

Swanswell Charitable Trust

Annual report and Financial Statements for the
year ended 31 March 2021

Company number: 03692925

get well

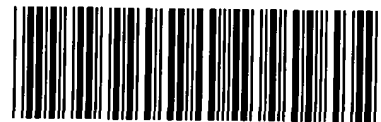
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Swanswell Annual Report 2021

Swanswell Charitable Trust

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Report of the trustees

Introduction

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

Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

In December 2016, Swanswell Charitable Trust became a wholly-owned subsidiary of Cranstoun, a company registered in England no. 03306337, charity number 1061582. The change of control was undertaken to enable Cranstoun and Swanswell to work more closely together as a group of companies.

The strategic intent has been to wind Swanswell down and complete a full merger with Cranstoun. This had not been feasible due to Swanswell's reserves position and an onerous lease arrangement. With an improvement in Swanswell's financial position and the lease arrangement ending in March 2021, Swanswell will close on 31st October 2021, with all assets and liabilities at that date transferring to Cranstoun.

Structure, management and governance

How we do it

The trustees meet periodically to set the Cranstoun Group's strategy, monitor progress towards achievement of organisational goals, review operational performance and oversee the management of organisational risk.

The trustees have established the following Committees in order to increase the scrutiny of and to provide input to key strategic risk areas:

- Quality, Governance & Safety Committee - to review and scrutinise Cranstoun Group's activity and performance across all services to provide assurance that safe and quality services are provided.
- Cranstoun Group Finance and Audit Committee - to review and scrutinise activity and performance in the domains of finance, audit and compliance.

The Senior Management Team of the Cranstoun Group comprises:

Charlie Mack, CEO (from 1 November 2020)
Steve Brinksman, Medical Director
Peter Glass, Executive Director of Operations (to 31 March 2021)
Kim Coles, Executive Director of Human Resources
Martin Holly FCA, Executive Director of Finance
Jason Warriner, Director of Care, Quality & Governance
Clare Maryan, Director of Development and Innovation (to 16 February 2021)
Annie Steele, Director of Operations
Wendy Taylor, Director of Operations
Niamh Donnelly, Director of Operations (to 31 March 2021)

The Senior Management Team manages the Charity on a day-to-day basis.

Remuneration policy

Swanswell's remuneration policy is based on an ambition to recruit and retain skilled staff who are remunerated fairly but who are primarily motivated to work with us because of our vision. To that end, we aim to pay staff at rates that are comparable to the median rate in the charity sector for

Swanswell Charitable Trust

similar jobs in the local employment market, subject to considerations of affordability for the organisation.

We ensure that we adhere to this policy by subscribing to and applying a job evaluation system and subscribing to annual sector pay surveys.

Governance

Swanswell began its charitable activities in 1968 in Coventry and Warwickshire, delivering alcohol treatment services. It achieved charity status in 1969, and became incorporated as a company limited by guarantee in January 1999.

Swanswell is governed by its Articles of Association with the trustees being appointed by Cranstoun, the sole member. They oversee the Charity's performance ensuring that, through robust governance arrangements, it works to further its charitable objects in accordance with its policies and best practice. Trustees are recruited and inducted in line with policies and procedures, which have been written specifically for this purpose, including the assessment of fit and proper persons in line with CQC requirements.

Statement of responsibilities of the trustees

The trustees (who are also Directors of Swanswell Charitable Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of the income and expenditure of the Charitable Company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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.

Cranstoun is the sole member of the Charity and guarantees to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

Objectives and activities

Swanswell's trustees are dedicated to leading a charity that achieves its charitable purpose and believe everyone should have the opportunity to live healthy, safe and happy lives. The objects of the charity are:

- to promote education and training, relieve sickness and old age, preserve and protect good-health and to provide facilities in the interest of social welfare for recreation and other leisure-time occupation with the object of improving the conditions of life of the public living or working in England and Wales.
- in particular, but not exclusively, to provide for those who are suffering from, or who have suffered from alcohol or drug abuse of any sort.
- to advance the education of such persons, their relatives and carers, persons working in the fields of alcohol and drug abuse mental health and the general public by the provision of advice, counselling and training.
- to assist persons suffering from disability of any form to achieve a full and settled way of life in the community within the Area of Benefit and where appropriate to assist such persons to obtain employment.

The trustees, with due regard to the public benefit guidance issued by the Charity Commission, consider Swanswell's activities to be of public benefit as they empower and support people to make positive changes and contribute positively to their local community and society.

About us

Swanswell is part of the Cranstoun Group and has been making a difference since 1968, by combining our expertise with innovative approaches. Our work has changed and evolved over the last 50 years, however our values and belief in putting people at the heart of what we do has remained.

At Swanswell, we're good at what we do and are proud of the partnerships and relationships we have developed to deliver effective solutions. We have an enviable reputation for delivering what we promise and consistently achieve results at or above our targets.

Activities

Our skilled and compassionate teams work with service users, families and communities, helping them to make positive changes.

We offer a range of services to help people reach their full potential including:

- community-based outreach
- alcohol and drug treatment, detox and recovery support
- young people, families and carer support
- supporting people (mental health support)
- employment support

In 2020/21, we operated services in Birmingham and West Berkshire.

In addition to the positive outcomes we achieve working with individual service users, we deliver wider social value for the communities in which our services operate. This includes the financial and non-financial impact that our programmes have as we seek to proactively enhance the wellbeing of individuals, communities and the environment.

We are working hard to empower and support as many people as possible to make positive changes.

Swanswell Charitable Trust

Strategic Report

Introduction

This strategic report presents Swanswell's achievement and performance highlights for 2020/21.

Vision, mission and values

Our Vision: We believe everyone should have the opportunity to live **healthy, safe and happy** lives.

Our Mission: To **empower** and **support** people to make **positive** changes.

Our vision is the society we strive for and the reason we exist.

Our mission describes how we achieve our vision and the society we strive for. The key words 'empower' and 'support' talk to our organisational ethos of working *with* the service user.

Our Values:

Our values describe how we, as an organisation, behave and feel. Our values across the Group are:

- **Ambition:** we believe in our service users, our staff and our organisation, and strive to achieve service excellence
- **Compassion:** we act with care and consideration at all times
- **Innovation:** we encourage new ideas and respond intelligently and flexibly to local needs
- **Integrity:** we are honest, open and accountable
- **Inclusivity:** we make our services accessible to all members of the community and treat everyone with respect and dignity

The vision, mission and values provide the Cranstoun Group with a clear purpose, which supports all areas of focus (substance misuse, young people and families, mental health, housing, criminal justice, and domestic abuse) and Swanswell's dedicated employees and volunteers work hard every day to make a difference. This has been exemplified throughout the ongoing coronavirus pandemic when our staff and volunteers have continually risen to the challenges and maintained service delivery through working flexibly, adapting to new circumstances and embracing technology.

Our three-year strategic plan (2018-2021)

The Cranstoun Group's three-year strategic plan (2018-2021) encompasses six strategic domains, which are the key areas where the group will focus its development:

1. Growth & Sustainability
2. Performance
3. Care Quality
4. Our People
5. Co-Production
6. Marketing & Communications

On 1 November 2020, Cranstoun appointed a new CEO, Charlie Mack, to lead the group and a major focus since that time has been the development of a new five-year strategy for the period 2022 to 2027. This work is still ongoing and is scheduled to be completed in October 2021.

Service users

Over a thousand service users and their families were supported by Swanswell in 2020/21 to live healthy, safe and happy lives.



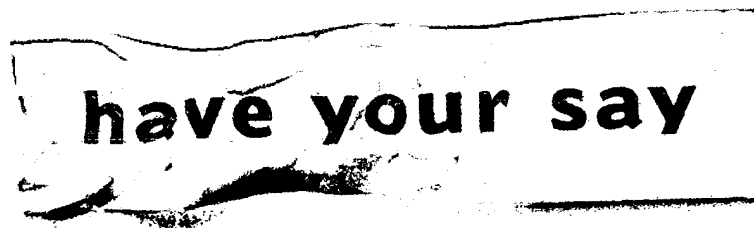
93% of service users feel safe and supported by their service, and **90%** of service users have been given help with making positive changes in their life (across the Cranstoun Group).

Involving our service users

While our statistics are important, people and their inspiring stories are at the heart of everything that we do.

We want people to have a positive experience with us and we have the following opportunities to give service users the chance to get involved:

- service user groups
- media interviews, so service users can tell their story
- volunteering opportunities
- networking at events and recovery presentations at GP surgeries and community venues



What our service users say...

*"I just wanted to say a massive THANKS!!!
For sorting my script out so quickly. You don't
know what a relief it is to know I have got
back on track. You are a bright star that keeps
guiding me in the right direction."*

*"Swanswell are doing a really great job, I am
very appreciative. It's just nice to speak to
someone and hear something positive."*

*"Swanswell has been a massive help to me. I
really appreciate all your constant advice and
support."*

How does Swanswell make service users feel?...



Performance and quality

Here are some of Swanswell's services achievements and highlights from 2020/2021.

Birmingham supporting people services (mental health)

Swanswell delivers supporting people services for people requiring support with mental health issues in Birmingham. These services offer practical help to service users for housing, budgeting, debt management, benefits, volunteering, training and to gain employment.

We support people to develop their skills enabling them to live an independent life.

In 2020/21:

- we received **523** referrals
- **476** service received help in service
- **83%** of people successfully exited this service
- we reduced homelessness and the risk of eviction for **241 people** (across all Swanswell services) meeting our contract requirements

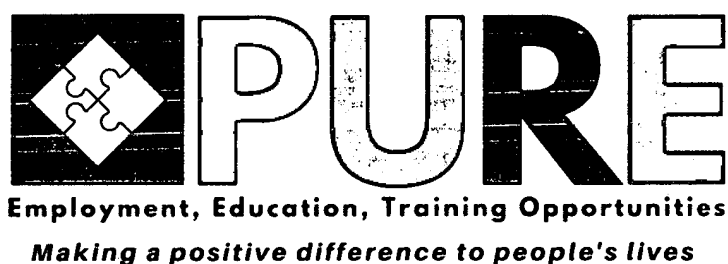


Birmingham PURE project

The PURE project is a part-funded European Social Funded project. This project has been brought together by Birmingham City Council and is delivered by Swanswell. The PURE project brings together a range of coordinated interventions to assist the needs of Birmingham citizens with barriers into the employment market.

In 2020/21:

- we received **185** referrals
- **244** service users received help in service
- **44%** of appropriate referrals successfully exited the PURE project
- **14** people gained employment or education (across all Swanswell services)



Swanswell Charitable Trust

West Berkshire alcohol and drug recovery service

Swanswell delivers support for people affected by problem alcohol and drug use in West Berkshire. Key services include counselling, harm reduction interventions, access to detox, family & carer support, psychosocial & pharmacological interventions, mutual aid, peer support and access to the Lower My Drinking app.

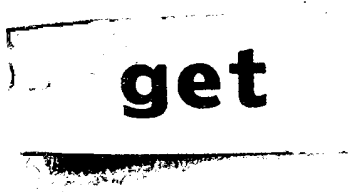
In 2020/21:

- we received **611** referrals and we supported **913** people (structured and unstructured treatment).

We provided
unstructured
treatment to
394
people

We provided
structured
treatment to
519 people

- **19** clients accessed our needle exchange programme
- We provided naloxone kits to **21** people
- **48.9%** of people successfully exited structured treatment
- **38.5%** of alcohol and non-opiate users successfully left treatment, which is above the national average of 33.5% and in the top quartile
- clients experienced:
 - **21%** improvement in their physical health
 - **34%** improvement in their emotions and feelings
 - **34%** improvement in their quality of life, with all mean scores at exit better than the national average



Financial review

In 2020/21 the financial performance produced an overall increase in funds of £67k (2020: £245k increase). The improved financial position of the charity is a result of prudent management and realising economies of scale through combining central functions and working ever more closely with Cranstoun. The section on risk below also explains the trustees' approach and mitigations to managing the challenges to funding.

All tendering activity for the group is being undertaken by Cranstoun as a matter of policy. Swanswell's turnover has therefore reduced from £5.9m in 2019/20 to £1.36m in 2020/21 with the last remaining contract being currently scheduled to end on 30 June 2022. Given the reduction in income, and to make the underlying structure of the group more efficient, the trustees have resolved that the charity will close and transfer its remaining assets to Cranstoun on 31 October 2021.

Our reserves policy

At 31 March 2021 unrestricted reserves and free reserves were £625k (2020: £558k) held as net current assets. The increase reflects the surplus for the year.

The trustees have determined that unrestricted reserves held by the charity should be at a level that will enable the Charity to meet its financial obligations if current contracts are not retained. At 31st March 2021, this level is considered to be £115k (2020: £66k). The trustees have noted the ongoing improvement in the overall level of reserves and that the level of free reserves is now above the stated requirement at the end of the financial year.

Our investment policy

Our Articles of Association enable Swanswell to invest monies not immediately required for the furtherance of our objects. Interest received was £1k (2020: £7k). This decrease is due to significant reductions in the interest rates available during the year.

Principal risks and uncertainties

Organisational Risk Management

Following the change of control, whereby Swanswell became a wholly owned subsidiary of Cranstoun, risk has been managed on a group basis. The charities in the group operate in similar environments and the risks are largely the same and therefore the trustees maintain a common register of the risks to which the group's charities are exposed. Formal reviews of the register are undertaken on a twice yearly basis and involve senior management, together with the trustee bodies of the charities. The register identifies risks, assesses their severity in terms of impact and likelihood of occurrence and then determines plans to avoid, reduce, share, transfer or mitigate these risks. As a result of this process the trustees are satisfied that the risks to which the charity is exposed have been identified and systems have been established and implemented to mitigate exposure to those risks.

The principal risks identified and the plans and strategies for managing these risks are as follows:

- The possibility of reduced or changed funding as a result of changes in Government policy. This risk is managed by monitoring, on a group basis, government strategy and any legal and regulatory changes, membership of service provider bodies representing the sector and engaging with policy makers and commissioners.
- Pandemic. The coronavirus pandemic is being mitigated through enacting business continuity plans, closely monitoring and following government advice, improved internal and external communications and adopting new methods of working. This approach has enabled Swanswell to maintain both service delivery and income.

Quality and Governance

Our Quality and Governance Framework is central to ensuring that the services we deliver are safe, effective and in line with evidence-based practice. This framework ensures that robust lines of accountability for governance run from the Board to our frontline services. The framework is underpinned by the following key principles:

- Organisational and service level audits to monitor the effectiveness of services and promote continuous improvement
- Provision of training and access to evidence-based policies, procedures and guidelines
- Robust risk assessment and management
- Incident reporting processes, including the reporting of near misses and fulfilment of Duty of Candour
- Sharing of lessons learnt at a local and organisational level
- An open and transparent approach to service user feedback

During the year, the Care, Quality and Governance Team, led by the Director of Care, Quality and Governance, have been responsible for overseeing and developing our safety and governance work across the organisation. This has ensured that the Cranstoun Group continues to comply with all requirements of regulated activity as stipulated by the CQC as well as guidance from Public Health England and NICE.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company auditor is unaware.
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Report of the Trustees, which includes the Strategic Report, was approved by the trustees and signed on their behalf by:



Andy Furlong
Chair
19 October 2021

Reference and administrative details

Registered name:	Swanswell Charitable Trust
Also known as:	Swanswell
Registered company:	03692925 (England and Wales)
Registered charity:	1074891 (England and Wales)
Principal/Registered office:	Thames Mews, Portsmouth Road Esher Surrey KT10 9AD
Trustees:	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Richard Pertwee Chair (resigned 30 April 2020) Tom Rutherford Andy Furlong Chair from 29 July 2020 Lesleigh Bounds (appointed 20 May 2020)
Independent Auditor:	Mazars LLP 6 Sutton Plaza Sutton Court Road Sutton Surrey SM1 4FS
Bankers:	NatWest Bank 4 th Floor 1 St Philip Place Birmingham B3 2PP

Independent auditor's report to the Trustees of Swanswell Charitable Trust

Opinion

We have audited the financial statements of Swanswell Charitable Trust (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its 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 charity 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.

Emphasis of matter – basis of preparation

We draw attention to Note 1c to the financial statements which explains that the trustees intend to transfer the activities of the charity to Cranstoun and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Note 1c. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' Report which includes the Directors' 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 Directors' Report included within the Trustees' Report has 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in 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 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.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and the Charities Statement of Recommended Practice.

Auditor's responsibilities for the audit of the financial statements (continued)

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to use of restricted funds, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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

Signed:



Nicola Wakefield (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

6 Sutton Plaza, Sutton Court Road, Sutton SM1 4FS

Date: 7 December 2021

Statement of Financial Activities

For the year ended 31 March 2021

	Note	2021 Unrestricted and Total Funds £'000	2020 Unrestricted and Total Funds £'000
Income from:			
Donations and legacies		34	3
Charitable activities:			
Community services	2	1,325	5,879
Investments		1	7
Total income		1,360	5,889
Expenditure on:			
Charitable activities:			
Community services	3	1,293	5,644
Total expenditure		1,293	5,644
Net surplus and net movement in funds		67	245
Reconciliation of funds			
Total funds brought forward		558	313
Total funds carried forward	14	625	558

*The organisation has no recognised gains or losses other than those dealt with above.
All amounts relate to discontinued activities.*

Swanswell Charitable Trust

Balance Sheet

As at 31 March 2021

Company No: 03692925

	Note	2021 £'000	2020 £'000
Fixed Assets			
Tangible Assets	9	-	-
		-	-
Current assets			
Debtors	10	124	278
Cash at bank and in hand		758	1,022
		882	1,300
Current liabilities			
Creditors falling due within one year	11	(257)	(570)
Net current assets		625	730
Total assets less current liabilities		625	730
Creditors falling due after more than one year	11	-	(120)
Provisions for liabilities	12	-	(52)
Net assets		625	558
Represented by:			
Unrestricted funds			
General funds	14	625	558
Total unrestricted funds		625	558
Total funds		625	558

The financial statements were approved and authorised for issue by the Board of Trustees on 19 October 2021 and signed on their behalf by:



Andy Furlong
Chair

Statement of Cash Flows

For the Year Ended 31 March 2021

	Note	2021 £'000	2020 £'000
Net cash (used in)/provided by operating activities	20	(265)	333
Cash flows from investing activities			
Investment income & interest receivable		1	7
Net cash provided by investing activities		1	7
Change in cash and cash equivalents in the year		(264)	340
Cash and cash equivalents at the beginning of the year		1,022	682
Cash and cash equivalents at the end of the year		758	1,022

No analysis of changes in net debt is presented as the charity has no borrowings.

Notes to the Financial Statements
For the Year Ended 31 March 2021

1. ACCOUNTING POLICIES

a) General Information

Swanswell Charitable Trust, charitable company limited by guarantee incorporated in England and Wales (company no. 03692925) and registered with the Charity Commission (charity registration no. 1074891). The charitable company's registered office address is Thames Mews, Portsmouth Road, Esher, Surrey KT10 9AD.

b) Accounting Convention and Basis of Preparation

The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments to market value. They are prepared in accordance with Statement of Recommended Practice for Charities (SORP FRS102, second edition), applicable accounting standards (FRS 102) and the Companies Act 2006. Swanswell Charitable Trust is a public benefit entity as set out in section 3 of FRS 102.

c) Going concern

The Cranstoun Group is conducting all its tendering activities through Cranstoun. The trustees have made the decision to transfer the activities of the charity to Cranstoun from 31 October 2021 and this entity will be wound up. These financial statements have therefore been prepared on a basis other than that of going concern. No adjustments were required as a result of changing the basis of presentation.

d) Income

Income is recognised in the period in which the charitable company has entitlement to the funds and it is probable that the income will be received and the amount can be measured reliably. Income is deferred when the charity has to fulfil conditions before becoming entitled or where the donor or contracting party has specified the income be expended in a future period.

Grants from government and other agencies amounting to a contract for services are included as income as the charity earns the right to the consideration by its delivery of those services.

e) Expenditure

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

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

Support costs relate to the cost of central functions and include governance costs. These are allocated to the charitable expenditure categories on a per capita basis which is designed to reflect the use of the resource.

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

Expenditure relating to redundancy and termination benefits is recognised once the decision to terminate had been made, it is probable that the termination will occur and the amount of the obligation can be reliably measured.

f) Tangible Fixed Assets And Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Assets costing more than £5000 and leasehold improvements costing more than £5000 are capitalised. The cost of tangible fixed assets is written off by equal annual instalments over their useful lives as follows:

Leasehold improvements	The shorter of the remaining length of the lease or the remaining duration of the associated service contract.
Fixtures & fittings,	20%
Computer Equipment	33%

g) Financial instruments - assets and liabilities

Debtors

Debtors are recognised at the settlement amount due.

Cash and cash equivalents

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

Creditors and provisions

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

h) Fund Accounting

Unrestricted general funds are held by the charity to be used in accordance with the charitable objects at the discretion of the Trustees.

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

Further explanation of the nature and purpose of each fund is given in the notes to the accounts.

i) Leasing

Rentals paid under operating leases are charged to the SOFA on a straight line basis over the lease term.

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j) Employee benefits

The charity provides a range of benefits to employees including paid holiday arrangements and retirement benefits through a defined contribution pension scheme.

Short-term benefits

Short-term benefits, including holidays and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

Termination benefits

Termination payments are payable when employment is terminated by the charity before the normal retirement date or end of employment contract. Termination costs are recognised at the earlier of when the charity can no longer withdraw the offer of the benefits or when the charity recognises any related restructuring costs.

Defined contribution pension schemes

The charity operates defined contribution pension schemes. The assets of the schemes are held separately from those of the charity in independently administered funds. The pension cost charged represents the contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

Multi-employer defined benefit pension schemes

Swanswell Charitable Trust is a Direction Employer, enabling former NHS employees to remain members of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme. The cost to the charity of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

2. INCOME FROM CHARITABLE ACTIVITIES

	General Funds £'000	Total 2021 £'000
Community services		
Local authorities	1,291	1,291
Other income	34	34
	<u>1,325</u>	<u>1,325</u>

INCOME FROM CHARITABLE ACTIVITIES PRIOR YEAR

	General Funds £'000	Total 2020 £'000
Community services		
Local authorities	5,869	5,869
Other income	10	10
	<u>5,879</u>	<u>5,879</u>

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Staff Related Costs £'000	Other Direct Costs £'000	Support Costs (Note 4) £'000	Total 2021 £'000
Cost of charitable activities				
Community services	716	392	185	1,293
	<u>716</u>	<u>392</u>	<u>185</u>	<u>1,293</u>

EXPENDITURE ON CHARITABLE ACTIVITIES PRIOR YEAR

	Direct Staff Related Costs £'000	Other Direct Costs £'000	Support Costs (Note 4) £'000	Total 2020 £'000
Cost of charitable activities				
Community services	3,267	1,820	557	5,644
	<u>3,267</u>	<u>1,820</u>	<u>557</u>	<u>5,644</u>

4. ANALYSIS OF SUPPORT COSTS

	Finance £'000	Central Office Costs £'000	HR Quality & Training £'000	Governance Costs £'000	Total 2021 £'000
Cost of charitable activities					
Community services	18	90	37	40	185
	<u>18</u>	<u>90</u>	<u>37</u>	<u>40</u>	<u>185</u>
Basis of allocation	Headcount	Headcount	Headcount	Headcount	

ANALYSIS OF SUPPORT COSTS - PRIOR YEAR

	Finance £'000	Central Office Costs £'000	HR Quality & Training £'000	Governance Costs £'000	Total 2020 £'000
Cost of charitable activities					
Community services	146	176	192	43	557
	<u>146</u>	<u>176</u>	<u>192</u>	<u>43</u>	<u>557</u>
Basis of allocation	Headcount	Headcount	Headcount	Headcount	

5. TRUSTEES

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year for acting as a trustee. In 2020 and 2021, no reimbursements were made for travel expenses incurred in the course of the charity business.

6. NET INCOME FOR THE YEAR

This is stated after charging:

	2021 £'000	2020 £'000
Auditor's remuneration	6	8
Operating lease rentals	<u>100</u>	<u>247</u>

7. EMPLOYEES

	2021 £'000	2020 £'000
Wages and salaries	624	2,512
Social security	48	204
Pension costs	17	94
Redundancy and Termination payments	-	2
	<u>689</u>	<u>2,812</u>

The monthly average head count was 19 staff (2020: 121 staff).

No employees received employee benefits excluding pension costs of more than £60,000.

Total key management personnel compensation was £70,873 (2020: £284,126). This includes amounts recharged from Cranstoun of £70,873 (2020: £219,453).

8. TAXATION

The Charity's activities are exempt from corporation tax.

9. TANGIBLE FIXED ASSETS

	Furniture & Fittings £'000	Computer Equipment £'000	Leasehold Property £'000	Total £'000
Cost				
At 1 April 2020	153	885	108	1,146
At 31 March 2021	<u>153</u>	<u>885</u>	<u>108</u>	<u>1,146</u>
Accumulated depreciation				
At 1 April 2020	153	885	108	1,146
At 31 March 2021	<u>153</u>	<u>885</u>	<u>108</u>	<u>1,146</u>
Net book values at 31 March 2021	-	-	-	-
Net book values at 1 April 2020	-	-	-	-

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10. DEBTORS

	2021	2020
	£'000	£'000
Trade debtors	71	50
Prepayments and accrued income	52	-228
Other debtors	1	-
	<u>124</u>	<u>278</u>

11. CREDITORS

	2021	2020
	£'000	£'000
Amounts Falling Due Within One Year		
Trade creditors	28	147
Accruals	139	238
Deferred income:	27	59
Social Security & other taxes	11	47
Pension contributions	4	15
Other creditors	48	64
	<u>257</u>	<u>570</u>

Amounts Falling Due After More Than One Year

Accruals	-	120
	<u>-</u>	<u>120</u>

Deferred Income represents funding received in advance of the provision of the related service. All deferred income held at the end of the previous financial year has been recognised in the current financial year.

12. PROVISION FOR LIABILITIES

Where leasehold properties become vacant, the charitable company provides for all costs, net of anticipated income, to the end of the lease or the anticipated date of disposal or sublease. The charitable company vacated its former head office property in Rugby in December 2017 and the provision is in relation to this property. The provision was utilised over the remaining life of the lease which ended in February 2021. The movement in the onerous lease provision during the year was as follows:

	£'000
Provision at 31st March 2020	52
Utilised in the year	(52)
Provision at 31st March 2021	<u>-</u>

13. PENSION COSTS

The charity operates defined contribution pension schemes. The assets of the schemes are held separately from those of the charity in independently administered funds. The pension costs charged in the year were £17,337 (2020: £93,692).

14. STATEMENT OF FUNDS

	Balance at 01-Apr-20 £'000	Incoming £'000	Outgoing £'000	Transfers £'000	Balance at 31-Mar-21 £'000
General Funds	558	1,360	(1,293)	-	625
Total Unrestricted Funds	558	1,360	(1,293)	-	625
Total Funds	558	1,360	(1,293)	-	625

STATEMENT OF FUNDS PRIOR YEAR

	Balance at 01-Apr-19 £'000	Incoming £'000	Outgoing £'000	Transfers £'000	Balance at 31-Mar-20 £'000
General Funds	313	5,889	(5,644)	-	558
Total Unrestricted Funds	313	5,889	(5,644)	-	558
Total Funds	313	5,889	(5,644)	-	558

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £'000	Current Assets £'000	Liabilities £'000	Total £'000
General funds	-	882	(257)	625
Total Funds	-	882	(257)	625

ANALYSIS OF NET ASSETS BETWEEN FUNDS PRIOR YEAR

	Tangible Fixed Assets £'000	Current Assets £'000	Liabilities £'000	Total £'000
General Funds	-	1,300	(742)	558
Total funds	-	1,300	(742)	558

16. STATUS

The company is limited by guarantee with no share capital and is a registered charity. In the event of the company being wound up, the Trustees' liability is limited to £1 each.

17. LEASE COMMITMENTS

At 31 March 2021, the charity had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2021 Property £'000	2020 Property £'000
Payments due in:		
Not later than 1 year	-	92
Later than 1 year and not later than 5 years	-	-
	-	92

18. CAPITAL COMMITMENTS

There are no capital commitments.

19. CONTINGENT LIABILITIES

There are no contingent liabilities.

20. RECONCILIATION OF NET SURPLUS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £'000	2020 £'000
Net surplus for the year	67	245
Dividends, interest and rents from investments	(1)	(7)
Decrease in debtors	154	1,151
Decrease in creditors	(433)	(995)
Decrease in Onerous lease provision	(52)	(61)
Net Cash (used in)/ provided by operating activities	(265)	333

Swanswell Charitable Trust

21. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Cranstoun's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Key areas subject to judgement and estimation are as follows:

Provisions for dilapidation works to leased properties

Provision is made for potential dilapidations in respect of properties where the lease includes an obligation to restore the premises to the condition at the commencement of the lease. Management review such provisions on an annual basis and update them in accordance with historical experience and events that might materially impact on the potential costs to the charity. At the balance sheet date the total amount included in creditors was £90,300 (2020: £120,450).

22. PARENT AND CONTROLLING UNDERTAKING

The charitable company is deemed to be controlled by Cranstoun, a charitable company incorporated in England and Wales (Company no. 03306337) and a registered charity (no. 1061582) by virtue of being the sole member of Swanswell Charitable Trust. Since 1969 Cranstoun has been making life better for those affected by alcohol and drugs. Its principle activities include providing the following services : Critical Care and Residential Pharmacology - Treatment Services: Residential and Community Treatment and Recovery Services: Copies of the consolidated accounts of the group may be obtained from the registered office address of Cranstoun being Thames Mews, Portsmouth Road, Esher, Surrey, KT10 9AD.

23. RELATED PARTY TRANSACTIONS

During the year the charitable company was recharged costs totalling £831,762 (2020: £759,800) by Cranstoun, its parent undertaking. At the balance sheet date a balance of £47,752 (2020: £59,806) was owed to Cranstoun.

24. POST BALANCE SHEET EVENTS

Given the reduction in income, and to make the underlying structure of the Cranstoun group more efficient, the trustees have resolved that the charity will close and transfer its remaining assets to Cranstoun on 31 October 2021.