

REGISTERED COMPANY NUMBER: 03034328 (England and Wales)
REGISTERED CHARITY NUMBER: 1045893

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**



**Owen
Limited**

Chartered Accountants &
Financial Advisors

THURSDAY



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COMPANIES HOUSE

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**CHAIR OF TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

During the year that this Annual Report covers we were still dealing with disruptions due to COVID, and we are extremely thankful to the amazing staff team for continuing to keep members safe and well.

The Evaluation Day for 2021, held in small groups, reflected on the impact of the COVID pandemic on our members and how and members were able to share their thoughts and feelings about how SWALLOW was supporting them, and to consider their needs going forward. By April of this year, we were glad to get back together for our AGM face-to-face, and in May we celebrated the Queen's Jubilee with a wonderful party and get together.

The Radstock café continued through the year as well as conditions permitted, and in February 2021 we took over our exciting new café initiative at The Hive in Peasedown St. John and opened for 3 days a week in June, with an extra day added in January 2022, thanks to a generous donation from our Patron, John Cullum. The High Sheriff visited the Hive shortly after it opened, which was a welcome boost.

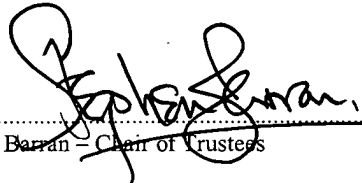
Staff recruitment and retention was, and continues to be, difficult throughout the year, despite a small central government grant designed to help with this, which enabled us to make an excellent recruitment film and do a leaflet drop in the local area.

Financial support from central government for infection control helped us to pay for extra costs incurred during the Pandemic, but overall the pandemic meant we received very much less income from donations and legacies, resulting in a much reduced end of year surplus. This meant a smaller contribution to our reserves (and we may in the current financial year need to draw on those reserves). I am happy to report that once again less than 10% of our income was spent on management and administration costs.

We were sad to say goodbye to Emma Rawlings as a Trustee during the year, and I wish to record the thanks of the Board for her years of service to SWALLOW. I am very happy to report that Tony German joined us during the year, and that Mark Roper, who expressed an interest just before the year end, has also now joined us. Both bring a huge amount of valuable experience to our work.

During the year we began a scheme for involving Trustees in monitoring different aspects of SWALLOW's work. This will help Trustees to be more closely informed about the workings of the organisation and help them to know key members of staff.

We know that the current year and next year will be difficult financially, because of sharply rising costs and extra demands on our services. It therefore appears likely that we will have to call upon our financial reserves to weather the storm. We hope that everything will gradually continue to open up more until we are back to a new normal, although we have work to do to rebuild courses and social activities to the levels of participation we saw before the pandemic. Finally, I would like to add my personal thanks, and those of the Trustee Board, to all the staff who did such amazing work to keep SWALLOW services, and support to SWALLOW members, as usual going the extra mile, and to SWALLOW members for learning to live life in new and often very difficult ways to get through the pandemic.


.....
S Barran - Chair of Trustees

28 November 2022
.....
Date

SOUTH WEST ACTION FOR LEARNING AND LIVING OUR WAY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and principal activities

The charity's objects and principal activities are to benefit all local teenagers and adults with learning disabilities, providing supported housing, education and related services.

The main activities of the organisation are:

1. Supported housing
2. Outreach support in the community
3. Independent living skills training
4. Therapeutic courses and day activities
5. Supported employment and employment training, including craft and horticulture activities and the two SWALLOW Community Cafés one in Radstock and one in Peasedown St John
6. Healthy living and fitness activities
7. Social activities to reduce social isolation
8. Information and advice
9. Youth Group for 13-18 year olds to aid transition from school to the adult world.

Each year the Trustees review the charity's objectives and activities to ensure that they continue to reflect our aims. In carrying out this review the Trustees have considered the Charity Commission's general guidance on public benefit.

All of our activities welcome all teenagers and adults with learning disabilities regardless of personal background, faith, gender or personal circumstances. We do make some charges towards activities, but these are often subsidised and concessions are offered where possible to those on low incomes to make them affordable to all.

Volunteers

SWALLOW has a dedicated team of volunteers who support the work of the charity in a variety of roles. Our Trustee Board and our members on the Management Committee all give their time for free and we have a growing number of people helping in all areas of our work, making a vital contribution.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The aim of the charity is to maximise the support offered to teenagers and adults with learning disabilities, and to give them the skills and opportunities that they need to live full and independent lives. SWALLOW uses its resources to achieve these aims. The Chairman's Report outlines the main achievements of the organisation this year.

Fundraising activities

Raising funds has become more difficult this year, we have seen voluntary income drop dramatically year on year – by nearly 60%, this is partly because the previous year's income figures were increased with money to help the charity through the COVID pandemic. SWALLOW relies on voluntary income to fund the funding gap and to respond to unmet need, this year the charity has developed a three year Fundraising Strategy in order to grow and diversify voluntary income to provide strong foundations for the future.

SOUTH WEST ACTION FOR LEARNING AND LIVING OUR WAY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

Principal funding sources

Most of the funding for SWALLOW services comes on an individual basis through personalised budgets for teenagers and adults with learning disabilities, which are set and approved by Bath and North East Somerset Council (B&NES), but what support each individual buys from providers is decided by that member in discussions with his/her carer. Some funding for supported housing comes from individuals' direct payments. This funding is directly related to the tenants and the support needs for which they have been assessed. SWALLOW also receives a grant from the local authority, through HCRG group, to cover a small part of the costs of Base House.

The rest of the cost is raised from voluntary sources such as charitable trusts, companies, fundraising events and individual donations.

Investment policy and performance

The Board of Trustees have reviewed the investment policy. Changes were made to make sure that the funds that are held on deposit are covered by the Financial Compensation Scheme and the number of accounts and institutions were diversified using the Flagstone Platform via CAF Bank.

Due to the low rates of interest available on deposit accounts, and in an attempt to maximise resources, we have made a small investment in medium risk investment funds.

Reserves policy

The Trustees have reviewed the need for reserves in line with the guidance issued by the Charity Commission and have determined the following policy, which will be reviewed annually:

The Trustees recognise that there is a voluntary income risk in the current economic climate, a social enterprise income risk in current market conditions, the ongoing changes within public sector funding and reduced donations arising from the volatility due to the pandemic and other world factors.

From discussions at the Trustee Board, it has been decided that SWALLOW may maintain reserves for a variety of purposes including, but not limited to, the following:

- a) To enable the services provided to teenagers and adults with learning disabilities to continue during any period of disruption in the charity's income.
- b) To cover set up costs for new service initiatives, prior to income being received.
- c) To cover necessary ongoing costs and finance any legal obligations if a major source of funding ceases, either voluntarily or compulsorily, causing parts of the business to cease.

Unrestricted Reserves

As part of its annual budget-setting, the Trustees will consider the level of unrestricted reserves it is appropriate for the charity to keep to meet its obligations, to hedge against possible risks and to fund its future plans. The Trustees have agreed that for the current year unrestricted reserves should be in the range of between £376,892 and £753,785 which represents 3 to 6 months of annual expenditure. The Trustees will continue to monitor the unrestricted reserves during the financial year.

Restricted Reserves

Restricted reserves are held when money raised in the previous year for specific charitable activities remains unspent at the year end and is carried over to be spent in future years.

Accounting

This year we have again undertaken a full audit of the Charity's accounts, as the income threshold of £1 million set by the Charity Commission has been exceeded.

Review

At 31 March 2022, Unrestricted Reserves, as defined, amounted to £615,937 compared to a target range of three to six month's running costs, ie £376,892 and £753,785

Review of the charity's financial position

In the year to March 2022, covered by these accounts we have achieved a surplus of £28,835. We continued to make savings from posts that had not been filled plus additional funds to support us through the continuing COVID pandemic from Central Government via the Local Authority.

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

FUTURE STRATEGY

This year we have seen a gradual return to normality following the COVID pandemic, the impact on SWALLOW members and staff is still being seen and we continue to be guided by the local public health team to keep members and staff safe.

Other challenges are now being faced by all in society and these are more keenly felt by our members, teenagers and adults with learning disabilities, who are some of the most vulnerable members of the local community.

Looking to the future, the cost of living crisis will hit SWALLOW and its members hard and our support will be needed more than ever. The charity plans to focus on ensuring that the vital support it provides continues and that we can weather the financial storm and remain a strong and viable organisation.

Our strategy is one of consolidation and moderate growth and to continue to value the fantastic staff team that is at the core of what makes SWALLOW a great place to be and to work.

Here are SWALLOW's plans for the year in each area, these are informed by the wishes and needs of our members.

Supported Housing – there continues to be demand and we are in discussions with the Local Authority of how we can plan to meet this demand in the future.

Outreach – this continues to be a vitally important part of the support that we offer, we always try to respond to those who need one to one support in the community.

Base House - is SWALLOW's training house in Midsomer Norton, teaching teenagers and adults with learning disabilities independent living skills. This provides an important first step towards independence for young people and we will be making sure it is fully utilised.

Employment – our three strands of work skills and supported employment opportunities within SWALLOW help members towards their dream of employment. We will be working to raise money to develop these opportunities.

The two SWALLOW Community Cafés – both cafes provide a warm and welcoming safe space offering very reasonably priced nutritious food, whilst giving SWALLOW members training and experience in catering. We plan to develop what we offer working with local community groups to become community hubs and a showcase for what people with learning disabilities can achieve.

Social, Sports and Youth Activities – these activities make a huge difference to our members' week, brightening lives and reducing social isolation – our members tell us what they want to do, and we respond by making it happen. We encourage movement and exercise to keep fit and have fun, vital for physical and mental health.

Day Activities and Courses – we will continue to grow our timetable of weekly activities in response to need.

Supporting the staff team:

SWALLOW has a fantastic team of individuals both working and volunteering for the charity. We will continue to value this team and to invest in training and development to enhance skills and reward commitment.

The staff team's empathy, care and dedication have helped the charity to become what it is today and as we look to the next 30 years, they remain vital to the organisation's future.

SUMMARY

In 2023 SWALLOW celebrates its 30th Anniversary and we will focus on making sure that the charity is here in 30 years' time, bigger and better than ever.

SOUTH WEST ACTION FOR LEARNING AND LIVING OUR WAY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated and registered as a charity on 17 March 1995. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10. The total number of such guarantees at 31 March 2022 was 161 (2021 160).

Recruitment and appointment of the Board of Trustees

Members of the Board of Trustees, who are Directors for the purpose of company law and Trustees for the purpose of charity law, are elected at the AGM to serve for a period of 3 years after which they must be re-elected at the next AGM.

As the charity is user-led and works with teenagers and adults with learning disabilities, it is important that the Trustee Board members have empathy and understanding of the needs of SWALLOW's members. Trustees are recruited, as required, through a variety of media, both local and national. The aim is to recruit individuals with a broad range of skills to complement those we already have within the Trustee Board.

Trustees are asked to provide a list of their skills and update it each year so that skills gaps can be identified. Potential Trustees are given an NCVO pack outlining the roles and responsibilities of Trustees as well as attending a preliminary meeting to ensure that Trustees are aware of the commitment involved.

Organisational structure

The Trustee Board meets every six weeks and is responsible for the strategic direction, financial viability and overall well-being of the Charity. Its aim is to ensure that the resources of the Charity are applied to the maximum benefit of the members. The Chief Executive, Fundraising and Finance Manager and the Human Resources Manager also attend the Board Meetings.

As SWALLOW is a user-led organisation, we also have a Management Committee made up of thirteen members. This group also meets six weekly and advises and guides the Trustee Board on members' wishes and needs. At least one Trustee attends each meeting and reports back to the Trustee Board.

The day to day running of the organisation is the responsibility of the Chief Executive. Reporting to the Chief Executive are the Fundraising and Finance Manager, the Registered Manager, who oversees our Supported Housing, Base House and Outreach, as well as the Human Resources Manager and the Courses Manager.

Induction and training of new trustees

New Trustees undertake an extensive and comprehensive induction and training programme, which includes:

1. Meetings with the Chair of Trustees, the Chief Executive and other senior members of staff
2. Visits to the Head Office, Redfield Road, The Hawthorns and Base House and the SWALLOW Community Cafés.
3. Attending a Management Committee (members') meeting
4. Information pack including the governing documents and policies and procedures, recent financial information and strategic documents and action plan

Risk review

The Trustee Board, in compliance with the SORP, conducts an annual review of the major risks to which the charity is exposed. A risk register has been established and, where appropriate, systems or procedures have been established to mitigate the risks faced and a sub-committee of the Trustee Board has been formed to review the risk register on a regular basis and report back to the Board.

The organisation continually looks to review and monitor services in line with local authority and Care Quality Commission requirements, to ensure the highest quality is maintained.

In considering the major risks to the charity, the Trustees have recognised that the most influential one would be the loss of funding to its core business. In this respect, the Trustees are implementing a policy of diversification and are extending the activities of the Charity to include other related projects and opportunities for people with learning disabilities wanting to live independent lives. This will help the Charity to strengthen its financial position and continue to achieve the original objectives of the Constitution.

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03034328 (England and Wales)

Registered Charity number

1045893

Registered office

The Old Engine House
Old Pit Road
Midsomer Norton
Radstock
BA3 4BQ

Trustees

C P Winpenny
J W Freeman
E J Rawlings (resigned 29.11.21)
D M Vaughan
S Barran Chair
J Souter
C Negus
S Hawkey
A C German (appointed 24.5.21)
M Roper (appointed 13.6.22).

Company Secretary

N Tew

Auditors

PG Owen Limited
Chartered Accountants and
Statutory Auditors
124 High Street
Midsomer Norton
Bath
BA3 2DA

Solicitors

Thatcher and Hallam
Island House
Midsomer Norton
BA3 2HJ

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Patron

J Cullum DL

Hon Vice Presidents

K F Atkinson

A E F Quinn

Senior Management Team

B Craney

J Willcox

M Cox

N Tew

Chief Executive

Registered Manager

Human Resources Manager

Fundraising and Finance Manager

RESULTS

The Net Incoming Resources for the year to 31 March 2022 amounted to £28,835 (2021 £135,570). Restricted Reserves at 31 March 2022 amounted to £23,863 (2021 £48,951) and Unrestricted Reserves amounted to £615,937 (2021 £562,014).

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of South West Action for Learning and Living Our Way Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

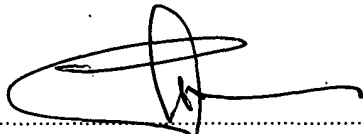
The auditors, PG Owen Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 28th November 2022 and signed on its behalf by:

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line and a small vertical stroke.

.....
C P Winpenny - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOUTH WEST ACTION FOR LEARNING AND LIVING OUR WAY LIMITED

Opinion

We have audited the financial statements of South West Action for Learning and Living Our Way Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 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. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows;

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from commercial knowledge and experience of the charitable care sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the the rationale behind significant or unusual transactions.

In response to he risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

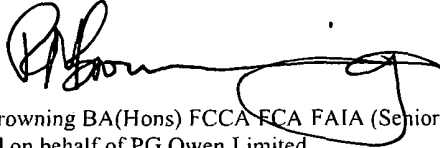
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

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 auditors' 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.



R N Browning BA(Hons) FCCA FCA FAIA (Senior Statutory Auditor)
for and on behalf of PG Owen Limited
Chartered Accountants and
Statutory Auditors
124 High Street
Midsomer Norton
Bath
BA3 2DA

Date: 28/11/2022

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	36,059	30,919	66,978	153,611
Charitable activities					
Activities to further charity's objectives		1,259,534	-	1,259,534	1,123,351
Other trading activities	3	34,388	-	34,388	33,452
Investment income	4	<u>2,323</u>	<u>-</u>	<u>2,323</u>	<u>2,560</u>
Total		<u>1,332,304</u>	<u>30,919</u>	<u>1,363,223</u>	<u>1,312,974</u>
EXPENDITURE ON					
Raising funds	6	4,993	-	4,993	2,275
Charitable activities	7				
Direct charitable expenditure		1,152,197	52,319	1,204,516	1,054,065
Management and administration		<u>121,191</u>	<u>3,688</u>	<u>124,879</u>	<u>121,064</u>
Total		<u>1,278,381</u>	<u>56,007</u>	<u>1,334,388</u>	<u>1,177,404</u>
NET INCOME/(EXPENDITURE)		53,923	(25,088)	28,835	135,570
RECONCILIATION OF FUNDS					
Total funds brought forward		562,014	48,951	610,965	475,395
TOTAL FUNDS CARRIED FORWARD		<u>615,937</u>	<u>23,863</u>	<u>639,800</u>	<u>610,965</u>

The notes form part of these financial statements

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**BALANCE SHEET
31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	29,816	-	29,816	22,416
CURRENT ASSETS					
Debtors	14	70,199	-	70,199	83,546
Cash at bank and in hand		<u>608,967</u>	<u>23,863</u>	<u>632,830</u>	<u>597,298</u>
		679,166	23,863	703,029	680,844
CREDITORS					
Amounts falling due within one year	15	(93,045)	-	(93,045)	(92,295)
NET CURRENT ASSETS		<u>586,121</u>	<u>23,863</u>	<u>609,984</u>	<u>588,549</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>615,937</u>	<u>23,863</u>	<u>639,800</u>	<u>610,965</u>
NET ASSETS		<u>615,937</u>	<u>23,863</u>	<u>639,800</u>	<u>610,965</u>
FUNDS	17				
Unrestricted funds				615,937	562,014
Restricted funds				<u>23,863</u>	<u>48,951</u>
TOTAL FUNDS				<u>639,800</u>	<u>610,965</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 28th November 2022 and were signed on its behalf by:



.....
C P Winpenny - Trustee

The notes form part of these financial statements

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>51,351</u>	<u>166,662</u>
Net cash provided by operating activities		<u>51,351</u>	<u>166,662</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(18,142)	(16,281)
Interest received		<u>2,323</u>	<u>2,560</u>
Net cash used in investing activities		<u>(15,819)</u>	<u>(13,721)</u>
Change in cash and cash equivalents in the reporting period		<u>35,532</u>	<u>152,941</u>
Cash and cash equivalents at the beginning of the reporting period		<u>597,298</u>	<u>444,357</u>
Cash and cash equivalents at the end of the reporting period		<u><u>632,830</u></u>	<u><u>597,298</u></u>

The notes form part of these financial statements

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING
ACTIVITIES**

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	28,835	135,570
Adjustments for:		
Depreciation charges	10,475	8,515
Loss on disposal of fixed assets	267	-
Interest received	(2,323)	(2,560)
Decrease in debtors	13,347	5,833
Increase in creditors	<u>750</u>	<u>19,304</u>
Net cash provided by operations	<u><u>51,351</u></u>	<u><u>166,662</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank and in hand	<u>597,298</u>	<u>35,532</u>	<u>632,830</u>
	<u>597,298</u>	<u>35,532</u>	<u>632,830</u>
Total	<u><u>597,298</u></u>	<u><u>35,532</u></u>	<u><u>632,830</u></u>

The notes form part of these financial statements

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 25% on cost
Equipment for houses	- 25% on cost
Office equipment	- 25% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations - miscellaneous	18,127	17,752
Anonymous donations	-	10,000
BANES Healthwatch	3,896	-
Cam Valley Rotary	500	-
The Sperring Charity	5,180	4,980
Community Fund Neighbourly	-	400
Bath Half Marathon Sponsorship	2,855	3,885
Bath Half Marathon Fund	1,723	-
BBC Children in Need	-	4,865
Bookbarn	-	114
The Medlock Charitable Trust	5,000	2,000
Western Power	-	750
Radstock Labour Party	-	250
The Rotary Club of Bath	-	300
The Roper Family Charitable Trust	-	20,000
HCRG Care Services Ltd	700	-
Mencap – Let's Get Digital Fund	7,275	-
The Football Fund	1,000	-
Westport	2,368	-
B&NES Community Wellness Fund	-	3,531
The Connaught Lodge	-	600
John Cullum	2,000	-
PSJ Miners Welfare	200	-
Wessex Water Community Fund	-	914
Gasex Ltd	-	2,000
Radstock Town Council	956	-
Westfield Parish Council	1,000	1,000
B&NES Council	-	750
Midsomer Norton & Radstock Rotary Club	2,000	-
BANES Big Local	500	-
The Society of Merchant Venturers	-	4,975
Christmas Raffle	1,398	914
Quartet Community Foundation Express Programme	-	3,905
National Lottery	-	6,802
Richard Dunn	-	250
Sponsored events	-	1,941
Quartet Resilience Programme	8,800	8,101
St John's Foundation	-	23,351
The Rotary Club of Somer Valley	-	750
Groundwork UK	-	500
CAF Resilience Fund	-	25,531
Bath and West Community Energy Fund Grant	-	1,000
Midsomer Norton Town Council	1,500	1,500
	<u>66,978</u>	<u>153,611</u>

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Membership income	1,560	624
Consultancy fees	<u>32,828</u>	<u>32,828</u>
	<u>34,388</u>	<u>33,452</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Bank interest	<u>2,323</u>	<u>2,560</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Domiciliary support	Activities to further charity's objectives	606,633	597,773
Housing benefit & rent	Activities to further charity's objectives	138,039	129,125
Work skills	Activities to further charity's objectives	158,482	112,010
Grants	Activities to further charity's objectives	119,422	157,992
Fitness club	Activities to further charity's objectives	2,974	305
Music workshop	Activities to further charity's objectives	320	20
Arts and crafts	Activities to further charity's objectives	35,173	22,087
Base house stays	Activities to further charity's objectives	65,383	43,578
Drama and yoga course	Activities to further charity's objectives	40,148	25,131
Young people income	Activities to further charity's objectives	468	-
Orchard Hall activities	Activities to further charity's objectives	16,082	6,686
Courses	Activities to further charity's objectives	29,376	16,696
Café takings	Activities to further charity's objectives	<u>47,034</u>	<u>11,948</u>
		<u>1,259,534</u>	<u>1,123,351</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
B&NES Funding	25,355	25,354
B&NES Supporting People	47,087	47,087
B&NES Supplier Relief	-	55,868
B&NES Infection Control	46,980	27,317
B&NES Lateral Flow Testing	-	787
B&NES PPE	-	<u>1,579</u>
	<u>119,422</u>	<u>157,992</u>

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

6. RAISING FUNDS

Other trading activities

	2022	2021
	£	£
Fundraising events	<u>4,993</u>	<u>2,275</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Direct charitable expenditure	428,080	776,436	1,204,516
Management and administration	<u>-</u>	<u>124,879</u>	<u>124,879</u>
	<u>428,080</u>	<u>901,315</u>	<u>1,329,395</u>

8. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Direct charitable expenditure	776,436	-	-	776,436
Management and administration	<u>-</u>	<u>114,887</u>	<u>9,992</u>	<u>124,879</u>
	<u>776,436</u>	<u>114,887</u>	<u>9,992</u>	<u>901,315</u>

	2022 £	2021 £
Management	114,887	111,318
Accountancy & legal fees	5,072	4,946
Auditors' remuneration	<u>4,920</u>	<u>4,800</u>
	<u>124,879</u>	<u>121,064</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Auditors' remuneration	4,920	4,800
Depreciation - owned assets	10,475	8,515
Deficit on disposal of fixed assets	<u>267</u>	<u>-</u>

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

10. TRUSTEES' REMUNERATION AND BENEFITS

No remuneration was paid to the Board of Trustees in the period.

Trustees' expenses

During the year ended 31 March 2022 trustees' expenses amounted to £nil (2021 £nil)

11. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	946,633	837,169
Social security costs	55,158	56,125
Other pension costs	<u>25,685</u>	<u>23,182</u>
	<u>1,027,476</u>	<u>916,476</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Support staff	36	33
Projects staff	16	15
Administration/support staff	<u>13</u>	<u>12</u>
	<u>65</u>	<u>60</u>

No employees received emoluments in excess of £60,000.

Staff costs were as follows:

	Support £	Projects £	Administration £	2022 £	2021 £
Wages and salaries	695,762	208,079	42,792	946,633	837,169
Social security costs	41,596	11,588	1,974	55,158	56,125
Pension costs	<u>22,090</u>	<u>3,595</u>		<u>25,685</u>	<u>23,182</u>
	<u>759,448</u>	<u>223,262</u>	<u>44,766</u>	<u>1,027,476</u>	<u>916,476</u>

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	63,287	90,324	153,611
Charitable activities			
Activities to further charity's objectives	965,359	157,992	1,123,351
Other trading activities	33,452	-	33,452
Investment income	<u>2,560</u>	<u>-</u>	<u>2,560</u>
Total	<u>1,064,658</u>	<u>248,316</u>	<u>1,312,974</u>
EXPENDITURE ON			
Raising funds	2,275	-	2,275
Charitable activities			
Direct charitable expenditure	823,237	230,828	1,054,065
Management and administration	<u>119,776</u>	<u>1,288</u>	<u>121,064</u>
Total	<u>945,288</u>	<u>232,116</u>	<u>1,177,404</u>
NET INCOME	119,370	16,200	135,570
RECONCILIATION OF FUNDS			
Total funds brought forward	442,644	32,751	475,395
TOTAL FUNDS CARRIED FORWARD	<u>562,014</u>	<u>48,951</u>	<u>610,965</u>

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

13. TANGIBLE FIXED ASSETS

	Improvements to property £	Equipment for houses £	Office equipment £	Totals £
COST				
At 1 April 2021	11,942	12,848	44,392	69,182
Additions	2,614	2,981	12,547	18,142
Disposals	<u>(1,840)</u>	<u>(390)</u>	<u>(644)</u>	<u>(2,874)</u>
At 31 March 2022	<u>12,716</u>	<u>15,439</u>	<u>56,295</u>	<u>84,450</u>
DEPRECIATION				
At 1 April 2021	6,130	11,341	29,295	46,766
Charge for year	2,208	1,005	7,262	10,475
Eliminated on disposal	<u>(1,840)</u>	<u>(390)</u>	<u>(377)</u>	<u>(2,607)</u>
At 31 March 2022	<u>6,498</u>	<u>11,956</u>	<u>36,180</u>	<u>54,634</u>
NET BOOK VALUE				
At 31 March 2022	<u>6,218</u>	<u>3,483</u>	<u>20,115</u>	<u>29,816</u>
At 31 March 2021	<u>5,812</u>	<u>1,507</u>	<u>15,097</u>	<u>22,416</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	43,684	67,580
Prepayments and accrued income	<u>26,515</u>	<u>15,966</u>
	<u>70,199</u>	<u>83,546</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	10,352	6,886
Social security and other taxes	15,218	10,686
Other creditors	9,382	16,169
Accrued expenses	<u>58,093</u>	<u>58,554</u>
	<u>93,045</u>	<u>92,295</u>

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £	2021 £
Within one year	82,966	80,520
Between one and five years	<u>38,584</u>	<u>9,329</u>
	<u>121,550</u>	<u>89,849</u>

17. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General Funds	522,014	53,923	575,937
Designated Funds	<u>40,000</u>	<u>-</u>	<u>40,000</u>
	562,014	53,923	615,937
Restricted funds			
Restricted Funds	<u>48,951</u>	<u>(25,088)</u>	<u>23,863</u>
TOTAL FUNDS	<u>610,965</u>	<u>28,835</u>	<u>639,800</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Funds	1,332,304	(1,278,381)	53,923
Restricted funds			
Restricted Funds	<u>30,919</u>	<u>(56,007)</u>	<u>(25,088)</u>
TOTAL FUNDS	<u>1,363,223</u>	<u>(1,334,388)</u>	<u>28,835</u>

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General Funds	442,644	79,370	522,014
Designated Funds	-	40,000	40,000
	442,644	119,370	562,014
Restricted funds			
Restricted Funds	32,751	16,200	48,951
TOTAL FUNDS	<u>475,395</u>	<u>135,570</u>	<u>610,965</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Funds	1,024,658	(945,288)	79,370
Designated Funds	40,000	-	40,000
	1,064,658	(945,288)	119,370
Restricted funds			
Restricted Funds	248,316	(232,116)	16,200
TOTAL FUNDS	<u>1,312,974</u>	<u>(1,177,404)</u>	<u>135,570</u>

18. RELATED PARTY DISCLOSURES

A donation of £2,000 was received from John Cullum (Patron) to contribute towards the HIVE cafe rent.

19. PURPOSE OF RESTRICTED RESERVES

Restricted Reserves amounting to £23,863 are being carried forward to be spent in the year ended 31 March 2023. This is made up as follows:

A donation of £4,520 from Quartet for the resilience programme and website development.

A donation of £1,879 from Children in Need towards the Youth Club.

A donation of £1,560 from John Cullum towards the rent for the HIVE Cafe.

A donation of £1,156 from The Bath Half Marathon Fund (Quartet) towards healthy living sessions.

A donation of £956 from Radstock Town Council towards pop up cafes.

A donation of £789 from Eating Together (Stoke Park Friends) towards Sunday lunch at the cafe.

**SOUTH WEST ACTION FOR LEARNING AND
LIVING OUR WAY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

19. PURPOSE OF RESTRICTED RESERVES - continued

A donation of £500 from B&NES Big Local towards a Jubilee party in May 2022.

Donations totalling £12,503 that were for capital expenditure that will be allocated against restricted reserves over the useful economic life of the asset in line with the accounting policy on depreciation.