

Company Registered Number: 07828443

REALISE FUTURES CIC
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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REALISE FUTURES CIC
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	Sally Butcher Fiona Kerr (resigned 27 April 2018) Philip Snowdon Prema Dorai (resigned 27 April 2018) Dean Willingham Melvin Cassedy Paul Storey Jennifer Brick Lauren England (appointed 1 October 2018) Jane Sutton (appointed 1 September 2018) Kelly Dowson (appointed 1 October 2018)
Company secretary	Andrea Edwards
Registered number	07828443
Registered office	Lovetofts Drive Ipswich Suffolk IP1 5NZ
Independent auditor	MHA MacIntyre Hudson Chartered Accountants & Statutory Auditors Boundary House 4 County Place Chelmsford Essex CM2 0RE

REALISE FUTURES CIC
(A Company Limited by Guarantee)

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REALISE FUTURES CIC
(A Company Limited by Guarantee)

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019

Introduction

The principal activity of Realise Futures CIC ('the company') includes six social businesses and the provision of adult community learning, employment support programmes and careers & progression advice.

Fair review of the business

Overall performance against the strategic objectives for 2018/19 was good and in some instances exceptional. Across the social businesses and service provision, we supported 5,185 people with disabilities and/or disadvantages to improve their social wellbeing, educational and employment ambitions whilst making a modest financial profit. We are an accredited Positive about Disability Employer Company and were recently one of only seven Social Enterprise companies in the country to be awarded the Social Enterprise Disability Employment Mark. In March, Realise Futures was named in the NatWest Social Enterprise 100 index.

The governance of Realise Futures, provided by a Board of Directors consisting of six non-executive directors and three executive directors, has continued to monitor and evaluate the effectiveness of all areas of the business. Progress against identified objectives and Key Performance Indicators (KPIs) were reported via a series of management meetings culminating in strategic reports delivered to the board on a quarterly basis. In addition, the Board has been appraised of external and corporate factors affecting the organisation on current and future operational activity to inform strategic direction.

Following material changes to the structure of the senior management team in 2017/18, consolidation of roles and responsibilities has been established to meet the key objectives. In recognition of the importance weighted to consistent quality assurance and legislative practices, the Board approved the creation of an executive director responsible for Business Systems, which was filled internally in September 2018.

A combination of Business Development operations and good performance in existing programmes saw the successful securing of new contracts and extensions during the year:

- A 3-year contract (with the provision for a further 2 year extension) for the provision of adult learning across Suffolk (value of £2.1 million per year).
- A new three-year contract (with the provision for a further 2-year extension) for the delivery of Peer Support (value of approximately £230,000 per year).
- Extension (to 2022) of 3 of the 4 current Building Better Opportunities supply chain contracts in Suffolk and Essex. There was no cost benefit to the company of agreeing to an extension for the fourth contract, which will cease end of March 2020.

The RF Works division operates as a hybrid business combining commercial enterprise with public service. All six social businesses performed above forecast expectations with the turnaround plans for Eco Furniture and St Lawrence Café realising substantial improvements in team culture and sales. Eco Furniture made a profit over and above target and forecast losses in St Lawrence were significantly reduced by end of year. Early signs in 2019/20 suggest that the café will turn to a sustainable profit within the year.

- The social businesses blend commercial trading via business-to-business and the general public with the delivery of wellbeing activities for people with disabilities. Employees with disabilities account for 66% of the staffing establishment in this division.
- RF Works secured a place on the local authority's Day/Evening/Weekend Opportunities Framework to provide individualised wellbeing activities for adults with disabilities including those experiencing poor mental health.
- 179 people were supported with a variety of wellbeing activities that are informed by individualised plans to aid independent living skills, socialisation and progression, where appropriate.

REALISE FUTURES CIC
(A Company Limited by Guarantee)

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

The two service divisions of Realise Futures continue to perform well, with good outcomes for individuals in receipt of our employment support and adult learning provision.

The core purpose of the adult learning service is to provide government funded adult learning opportunities across Suffolk to those at social/educational disadvantage and who may be furthest from the labour market. In 2018/19, the terms of the contract with the prime contractor (Suffolk County Council) changed whereby governance, management of Quality Monitoring and Information Systems were transferred back to the local authority. This resulted in some personnel being TUPE'd into the local authority. The council retains a 10% management fee of approximately £250,000.

- 7,509 enrolments have been delivered to approximately 4,000 individuals. This figure includes learning opportunities delivered outside the SCC contract.
- Pass and achievement rates for learners remain very high at 98% and 97% respectively
- Full achievement of contract value for academic year 2017/18 and on target to achieve full value for 2018/19 academic year
- 100% of the procured Adult Learning Service contract for 2019-2022 was awarded to Realise Futures
- The Peer Support contract formally commenced activity in the autumn of 2018 with a solid performance against initial targets. 118 adult with learning disabilities and/or Autism received formal information, advice and guidance intervention and 62 individuals have attended Peer Support groups across Suffolk.

The Employment division holds six distinct contracts and operates across Suffolk and Essex delivering programmes that help unemployed and disabled people prepare for and sustain employment.

- Our Essex Supported Employment Service focuses on supporting individuals referred by social work teams from Essex County Council. The team have worked with 532 people on the programme during the year of which 346 are in employment, 121 new job outcomes were secured (some of which were second jobs to increase weekly working hours) and 177 clients were supported with their job searches.
- 363 people across Suffolk and Essex were enrolled onto the four separate Building Better Opportunity programmes with 88 progressed into Education or Training, 60 into employment and 34 actively job searching.
- The Work and Health programme has been a challenging experience in its first year. In common with providers across the country, Realise Futures have struggled to achieve the stretching targets set as demand has yet to reach anticipated numbers. 292 people have entered the programme (57% of forecasted target) and the service has achieved 68% of its first earnings target and 82% of the threshold payment target.

The company has representation on the senior executive of the British Association for Supported Employment which has been influential in securing future funding for Supported Businesses across the country. For Realise Futures, this has resulted in the securing of funding for an identified number of employees within RF Works as well as providing opportunities to further develop this area of business.

The company has addressed the challenges of the new General Data Protection Requirement introduced in May 2018 and has achieved Cyber Essential accreditation.

Based on the cycle of improvements implemented across the company over the past three years, the Board is confident of a sustainable and profitable future with opportunities for growth in the social business divisions.

REALISE FUTURES CIC
(A Company Limited by Guarantee)

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

Principal risks and uncertainties

Realise Futures CIC is a diverse organisation combining commercial operations with public services through procurement activity.

Good contract management relationships with local and national stakeholders as well as good performance outcomes continue to play their part in securing positive responses to procurement opportunities, evident in the successful awarding of substantial local contracts in 2018/19.

The social businesses are performing well and, without exception, exceeding forecasts for profitable sales. There are no material areas of concern, uncertainty or risk at present

Conclusion

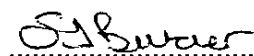
The company continues to evolve, reflecting the changing economic and political climate in which it operates. A streamlined management team with robust governance has actively performance managed all aspects of the company during the year and taken positive action to celebrate success and, when required, to address any under-performance.

Opportunities for growth and replication of our social business are being actively progressed. An e-commerce site for our wholefood shop is being launched in autumn 2019 and we are working with colleagues in Essex to replicate this business alongside supported internship opportunities for young people with disabilities.

The introduction of Employer Support Grants also provides opportunities for growth within the RF Works division, with the potential of increasing secured employment for people with disabilities.

The Board is confident of securing a sustainable and positive future in all divisions of the company.

This report was approved by the board and signed on its behalf.


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S Butcher
Director

Date: 25/07/19

REALISE FUTURES CIC
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The Directors present their report and the financial statements for the year ended 31 March 2019.

Directors

The Directors who served during the year were:

Sally Butcher
Fiona Kerr (resigned 27 April 2018)
Philip Snowdon
Prema Dorai (resigned 27 April 2018)
Dean Willingham
Melvin Cassedy
Paul Storey
Jennifer Brick
Lauren England (appointed 1 October 2018)
Jane Sutton (appointed 1 September 2018)
Kelly Dowson (appointed 1 October 2018)

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare 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'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £25,186 (2018 - £49,345).

REALISE FUTURES CIC
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

Employee involvement

The Company's policy is to consult and discuss with employees at meetings, as well as through an established staff council (with representatives from across the company), matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

The introduction of an Employee Satisfaction survey has consistently achieved a 'good' Employee Net Promoter Score across the year.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Company continues and that the appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees. 41% of employees across the whole business have a declared disability.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

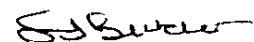
Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditor

The auditor, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Sally Butcher
Director

Date: 25/07/19

REALISE FUTURES CIC
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REALISE FUTURES CIC

Opinion

We have audited the financial statements of Realise Futures CIC (the 'Company') for the year ended 31 March 2019, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its profit 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

REALISE FUTURES CIC
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REALISE FUTURES CIC (CONTINUED)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' 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 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 4, the Directors 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 Directors 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 Directors are responsible for assessing the 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 Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

REALISE FUTURES CIC
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REALISE FUTURES CIC (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the 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 Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

MHA MacIntyre Hudson

Cara Miller ACCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Boundary House
4 County Place
Chelmsford

Essex

CM2 0RE

Date: *31 July 2019*

REALISE FUTURES CIC
(A Company Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Turnover	4	6,242,965	6,619,802
Cost of sales		(3,854,020)	(3,911,873)
Gross profit		2,388,945	2,707,929
Administrative expenses		(2,363,759)	(2,658,584)
Operating profit	5	25,186	49,345
Profit for the financial year		25,186	49,345

There was no other comprehensive income for 2019 (2018: £NIL).


The notes on pages 13 to 24 form part of these financial statements.

REALISE FUTURES CIC
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07828443

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	10	99,488	68,814
		99,488	68,814
Current assets			
Stocks	11	56,597	54,799
Debtors: amounts falling due within one year	12	395,727	575,363
Cash at bank and in hand	13	87,333	36,234
		539,657	666,396
Creditors: amounts falling due within one year	14	(506,560)	(639,478)
Net current assets		33,097	26,918
Total assets less current liabilities		132,585	95,732
Creditors: amounts falling due after more than one year	15	(11,667)	-
Net assets		120,918	95,732
Capital and reserves			
Profit and loss account	18	120,918	95,732
		120,918	95,732

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
Sally Butcher
Director

Date: 25/7/19

The notes on pages 13 to 24 form part of these financial statements.

REALISE FUTURES CIC
(A Company Limited by Guarantee)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

	Profit and loss account	Total equity
	£	£
At 1 April 2017	46,387	46,387
Profit for the year	49,345	49,345
At 1 April 2018	95,732	95,732
Profit for the year	25,186	25,186
At 31 March 2019	120,918	120,918

The notes on pages 13 to 24 form part of these financial statements.

REALISE FUTURES CIC
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Cash flows from operating activities		
Profit for the financial year	25,186	49,345
Adjustments for:		
Depreciation of tangible assets	38,751	26,302
Profit on disposal of tangible assets	(1,368)	(1,457)
(Increase)/decrease in stocks	(1,798)	21,698
Decrease/(increase) in debtors	179,636	(157,152)
(Decrease) in creditors	(121,251)	(264,868)
Net cash generated from operating activities	119,156	(326,132)
Cash flows from investing activities		
Purchase of tangible fixed assets	(70,450)	(26,042)
Sale of tangible fixed assets	2,393	1,637
Net cash from investing activities	(68,057)	(24,405)
Net increase/(decrease) in cash and cash equivalents	51,099	(350,537)
Cash and cash equivalents at beginning of year	36,234	386,771
Cash and cash equivalents at the end of year	87,333	36,234
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	87,333	36,234
	87,333	36,234

The notes on pages 13 to 24 form part of these financial statements.

REALISE FUTURES CIC
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. General information

Realise Futures CIC is a company limited by guarantee, registered in England and Wales. The company registration number is 07828443. The registered office is Lovetofts Drive, Ipswich, Suffolk, IP1 5NZ.

The financial statements are presented in pound sterling which is the functional currency of the Company and are rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements is set out below. These policies have been consistently applied to all year presented unless otherwise stated.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

Going concern

During the year the Company made a profit of £25,186, and at the year end had net assets of £120,918.

The Directors have prepared budgets that indicate a profit in 2019/20, and cash flow forecasts that show the Company will continue to operate within current trading parameters and will not require any external finance to support it. Additionally, the renewal and continuity of our long term primary funding contracts further supports our assessment of Realise Futures CIC continuing as a going concern. The Directors are therefore confident that the Company can meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements, and accordingly, the financial statements have been prepared on a going concern basis.

The following principal accounting policies have been applied:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Accounting policies (continued)

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 5 - 22 years straight line
Motor vehicles	- 5 years straight line
Fixtures and fittings	- 5 years straight line
Computer equipment	- 3 years straight line
Other fixed assets	- 10 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.7 Financial instruments (continued)

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

1) Critical judgments

The following judgments (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Provision for clawbacks

No provision has been included in the accounts in respect of clawbacks from contracts as the Directors do not consider the amount of clawbacks can be reliably estimated. Instead clawbacks are recognised as an expense as and when the company is notified of these by the contracting party.

2) Key sources of estimation uncertainty

Depreciation of tangible assets

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect the current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of property, plant and equipment and note 10 for the useful economic lives for each class of asset.

4. Turnover

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Sale of goods	723,881	932,518
Local council and government contracts	2,797,786	3,033,280
Other contracts	2,721,298	2,654,004
	<u>6,242,965</u>	<u>6,619,802</u>

All turnover arose within the United Kingdom.

REALISE FUTURES CIC
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

5. Operating profit

The operating profit is stated after charging/(crediting):

	2019 £	2018 £
Profit on disposal of fixed assets	(1,368)	(1,457)
Depreciation on tangible fixed assets	38,751	26,302
Other operating lease rentals	270,432	273,336
	<u>270,432</u>	<u>273,336</u>

6. Auditor's remuneration

	2019 £	2018 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	12,956	11,935
Fees payable to the Company's auditor and its associates in respect of:		
Taxation compliance services	1,500	4,650
All other assurance services	1,150	-
	<u>1,500</u>	<u>4,650</u>

7. Employees

Staff costs, including Directors' remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	3,858,197	4,008,385
Social security costs	250,139	249,112
Cost of defined contribution scheme	361,162	359,644
	<u>4,469,498</u>	<u>4,617,141</u>

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

	2019 No.	2018 No.
Employees and Directors	275	317

REALISE FUTURES CIC
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

8. Directors' remuneration

	2019	2018
	£	£
Directors' emoluments	114,709	104,247
Company contributions to defined contribution pension schemes	19,156	17,785
	133,865	122,032

During the year retirement benefits were accruing to 3 Directors (2018 - 2) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £58,142 (2018 - £54,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £9,352 (2018 - £12,798).

9. Taxation

There was no corporation or deferred tax charge in the current year (2018: £Nil).

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019	2018
	£	£
Profit on ordinary activities before tax	25,186	49,345
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	4,785	9,376
Effects of:		
Utilisation of tax losses	(4,785)	(9,376)
Total tax charge for the year	-	-

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 19% to 17% was substantively enacted in March 2016 and will take effect from 1 April 2020.

REALISE FUTURES CIC
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

10. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation						
At 1 April 2018	96,590	49,832	130,837	166,140	2,530	445,929
Additions	1,079	-	650	68,721	-	70,450
Disposals	(45,107)	(8,000)	(55,273)	(30,923)	-	(139,303)
At 31 March 2019	52,562	41,832	76,214	203,938	2,530	377,076
Depreciation						
At 1 April 2018	92,979	49,832	90,742	142,287	1,275	377,115
Charge for the year on owned assets	1,904	-	4,825	31,769	253	38,751
Disposals	(45,022)	(8,000)	(55,273)	(29,983)	-	(138,278)
At 31 March 2019	49,861	41,832	40,294	144,073	1,528	277,588
Net book value						
At 31 March 2019	2,701	-	35,920	59,865	1,002	99,488
At 31 March 2018	3,611	-	40,095	23,853	1,255	68,814

11. Stocks

	2019 £	2018 £
Finished goods and goods for resale	56,597	54,799
	<u>56,597</u>	<u>54,799</u>

REALISE FUTURES CIC
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

12. Debtors: amounts falling due within one year

	2019 £	2018 £
Trade debtors	217,598	261,328
Other debtors	14,039	45,127
Prepayments and accrued income	164,090	268,908
	<u>395,727</u>	<u>575,363</u>

13. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	87,333	36,234
	<u>87,333</u>	<u>36,234</u>

14. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	54,785	98,286
Other taxation and social security	152,275	220,980
Obligations under finance lease and hire purchase contracts	10,000	-
Other creditors	10,307	6,291
Accruals and deferred income	279,193	313,921
	<u>506,560</u>	<u>639,478</u>

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

	2019 £	2018 £
Obligations under finance leases and hire purchase contracts	11,667	-
	<u>11,667</u>	<u>-</u>

REALISE FUTURES CIC
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

16. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2019 £	2018 £
Within one year	10,000	-
Between 1-5 years	11,667	-
	<u>21,667</u>	<u>-</u>

17. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at amortised cost	<u>581,953</u>	<u>598,069</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(206,770)</u>	<u>(274,385)</u>

Financial assets that are debt instruments measured at amortised cost comprise cash at bank, trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, amounts payable under finance lease and accruals.

18. Reserves

Profit and loss account

The profit and loss account represents cumulative profits and losses and other adjustments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

19. Pension commitments

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

The Company participates in the Teachers Pension Scheme ("TPS") for its teaching staff, which is a Multi-Employer Defined Benefit Pension Scheme.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012. There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010, and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

REALISE FUTURES CIC
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

19. Pension commitments (continued)

The employer's pension costs paid to TPS in the period amounted to £107,187 (2018: £89,952).

Local Government Pension Scheme

The Company also contributes to the Local Government Pension Scheme, another multi-employer defined benefit scheme. The Company has been informed that the liabilities of the scheme are greater than the scheme assets, but have an understanding that any shortfall will be met by Suffolk County Council. The only obligation the Company therefore has is to make monthly payments at a contribution rate of 23.7%. Without this understanding with Suffolk County Council, the Company's share of the liability at 31 March 2014 was £1,237,000.

The employer's pension cost paid to LGPS in the period amounted to £194,868 (2018 : £253,523).

Pension Trust

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £25,461 (2018 - £19,727). Contributions of £8,319 (2018 - £6,291) were payable to the fund at the balance sheet date.

20. Commitments under operating leases

At 31 March 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	208,378	148,586
Later than 1 year and not later than 5 years	336,281	265,719
Later than 5 years	242,979	409,507
	<u>787,638</u>	<u>823,812</u>

21. Related party transactions

During the year the Company placed £99,517 (2018: £99,752) of business with DPS Technology Group, of which D Willingham, a Non-executive Director of Realise Futures CIC, is a Partner. At the year end, £Nil (2018: £9,197) was outstanding to DPS Technology Group.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity. The aggregate remuneration of Key Management Personnel this year was £147,164 (2018: £133,347).

000012/15

CIC 34

Community Interest Company Report

For official use
(Please leave blank)

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*Please
complete in
typescript, or
in bold black
capitals.*

**Company Name in
full**

Realise Futures CIC

Company Number

07828443

Year Ending

31/03/2019

Please ensure the company name is consistent with the company name entered on the accounts.

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)

PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

Realise Futures is a company operating across Suffolk and Essex combining commercial trade of products and services alongside work placements, employment and training opportunities.

Our social mission is to improve and promote the economic and social wellbeing of people in our communities by creating opportunities in learning and work whilst actively contributing to the economies of the communities in which we operate. As a Community Interest Company (CIC), we exist for a social and environmental purpose and reinvest any profits back into the business. The commercial gardening team, based at one of our horticulture sites, continue to undertake voluntary grounds clearance and replanting projects with local schools and charitable organisations demonstrating our commitment to local causes whilst demonstrating the positive impact of employing people with disabilities. We employed around 290 people during the year, of which approximately 41% had a declared disability and/or disadvantage.

Our business is organised in three divisions, Learning and Development, Employment and RF Works (six distinct social businesses). Together they provide professional and tailored opportunities that support people to realise their potential. Success, for us, is measured by the positive impact on the lives of those we support and progress, as well as the profit we generate.

179 people with learning difficulties and/or mental health issues were supported with a variety of wellbeing activities that are informed by individualised plans to aid independent living skills, socialisation and progression, where appropriate.

7,509 enrolments have been delivered to approximately 4,000 individuals. Pass and achievement rates for learners remain very high at 98% and 97% respectively thereby providing improved life choices for those most in need within the local community

We secured new jobs for 379 people with disabilities and/or disadvantages within their local communities.

(If applicable, please just state "A social audit report covering these points is attached").

(Please continue on separate continuation sheet if necessary.)

PART 2 – CONSULTATION WITH STAKEHOLDERS – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

The company's stakeholders comprise the staff as members, clients and users of the various services and enterprises that we provide as well as local community organisations and funders; these include Suffolk and Essex County Councils, the Skills Funding Agency, Shaw Trust, Community Action Suffolk, Ixion, Papworth trust and TCHC. Regular reviews and feedback sessions are held with clients of the provision we deliver to inform future planning and quality improvement as well as to receive information on the impact of our services on their well-being, progression into further learning and/or employment. A further example is where we have actively sought feedback from our Veg Box delivery customers which has informed content of product and information. Active engagement with and support of local events organised by community and statutory organisations across the two counties also contribute to effective and mutually beneficial sharing of best practice e.g. linking employees and supported individuals to a diverse range of support networks that match their individual needs (e.g. debt management, housing, mental health services, domestic abuse & homeless charities).

Formal meetings are held with commissioners as part of a robust monitoring framework that inform direction, corrective actions where appropriate as well as a forum to discuss how our activity positively impacts on local agendas (e.g. health & wellbeing, improved mental health, social mobility and progression into further learning and/or employment). These performance management meetings contribute to local authority strategies that include Skills Development, Welfare into Work and SEND provision with additional funding sources secured within the counties that we operate in. In addition, as a result of our proactive approach, we continue to be active members of the HealthWatch Suffolk Partnership, Community Action Suffolk and are a Cornerstone Employer (Suffolk is one of the 12 denoted Opportunity Areas in the country. As part of the drive to improve educational standards within statutory education, Realise Futures offers support to schools and students from a business and mentoring perspective).

Consultation with staff members take the form of local team meetings, a staff council, staff surveys and the annual AGM where staff are invited to make suggestions for improvements, feedback on working practices and signposting senior management towards partnership opportunities in their local communities. As a result of positive staff feedback, the Staff Council have taken on the production of regular Staff Newsletters highlighting the work undertaken in local communities and the positive outcomes (for staff and clients) from that engagement. The AGM, held in September included a celebration of staff's contributions to the company's success as well as an opportunity to learn more about the company's diverse operations. Communication with stakeholders is also delivered via social media, press releases, staff intranet and the company's website. Analysis of data we have collected continues to demonstrate high levels of customer satisfaction (consistently reported over the past three years at over 90% satisfaction across the company). Corrective actions taken as a result of the few complaints received have been swiftly taken to improve practice and are reported quarterly at management and board meetings.

(If applicable, please just state "A social audit report covering these points is attached").

PART 3 – DIRECTORS' REMUNERATION – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

Details of remuneration are provided in paragraph 8 (page 22) of the notes to the Financial Statements.

There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed.

PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that "no transfer of assets other than for full consideration has been made" below.

No transfer of assets other than for full consideration has been made.

(Please continue on separate continuation sheet if necessary.)

PART 5 – SIGNATORY

The original report must be signed by a director or secretary of the company

Signed

SJ Butler

Date

09-08-19

Office held (delete as appropriate) Director/~~Secretary~~

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Tel	
DX Number	DX Exchange

When you have completed and signed the form, please attach it to the accounts and send both forms by post to the Registrar of Companies at:

For companies registered in England and Wales: Companies House, Crown Way, Cardiff, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland: Companies House, 4th Floor, Edinburgh Quay 2, 139
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

For companies registered in Northern Ireland: Companies House, 2nd Floor, The Linenhall, 32-38
Linenhall Street, Belfast, BT2 8BG

The accounts and CIC34 **cannot** be filed online

(N.B. Please enclose a cheque for £15 payable to Companies House)