitable company. The value of services provided by volunteers has not been included in these Financial Statements. Volunteers are used to provide driving services, assist in the operation of day centres and as librarians.

(d) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Expenditure on charitable activities comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, eg floor areas, per capita or estimated usage as set out in Note 5.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the audit fees and costs linked to the strategic management of the charitable company.

(e) Goodwill

Goodwill is calculated as the difference between the acquisition cost and the fair value of an asset. Goodwill is written-off as follows:

Totton Practice	over 10 years
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

1. ACCOUNTING POLICIES (CONTINUED)

(f) **Tangible Fixed Assets**

Tangible fixed assets are stated at cost, less accumulated depreciation and any accumulated impairment losses. The costs of additions below £1,000 are not capitalised.

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life as follows:

Buses and motor vehicles	2 to 6 years
Office equipment	2 to 7 years
Computer equipment	3 to 4 years
Training equipment	4 years
Furniture, fixtures and fittings	3 to 4 years
Freehold buildings and property	50 years
Property improvements	5 to 15 years
Dental equipment	7 years

One of the related entities, Options Wellbeing Trust, measures freehold property at their fair value and are to be revalued every 5 years.

(g) **Investment Property**

Investment properties are initially measured at cost and subsequently at fair value, with the change recognised in the statement of financial activities.

(h) **Stock**

Stock is valued at the lower of cost or net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

(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 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**

Creditors and provisions are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(l) **Hire Purchase**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Statement of Financial Activities on a straight line basis.

(m) **Finance Lease Agreements**

Assets held under finance leases where substantially all of the benefits and risks of ownership accrue to the lessee, are capitalised and disclosed under tangible fixed assets at their fair value. The assets are depreciated over the shorter of the lease term or their useful economic life. The capital element of the future payments is treated as a liability. The total finance charge for each lease is charged to the Statement of Financial Activities so as to produce a constant 18 month periodic rate of charge for each accounting 18 month period.

(n) **Operating Lease Agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

(o) **Pension Costs**

The related subsidiary, SCA Care, and the related charitable company, Options Wellbeing Trust, both participate in the Hampshire County Council (HCC) pension scheme which is a Defined Benefit Pension Scheme within a multi-employer plan.

HCC have provided details of the deficit relating to each entity. The registered society and the charitable company have entered into an agreement with the multi-employer plan provider that determines how the deficit is to be funded and this has been recognised as a liability in the consolidated Financial Statements.

The charitable company and related entities also operate a defined contribution pension scheme. Payments to the scheme are charged as an expense as they fall due.

(p) **Taxation**

The activities of the charitable company and its related societies and charitable companies, with the exception of SCA Fenwick 2 Limited, are exempt from Corporation Tax on their charitable activities.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

1. ACCOUNTING POLICIES (CONTINUED)

(q) Fund Accounting

Unrestricted funds consist of the general purposes fund and designated funds.

Designated funds are funds established by the trustees from time to time for specific projects or purposes, are not in any way restricted and any surplus or deficit will be transferred to/from the general purposes fund when the designated fund is closed.

Restricted Funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.

(r) Significant Judgements and Estimates

Preparation of the Financial Statements may require management to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

(s) Financial Instruments

The charitable 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 with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

2. DONATIONS AND LEGACIES

Consolidated

	Unrestricted Funds 18 mths 2020 £	Restricted Funds 18 mths 2020 £	Total Funds 18 mths 2020 £	Total Funds 12 mths 2019 £
Donations	46,243	-	46,243	2,843
Acquisition of Steven James Practice	132,993	7,078	140,071	-
Total	179,224	7,078	186,302	2,843

The donations and legacies income for the 12 months to 31 March 2019 of £2,843 was unrestricted. There were no donated services and facilities receivable (2019 - £nil).

3. CHARITABLE ACTIVITIES

Consolidated

	Unrestricted Funds 18 mths 2020 £	Restricted Funds 18 mths 2020 £	Total Funds 18 mths 2020 £	Total Funds 12 mths 2019 £
Local Authority contracts	4,015,024	-	4,015,024	2,140,674
Customer contributions	591,859	-	591,859	530,884
NHS contracts	1,687,327	-	1,687,327	3,110,761
Private dental work	194,145	-	194,145	594,818
Private counselling	50,214	-	50,214	36,462
Dentists' licence fee	24,939	-	24,939	-
General consultancy	-	-	-	3,895
Sundry income	105,857	-	105,857	141,942
Use of buses	35,217	-	35,217	43,747
Dial-a-ride	20,459	-	20,459	20,930
Car share income	25,587	-	25,587	26,868
Coronavirus Job Retention Scheme grant	60,412	-	60,412	-
Grants received	96,411	450,852	547,263	234,779
Total	6,907,451	450,852	7,358,303	6,885,760

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

3. CHARITABLE ACTIVITIES (CONTINUED)

The group has entered into service agreement contracts with government bodies and local authorities to provide the various services and specific deliverables that the group provides. There were no unfulfilled conditions and/or other contingencies attaching to the grants that have been recognised in income.

The income received from charitable activities is split across the group's key activities as follows:

	Consolidated	
	18 mths 2020	12 mths 2019
	£	£
Training and education	27,745	40,171
Care	3,848,557	2,156,616
Transport	973,171	656,992
Dental	1,921,800	3,730,891
Health and social welfare	51,426	12,545
Information and counselling	535,604	288,545
Total	7,358,303	6,885,760

The consolidated income from charitable activities in the 12 months to 31 March 2019 of £6,885,760 of which £6,659,929 was unrestricted and £225,831 was restricted.

4. INVESTMENT INCOME

Consolidated

	Unrestricted	Restricted	Total	Total
	Funds	Funds	Funds	Funds
	18 mths	18 mths	18 mths	12 mths
	2020	2020	2020	2019
	£	£	£	£
Bank interest	397	-	397	3,009
Rent received	232,336	-	232,336	139,755
Total	232,733	-	232,733	142,764

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

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5 ANALYSIS OF TOTAL EXPENDITURE

Consolidated					Health &	Information	18 mths	12mths
	Central	Care	Transport	Dental	Social	&	2020	2019
	£	£	£	£	Welfare	Counselling	Total	Total
					£	£	£	£
Direct staff costs	846,301	3,083,740	553,971	574,384	89,145	287,328	5,434,869	3,637,365
Consultancy	-	152,419	-	277,119	-	-	429,538	698,242
Transport costs	-	26,198	170,908	-	-	-	197,106	140,304
Dental costs	-	-	-	1,041,901	-	-	1,041,901	1,727,120
Other direct costs	125	70,051	2,680	-	-	57,638	130,494	56,477
Daycare club amenities	-	38,877	-	-	-	-	38,877	28,019
Motor and travel	-	64,525	-	-	-	-	64,525	59,570
Bad debts written-off	-	1,145	-	19,549	-	395	21,089	38,868
Support costs	431,087	335,310	90,769	564,026	78,662	128,591	1,628,445	1,425,772
Governance	14,591	13,620	1,307	13,620	3,660	4,890	51,688	31,140
Community Benefit Trading	-	-	-	3,250,688	-	-	3,250,688	1,176,603
Fundraising	51,523	-	-	-	-	-	51,523	59,016
Total	1,343,627	3,785,885	819,635	5,741,287	171,467	478,842	12,340,743	9,078,496

Expenditure on charitable activities in the 12 months to 31 March 2019 of £8,852,608 was unrestricted, and £225,888 was restricted.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The group identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs, together with the governance costs, are applied to the charitable and fundraising activities undertaken (see note 5) in the year. Refer to the table below for the basis of apportionment and the analysis of support, fundraising and governance costs.

Consolidated

	General Fundraising	Support	Governance	Total Funds 18 mths 2020	12 mths 2019	Basis of Apportionment
	£	£	£	£	£	
Support staff costs	-	154,505	-	154,505	112,394	Time
Establishment costs	-	725,814	-	725,814	602,022	Usage
Administration expenses	15,953	294,769	-	310,722	303,161	Usage
Equipment and maintenance	-	65,051	-	65,051	66,342	Usage
Advertising and publicity	-	64,495	-	64,495	13,012	Usage
Recruitment expenses	-	37,343	-	37,343	37,172	Usage
Trust fees	-	-	248	248	2,968	Governance
Legal and professional fees	-	57,072	-	57,072	34,175	Usage
Audit fees	-	-	51,440	51,440	28,172	Governance
Bank charges and interest	-	24,103	-	24,103	44,227	Usage
Lease interest	-	14,849	-	14,849	5,933	Usage
Depreciation of fixed assets	-	169,491	-	169,491	205,091	Usage
Amortisation	-	5,000	-	5,000	10,000	Usage
Total	15,953	1,612,492	51,688	1,680,133	1,464,669	

7. NET (EXPENDITURE)/INCOME FOR THE 18 MONTH PERIOD

This is stated after charging:

	Consolidated		Charitable Company	
	18 mths 2020	12 mths 2019	18 mths 2020	12 mths 2019
	£	£	£	£
Depreciation	280,025	205,091	24,303	14,021
Operating lease charges	381,721	255,536	68,805	45,870
Auditor's remuneration – Audit fee	34,020	27,402	14,050	8,134
– Tax services	4,740	3,440	-	700
– Other advice	12,680	-	-	-

8. ANALYSIS OF STAFF COSTS, TRUSTEE EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	18 mths 2020	12 mths 2019
	£	£
Consolidated		
Salaries and other costs	5,896,031	3,576,706
Social Security costs	417,402	234,056
Pension costs	155,886	67,735
Total	6,469,319	3,878,497

Employees' (only one) emoluments amounted to between £70,000 - £80,000 (2019: Nil).

No other employee received emoluments over £60,000

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

8. ANALYSIS OF STAFF COSTS, TRUSTEE EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL (Continued)

The average number of employees during the 18 month period was as follows:

	18 mths 2020	12 mths 2019
Carers	103	96
Nurses	32	35
Drivers	27	30
Trainers and assessors	-	1
Administration	77	75
Total	239	237

No remuneration was paid to trustees from Social Care in Action or any group society or charitable company. During the 18 month period £515 was paid to 2 trustees for expenses in carrying out their duties (2019:12 months - £922, 3 trustees)

Certain members of the Management Committees of related entities within the SCiA group of social enterprises, who are not trustees of Social Care in Action, have received remuneration and expenses in those entities. These details are disclosed in the relevant entities Financial Statements.

The Senior Management Team received total employee benefits for the 18 month period of £626,482 (2019: 12 months - £451,520).

9. OPERATING LEASES COMMITMENTS CONSOLIDATED

Land	September 2020 £	March 2019 £
Less than 1 Years	268,656	254,481
2-5 Years	334,517	505,234
More than 5 years	13,125	-
Total	616,298	759,712

10. TAXATION

Social Care in Action is a charitable company registered with The Charity Commission in England & Wales (charity number 1096903). The charitable company is exempt from Corporation Tax on its charitable activities, reference XR86896.

The following societies had charitable status:

SCA Care (Reference X 01428/91)

SCA Transport Services (Reference XR 37023)

SCA Trafalgar Dental Services (Reference XR 89817)

Options Wellbeing Trust and Southampton Healthy Living are also exempt from Corporation Tax on their charitable activities.

SCA Fenwick 2 Limited and SCA Trafalgar Ltd are not classed as having charitable status at HM Revenue & Customs and its activities are, therefore, not exempt for taxation purposes.

Provision has been made for taxation arising in the year to 30 September 2020 as follows:

	Consolidated 18 mths 2020 £	12 mths 2019 £
Corporation Tax provision for the year at 19%	-	-
Corporation tax on Prior Year	792	-
Total	792	-

For the 18 month period ended 30 September 2020

11. TANGIBLE FIXED ASSETS

Consolidated	Freehold Land & Property	Leasehold Property Improvements	Furniture, Fixtures & Fittings	Buses & Motor Vehicles	Computer Equipment	Office Equipment	Training Equipment	Dental Equipment	Total
	£	£	£	£	£	£	£	£	£
Cost/Valuation									
At 1 April 2019	1,184,217	1,295,270	83,125	650,156	141,204	80,036	745	572,777	4,007,530
Additions	24,840	19,431	-	-	85,512	20,217	-	14,054	164,054
Acquired	-	-	-	-	-	499	-	-	499
Disposals	-	-	(7,738)	-	(1,487)	-	-	-	(9,225)
Revaluation	(54,217)	-	-	-	-	-	-	-	(54,217)
At 30 September 2020	1,154,840	1,314,701	75,387	650,156	225,229	100,752	745	586,831	4,108,641
Depreciation									
At 1 April 2019	75,493	1,104,923	77,315	596,574	76,792	70,369	745	393,666	2,395,877
Charge for the year	11,631	77,819	3,507	31,968	44,997	11,361	-	98,742	280,025
Eliminated on disposal	-	-	(7,737)	-	(1,488)	-	-	-	(9,225)
Revaluation	(87,124)	-	-	-	-	-	-	-	(87,124)
At 30 September 2020	-	1,182,742	73,085	628,542	120,301	81,730	745	492,408	2,579,553
Net Book Values									
At 30 September 2020	1,154,840	131,959	2,302	21,614	104,928	19,022	-	94,423	1,529,088
At 1 April 2019	1,108,724	190,347	5,810	53,582	64,412	9,667	-	179,111	1,611,653

At 30 September 2020 the net book value of assets held under finance leases or hire purchase contracts amounts to £nil (2019 - £116,781). The depreciation charged on these assets during the year was £22,101 (2019 - £54,338). All finance leases and HP contracts were fully paid off during the period.

A property within freehold land and property with a NBV of £515,000 is offered as security on a bank loan

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

11. TANGIBLE FIXED ASSETS (CONTINUED)

Consolidated (Continued)

During the year ended 31 March 2008, SCA Care received a grant of £850,000 from Hampshire Primary Care Trust. This grant was used to purchase The Fenwick Hospital, Pikes Hill, Lyndhurst for £850,000. No cost has been included in Freehold Land & Property as the grant received has been offset against the capital cost of The Fenwick Hospital. Hampshire Primary Care Trust has taken a legal charge on The Fenwick Hospital. The legal charge provides that the full market value (at the time of disposal) from any future disposal of the property is returned to Hampshire Primary Care Trust. SCA Care granted a five year lease to SCA Fenwick 2 Limited on the property, which expired in March 2013. SCA Fenwick 2 Limited continues, under licence, to occupy the property on the same terms as the expired lease. The properties at Basingstoke, and Southampton were valued by Primer Olds during the year and agreed by the trustees based on relevant market information.

All properties are unencumbered, with the exception of the property in Southampton where Southampton City Council has a legal charge over the property representing a 20% interest in the property. The property's revaluation included in the group Financial Statements incorporates 80% of the total value of the property.

Charitable Company

	Office Computer Equipment £	Furniture & Equipment £	Total £
Cost			
At 1 April 2019	67,340	8,982	76,322
Additions	11,834	-	11,834
At 30 September 2020	79,174	8,982	88,156
Depreciation			
At 1 April 2019	32,737	3,738	36,475
Charge for the 18 month period	21,894	2,409	24,303
At 30 September 2020	54,631	6,147	60,778
Net Book Values			
At 30 September 2020	24,543	2,835	27,378
At 31 March 2019	34,603	5,244	39,847

12. INVESTMENT PROPERTY

	Consolidated £	Charitable Company £
Cost/Valuation		
At 1 April 2019 and 30 September 2020	190,000	-
Net Book Values		
At 31 March 2019 and 30 September 2020	190,000	-

The property at Eastleigh was valued by Primer Olds, this revaluation took place in 2019, the trustees believe the valuation has not materially changed.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

13 GOODWILL

	Consolidated Totton Practice £	Charitable Company £
Cost/Valuation		
At 1 April 2019 and 30 September 2020	100,000	-
Amortisation		
At 1 April 2019	80,000	-
Charge for the 18 month period	15,000	-
At 30 September 2020	95,000	-
Net Book Values		
At 30 September 2020	5,000	-
At 31 March 2019	20,000	-

In March 2011 SCA Trafalgar Dental Services took over a dental practice in Totton, Hampshire. The society paid £100,000 by way of goodwill on acquiring the practice. Amortisation of the goodwill is over 10 years and commenced on 1 April 2011.

14. INVESTMENTS

	Consolidated		Charitable Company	
	September 2020 £	March 2019 £	September 2020 £	March 2019 £
Members' shares of £1 each purchased	-	-	4	4
Total	-	-	4	4

During the year ended 31 March 2012, Social Care in Action invested £1 to become a member of each of the following Registered Societies:

- SCA Care
- SCA Transport Services
- SCA Trafalgar Dental Services
- SCA Fenwick 2 Limited

During the year ended 31 March 2017, Social Care in Action became members of Options Wellbeing Trust and Southampton Healthy Living, both companies limited by guarantee. The guarantee is limited to £10 and £1 respectively per member for each of these companies, payable on the winding-up of the company.

During the period ended September 2020 Social Care in Action became the member of The Steven James Practice, a company limited by guarantee of £10.

During the period ended September 2020 SCA Trafalgar Dental Services acquired the whole of the share capital of SCA Trafalgar Limited £100.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

14. INVESTMENTS (Continued)

SCA Transport	Registered Society	Provision of transport services	Member	973,171	53,536
SCA Trafalgar Dental Services	Registered Society	Provision of dental services until Jan 2020	Member	2,152,007	(777,592)
SCA Fenwick 2 Limited	Registered Society	Provision of health and wellbeing services	Member	209,267	25,731
Options Wellbeing Trust	Charitable private company limited by guarantee	Provision of gambling awareness and counselling services	Registered legal entity	497,958	137,687
The Steven James Practice	Charitable private company limited by guarantee	Provision of gambling awareness and counselling services	Registered legal entity	169,643	8,863
SCA Trafalgar Ltd	Private company limited by Shares	Provision of dental services from October 2019	Owned Shares	4,024,573	113,690

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

15. DEBTORS

	Consolidated		Charitable Company	
	September	March	September	March
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	476,207	741,756	13,761	5,054
Other debtors	79,667	261,912	1,321	-
Prepayments and accrued income	226,880	261,379	29,227	47,222
VAT	-	6,447	-	-
Amounts due from Related Societies:				
SCA Care	-	-	380,244	-
SCA Transport Services	-	-	-	70,620
SCA Fenwick 2 Limited	-	-	309	7,770
SCA Trafalgar Dental Services	-	-	40,000	-
SCA Trafalgar Ltd	-	-	20,952	-
The Steven James Practice	-	-	23,747	-
Options Wellbeing Trust	-	-	-	33,187
Total	782,754	1,271,494	509,561	163,853

16. CREDITORS: Amounts falling due within one year

	Consolidated		Charitable Company	
	September	March	September	March
	2020	2019	2020	2019
	£	£	£	£
Bank loans	7,800	56,061	1,250	-
Trade creditors	191,301	627,348	29,980	47,744
Hire purchase and finance leases	-	42,257	-	-
Other creditors	214,397	269,225	7,197	6,638
Social Security and other taxes	66,278	76,008	14,005	15,388
VAT	4,496	-	8,684	7,906
Accruals	1,580,216	1,583,999	19,053	14,516
Deferred income (Note 17)	1,717	15,414	-	-
Pension liability and contribution	-	29,446	-	-
Amounts due to Related Societies:				
SCA Care	-	-	-	15,128
SCA Trafalgar Dental Services	-	-	-	333,026
SCA Transport	-	-	371	-
Options Wellbeing Trust	-	-	248,695	-
Southampton Healthy Living	-	-	-	37,563
Total	2,066,205	2,699,758	329,235	477,909

17. MOVEMENTS IN DEFERRED INCOME

	Consolidated		Charitable Company	
	September	March	September	March
	2020	2019	2020	2019
	£	£	£	£
Deferred income at 1 April 2019	15,414	132,345	-	-
Income released during the year	(15,414)	(132,345)	-	-
Income deferred in the year	1,717	15,414	-	-
Deferred income at 30 September 2020	1,717	15,414	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

18. CREDITORS: Amounts falling due after more than one year

	Consolidated		Charitable Company	
	September	March	September	March
	2020	2019	2020	2019
	£	£	£	£
Bank loans	304,200	378,611	48,750	-
Local Authority loan	-	25,195	-	25,195
Hire purchase and finance leases	-	9,239	-	-
Pension liability	-	338,348	-	-
Total	304,200	751,393	48,750	25,195

19. BANK LOANS

	Consolidated		Charitable Company	
	September	March	September	March
	2020	2019	2020	2019
	£	£	£	£
Loans payable falling due within one year	7,800	56,061	1,250	-
Loans payable falling due in more than 1 year but less than 5 years	304,200	378,611	48,750	-
Total	312,000	434,672	50,000	-

During the 18 month period to 30 September 2020 SCA Trafalgar Dental Services repaid the two mortgages relating to the property at Swanage and the security was released.

Various group entities applied for and were granted Bounce Back Loans issued by the Government through Lloyds Bank PLC. These loans are unsecured and are repayable over 10 years from its first anniversary. Interest is charged after the first year at 2%, SCA Care, SCA Transport, SCA Trafalgar Dental Services, Social Care in Action and Options Wellbeing Trust each took out £50,000 loans, SCA Fenwick 2 Ltd £29,000 and The Steven James Practice £33,000.

20. COMMITMENTS UNDER OTHER LONG-TERM LOANS

Future commitments under long-term loans are as follows:

	Consolidated		Charitable Company	
	September	March	September	March
	2020	2019	2020	2019
	£	£	£	£
Amounts payable between 2 and 5 years	-	24,000	-	24,000
	-	24,000	-	24,000
Add: Accrued interest and finance charges	-	1,195	-	1,195
Total Other Loans	-	25,195	-	25,195

Other long-term loans are analysed as follows:

	Consolidated		Charitable Company	
	September	March	September	March
	2020	2019	2020	2019
	£	£	£	£
Non-current obligations	-	25,195	-	25,195
Total	-	25,195	-	25,195

During the year ending 31 March 2017 Social Care in Action took over the operation of the Cobbett Road Library in Southampton from the local authority. Southampton City Council provided a loan of £24,000 to cover the running costs for the first year of operation. In the 18 month period ended 30 September 2020 the loan and accrued interest was converted into a grant.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

21. COMMITMENTS UNDER HIRE PURCHASE AND FINANCE LEASE AGREEMENTS

	Consolidated		Charitable Company	
	September 2020	March 2019	September 2020	March 2019
	£	£	£	£
Future commitments under hire purchase and finance lease agreements are as follows:				
Amounts payable within one year	-	48,140	-	-
Amounts payable between 2 and 5 years	-	10,761	-	-
	-	58,901	-	-
Less: Interest and finance charges relating to future 18 month periods	-	(7,405)	-	-
Total	-	51,496	-	-
Hire purchase and finance lease agreements are analysed as follows:				
Current obligations	-	42,257	-	-
Non-current obligations	-	9,239	-	-
Total	-	51,496	-	-

22. COMMITMENTS FOR PENSION PAYMENTS

Future commitments under pension agreements are as follows:

	Consolidated		Charitable Company	
	September 2020	March 2019	September 2020	March 2019
	£	£	£	£
Amounts payable within 1 year	-	25,535	-	-
Amounts payable between 2-5 years	-	107,800	-	-
Amounts payable after 5 years	-	393,665	-	-
	-	527,000	-	-
Less: Interest and finance charges relating to future 18 month periods	-	(171,643)	-	-
Total	-	355,357	-	-
Pension commitments are analysed as follows:				
	September 2020	March 2019	September 2020	March 2019
	£	£	£	£
Current obligations	-	17,009	-	-
Non-current obligations	-	338,348	-	-
Total	-	355,357	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds September 2020 £	Restricted Funds September 2020 £	Total Funds September 2020 £	Total Funds March 2019 £
Consolidated				
Tangible fixed assets	1,529,089	-	1,529,089	1,611,653
Investment Properties	190,000	-	190,000	190,000
Intangible assets	5,000	-	5,000	20,000
Current assets	1,588,567	21,328	1,609,895	2,756,167
Current liabilities	(2,066,206)	-	(2,066,206)	(2,699,758)
Long term liabilities	(304,200)	-	(304,200)	(751,393)
Net assets at 30 September 2020	942,250	21,328	963,578	1,126,669
Charitable Company				
Tangible fixed assets	27,378	-	27,378	39,847
Investments	4	-	4	4
Current assets	511,121	7,155	518,276	540,411
Current liabilities	(329,235)	-	(329,235)	(477,909)
Liabilities due after one year	(48,750)	-	(48,750)	(25,195)
Net assets at 30 September 2020	160,518	7,155	167,673	77,158

24. ANALYSIS OF CHARITABLE FUNDS

	At 01.04.19 £	Incoming Resources £	Gains £	Outgoing Resources £	At 30.09.20 £
Consolidated					
Analysis of Movements in Unrestricted Funds					
General Fund	1,180,858	11,343,981	-	(11,909,384)	615,455
Pension Fund	(355,357)	-	343,626	11,731	-
Revaluation reserve	293,888	-	32,907	-	326,795
Total Unrestricted Funds	1,119,389	11,343,981	376,533	(11,897,653)	942,250
Analysis of Movements in Restricted Funds					
GamCare	-	457,930	-	(443,757)	14,173
Hardship fund	3,444	-	-	(125)	3,319
Mildred Anne Reynolds fund	3,836	-	-	-	3,836
Total Restricted Funds	7,280	457,930	-	(443,882)	21,328
Total Funds	1,126,669	11,741,499	376,533	(12,281,123)	963,578

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

24. ANALYSIS OF CHARITABLE FUNDS (Continued)

	At 01.04.19 £	Incoming Resources £	Outgoing Resources £	At 30.09.20 £
Charitable Company				
Analysis of Movements in Unrestricted Funds				
General Fund	69,878	1,434,202	(1,343,562)	160,518
Total Unrestricted Funds	69,878	1,434,202	(1,343,562)	160,518
Analysis of Movements in Restricted Funds				
Hardship fund	3,444	-	(125)	3,319
Mildred Anne Reynolds fund	3,836	-	-	3,836
Total Restricted Funds	7,280	-	(125)	7,155
Total Funds	77,158	1,434,202	(1,343,687)	167,673

Unrestricted Funds

Unrestricted Funds comprise of :-

General Fund – Those funds which the Trustees are free to use in accordance with the Charity's objects and to fund the Charity's net fixed assets.*Pension Fund* – Those funds which the Trustees are to use to fund the Charity's pension obligations as disclosed in note 25.*Revaluation Reserve* - relates to investment property and freehold property revaluations in Options Wellbeing Trusts.**Restricted Funds**

Restricted Funds are funds which have been given for particular purposes and projects. The Restricted Funds must be used for the specific purpose as laid down by the donor.

GamCare – Options Wellbeing Trust and The Steven James Practice receive grants from GamCare to be used solely on the provision of providing free counselling to clients referred to them via the Gambleaware hotline.*Hardship Fund* - Social Care in Action has received funds to provide services to the community during the year.*Mildred Anne Reynolds Fund* - Social Care in Action received a gift of £5,000 to fund the introduction of new activities to the health and wellbeing centre operated by SCA Fenwick 2 Limited

	<i>Restated</i> At 01.04.18 £	Incoming Resources £	Gains £	Outgoing Resources £	At 31.03.19 £
Prior Year					
Consolidated					
Analysis of Movements in Unrestricted Funds					
General Fund	2,038,284	8,004,618	-	(8,862,044)	1,180,858
Pension Fund	(551,193)	-	179,923	15,913	(355,357)
Revaluation reserve	219,832	-	80,533	(6,477)	293,888
Total Unrestricted Funds	1,706,923	8,004,618	260,456	(8,852,608)	1,119,389
Analysis of Movements in Restricted Funds					
Contract Readiness Fund	-	35,340	-	(35,340)	-
Gamcare	-	189,555	-	(189,555)	-
Hardship fund	3,501	936	-	(993)	3,444
Mildred Anne Reynolds fund	3,836	-	-	-	3,836
Total Restricted Funds	7,337	225,831	-	(225,888)	7,280
Total Funds	1,714,260	8,230,449	260,456	(9,078,496)	1,126,669

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the 18 month period ended 30 September 2020

24. ANALYSIS OF CHARITABLE FUNDS (Continued)

	<i>Restated</i> At 01.04.18	<i>Incoming</i> Resources	<i>Outgoing</i> Resources	At 31.03.19
<i>Prior Year</i>	£	£	£	£
Charitable Company				
Analysis of Movements in Unrestricted Funds				
General Fund	160,086	735,218	(825,426)	69,878
Total Unrestricted Funds	160,086	735,218	(825,426)	69,878
Analysis of Movements in Restricted Funds				
Contract Readiness Fund	-	35,340	(35,340)	-
Hardship fund	3,501	936	(993)	3,444
Mildred Anne Reynolds fund	3,836	-	-	3,836
Total Restricted Funds	7,337	36,276	(36,333)	7,280
Total Funds	167,423	771,494	(861,759)	77,158

25. PENSION COSTS

Defined benefit pension scheme

SCA Care operates a defined benefit pension scheme within a multi-employer plan, operated by Hampshire County Council. Hampshire County Council have notified the registered society that at the latest valuation there was no longer a need for additional funding. At 30 September 2020 the commitment outstanding was £nil.

Options Wellbeing Trust participates in the Hampshire County Council pension scheme, which is a multi-employer defined benefit scheme. Options Wellbeing Trust contributes to their scheme for one current employee.

Hampshire County Council have notified the registered society that at the latest valuation there was no longer a need for additional funding. At 30 September 2020 the commitment outstanding was £nil.

Reconciliation of opening and closing balances:

Provision at start of period	(355,357)
Deficit Contribution Paid	27,647
Interest	(15,916)
Remeasurement	<u>343,626</u>
Provision at end of period	-

Total cost relating to the defined benefit plans recognised in the statement of financial activities as an expense.

Defined contribution pension

The group also operates a defined contribution scheme. The pension cost charged for the 18 month period represents contributions payable by the group to the scheme amounted to £96,716 (2019: 12 months £32,220).

26. FINANCIAL INSTRUMENTS

Financial instruments, measured at amortised cost, comprise the following:

	Consolidated		Charitable Company	
	September	March	September	March
	2020	2019	2020	2019
	£	£	£	£
Financial assets that are debt instruments	555,874	1,003,668	480,334	116,631
Financial liabilities that are debt instruments:				
- Bank loans	312,000	434,672	-	-
- Other	1,987,632	2,869,011	305,296	444,378

27. RELATED PARTIES

Social Care in Action is a member of the SCiA group of social enterprises. The other members of the SCiA group of social enterprises are SCA Care, SCA Transport Services, SCA Trafalgar Dental Services, SCA Trafalgar Ltd, SCA Fenwick 2 Limited, Options Wellbeing Trust The Steven James Practice and Southampton Healthy Living. All charitable companies and registered societies of the SCiA group of social enterprises are operated and managed on a unified basis.

During the 18 month period Social Care in Action undertook transactions with the related societies in the normal course of activities. This amounted to £921,809 (2019: £706,110).

As at 30 September 2020, Social Care in Action (parent) had a number of outstanding balances with related societies as disclosed in notes 15 and 16.

NOTES TO THE FINANCIAL STATEMENTS (Continued)**For the 18 month period ended 30 September 2020****28. LEGAL STATUS OF THE CHARITABLE COMPANY**

The charitable company, Social Care in Action, is limited by guarantee and has no share capital. The liability of each member, in the event of winding-up, is limited to £10.

29. ULTIMATE CONTROL

Social Care in Action is controlled by the trustees, acting as Directors of the Charitable Company.

**THE FOLLOWING PAGE
IS FOR
MANAGEMENT PURPOSES ONLY**

SOCIAL CARE IN ACTION

DETAILED MANAGEMENT ACCOUNTS

FOR THE 18 MONTH PERIOD ENDED
30 SEPTEMBER 2020

INCOME	18 mths 2020		12 mths 2019	
	£	£	£	£
Trading Income				
Distribution from Subsidiary		420,000		1,567
General consultancy		39,428		24,720
Grants received		52,965		39,024
Management charges receivable		921,809		705,164
Bank interest received		-		1,019
		<hr/>		<hr/>
		1,434,202		771,494
Salaries	812,774		422,961	
Employer's NIC	80,015		51,005	
Employer's pension	45,246		23,879	
Staff costs	3,092		3,777	
Training costs	13,252		32,327	
Direct Costs	-		(5,383)	
Subcontractors	(42,899)		12,932	
Recruitment	31,170		35,272	
Rent/ Rates / Utilities	115,910		79,430	
Insurance	5,912		2,580	
Repairs and maintenance	33,363		31,216	
Office costs	43,701		28,307	
Telephone	31,538		12,088	
Printing, postage and stationery	22,287		20,865	
Subscriptions	6,584		9,279	
Advertising and marketing	31,468		27,270	
Travel and subsistence	24,419		17,149	
DBS	29		30	
Legal and professional fees	13,495		21,704	
Admin and trust fees	541		881	
Audit and accountancy	14,050		8,834	
Bank charges and interest	2,795		1,371	
Sundry expenses	325		881	
Depreciation of fixed assets	24,303		14,021	
Non-recoverable VAT	30,294		9,083	
Bad debts written-off	-		-	
		<hr/>		<hr/>
		(1,343,664)		(861,759)
		<hr/>		<hr/>
SURPLUS / (DEFICIT) FOR THE PERIOD		90,538		(90,265)
		<hr/>		<hr/>