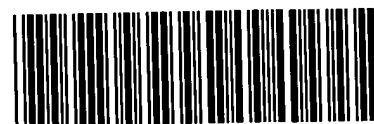


Every day well lived

WCS Care Group Limited
Annual report and consolidated
financial statements

For the year ended 31 March 2023

SATURDAY



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#144

COMPANIES HOUSE

Peter, one of our first Mobile Carers

WCS Care Group Limited

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Reference and administrative details of the charity, its trustees and advisors

Registered name: WCS Care Group Limited

Also known as: WCS Care

Registered company: 02713150

Registered charity: 1012788

Registered office Newlands Head Office
Whites Row
Kenilworth
CV8 1HW

Trustees: A F Levett - Chair
J A Matthews - Vice Chair
A J Last
S E Dobinson
R L Merchant
M R Andrews
R L Warwick
T M Banks
N Weatherburn
E J Basten
A J Holt Appointed on 11th July 2022
E E Ireson Appointed on 11th July 2022
B C Cressey (Resigned on 11th July 2022)
L E Middleburgh (Resigned on 11th July 2022)

Executive Team: E J Russell – Chief Executive
P C Parekh – Director of Finance and Company Secretary
K Salt – Director of Quality and Compliance
J Cheshire – Director of Communications and Marketing
J Rose – (Co-opted) Head of People and Support Services

Independent Auditor: Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury B69 2DG

Solicitors: Anthony Collins LLP
134 Edmund Street
Birmingham B3 2ES

Bankers: The Royal Bank of Scotland
Sheffield Branch
5 Church Street
Sheffield
S1 1HF

Welcome from the Chair of the Board

At the end of this, our 30th year of providing care, we remain confident and positive; determined to deliver our model of care to the highest possible standard. The Board is confident that our strategy, the governance arrangements, staffing structures and investment plan will see the charity continue to prosper. We are positive about the benefits that have arisen from our programme of innovation.

As the threat from Covid receded, and the impact of the control measures reduced, we returned to driving forward our investment programme for the benefit of our residents and relatives. The Board is very conscious that every day is precious to those who choose to live with us and have carefully considered the balance between borrowing and the use of reserves to deliver as quickly as possible, but prudently.

Like all businesses, a predictable and stable operating environment makes forward planning and investment easier. We have encountered exactly the opposite, and drawn heavily on our skilled and experienced Board and Executive to rise to the challenges successfully. We remain concerned about the regulatory impact on our operations, experiencing conflicting and changing demands without any sense of a strategic approach. This adds hugely to our overheads and thus costs.

Significant effort was devoted to providing data to the 'fair cost of care' exercise initiated by the Government in the hope that the below-cost funding of socially supported places would be rectified. We have yet to see any output from that exercise with local authority fees still rising at below the rate of inflation for the sector. We also devoted time and resources to preparing for the 'care cost cap' which would, over time, alter the source of our income. The implementation was deferred at the last minute until 2025, or most likely beyond.

A focus this year and last has been the recognition and reward of our key asset, our staff. So many went way beyond what we could reasonably expect during the pandemic and with public support high we moved to steadily increase wages and conditions, particularly given the higher levels of inflation experience by all of us. No one who works for the company earns just the National Minimum Wage.

We are proud of the positive feedback we have received from residents, relatives and those whom we work with, Warwickshire County Council and the NHS. We fully support the drive for better integration of adult social care. We are pleased about the support given by the communities we form part of. Above all, we draw strength from the way our residents have engaged in opportunities for activities and experiences that have become possible as the isolation created by Covid recedes.

Adrian Levett - Chair of the Board

And a word from our Chief Executive

Our very first year in 1992 was a tough one for the UK, Black Wednesday (or the 1992 sterling crisis) occurred 2 weeks before we started operating, the housing market was in freefall, GDP dropped in the first six months of our life by 1.5% and inflation was just beginning to fall from a recent 8% high. This all sounds only too familiar and yet a daring vision for residential care in the shape of our charity WCS Care was birthed and in the proceeding 30 years has flourished.

Now our 30th year has been one of the most challenging we've faced as the care home sector recovers from the effects of the pandemic, high inflation, a cost-of-living crisis and the number of vacancies in social care at the highest rate on record with 165,000 unfilled posts this last year. But again, in great adversity, it's care that brings us together. Our vision of Every Day Well Lived and an unwavering commitment to quality care, has sustained us in our 30th year as it did in our first.

Over the longer term, health and care services will face continuing pressures as populations age, and our health and social care needs become more complex. But at the same time there are many opportunities to use new ideas and technologies to improve the way we deliver care, improve outcomes for people who use services and become more efficient.

At WCS Care we're bucking the trend by supporting our staff to have more control over their work/life balance through the use of new technology, and introducing a new mobile carer role which is, and has, reduced our reliance on external agency. Consequently, happy customers and better pay have in turn helped us to attract new and retain existing employees through the provision of better pay to our own staff instead of agencies, plus great benefits, and a fantastic work environment.

Today, we have developed an eight-page visual explanation of how we aim to provide care in the most innovative way. It's used as a recruitment and training tool and forms the backbone of our care practice.

An innovative culture gives people permission to innovate. This can set high standards for safety without cumbersome governance and this year we have added ISO 9001 quality, 14001 environmental and 45001 health & safety management system accreditations to our Investors in People Gold Award achieved last year.

We've been on an incredible journey the last 30 years and as for the next we are designing services where I will be happy to live when my time comes. I am very grateful to our customers for continuing to choose us to care, our amazing staff who demonstrate every day what an incredible job being a carer is, and also to our Board of Trustees. We have a sector leading Board. Throughout these challenging times their independent judgment and expert perspectives have been a huge benefit to our charity, residents and to our staff.

Ed Russell – Chief Executive

Report of the Trustees including the strategic report

Introduction

The Trustees, who are also the directors of the company, present their report and the audited, consolidated financial statements for the year ended 31 March 2023.

Who we are: our story

WCS Care is a Warwickshire-based charity established in 1992. We operate 13 residential care homes, providing accommodation, 24-hour personal care, and support to nearly 600 older people and people of working age who may find it difficult to manage daily life at home, many of whom are socially funded through our long-established partnership with Warwickshire County Council.

Residential homes provide residents with a safe place where they are looked after according to their needs, such as help with washing, dressing, toileting, administering medication and mobility. The word 'resident' means that people can treat the setting as their home and live there with access to the services available on site.

Our ambition is that every day is well lived for our residents: every day we invite people to choose the things they want to do and try new opportunities.

Our care model outlines how we achieve a day well lived; this is developed around our values and the individual character of each of our 13 care homes.

Our values are that every day we *play, make someone's day, be there and choose our attitude*. The standard we walk past is the standard we accept.

Four essential building blocks to deliver a day well lived are:

Our principles

- Fair fees
- Home for life
- Always improving
- Sharing with sector
- Partnership

Enabling environments

- Small self-sufficient households
- Lifestyle options – living a life that is familiar
- Communal/active space in addition to living space
- Spending time outdoors
- Circadian lighting which promotes wellbeing
- Attractive and comfortable decor

High quality care

- People
- Behaviours
- Systems/policies
- Funding
- Technology

Financial sustainability

- Sustainable fee levels and occupancy
- Strong financial leadership and management
- Commercial and prosocial

Key behaviours to support and enable this are:

- Passionate leadership
- Strong communication
- Value driven
- Innovative
- Effective and robust governance
- Active risk management

Report of the Trustees including the strategic report (Continued)

Objectives for the year

We have an ambitious strategy which focuses on providing environments and staff that deliver quality of life for the people who choose to live with us. Our strategy has seven key threads:

1. Consistently articulating a model of who we are
2. Engaging with key partners and decision makers
3. Differentiating our village and residential offerings
4. Continuing to offer a range of options for customers, including those who are socially funded
5. Refurbishing older buildings and planning new developments
6. Developing future design based on the village concept
7. Reviewing assets for reinvestment into our homes and people

Achievements and performance

What our customers told us

We're delighted our customers continue to rate us highly and as a learning organisation we're committed to continual improvement.

In June 2022 and February 2023, WCS Care was recognised as a Top 20 Mid-size Care Home Group by carehome.co.uk. These awards are based on reviews from our customers and we thank them for taking the time to provide valuable feedback to us about their experience of our care homes.



What our staff told us

This year we asked our staff three simple questions in our staff survey: what should we start doing, stop doing and keep doing? The feedback we received in response was rich and informative and we thank our staff for providing direct, open responses to these questions. We also asked staff whether they'd recommend their home as a good place to work. 9.1 out of 10 staff said they were satisfied with, likely, or very likely to recommend their home as a good place to work.

WCS Care Group Limited

Report of the Trustees including the strategic report (Continued)

ISO accreditation

WCS Care have achieved accreditation for our Quality Management System, ISO 9001, and accreditation for our Health and Safety system, ISO 45001. We are proud of these internationally recognised accreditations which are important because they recognise our good governance and give external bodies such as regulators and commissioners assurance via a third party.



Regulatory requirements

Over the last year we have started to see an increase in visits from regulatory bodies as they resume a more usual level of inspections. WCS Care Group recognises the importance of regulatory oversight, and we are committed to operating our business responsibly and in compliance with all regulations, legislation and approved codes of practice.

It is our objective to operate with, and to maintain good relations with all regulatory bodies, and to carry out all measures reasonably practicable in order to continually improve our performance.

Despite this, we've experienced a mixed Care Quality Commission (CQC) inspection approach over the last 12 months. In three of the four inspections we've had this year we challenged the factual accuracy of the CQC reports through their factual accuracy process which resulted in some narrative changes. We know that our customers will be just as disappointed with the three 'Requires Improvement' ratings as we are.

WCS Care Group: Fundamental Standards Inspected by CQC -01.05.23

		Key:				
		<div> <div>Outstanding</div> <div>Good</div> <div>Requires Improvement</div> <div>Inadequate</div> </div>				
		Safe	Caring	Effective	Responsive	Well-led
Attleborough	22/02/2023	Good	Good	Good	Good	Good
Devar	21/05/2019	Good	Good	Good	Good	Good
Drayton	19/05/2022	Good	Good	Good	Good	Good
Drovers House	23/12/2019	Good	Good	Good	Good	Good
Castle Brook	18/12/2019	Good	Good	Good	Good	Good
Fairfield	26/09/2018	Good	Good	Good	Good	Good
Four Ways	22/06/2021	Good	Good	Good	Good	Good
Limes	09/05/2018	Good	Good	Good	Good	Good
Mill Green	04/06/2019	Good	Good	Good	Good	Good
Newlands	11/06/2019	Good	Good	Good	Good	Good
Sycamores	19/02/2020	Good	Good	Good	Good	Good
Westlands	11/01/2023	Good	Good	Good	Good	Good
WCV	24/10/2022	Good	Good	Good	Good	Good

This year WCS has had the following inspections:

Drayton Court (June 2022): our first post pandemic inspection which took place as the long-serving home manager retired and a new manager came into post. This inspection looked at two of the five domains, with both re-rated as 'Requires Improvement', meaning that unfortunately the overall

rating could not change.

Woodside Care Village (November 2022): Woodside Care Village's first inspection since re-opening in 2019 rated the home 'Good' in all areas.

Westlands (March 2023): this full inspection saw three domains remain as 'Good' with two changing to 'Requires Improvement', unfortunately giving an overall rating of 'Requires Improvement'.

Attleborough Grange (April 2023): this first post pandemic full inspection saw three of the five domains improved to a 'Good' rating, however two domains remained at 'Requires Improvement', unfortunately giving an overall rating again of 'Requires Improvement'.

Report of the Trustees including the strategic report (Continued)

Statement by the directors in performance of their statutory duties in accordance with s172 (1) Companies Act 2006

Stakeholder engagement

The Charities stakeholders are:

- Residents, including their families
- Staff members
- Other stakeholder relationships include: Warwickshire County Council, other local authorities, NHS, Local Charities, Suppliers, and voluntary sector
- The Charity's trustees, who are regularly engaged throughout the year particularly through Board and Committee meetings, and regular visits to the care homes

Structure, management and governance

WCS Care Limited is an independent charity, formed in 1992. The charity is registered with 12 trustees (Board of Directors), during the year there were 12 active members.

The Board of Directors has a wide portfolio of expertise and experience in health care, human resources, finance, property, marketing, IT and other disciplines.

In accordance with the Charity's Articles of Association, members of the Management Committee retire every 3-year cycle, serving a maximum of 9 years. Those offering themselves for re-election are those who have served the longest since their election or re-election.

Roger Merchant, Shan Dobinson and Mark Andrews will retire by rotation and will offer themselves for re-election at the next annual general meeting.

Trustee induction and training

Induction includes a Trustees Handbook; comprehensive sessions with each member of the Executive Leadership Team; and an in-depth tour of the organisation. Training is also carried out both with external agencies and via in-house training.

The Board provide support and leadership to the Executive Team on the direction and strategy of the Charity and in fulfilling its role has established the following system of management:

Management of organisation

The body responsible for the management of the charity is the Board of Directors / Trustees - (Management Committee). The Board has five scheduled meetings each year with other meetings arranged as necessary. Members are elected every three years and serve a maximum term of nine years, unless otherwise agreed. The maximum number of members that can be elected to the Board is 12. The Board elects the Chairman at the November Board Meeting.

The Board receives reports from four formally constituted committees which are reviewed annually:

- Quality and Practice, including the Safeguarding sub-group
- Finance, Risk and Audit
- Project Commissioning

WCS Care Group Limited

- Governance

Report of the Trustees including the strategic report (Continued)

Each committee has specific terms of reference and functions delegated by the Board.

The Chief Executive and the Executive Team attend meetings of the Board. The Chief Executive attends the Committee meetings and is accompanied by members of the Executive Team as appropriate.

The Board has overall responsibility for ensuring the charity has an appropriate system of internal financial and managerial controls across the entire organisation.

The Executive Team meets monthly, the focus being on strategy, and financial and operational issues.

The Director of Finance is responsible for corporate governance as well as WCS's overall financial strategy including statutory accounts and business performance. The Director of Quality and Compliance is responsible for ensuring that WCS meets the quality and operational performance required by WCS's care management system. The Director of Marketing and Communications is responsible for maintaining our brand and reputation, WCS's communication strategy and occupancy management. The Head of People and Support Services is responsible for delivery of WCS's human resources functions including the development of our culture.

The members of the Executive Team are supported by the three service managers in the management and development of the service. Service managers line manage a designated group of care homes and are responsible for the day-to-day operational management of the homes, with support from two support managers and our Quality Manager who is responsible for monitoring quality as part of our policy of continual improvement.

WCS is registered with the Care Quality Commission who monitor, inspect and regulate residential care services to make sure they meet fundamental standards of quality, and the charity complies with the Commission's Fundamental Standards.

Additional Trustee input and support

WCS Care is proud that our trustees' engagement goes far beyond attendance at committee and board meetings and extends into regular visits to the homes alongside members of the executive team to see the homes first hand – from refurbishments and the opportunity to speak to carers about what keeps them at WCS Care, and our residents about what everyday life is like for them, to judging our WCS in Bloom competitions.

As passionate advocates for the charity, trustees use their networks to raise the profile of the group, sharing news articles, our regular newsletter and social media posts with their connections.

Review of 2022/2023

Our 30th year saw the end of Covid restrictions and the return to normal life in our care homes, with the removal of all restrictions, residents making the most of our new Memory Maker minibus, and the community being welcomed back into our homes.

Report of the Trustees including the strategic report (Continued)

Residents and their families

Emerging from Covid

This was the year that we finally began to emerge from Covid. Whilst we've responded to Government guidance throughout the pandemic, we've also been pragmatic in that response, ensuring relatives could continue to visit their loved one safely, and, for the third year running, provided opportunities for people to celebrate Christmas together.

As the Government removed their guidance on the use of masks in care home settings in mid-December, at a time of increased community infections, we not only continued to use masks in our homes, we also reintroduced 72 hour asymptomatic testing, helping to detect cases which could otherwise have caused infections to spread amongst residents and staff.

By the end of February 2023 we took the decision to remove masks, whilst retaining testing for another two months until the warmer weather arrived and residents had the benefit of the Spring booster. Feedback from residents, relatives and staff was incredibly positive to our phased approach to the lifting of these final infection prevention measures.

Daily life

Refurbishments and improvements

We've invested over £1million in our refurbishment programme over the year, completing transformations at Drayton Court, Attleborough Grange, Fairfield, Newlands and Mill Green, and starting work at Four Ways.

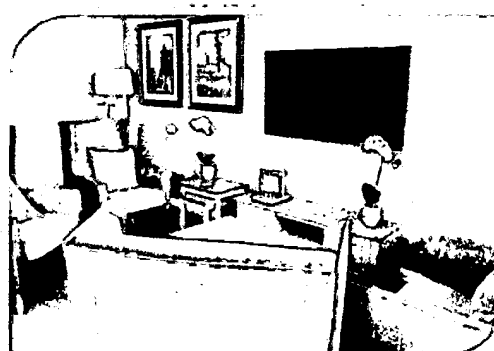
Alongside this work, we've also continued our work to upgrade sluices, replace guttering and facias and install new technology including an advanced nurse call system at Attleborough Grange and cameras that link to our acoustic night-time monitoring system at Castle Brook, Drovers House, Woodside Care Village and The Limes.

In February 2023, we received planning permission for our care cottage extensions at Fairfield in Bedworth and work is expected to start on site later in the year. We've also progressed planning applications for developments at another four homes to extend their capacity, providing modern, bedrooms with ensuite wetrooms.

Feedback from residents, relatives and staff has been nothing but positive about the new décor and improvements to the homes.



Refurbished lounge at Newlands



Refurbished lounge in the country lifestyle at Fairfield

Report of the Trustees including the strategic report (Continued)

Daily activities

The Memory Maker, our new minibus, hit the road in 2022, providing trips for residents to shops and attractions in their local communities. With multiple outings per home each month, residents have enjoyed getting out to cafes, pubs, country parks, the local butterfly farm, garden centres and museums.

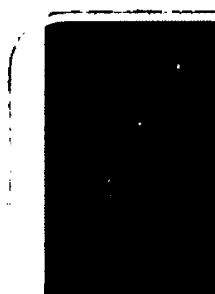
The minibus can accommodate wheelchairs and we also invite relatives along on trips so they can make new memories with their loved ones.



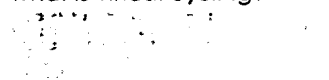
Daily exercise

Keeping active has a significant impact on our health and wellbeing. We continue to maintain our membership of the National Activity Providers Association and Oomph! Wellness, giving our Lifestyle Coaches, who are employed in every home, the tools they need to promote regular exercise in engaging ways.

This year we've also introduced outdoor gym equipment at Castle Brook in Kenilworth following the successful introduction of equipment at Woodside Care Village. Recumbent cycling machines and a tai chi arm spinner encourage people to spend time outside as well as exercise their arms and legs.



What is virtual cycling?



Residents at Woodside Care Village can now enjoy virtual cycling, travelling local, national and international roads from the comfort of their cinema. Using a mini exercise bike, residents can choose where they'd like to cycle, following the route on the big screen as they cycle in comfort. Virtual cycling provides a fun, immersive experience, gentle exercise and reminiscence in a social and interactive way.

<https://youtu.be/WKE-ngU8xIY>

Laundry services

After a successful trial at The Limes in Stratford-Upon-Avon, all WCS homes are switching to laundry products from Proctor and Gamble's range of familiar products which include names such as Ariel and Lenor.

Residents have experienced improvements in wash quality, stain treatment, the softness of clothes and fragrance. Whilst staff have reported fewer wash cycles and lower temperatures resulting in significant energy savings. The reusable containers will also reduce plastic waste by nearly 3,500 containers per year.

Report of the Trustees including the strategic report (Continued)

Resident wellbeing

Dementia Support UK

WCS is a founding member of Dementia Support UK, run by Australia's HammondCare. Under a subscription model the service currently supports over 40,000 people with dementia in care homes.

The aim of the service is to improve the quality of life and care for people who are experiencing behaviours and psychological symptoms of dementia.

Staff in care homes can often struggle to get timely support and referrals to the relevant professionals through the NHS and then this may be more of a biomedical model rather than a combined one with a psychosocial approach where people with dementia can have their personal, social and emotional needs met alongside their medical needs of care.

Dementia Support UK, is a specialist consultancy service which supports carers and staff teams in WCS's homes who look after people living with dementia. It's non-pharmacological and provides a better understanding of the behaviour, and problem-solving time with a consultant, to agree on the actions which can be taken to meet that resident's needs.

Through our pilot HammondCare have tried to make the service as accessible as possible – it can be accessed by our staff (and families with consent) via an app, the website, or by phone/email.



I got a call back from HammondCare the same day that I filled out the form, they booked in a full assessment for soon after. After taking lots of information about the resident, they provided a behaviour support plan tailored to meet their needs.

The whole process took less than a week in total which is much quicker than having to speak to a GP to make a referral to another agency. It's great to have somewhere to go to get the support we need.

Staff members

Marking 10 years of innovation

In September 2022 we held our first leadership conference, bringing together home managers, members of our frontline care teams, heads of department and trustees. This well-received day looked back at our 10-year innovation journey and the staggering amount of work we've done in that time, before looking forward and introducing new innovations that would be coming to our homes in the coming months, such as BookLane.



WCS Care Group Limited

Report of the Trustees including the strategic report (Continued)

Flexibility and work/life balance

The number of vacancies in social care has been at the highest rate on record with 165,000 unfilled posts in the last year. At WCS Care we've bucked the trend by supporting our staff to have more control over their work/life balance through the use of new technology, and introducing a new mobile carer role which is, and has, reduced our reliance on external agency.

Using technology to give carers control of their work/life balance...

This year we took on learning from overseas, for example in the US staffing problems were twice as severe as here in the UK. One initiative was the BookJane staffing app which we're the first UK provider to use.

BookJane is very simple for employees to use. After downloading the BookJane app to their phones, staff can see all of their shifts easily, as well as open shifts that are still available. It gives them the opportunity to choose how much they work and earn, making it easy to pick up additional hours, and all too importantly, at times that suit them. As well as benefitting our fulltime staff, the app appeals to people who are looking for a second income or flexible hours. The app opens up a whole new workforce to us, making work/life balancing easy for people who have other jobs, family commitments, are topping up their pension or studying.

Providing this flexibility means more of our own staff are picking up shifts, earning additional income and reducing our reliance on more costly agency workers.



'You pick a date and you have your hours, click accept and you're booked in for work. You get a notification when your shift is booked and another 3 hours before your shift as a reminder.'

...and introducing a new Mobile Carer role

We asked ourselves, 'who benefits most in a staffing crisis?' and of course the answer was the staffing agencies themselves. Staff who we could employ directly often choose to work for any agency because they like the flexibility of the role, and the agencies pay slightly above the going rate.

By saving on expensive agency staff we now pay more than agencies and have been able to attract the very best staff, who would not have worked for us before, in our new role of mobile carer. These workers choose their shifts through our app like Uber workers and aren't tied down to any one of our homes, so they retain the freedom of working in multiple locations.

By introducing the app, putting control into the hands of our carers, establishing our mobile carer role and reducing external agency use we've avoided the staffing problems that have faced many other care providers and have seen:

- 90% reduction in rota admin time
- 85% reduction in agency
- 22% decrease in complaints
- 16% increase in residents participating in leisure activities

Report of the Trustees including the strategic report (Continued)

- 15% reduction in staff turnover
- 4% increase in positive customer ratings

'I've worked for WCS for several years as a Senior Carer at Woodside Care Village and only took on the Mobile Carer role in the last few months. I now have far greater control and freedom over when and where I work and have the privilege of working with a wide variety of carers, staff and residents across WCS's homes.'



Pay awards

In November 2022 we brought forward 5% of the national living wage increase that was set to come into effect from the 1st April 2023, in recognition of the cost of living pressures that staff were facing.

At the end of the financial year, we were pleased to let our colleagues know that their hourly pay would increase again from the 1st April, giving a total increase to frontline team members of 11.1% in the year with all staff paid above the national living wage and 50% of frontline carers paid above the real living wage.

Staff wellbeing



The Potting Shed

Introduced in 2020, The Potting Shed is run by a team of staff volunteers who give their time to arrange events for staff and support them with their health and wellbeing. Linked to this support is our provision of Perkbox, a benefits platform with hundreds of shopping discounts, and access to Health Assured for free, confidential advice and support.

As well as their regular activities that include quizzes, walks, ten-pin bowling and more, the Potting Shed team held a staff black tie event in December; an evening of fun alongside a thank you for everything staff do. The event was attended by staff from across all thirteen WCS homes and was a huge success.

We can see the results of our focus on the support, pay and wellbeing of our staff coming through in our staff survey results with 9.1 out of 10 staff saying they are satisfied with, are likely or very likely to recommend WCS Care as a good place to work.

Other stakeholders

Suppliers: New ways of working

WCS Care is known in the care sector for our use of technology and embedding new, innovative ways of working. Our experience of thinking outside the box, trialling new approaches, learning fast and applying change held us in good stead during 2022/2023.

Report of the Trustees including the strategic report (Continued)

Improving sleep

Over the last year we've enhanced our use of acoustics for night-time monitoring by adding cameras to the system. Used with consent, the camera is not on all the time, but is activated when a trigger sound is picked up by the acoustics system and the night manager checks the alert to see if a carer needs to be sent to support the resident.

Having visual information means our night staff can make even better decisions about when to support residents. Previously any sound from a room could have indicated that an in-person check was needed, however the use of cameras means we can check if this is really necessary. Often a resident is simply moving around in bed, getting comfortable, and they do not need to be disturbed further by a carer.

And the cameras have helped to reduce falls even further with a 45% reduction at the Limes and 24% at Woodside Care Village. The cameras identify when residents are about to get out of bed more easily, but also allow us to see when a resident has lowered themselves to the floor rather than falling out of bed, removing the need for an unwitnessed fall to be recorded and all of the follow-on precautionary actions that would otherwise need to be taken, as well as preventing the emotional upset that this causes for staff and relatives.

If you've not heard of acoustic monitoring, it's a non-intrusive technology that listens to sleeping residents and is triggered by unusual sounds beyond a set level for each person's specific needs. If there's no sound from a resident's room, they're left to sleep in peace, rather than being disturbed by hourly door-checks throughout the night.

WCS Care have championed the use of acoustic monitoring in the sector since we first retro-fitted it in one of our newer homes in 2015. Within a year we experienced a 34% reduction in night-time falls and, after installing it in two further new-builds, were able to evidence a 55% reduction in falls across days and nights. In 2020 we installed a new Wi-Fi version of the acoustic system into The Limes, one of our older buildings, and became the first provider in the UK to monitor two sites from one location, using remote monitoring to support the night carers at this small residential home. This strategy has provided oversight and staff support for the night carers at The Limes, enhanced care quality and reduced night staff costs by 17%.



<https://youtu.be/5HOeiupuo6o>

Having shared our acoustic story with the sector, Care Quality Commission (CQC) and Ministers of State for Care, we are pleased that this technology is now being supported via funding made available through the NHS Transformation Directorate and hope to benefit from this so that we can introduce this system to the rest of WCS's homes.

Human centric lighting

Over the last year we've moved forwards with our work to find a solution that will enable us to retrofit circadian lighting into our older buildings. Working with a lighting consultant, we're finalising an approach that will bring the benefits of this lighting to all of our homes. We've also launched our PhD study with Oxford University which will investigate the benefits of circadian lighting for people living in residential care homes, and in particular people living with dementia.

Report of the Trustees including the strategic report (Continued)

Circadian lighting imitates nature's cycles of light and dark, as well as the changes in colour we experience from dawn to dusk. 80% of residents living in a WCS Care home for older people live with dementia. 1 in 5 people with Alzheimer's disease experience sundowning syndrome, sometimes called late-day confusion, but it can also happen generally to older people. 1 in 15 people in the UK suffer from Seasonal Affective Disorder (known as SAD syndrome) which, because we live in the northern hemisphere, tends to impact people more between September and April.

The conditions above, as well as a lack of sleep, can lead to depression, over-eating, poor concentration, memory problems, a lack of energy, confusion, loss of day orientation and changes in mood.

Exposure to natural light for as little as 10 to 15 minutes a day, can help to reduce or stop these symptoms.

During the day, circadian rhythm lighting replaces the sun indoors, and at night stops you being exposed to inappropriate blue/white light which can delay or disturb sleep patterns.

We installed circadian lighting into our latest home, Woodside Care Village in Warwick, and having seen the positive impacts it has for residents in this home and at Drovers House in Rugby where it's installed in communal areas and on one household, we're keen to bring its health and wellbeing benefits to residents across the group.

BookJane: flexibility is the new work currency

Learning from the US we introduced the Canadian staffing app, BookJane, into our three largest homes in the summer of 2023. This simple app allows staff to see their rota on their mobile phone alongside open shifts that they can choose to pick up if and when it suits them.

Introducing the app, alongside our new Mobile Carer role, which gives experienced staff who prefer to have the freedom to work at more than one location visibility of shifts across a group of our homes, has transformed our staffing. Rotas are full, managers are no longer feeling guilty that they're pressurising people into picking up shifts, rota management time has reduced, and staff are in control of their work/life balance, earning what they want, when they want to.

We've seen staff turnover reduce and external agency use has fallen by 85%, halting the waste of money on expensive agency workers. The original pilot was so successful that instead of rolling the app out to the rest of our homes over 2023, we've pushed ahead and established this new way of working in all of our homes.

Looking ahead our ambition is to introduce faster pay, allowing staff to draw down a percentage of earned income ahead of the monthly pay cycle to help them manage their financial obligations.



<https://youtu.be/ZX2xpsSGrqE>



Circadian lighting at Woodside Care Village providing a soft, warm light in the evening

WCS Care Group Limited

Report of the Trustees including the strategic report (Continued)

OneDay video: lights, camera, action!

Taking another initiative from overseas, we're starting to introduce the OneDay video app, starting with our Trusted Advisors and recruitment team members. This mobile app makes taking and editing videos with captions possible on your mobile phone, with the added bonus of being able to send the finished videos by text or email directly to customers, interview candidates and new employees.

As more and more people rely on their phones for communication and text messaging overtakes email communication, and with over 80% of the content people absorb every day being video based, this new approach allows us to reach people in a way that brings our people and homes to life in a way the written word can never do.

Partnership working

Warwickshire County Council

We're proud that approximately 450 socially funded people benefit from WCS's charitable support every year leading to a significant annual charitable contribution via our main social care contract with Warwickshire County Council.

We were pleased to build on the excellent working relationship we have with our local commissioners during 2022/2023 by providing additional bed capacity to support with local hospital pressures, enabling people who were medically fit, but needed additional support before being able to go home to spend time in a residential setting while they regained important independent living skills.

South Warwickshire Foundation Trust (SWFT)

Our partnership with SWFT continued to provide additional capacity in 2022/2023 at Castle Brook in Kenilworth and Drovers House in Rugby, and continued to deliver successful outcomes for hospital patients who are discharged to us for support with their ongoing reablement before returning to their usual accommodation.

Oxford University

As reported on earlier in this report, we've already installed circadian lighting at Woodside Care Village and completed a partial retrofit at Drovers House. We know the lighting has significant health and wellbeing impacts for residents, but published findings and research are limited, meaning this standard of lighting isn't widely adopted in the sector.

In October we launched our PhD study with Oxford University into the impact of circadian lighting for people living in residential care, particularly people living with dementia. Working alongside Professor Russell Foster, Director of the Sleep and Circadian Neuroscience Institute, our PhD student Lucy Jobbins has previously conducted research into dementia risk factors and worked within an NHS memory service.

This three-year study will compare traditional care home lighting and circadian lighting to assess the health and wellbeing impacts for residents.

Report of the Trustees including the strategic report (Continued)

Influencing the sector

WCS Care in the news

The Guardian

In December we welcomed The Guardian's social affairs correspondent to Woodside Care Village. Against a backdrop of negative coverage of the care sector we welcomed him to the village on a typical winter's day where he experienced the life residents experience, writing...

'Woodside Care Village in Warwick is staged like a town centre in miniature with benches and a fountain, café tables and front doors to homes styled as either 'town', 'country' or 'classical'.....here everything has a greater purpose: to improve the wellbeing of people with dementia.'

Despite talking to Robert about our use of technology and the design of the village, his focus remained on the residents and staff who he met and chatted to, making firm friends with one lady who introduced him to all of her favourite carers and her robotic cat...

'Before I left, Pam got up from her place in the café knitting circle to show me a robotic long-haired cat she likes to stroke. She tickled its tummy to keep it purring. I joined her stroking it and she took my other hand and squeezed it. She was smiling.'

To read the full online article visit The Guardian website and search for Woodside Care Village – the article is titled *Dementia village in Warwick is a pioneer in person-centred care*.

Caring Times

At the start of 2023 we also welcomed Caring Times' editor Lee Peart to Woodside Care Village. Lee wrote about his visit...

'After being welcomed with tea and a croissant by Woodside's friendly receptionist Megan, I sat and waited for my tour of the home in the 'A Cup Above' café. I was immediately struck by the warm, welcoming and relaxed atmosphere. Soothing Phil Collins music played in the café and reception area, which was full of light thanks to the large windows facing out onto the central Village Plaza.

It was not long before the café filled up for a game of bingo led by some of the support workers using a Tiny Tablet interactive screen.'

Focusing on the detail of the care model Lee noted...

'It's surprising to hear there are 72 residents in the village as its V-shaped design provides a much smaller and intimate feel than the typical care home. I was interested to learn that while half of the households cater for people living with dementia, the other half houses residential care, with two households devoted to deaf people.'

As a registered charity, we're proud to be leading the way and showing the care sector what's possible when you step away from the traditional models of design and care, whilst still working within the regulatory frameworks which allow people to live in a safe, caring and responsive environment. Since these articles were published we've welcomed care providers from around the country to Woodside Care Village who are keen to see what we're doing and how it may change their own approach and, in particular, building design; sharing the reality of what's possible.

WCS Care Group Limited

Report of the Trustees including the strategic report (Continued)

Raising the profile of circadian lighting

In March we were invited to join the panel of an online *Innovators in Residential Healthcare* event 'Circadian Lighting Principles and Practice' led by lighting expert Dr Shelley James.

Featuring academics and residential care facilities from around the world, WCS Care were proud to represent the UK as a leader in the implementation of circadian lighting, sharing our experience to date and ambitions for the future.

Financial review

Taxation status

As a charity, WCS Care Group Limited is exempt from corporation tax on its charitable activities.

Insurance of directors and trustees

The charity maintains insurance for the directors and trustees of WCS Care Group Limited in respect of their duties for the organisation.

Reserves policy and going concern

It is the policy of the charity to target free reserves at a level which will support the operations of the business in the event that some of the homes encounter trading difficulties during the year. The Board has agreed to set aside £4m for this eventuality. Reserves are also held to provide funds for the future development of its property portfolio, continual improvement of services and growth within the charity. The reserves policy is reviewed on an annual basis.

At the year end, free reserves available to the Charity are represented by unrestricted reserves of £22.2m, less fixed assets of £29.0m, plus debt used to finance assets of £14.8m, which equals £8.0m (2022: £8.1m). The free reserves over £4m are planned to be invested in maintenance of existing care homes and the development of new care services over the coming years, as explained throughout in the report.

The directors have considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements. The trustees are of the view that adequate resources are available to the organisation to continue to operate as a going concern over the foreseeable future from the date of approval of the financial statements.

The Charity has revisited its going concern assessment during 2022-23. It has reviewed the re-worked cash flows up to March 2025, including scenario planning for another wave of Covid and/or lower occupancy impact on self-funder income. Although there has been some impact, this had no material impact on the financial viability of the charity in the foreseeable future.

Post Covid-19, we have seen the investment sentiment remaining strong and without an alternative safe and viable option for the care of older people, residential care sector will continue to play a vital role. The Charity has shown to be resilient and able to operate and provide good levels of care in very challenging of circumstances.

Report of the Trustees including the strategic report (Continued)

Statement of disclosure of information to auditor

The directors at the time when the Report of the Trustees was approved confirm that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- each director has taken steps that ought to have been taken as a director in order to be aware of any information needed by the charity's auditor in connection with preparing their report and to establish that the charity's auditor is aware of that information.

Strengthening the financial position

The charity has made surpluses in the year, building on the reserves generated in previous years.

Financial results

The Charity generated an overall surplus of £0.88m (2022: £2.46m) in the financial year ended 31 March 2023. This year's financial performance has had a positive impact on the Charity's balance sheet, shows net assets of £22.2m (2022 - £21.4m). More information on the application of reserves is provided on page 18. Whilst substantial net assets are not the prime business objective, a strong balance sheet is important in providing the resources to support the Charity's development. The Charity remains in a position to be able to pay its debts as and when they fall due and it continues to provide quality care to its service users.

The Parent Charity, WCS Care, saw overall income increase by 5.96%, mainly due to the annual inflationary increase and overall higher occupancy across all the homes.

Care operating expenditure continues to absorb relatively high property maintenance costs and additional depreciation from the three village homes and refurbishments at the older homes. The Executive Team is charged with maintaining a tight control over operating and administrative expenditure whilst still recognising the need to undertake major maintenance works at some homes so that the high level of service to our service users is maintained.

Payroll costs have increased due to the National Minimum Wage legislation, a further mid-year pay increase and agency costs due to tougher recruitment conditions. While the homes make every effort to minimise the use of agency staff through the use of in-house mobile workforce, costs in this area have increased by 11%. (2022: 6%)

There were no additional Government grants for infection control received during the year (2022: £1,288,000).

The cost of all refurbishment and capital works has been depreciated since the completion of each individual scheme. The Charity has undertaken a programme of refurbishment works at all its older Homes. Depreciation costs have increased this year to £1,463,000 (2022 - £1,313,000) due to the newer village homes and refurbishment works. Further information on depreciation costs can be found in note 8 to the Financial Statements.

WCS Care Group Limited

Report of the Trustees including the strategic report (Continued)

The expenditure on property refurbishment and maintenance continues to be a priority for the charity spending £1,250,000 (2022 - £655,000). Smaller items of furnishings and equipment purchased by the Homes which, in accordance with the Charity's accounting policies has not been capitalised, increased to £81,000 (2022 - £52,000). This expenditure reflects the Charity's continuing commitment to maintain a high level of décor and furniture within the Homes for the benefit of our service users.

Cost increases were experienced in care and management staff, through the deployment of additional resources in care, pension contributions and Head Office support services, social activities for residents, residential expenses and professional services.

Although the charity operates on a 'not-for-profit' basis, the financial future of the business can only be secured through the delivery of an efficient and effective service that provides operating surpluses to finance even higher standards and future developments. The Charity is required to generate sufficient surpluses in order to repay debt financing, raise finances from the bank to invest in existing and new homes.

Despite the continuing underlying financial success of the charity a number of significant financial pressures remain and these include:

i) Staffing costs

Over many years now the real cost of employing direct care staff in our residential homes has been increasing by significantly more than the rate of inflation. The increase in cost has resulted from meeting the needs of ever frailer residents, specific requirements to meet Dementia Care standards, enhancing service quality in areas such as social activities and laundry. Changes in legislation due to increases in the National Living Wage (6.6% from April 2022) and the continuing professionalisation of the workforce together with the cost of living pressures continues to maintain the upwards pressure on staffing costs. The annual direct care staffing expenditure increased year-on-year by 11% (£1,805,000).

It has been essential for pay awards to be kept in line with the care sector, other than to recognise the increase in the National Living Wage each year. However, during the year, to ensure the charity retained and recruited staff in an inflationary environment an additional mid-year pay award of 5% was made in November. The Charity sees inflationary pressures continuing in 2023-24 and therefore pressure on the organisation to generate the income is essential to meet its major costs.

ii) Property maintenance costs, ICT and environment expenditure

The charity's previous refurbishment programme did not address all property aspects and certain equipment. A programme of replacement and refurbishment has been established and the charity will work through the remainder of this over the next few years. Further resources have also been earmarked to roll out enhanced technology supporting electronic care planning and acoustic night-time monitoring within the homes. There is also an ongoing programme to purchase new furniture, flooring and curtains.

Report of the Trustees including the strategic report (Continued)

iii) Other costs

PPE has continued to be provided via the Government portal and the Charity has estimated an expenditure in-kind of £77,000 (2022: £125,000).

The impact of the Ukraine war on utility costs has been widely felt domestically and in the commercial sector. Resulting in higher direct energy costs and feeding into higher input costs across most industries, leading to higher prices. Expenditure on gas and electricity more than doubled during the year from £407k to £985k. Other costs including: food, property maintenance, waste disposal, insurance all rose between 8% and 25%.

Brexit uncertainties have added further cost pressures in the areas of food supplies and energy costs, depending on the relative strength of sterling and potential additional tariffs being applied in any future settlement. Although WCS Care does not employ many staff from mainland Europe (less than 5%), the indirect effects of staffing movement at the minimum wage level could see staff shortages in the care sector as a whole.

In seeking to meet the increasing operational costs faced by the charity, the business strategy is geared towards improving income streams whilst being as efficient as possible in the deployment and management of staff and in contracting for services.

Places within our homes are purchased either by people with independent means or those supported through public expenditure to meet the specific care needs of very frail older people and adults with disabilities. The charity remains committed to ensuring that places are available for public benefit throughout Warwickshire.

WCC support prices rose in line with inflation in 2022/23, however, this did not entirely cover the wage increase resulting from general and energy inflation.

The need to balance rising care standards and costs with income generation has driven the Charity's business strategy since inception. However, to secure the charity's future position as the leading independent care provider in Warwickshire, directors are committed to the generation of higher operating surpluses with the aim being to continue to strengthen the charity's Balance Sheet and to invest in new residential care homes.

On the basis that WCC support fee rates in line with the cost of care expectations and National Living Wage increases, directors remain confident the charity will be able to maintain care standards and develop its core services, as envisaged in the Business Plan.

Plans for future periods

The strategy adopted focuses on ensuring the Charity has the capacity and capability to develop and deliver future-proofed care services. This strategy is predicated on a programme of ensuring sustainability of all its care homes across the county.

The key element of the strategy is to develop WCS's older people's services over a 5–10-year period based on a mix of sustainability of existing homes and expansion, redevelopment and new build extensions.

WCS Care Group Limited

Report of the Trustees including the strategic report (Continued)

Development programme

The charity has developed three new residential care homes. The first home was opened in 2013 in Rugby, providing specialist dementia care for 75 people and the second opened in 2016 in Kenilworth, housing 84 residents and the latest development in Warwick opened in November 2019 with 72 beds. All three care homes were developed with a mix of internally generated funds and bank lending. The current focus is on developing extensions to existing homes as well as a new care village in the future.

Principal risks and uncertainties

General risk management

On a continuous basis, specific risks are identified and rated high, medium or low in a matrix format. Controls are then designed to minimise or mitigate the risk through quality measures, indicating action required and by whom. The Business Risk Assessment forms an integral part of our board meetings.

The directors have examined the principal areas of the charity's operations and considered the major risks faced in each of these areas. The Executive Team reviews key organisational risks on a bi-monthly basis and these are assessed for their likelihood and potential impact on the charity. Action is taken to mitigate any significant risks and the outcome is reported to the board. In the opinion of the directors, the charity has established resources and review systems which, under normal conditions, should allow these risks to be mitigated to an acceptable level in its day-to-day operations.

Care service failures, ability to recruit and retain staff, price rise due to higher energy costs and general inflation, the threat from competitors and higher wage costs due to statutory National Living Wage increases are the most significant risks faced by the charity.

For all of the risks above, the Charity has strong mitigations and monitoring systems in place and is confident in being able to contain them.

The charity's operations expose it to a variety of financial risks that include credit risk, liquidity risk and interest rate risk. The charity has in place a risk management programme that seeks to limit any adverse effects on the financial performance of the charity by fixing majority of its' loans to avoid interest rate fluctuations.

The charity does not use derivative financial instruments to manage interest rate risks and as such, no hedge accounting is applied.

Given the size of the charity, the directors have not delegated the responsibility of monitoring financial risk management to a sub group of the board. The policies set by the board of directors are implemented by the charity's finance department.

Report of the Trustees including the strategic report (Continued)

Energy and emissions report

The following table summarises WCS Care's reporting requirements under the Government's Streamlined Energy and Carbon Reporting (SECR).

	2023	2022
UK energy use (1) kWh	7,324,798	5,158,775
Associated Greenhouse gas emissions (2) Tonnes CO2 equivalent	1,386	1,037
Intensity ratio (3) Tonnes CO2 equivalent emissions per FTE	2.61	2.06

- (1) UK energy use (Kwh) is relation to Gas, Electricity and car fuel used by the company.
 (2) The associated Greenhouse gas emissions tonnes CO2 equivalent has been calculated using the Government's conversion factors for reporting and HM Environmental reporting guidelines.
 (3) The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per full time employee (FTE).

Energy efficiency measures

WCS Care have commissioned the latest ESOS audit in 2023, however the works are still on-going for the findings to be reported. Our ESOS (Energy Savings Opportunities Scheme) energy audit was undertaken in 2019 in accordance with the principles of the ISO 50002 and the British Standards Institution energy audits requirements. The Summary findings recommended to replace high energy lighting with LED equivalent. WCS has replaced florescent lights in two additional Home's receptions and corridors and where existing florescent lights fail these are upgraded to LED as a matter of course.

In 2023-24, as part of the work we are taking forward in relation to our Asset Management Strategy we will put mechanisms in place to monitor and improve our energy consumption and carbon footprint where it is feasible to do so.

Related parties

The organisation has one wholly owned subsidiary, which was active during the year: Common Lane Developments Limited (CLDL). The charity acquired the entire share capital of CLDL in May 2013 and developed the site it owns in Kenilworth into an 84-bed specialist residential dementia care home which completed in December 2016. CLDL will continue to operate as a development company for WCS Group Limited. It developed Woodside Care Village during 2019.

Significant contracts

The charity has a care contract with Warwickshire County Council (WCC) which has been extended for a further 5 years from 2021. The contract involves delivering residential care services to older people and people with disabilities and provides the charity with around half of its income with the remainder generated from sales to private individuals or other public authorities.

WCS Care Group Limited

Report of the Trustees including the strategic report (Continued)

Key performance indicators

Each home within the residential care operation prepares a monthly Management Report which includes key performance indicators to ensure each part of the business is compliant with the following standards which are internally audited. The KPI standards include overall care quality; safety; effectiveness of operations; responsiveness; and the homes being well led.

Public benefit

The charity trustees have complied with the requirement contained in section 17 of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission in exercising their duties.

Service users who are not able to fund their place entirely from their own resources are normally subsidised by their local authority, predominately Warwickshire County Council, following an assessment of care needs. In this way, the charity is able to ensure that individuals across the whole community are able to benefit from the high-quality services WCS offers.

Fees charged to service users are commensurate with maintaining the financial viability of the organisation.

Statement of Directors' responsibilities

The directors are responsible for preparing the report of the trustees incorporating the strategic report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for the year. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and accounting 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor

A resolution to reappoint CROWE U.K. LLP as auditor to the charity will be proposed at the annual general meeting.

Report of the Trustees including the strategic report (Continued)

People management

An extensive programme of training on organisational values and aspirations continued to be delivered to staff across the organisation to ensure values are shared and cascaded into all areas of care and practice. The charity promotes strong culture, leadership and innovation at all levels of WCS Care and individual homes.

Staff turnover decreased to 24% during the year (2022 - 37%) however, still above the internal target of 20%. A combination of factors have contributed to the high turnover which include: care sector low wages failing to attract and retain staff; the opening up of the economy post covid restrictions has seen demand from all sectors to recruit staff as well as some sectors who relied on staff from Europe now competing domestically.

WCS has in place Conditions of Service which comply with legislation, are flexible, support the organisation's values and objectives, and which promote employee satisfaction. They include:

- full and fair consideration of applications for employment made by disabled persons, having regard to their particular aptitudes and abilities
- continuing the employment of, and arranging training for, employees who have become disabled persons while employed
- the training, career development and promotion of disabled persons

Staff salaries (including KMP) are benchmarked against similar organisations, recruitment guidance and 3rd parties' advice is also taken to ensure that they are reasonable and in line with the sector.

Sickness absence was impacted by Covid-19 in the previous year and has now decreased to 6.6% for the year (2022 – 7.7%) but still is higher than the internal target of 5.5%.

Approval of the report of the trustees and the strategic report

The Report of the trustees incorporating the strategic report has been approved by the Board of Directors and is signed on behalf of the board by:

A F Levett - Chairman

10th July 2023



WCS Care Group Limited

Independent auditor's report to the members of WCS Care Group Limited

Opinion

We have audited the financial statements of WCS Care Group Limited ('the charitable company') and its subsidiary ('the group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, Group Balance Sheet, Company Balance Sheet, Statement of Consolidated Cash Flow and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and the charitable company's affairs as at 31 March 2023 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions related to going concern

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

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

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

Other information

The Trustees are responsible for the other information contained within the annual report. 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.

Independent auditor's report to the members of WCS Care Group Limited (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the Directors' report and the Strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report included within the Trustees' report.

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 24, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Independent auditor's report to the members of WCS Care Group Limited
(continued)**

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context were the CQC Regulations, General Data Protection Regulations and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the completeness and accuracy of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, designing audit procedures over income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

**Independent auditor's report to the members of WCS Care Group Limited
(continued)**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.



Kerry Brown
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
B69 2DG

Date 11 August 2023

WCS Care Group Limited

Consolidated statement of financial activities (including income and expenditure account) for the year ended 31 March 2023

	Notes	Unrestricted funds £000	Restricted funds £000	Total funds 2023 £000	Total funds 2022 £000
Income					
Income from Charitable Activities					
Provision of care services	2	26,135	-	26,135	23,405
Other income	2	-	-	-	13
Donations	2	77	-	77	1,413
Investment income	4	100	-	100	2
Total Income		26,312	-	26,312	24,833
Expenditure					
Charitable expenditure:					
Care operating expenses	6	24,844	-	24,844	21,893
Total charitable expenditure		24,844	-	24,844	21,893
Interest payable	5	588	-	588	474
Total Expenditure		25,432	-	25,432	22,367
Net income before other recognised gains and losses	7	880	-	880	2,466
Net income and net movement in funds for the year		880	-	880	2,466
Reconciliation of funds					
Fund balances brought forward at 1 April	17	21,357	-	21,357	18,891
Net movement		880	-	880	2,466
Fund balances carried forward at 31 March	17	22,237	-	22,237	21,357

The notes on pages 33 to 44 form part of these financial statements.

Balance sheet as at 31 March 2023

	Notes	Group		Company	
		2023	2022	2023	2022
		£000	£000	£000	£000
Fixed Assets					
Tangible Assets	8	28,955	29,063	28,892	29,070
Investments	9	-	-	-	-
		28,955	29,063	28,892	29,070
Current Assets					
Debtors	10	1,478	1,423	1,564	1,482
Cash at bank and in hand		8,731	8,325	8,729	8,280
		10,209	9,748	10,293	9,762
Creditors: amounts falling due within one year	11	(4,875)	(2,640)	(4,870)	(2,636)
Net current assets		5,334	7,108	5,423	7,126
Total assets less current liabilities		34,289	36,171	34,315	36,196
Creditors: amounts falling due after more than one year	12	(12,052)	(14,814)	(12,052)	(14,814)
Net assets		22,237	21,357	22,263	21,382
Funds					
Unrestricted fund	17	22,237	21,357	22,263	21,382
Restricted fund	15	-	-	-	-
Total funds		22,237	21,357	22,263	21,382

Company Number: 02713150

Charity only results for the year: surplus of £881k.

The financial statements on pages 30 to 47 were approved and authorised for issue by the board of directors on 10th July 2023 and were signed on its behalf by:

A F Levett - Chair



WCS Care Group Limited

Statement of Consolidated Cash flow for the year ending 31 March 2023

	Notes	2023 £000	2022 £000
Cash provided by operating activities	18	<u>3,230</u>	<u>4,389</u>
Cash flows from investing activities			
Interest income		46	2
Purchase of tangible fixed assets		(1,319)	(676)
Corporation tax	24	-	-
Cash used in investing activities		<u>(1,273)</u>	<u>(674)</u>
Cash flows from financing activities			
Cash outflow from repayment of borrowings		(971)	(885)
Cash inflows from new borrowings		-	-
Interest payable		(580)	(474)
Cash used in financing activities		<u>(1,551)</u>	<u>(1,359)</u>
Increase in cash and cash equivalents in the year	19	406	2,806
Cash and cash equivalents at the beginning of the year		8,325	5,519
Total Cash and cash equivalents at the end of the year		<u>8,731</u>	<u>8,325</u>
Cash and cash equivalents			
Cash and bank and in hand		8,731	8,325
Cash and cash equivalents		<u>8,731</u>	<u>8,325</u>

Note: All cash and cash equivalents are held in instant access deposit accounts.

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

1. Accounting policies

WCS Care Group Limited is a company limited by guarantee, registered in England and Wales with registration number 02713150, and a registered charity, number 1012788. The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Basis of Preparation and Going Concern

The financial statements have been prepared on a going concern basis.

Given the strength of the balance sheet and availability of cash, the members of the Board believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the group's ability to continue as a going concern. The Board, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

Basis of consolidation

The consolidated statement of financial activities, income and expenditure account, cash flow statement and balance sheet include the financial statements of the charity and its subsidiary undertaking made up to 31 March 2023 on a line-by-line basis. Intra-group sales and surpluses are eliminated fully on consolidation. Uniform accounting policies are applied across the whole group.

The charity has also taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirements to present a charity only Statement of Cash Flows and certain disclosures about the charity's financial instruments within the consolidated financial statements. No separate Statement of Financial Activities ("SOFA") has been prepared for the charity alone as permitted by Section 408 of the Companies Act 2006.

Tangible fixed assets

Property and equipment is stated at cost less accumulated depreciation and impairment charges.

Freehold land and buildings

Freehold land and buildings are capitalised at cost. Freehold land is not depreciated. New freehold buildings are depreciated on a straight-line basis over their estimated useful economic life of 50 years commencing with the completion of the building or its acquisition. Capital expenditure incurred by the charity on refurbishing or improving older freehold properties acquired is capitalised. Depreciation on these properties is provided on a straight-line basis over the expected economic life of the improvements, commencing with the period in which the improvement or refurbishment project is concluded. An average economic life of 25 years is used as a basis.

Other tangible fixed assets

Items costing over £1,500 each are capitalised. The cost of fixed assets comprises their purchase cost, together with any incidental costs of acquisition.

WCS Care Group Limited

Depreciation is calculated so as to write off the cost of tangible fixed assets less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

	%
Equipment, fixtures and fittings	20 – 33%

Leases

Rentals paid under operating leases are charged to the income and expenditure account on a straight-line basis over the lease term. To note, the risks and rewards stay with the lessor.

Investments

Fixed asset investments include investment in subsidiaries which are stated at cost less any impairment.

Investment income

Interest income is accounted for on a receivable basis and is accrued up to the balance sheet date.

Income from provision of care services

Income, which excludes value added tax, represents revenue from residents and local authorities for care services. This revenue is recognised as the services are provided.

Legacies

Legacies are recognised when they are received or, if before receipt, there is sufficient evidence to provide the necessary certainty that the legacy will be received and the value can be measured with sufficient reliability.

Expenditure

Expenditure in relation to charitable activities is included on an accruals basis, inclusive of any value added tax which cannot be recovered.

Support costs

Support costs include all expenditure not directly attributable to the day-to-day operation of providing care services. Governance costs are included in support costs and include external audit, legal and all costs related to complying with statutory and constitutional requirements.

Bad debts

Specific provision is made for those debts which are not considered recoverable.

Government grants

Revenue grants are credited to the statement of financial activities. The grants are recognised in the income statement in line with meeting the criteria of those grants and the occurrence of qualifying expenditure.

Pension costs

The charity operates its own Stakeholder Pension Scheme and makes contributions based on length of service. The charity has also implemented an Auto Enrolment Scheme making contributions that follow the requirements of the relevant legislation. The cost of contributions is charged to the statement of financial activities as incurred.

Taxation

Taxation has not been provided on the net income for the year on the grounds that Part 11 of the Corporation Tax Act 2010 applies (tax exemption for charitable companies).

Funds structure

Unrestricted funds

Fund available to the charity to reinvest in the services it provides.

Restricted fund

In the year, the charity did not receive any restricted funds (donations and grants that could only be used for specific purposes)

Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements. If, in the future, such estimates and assumptions, which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and judgements will be modified as appropriate in the year in which the circumstances change.

Impairment of debtors

The group makes an estimate of trade debtors and other debtors. When assessing the impairment of trade debtors and other debtors, management considers factors including ageing profile of debtors and historical experience.

Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates and the physical condition of the assets.

WCS Care Group Limited

2. Income

Provision of care services

The total income of £26,212,000 has arisen entirely within the United Kingdom and includes a total of £11,041,000 which is received from WCC under a contract for the provision of care services (2022 £9,315,000). During the year, donated gift-in-kind PPE in relation to Covid-19 was received £77,000 (2022 £1,426,000):

	Unrestricted funds £000	Restricted funds £000	Total funds 2023 £000	Total funds 2022 £000
Income from charitable activities	26,135	-	26,135	23,405
Job retention scheme	-	-	-	13
Other Income	-	-	-	13
Infection control grants	-	-	-	1,288
Government portal PPE	77	-	77	125
Donations	77	-	77	1,413

3. Employee information

The members of the Management Committee, who are directors of the charity, receive no remuneration for their services to the charity but are reimbursed for incidental expenses associated with attendance at committee and other meetings. The total of expenses for travel and subsistence reimbursed in the year related to 2 Trustees, amounting to £311.(2022: £1,000).

The cost of indemnity insurance for the trustees was £840 (2022: £840).

The cost of employing staff during the year was:

	Group 2023 £000	2022 £000	Company 2023 £000	2022 £000
Staff costs				
Wages and salaries	16,498	14,930	16,498	14,930
Social security costs	1,025	826	1,025	826
Pension costs	363	325	363	325
Total staff costs	17,886	16,081	17,886	16,081

Staff costs include expenditure on agency staff of £2,519,000 (2022: £2,406,000).

The average monthly number of persons employed within the charity by business activity was:

	2023	2022
	Number	Number
Residential care	794	797
Support Services	37	29
	831	826

The following number of employees received remuneration (excluding pension contributions) falling within the following ranges:

	2023	2022
	Number	Number
£60,001 – £70,000	1	0
£70,001 – £80,000	0	2
£80,001 – £90,000	2	1
£90,001 – £100,000	1	1
£100,001 – £110,000	1	0

All of the above 5 (2022: 4) were members of a money purchase scheme for which the employer's contributions were £62,824 (2022: £56,000).

The key management personnel of the group and the charity comprise of the Chief Executive, Finance Director, Director of Quality and Compliance and Director of Marketing and Communications. The total remuneration was £468,528 (2022: £444,000).

4. Investment income

	Group		Company	
	2023	2022	2023	2022
	£000	£000	£000	£000
Interest receivable on short term deposits and other bank balances	100	2	100	2
	100	2	100	2

5. Interest payable

	Group		Company	
	2023	2022	2023	2022
	£000	£000	£000	£000
Interest payable on bank loans	588	474	588	474
	588	474	588	474

6. Charitable expenditure

Care operating expenses of £24,844k (2022: £21,893k) include the following support charges:

	Group		Company	
	2023	2022	2023	2022
	£000	£000	£000	£000
General office and finance staff	1,637	1,446	1,637	1,446
Premises	98	72	98	72
Training	70	82	70	82
Marketing	62	56	62	56
Information and communications technology	418	316	418	316
Banking and finance charges	26	57	26	57
Legal and professional	119	96	119	96
Governance costs	49	47	48	45
	2,479	2,172	2,478	2,170

7. Net income for the year

	Group		Company	
	2023	2022	2023	2022
	£000	£000	£000	£000
Depreciation charge for the year:				
Tangible owned fixed assets	1,463	1,313	1,463	1,313
Auditor's remuneration for:				
Audit	20	29	19	29
Other services		-		-
Operating lease rentals:	13	13	13	13
Other leases				
Expenditure on furnishings and equipment in refurbished premises	81	52	81	52
	1,577	1,407	1,576	1,407

WCS Care Group Limited

8. Tangible assets

Group

	Freehold Land and <u>Buildings</u> £000	Fixtures Fittings and <u>Equipment</u> £000	Motor <u>Vehicles</u> £000	<u>Total</u> £000
<u>Cost</u>				
At 1 April 2022	42,435	4,222	15	46,672
Additions	70	1,250	35	1,355
Disposals	-	-	-	-
At 31 March 2023	<u>42,505</u>	<u>5,472</u>	<u>50</u>	<u>48,027</u>
<u>Depreciation</u>				
At 1 April 2022	14,531	3,062	15	17,609
Charge for the year	775	681	7	1,463
Eliminated in respect of disposals	-	-	-	-
At 31 March 2023	<u>15,307</u>	<u>3,743</u>	<u>22</u>	<u>19,072</u>
<u>Net Book Value</u>				
At 31 March 2023	<u>27,199</u>	<u>1,728</u>	<u>28</u>	<u>28,955</u>
At 1 April 2022	<u>27,904</u>	<u>1,159</u>	-	<u>29,063</u>

8. Tangible assets**Company**

	Freehold Land and Buildings £000	Fixtures Fittings and Equipment £000	Motor Vehicles £000	Total £000
<u>Cost</u>				
At 1 April 2022	42,442	4,222	15	46,679
Additions	-	1,250	35	1,285
Disposals	-	-	-	-
At 31 March 2023	<u>42,442</u>	<u>5,472</u>	<u>50</u>	<u>47,964</u>
<u>Depreciation</u>				
At 1 April 2022	14,531	3,063	15	17,609
Charge for the year	775	681	7	1,463
Eliminated in respect of disposals	-	-	-	-
At 31 March 2023	<u>15,306</u>	<u>3,744</u>	<u>22</u>	<u>19,072</u>
<u>Net Book Value</u>				
At 31 March 2023	<u>27,136</u>	<u>1,728</u>	<u>28</u>	<u>28,892</u>
At 1 April 2022	<u>27,911</u>	<u>1,159</u>	<u>=</u>	<u>29,070</u>

The net book value at 31 March 2023 represents fixed assets used entirely for direct charitable purposes.

WCS Care Group Limited

9. Fixed asset investments

WCS Care owns 100% of the share capital of the following group company:

Company	Principal activity
Common Lane Developments Limited	Construction development services
Company number: 07582043	
Incorporated in England in March 2011	

The liability of WCS Care as a member of Common Lane Developments Limited is £799; 100% of the ordinary share capital. The Company made a loss for the year: £1,000 (2022: £0). The subsidiary has net assets of £4,000 (2022: net assets of £5,000).

10. Debtors

	Group		Company	
	2023	2022	2023	2022
	£000	£000	£000	£000
Amounts falling due within one year				
Trade debtors	1,136	1,242	1,136	1,242
Amounts owing from subsidiary undertakings	-	-	91	61
Taxation recoverable	5	2	-	-
Prepayments and accrued income	337	179	337	179
	1,478	1,423	1,564	1,482

11. Creditors: amounts falling due within one year

	Group		Company	
	2023	2022	2023	2022
	£000	£000	£000	£000
Bank loans	2,751	961	2,751	961
Payments received on account	-	135	-	135
Trade creditors	519	429	516	428
Amounts owing to subsidiary undertakings	-	-	-	-
Other taxation and social security	238	179	238	179
Other creditors	7	8	7	8
Accruals	1,360	928	1,358	925
	4,875	2,640	4,870	2,636

12. Creditors: amounts falling due after more than one year

	Group		Company	
	2023	2022	2023	2022
	£000	£000	£000	£000
Bank loans	12,052	14,814	12,052	14,814
	12,052	14,814	12,052	14,814

Bank loans are repayable as follows:

	Group		Company	
	2023	2022	2023	2022
	£000	£000	£000	£000
In one year or less	2,751	960	2,751	960
Between one and two years	963	2,736	963	2,736
Between two and 5 years	3,191	2,785	3,191	2,785
In 5 years or more	7,898	9,293	7,898	9,293
	14,803	15,774	14,803	15,774

The charity has four loan facilities, which are fully drawn, their remaining balances are: (1) £1.9m variable loan to July 2023. (2) Fixed loan of £3.0m to 2030. (3) Fixed loan of £4.6m to 2028. (4) £5.3m variable loan to 2043.

On 13 May 2013 the charity entered into a debenture with The Royal Bank of Scotland plc to secure loan facilities by way of a fixed charge over all property, plant & machinery, goodwill, investments in subsidiaries and intellectual property. There is a floating charge over its undertaking and all its other property, assets and rights owned now or in the future which are not subject to an effective fixed charge under the debenture.

13. Employee benefit obligations

Defined contribution scheme

The charity participates in a Stakeholder Pension Scheme operated by Aviva which meets the government's Auto Enrolment requirements. This scheme was closed to new entrants in March 2015. Charity contributions range from 3% to 6% dependent on length of service and the level of contribution made by employees, which is flexible and governed by the Stakeholder Pension Scheme rules. On 1 April 2014 the charity implemented an Auto Enrolment Scheme making contributions that follow the requirements of the relevant legislation. At present, employee and employer contributions are 3%.

The total pension cost for the charity for the defined contribution schemes in the current year was £363,000 (2022: £325,000).

14. Deferred grants

There are no deferred grants.

15. Restricted funds – Group and Charity

During the year the charity did not receive any restricted funds (donations and grants that could only be used for specific purposes).

Analysis of restricted fund movements

	Fund Balance brought forward	Income	Expenditure	Fund balance carried forward
	1 April 2022	2022/23	2022/23	31 March 2023
	£000	£000	£000	£000
Donations	0	-	-	0

16. Designated fund

The charity does not have any designated funds which have been set aside by the trustees.

17. Other charitable fund

The other charitable funds of the charity are represented by the following balances and movements in the year related to operational surpluses.

	Group		Company	
	2023	2022	2023	2022
	£000	£000	£000	£000
At 1 April	21,357	18,891	21,382	18,916
Net income	880	2,466	881	2,466
At 31 March	22,237	21,357	22,263	21,382

18. Reconciliation of changes in resources to net cash inflow from continuing operating activities

	2023	2022
	£000	£000
Net income for the period	880	2,466
Depreciation on tangible fixed assets	1,463	1,313
Interest receivable	(46)	(2)
Interest payable	580	474
Increase in trade debtors	(519)	499
Increase in prepayments and other debtors	(161)	(48)
Increase in trade creditors	51	153
Increase in accruals and other creditors	982	(16)
Net cash inflow from continuing operating activities	3,230	4,839

WCS Care Group Limited

19. Analysis of changes in net debt

		Cash flows	Financing charge			Cash flows	Financing charge	
	1 April 2022 £000	2022/23 £000	2022/23 £000	31 March 2023 £000	1 April 2021 £000	2021/22 £000	2021/22 £000	31 March 2022 £000
Cash at bank and in hand	8,325	406	-	8,731	5,519	2,806	-	8,325
Debt due within 1 year	(960)	1,551	(3,342)	(2,751)	(845)	885	(1,000)	(960)
Debt due after 1 year	(14,814)	(580)	3,342	(12,052)	(15,814)	-	1,000	(14,814)
	(7,449)	1,377	-	(6,072)	(11,140)	3,691	-	(7,449)

20. Capital commitments

Planning works have commenced for extensions at a number of care homes, as at year-end, no contracts had been entered into forming any legal commitments.

21. Financial commitments

At 31 March 2023 the Group and Company had annual commitments under non-cancellable operating leases as follows:

	2023 Land and Buildings	Other	2022 Land and Buildings	Other
Group and company				
Expiring within one year	-	11	-	11
Expiring between two and five years inclusive	-	3	-	13
	-	14	-	24

22. Contingent liabilities

At 31 March 2023 the Group and Company had no contingent liabilities (2022: £nil).

23. Related party transactions

The organisation has one wholly owned subsidiary which was active during the year, Common Lane Developments Limited (CLDL), registered at Newlands, Whites Row, Kenilworth, CV8 1HW. The charity acquired the entire share capital of CLDL in May 2013 and the company is used to redevelop care homes for WCS Care Group limited. During the year CLDL had 4 work-in-progress developments. In year movement of inter-company balance of £30k. Amount owned by CLDL to WCS Care as at 31 March 2023 is £91k (2022: £61k). There are no other related party transactions.

24. Allocation of Net Assets between funds – Current Year

	Group			Company		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Tangible Fixed Assets	28,955	-	28,955	28,892	-	28,892
Net Current Assets / (Liabilities)	5,334	-	5,334	5,423	-	5,423
Long-Term Liabilities (> 1 yr)	(12,052)	-	(12,052)	(12,052)	-	(12,052)
	22,237	-	22,237	22,263	-	22,263

Allocation of Net Assets between funds – Prior Year

	Group			Company		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Tangible Fixed Assets	29,063	-	29,063	29,070	-	29,070
Net Current Assets / (Liabilities)	7,108	-	7,108	7,126	-	7,126
Long-Term Liabilities (> 1 yr)	(14,814)	-	(14,814)	(14,814)	-	(14,814)
	21,357	-	21,357	21,382	-	21,382