

Company Registered Number 02699638
Registered Charity Number in England and Wales 1156258
Registered Charity Number in Scotland SC045939

REAL LIFE OPTIONS

(A company limited by guarantee)

**Trustees' Report and Financial Statements
For the year ended 31 March 2021**

REAL LIFE OPTIONS
(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1
Structure Governance & Management	
I. Status	2
II. Objectives and Activities	2
III. Structure	4
IV. Volunteers	4
V. Public Benefit	5
VI. Section 172 Statement	5
VII. Streamlined Energy & Carbon Reporting (SECR)	7
VIII. Principal Risks and Uncertainties	9
IX. Serious Incident report	10
X. Pandemic impact in the year	10
Group Strategic Report	
I. Achievements and Performance	11
II. Constitution	13
III. Financial Review	17
IV. Plans for the Future	19
Trustees Report	20
Statement of Trustees' Responsibilities	22
Independent Auditor's Report	23
Financial Statements	27
Notes	31

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Reference and Administrative Details

Organisation's Name	Real Life Options
Status	Real Life Options is a charitable company limited by guarantee. Real Life Options' governing documents are its Memorandum and Articles of Association.
Company Registration Number	02699638
Charity Registration Number	1156258
Office of the Scottish Charity Regulator Number	SCO45939
Principal Office and Registered Address	David Wandless House A1 Business Park Knottingley Road Knottingley West Yorkshire WF11 0BU
Trustees	D Wilkin R A Hendry J R Swales (Resigned 23 November 2020) H Mounsey (Resigned 14 August 2020) D I Sargent C A Maltby (Appointed 20 October 2020) C R McCorkindale (Appointed 20 October 2020) R C Sloggett (Appointed 12 November 2020) K Shier (Appointed 11 March 2021 and resigned 5 December 2021)
Officers:	
Company secretary	R Milner
Chief Executive	D I Sargent
Chief Operating Officer	I Hardcastle
Director of Operations England and Wales	V Simons
Director of Operation Scotland and Northern Ireland	J Trench
Director of Human Resources	A Holden
Director of Digital and Enablement	P Cusworth (Resigned 8 December 2020)
Director of Finance and Resources	K E Platts (Appointed 14 December 2020)
Advisers:	
Independent Auditor	Grant Thornton 1 Holly Street Sheffield City Centre Sheffield S1 2GT
Bankers	Natwest 135 Bishopsgate London EC2M 3UR
Legal	Weightmans Westgate Point Leeds LS1 2AX

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE & MANAGEMENT

I. STATUS

Real Life Options is a company limited by guarantee. Our governing documents are the Memorandum and Articles of Association.

Governing Body and Structure

Our governing body is a Board of Directors who are also the Trustees of the charity. As at 31st March 2021 there were seven Trustees.

The RLO constitution also facilitates a membership group which is distinct from the Board and appointed through a separate process to ensure impartiality. The current seven members hold the Board to account in terms of ensuring that the organisation operates in accordance with its value.

Real Life Options has, over the years, evolved the organisation's structure to cope with increasing regulation, legislation, and complexity. The Board meets regularly in accordance with the constitutional requirements. The Board also benefits from an audit committee, remuneration committee and other working groups.

Real Life Options has a well-established annual planning and budgeting process.

Decision making

The Board meets quarterly in accordance with an annual work programme agreed annually in advance. In addition, it meets annually for an average of two days during which time it works with the Leadership team to set the strategic agenda and review previous performance.

Operational responsibility is delegated to the Chief Executive Officer. The Board is supported by a Company Secretary. At its meetings, the Board receives strategic and operational reports as well as a financial report.

II. OBJECTIVES AND ACTIVITIES

Real Life Options is founded on the values of respect, honesty, responsibility and excellence. These underpin our person-centred approach and help us work towards our vision of enabling every person to achieve their potential – whether they are someone we support or a member of staff.

The objects of the charity are:

"The Charity's objects are the relief of those in the United Kingdom who are in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage."

Real Life Options supports people to achieve their potential. We focus particularly on supporting people with learning disabilities and autism.

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

II. OBJECTIVES AND ACTIVITIES (continued)

The Charity's main activities in relation to its objects and for the public benefit are the provision of tailored, person-centred care and support to people who have been identified by local authorities as qualifying for publicly funded services.

The Trustees have had due regard to the guidance published by the Charity Commission on public benefit in directing the Charity's activities.

Our Vision

Is to be recognised as leaders in enabling people to achieve their potential.

Our Purpose

Is to provide excellent social care and support.

Our Values

Focus on respect, honesty, responsibility and excellence.

Our purpose is to provide relief to those that are in need through the provision of excellent care and support. We provide over 50,000 hours of care each week, working with 43 different local authorities throughout England and Scotland.

We support:

- People with learning disabilities or autism
- People with complex needs
- People with challenging behaviours
- People with physical disabilities
- People with sensory disabilities
- People with dementia
- Older people needing support
- People requiring palliative care
- People with a history or risk of offending

Real Life Options is an innovative provider of a range of service models which allow for individualised support packages including:

- Individual and multi occupancy tenancies with 24 hour support
- Supported living models
- Personalised 1:1 outreach
- Residential care homes
- Vocational day opportunities
- Short breaks
- Respite support
- End of life care

The focus of the charity's effort will continue to be care and support for those who need it, particularly people with a learning or other disability.

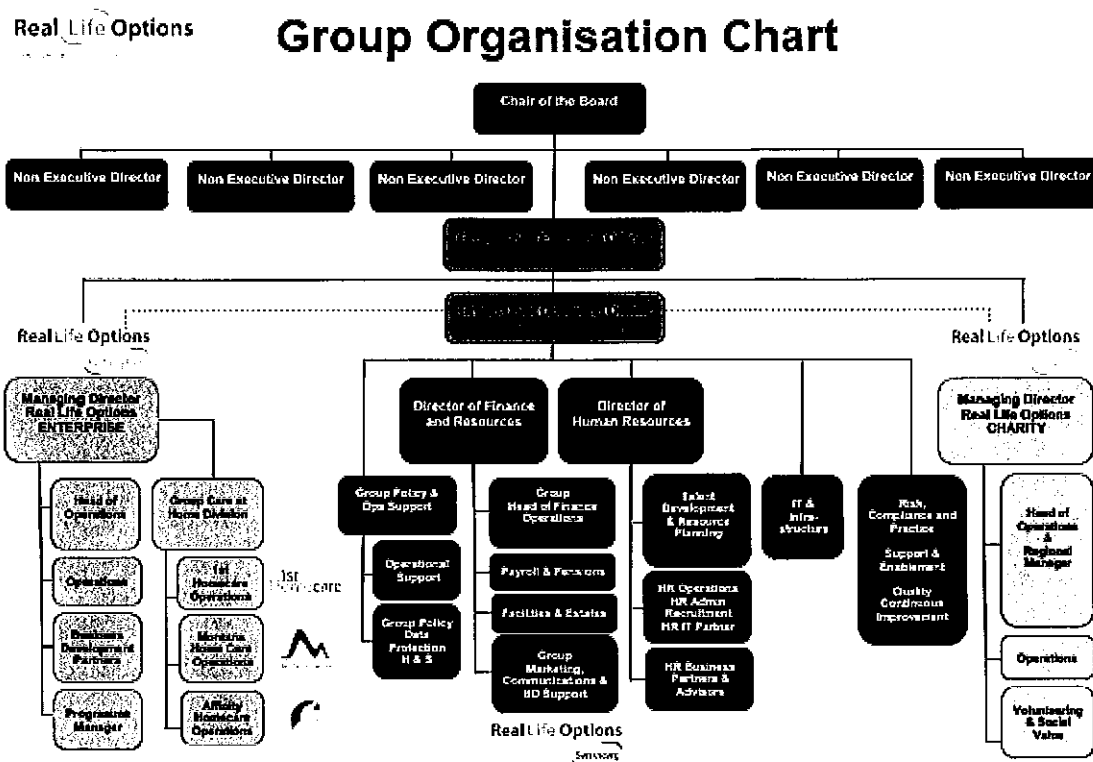
During 2021/22 RLO continues to develop the strategy further using a purpose led strategic approach.

REAL LIFE OPTIONS (A company limited by guarantee)

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

III. STRUCTURE

Real Life Options' Structure:



IV. VOLUNTEERS

Real Life Options volunteer strategy has now be in place since 2019/20 and the initiative has grown considerably in 20/21. We now have 2 Volunteer and Social Value Managers operating out of England and Scotland supporting all areas of the business. The organisation has just over 200 volunteers and the numbers are continuing to grow offering significant additionality to our commissioned services across the UK. Alongside the volunteer strategy we now have a robust fundraising initiative that enables staff, people we support and groups across the communities to formally raise funding and contribute to the future development of our community connections work planning and opportunity to enhance existing services and activities.

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

V. PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's guidance on public benefit. This Trustees' report clearly sets out our charitable objectives and how they benefit the public. The organisation is set up to benefit people who are in need because they have disabilities or require support at home. It also works with people who have severe learning difficulties. The organisation works to achieve its vision of a society in which disabilities are not a barrier to people taking control of their lives. We deliver professional, innovative and effective customer-focused services with the aim of improving the quality of life of people by:

- promoting choice and control
- enabling people to make a positive contribution
- increasing dignity and respect
- providing freedom from discrimination and harassment
- furthering health and emotional well-being
- enhancing economic well-being

VI. SECTION 172 STATEMENT

This section provides RLO Group's section 172 statement. It needs to be read in the context of the whole annual report as evidence of the Directors' compliance with Section 172 of the Companies Act which requires Directors to take into consideration the interests of stakeholders in their decision making. The Directors continue to consider the Company's employees and other stakeholders, including the impact of its activities on the various communities we serve, the environment and the Company's reputation, when making decisions.

Acting in good faith and fairly between stakeholders, the Directors consider what is most likely to promote the success of the Company for its stakeholders in the long term. Whilst the importance of giving due consideration to our stakeholders is not new, we are explaining in more detail this year how the Board engages with our stakeholders, thus aiming to comply with the requirement to include a statement setting out how our Directors have discharged this duty.

The Board regularly reviews our principal stakeholders and how we engage with them. This is achieved through a number of channels including our independent membership which is in monthly receipt of information concerning the organisation's activities. The Board has also invested in our Support and Enablement programme which is primarily concerned with ensuring that services provided are designed and delivered in accordance with the wishes and expectations of people we support and their families. Thus, the stakeholder voice is brought into the boardroom throughout the annual cycle through information provided by the leadership team and also by direct engagement with stakeholders themselves.

The relevance of each stakeholder group may increase or decrease depending on the matter or issue in question, so the Board seeks to consider the needs and priorities of each stakeholder group during its discussions and as part of its decision making.

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

VI. SECTION 172 STATEMENT (continued)

RLO Group's principal stakeholders are defined as:

Prime

People we support
Families
Staff
Volunteers

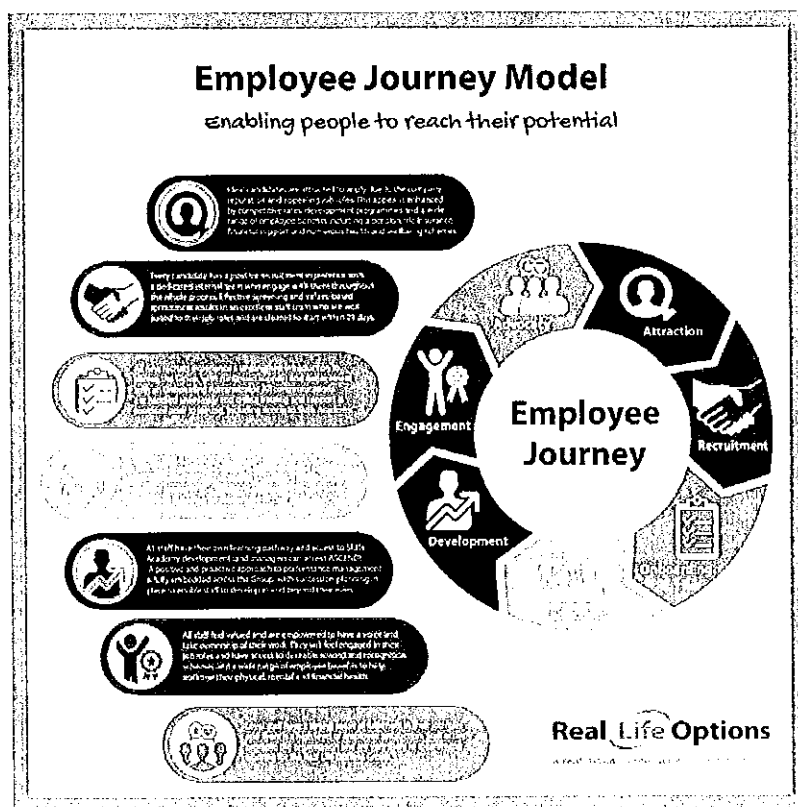
Base

Local Authorities
Commissioners
Banks
Regulators
Suppliers
Local Communities

Partner

Researchers
Technical informers
Civil leaders
Strategic partners
Media
Donors

The Board continues to enhance its methods of engagement with the workforce. The RLO employee journey was designed to provide multiple points of engagement:



We aim to work responsibly with our suppliers. RLO remains committed to ensuring that there is no Modern Slavery or Human Trafficking in our supply chains or in any part of our business.

The Chief Executive Officer has continued to enhance the Leadership Team to support him in his duties and decision making. This includes recognition of the Senior Leadership Group which comprises the senior functional management roles and together is comprised of those with responsibility for interacting with the Company's principal stakeholders.

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR)

This report summarises the energy usage, associated emissions, energy efficiency actions and energy performance for RLO, under the government policy Streamlined Energy & Carbon Reporting (SECR), as implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

RLO is a UK incorporated charity. Under the new SECR legislation we are mandated to include energy consumption, emissions, intensity metrics and all energy efficiency improvements implemented in our most recent financial year.

RLO's Scope 1 direct emissions (combustion of natural gas and transportation fuels) for this second year of reporting are 40.33 tCO₂e, resulting from the direct combustion of 187,631 kWh of fuel. Scope 2 indirect emissions (purchased electricity) for this second year of reporting are 160.99 tCO₂e, resulting from the consumption of 690,509 kWh of electricity purchased and consumed in day to day business operations.

RLO's operations have an intensity metric of 4.68 tCO₂e/£m turnover for this reporting year.

RLO is the highest parent company out of four trading companies (RLO, 1st Home Care Ltd, Montana Home Care Ltd and Affinity Homecare Shrewsbury Ltd). RLO is required to comply with SECR as a group, as we exceed the qualification threshold of two of the three criteria.

The total consumption (kWh) figures for energy supplies reportable by RLO are as follows:

Utility and Scope	2020-21 UK Consumption (kWh)	2019-20 UK Consumption (kWh)
Grid-Supplied Electricity (Scope 2)	690,509	476,758
Gaseous and other fuels (Scope 1)	77,639	681,197
Transportation (Scope 1)	109,992	258,963
Total	878,140	1,416,917

The total emission (tCO₂e) figures for energy supplies reportable by RLO are as follows. Conversion factors utilised in these calculations are detailed in RLO's Streamlined Energy & Carbon Reporting (SECR) available on request:

Utility and Scope	2020-21 UK Consumption (tCO ₂ e)	2019-20 UK Consumption (tCO ₂ e)
Grid-Supplied Electricity (Scope 2)	160.99	121.86
Gaseous and other fuels (Scope 1)	14.28	125.24
Transportation (Scope 1)	26.05	63.35
Total	201.32	310.44

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR) (continued)

An intensity metric of tCO₂e per £m turnover has been applied for the annual total emissions of RLO. The methodology of the intensity metric calculations detailed in RLO's Streamlined Energy & Carbon Reporting (SECR) are available on request, and results of this analysis is as follows:

Intensity Metric	2020-21 UK Intensity Metric	2019-20 UK Intensity Metric
tCO ₂ e per £m	4.68	6.98

Reporting Methodology

Scope 1 and 2 consumption and CO₂e emission data has been calculated in line with the 2019 UK Government environmental reporting guidance. The following Emission Factor Databases consistent with the 2019 UK Government environmental reporting guidance have been used, utilising the current published kWh gross calorific value (CV) and kgCO₂e emissions factors relevant for reporting year 01/04/2020 – 31/03/2021:

- Database 2020, Version 1.0.

Estimations undertaken to cover missing billing periods for properties directly invoiced to Real Life Options were calculated on a kWh/day pro-rata basis at meter level. These estimations equated to 18% of reported consumption.

These full year estimations were applied to 2 electricity supplies, and 6 gas supplies for Real Life Options.

Intensity metrics have been calculated utilising the 2020-21 reportable figures for the following metrics, and tCO₂e for both individual sources and total emissions were then divided by this figure to determine the tCO₂e per metric:

- Total turnover (£m) £43m

Energy Efficiency Improvements

Real Life Options are ESOS compliant and ISO14001 accredited. As an organisation we are committed to operating a sustainable environmentally conscious business, as much as is reasonably practicable, whilst also mindful of our obligations as a Charity to the people we support.

Real Life Options will be working with an external organisation to be compliant with SECR requirements which will enable the organisation to once again collect, measure and report on its carbon emissions.

Whilst it may not be a cost effective use of the Charity's finances to embark on major initiatives, small steps can make a big difference and as an organisation we have robust guidance in place to encourage people to turn lights and electrical equipment off when not in use and to recycle as much as possible. In addition, Real Life Options encourage people we support and staff to look for other innovative ways to reduce waste, to recycle and to lower energy usage and costs.

For those properties where Real Life Options have responsibility for provision of gas and electricity, one provider is used to ensure the best rates are procured and oversight of spend and usage is easily available in order that usage can be managed accordingly. At the Business Services site in Knottingley, LED lights have been installed and similar energy saving measures will be considered for this and other relevant sites in the Estates portfolio.

Mindful of carbon emissions, Real Life Options has only 13 vehicles in its fleet and will continue to review both procurement of and usage of vehicles via expenses and mileage claims.

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

VII. STREAMLINED ENERGY & CARBON REPORTING (SECR) (continued)

Measures ongoing and undertaken through 2020-21:

- Cycle to work scheme continues
- Introducing LED lighting where possible
- No further vehicles added to Fleet – 13 in total

Measures prioritised for implementation in 2021-22:

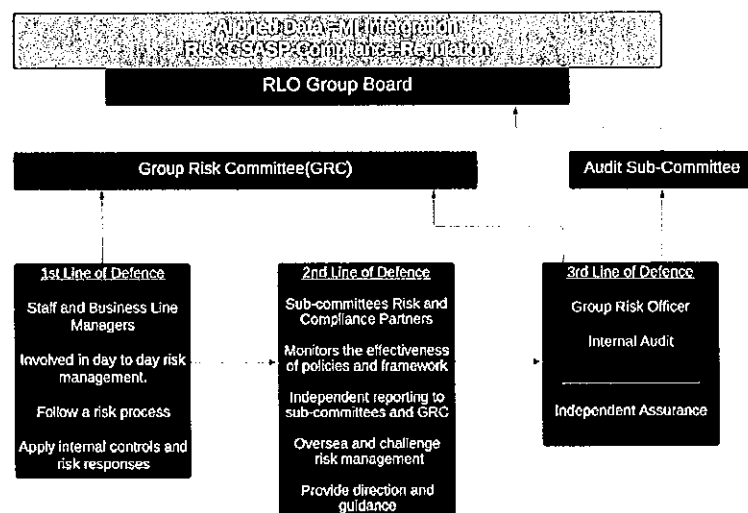
- Secured future electricity contracts at July 2021 prices up to 2027 - 27 electricity accounts from 2024 will be 100% renewable energy (once the existing contracts finish)
- All new sites will also be aligned to Green Energy going forward.

VIII. PRINCIPAL RISKS AND UNCERTAINTIES

Real Life Options Group uses a dynamic risk management programme which consists of a number of sub-committees, which meet on a quarterly basis. These sub committees comprise of:

- Group Risk Committee
- Corporate Safeguarding and Adult Support and Protection
- Health and Safety
- Data Protection
- Quality Review Group
- Health and Wellbeing

The risk management programme is based on three lines of defence as per the diagram below.



REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

VIII. PRINCIPAL RISKS AND UNCERTAINTIES

RLO also has a Group Risk Committee. The purpose of the group is to:

- Ensure we have a pro-active risk strategy across Real Life Options Group including preventable risks, measurable risks, strategy and external risk;
- Provide live reporting within the governance structure including compliance with reporting protocols as defined by regulators;
- Have trustee representation and oversight of all corporate sub committees
- Ensure robust categorisation of risk;
- Ensure there is an effective system for reporting and recording risks;
- Approve new risk procedures;
- Approve policy changes;
- Ensure Board have insight of existing and emerging risks;
- Assess serious incidents to determine if any are reportable to the Charities Commission and the Office of the Scottish Charity Regulator; and
- Report to the Board on a quarterly basis.

IX. SERIOUS INCIDENT REPORTING

During the year an incident was reported to the Charity Commission which has since been satisfactorily been resolved. There are no legal or financial matters arising from this incident.

X. PANDEMIC IMPACT ON THE YEAR

The ongoing Coronavirus 19 (COVID-19) pandemic continued to have a significant impact on RLO this year, in terms of deaths, severe illness, disruption for staff, to provision of services and to central business structures and increased costs in relation to PPE, SSP and the organisation's own sickness scheme. Restricted access to offices and travel restrictions required internal controls to be modified. These changes to internal controls included, for example, changes to staff roles and functions, shifting of reporting lines and altering access to IT systems to enable a remote workforce to operate virtually.

Whilst these issues had an impact on the organisation's financial performance this was within safe, manageable parameters. RLO Group accessed both Scottish and UK Government COVID related funding during the year. A number of Local authorities paid the Group based on the contract values for Care during the pandemic, however outreach services were closed and the Group redistributed staff where possible and accessed the Government Job Retention Scheme to support staff.

During the year several Local authorities extended their care contracts rather than retendering for services and there were few new business opportunities.

Ongoing national procurement contracts meant that PPE was available at reasonable costs and the existing IT infrastructure continued to support business continuity.

These additional costs of continuing to deliver service provision have in part offset by receipt of Local Authority income based on contracted rather than delivered hours, access to Government funding to support shortages of staff due to COVID -19 related illness, PPE needs and the job retention scheme.

Throughout the year the COVID-19 Risk Committee continued to meet three times a week to review an information grid detailing COVID-19 infections, deaths and shielding impact. It also detailed impact on hours, communication channels and ethical considerations. The Board of Trustees have been involved in the COVID-19 risk committee meetings and were satisfied with the organisation's performance to date in response to COVID-19.

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

X. PANDEMIC IMPACT ON THE YEAR (continued)

To mitigate any impact on the organisation of the ongoing COVID-19 pandemic, RLO appointed a specialist Covid-19 operational support team to oversee operational responses, including encouraging vaccinations in both PWS and staff as well and ensuring mental health support was provided for staff and people we support during the pandemic.

GROUP STRATEGIC REPORT

I. ACHIEVEMENTS AND PERFORMANCE

During this year, the Board has continued to oversee the next implementation stages of the strategic plan with a strong focus on leadership, collaboration and accountability. During the year, RLO acquired Affinity Homecare Shrewsbury Ltd, a home care services provider based in Shrewsbury, to help broaden our service type provision in England. The financial performance of this new subsidiary, covering the period from 26 February (date of acquisition) to 31 March 2021, is disclosed in note 15 to the financial statements. The organisation was able to make a valuable acquisition due to excellent planning and efficiency gains arising from delivering the strategic plan known as 'Our Plan' - a five year blueprint and direction of travel towards 2022. Built on seven core themes underpinned by an ethos of safeguarding, it provides a framework for innovation and agile working:



A key priority for our strategic plan is to have the right people, in the right place, at the right time to create and deliver excellent frontline support. Our Plan is a live working document that utilises Innovation Groups as the forum for co-production and collaboration with individuals, families, professional services and staff teams.

Our strategic aims are to:

- Provide a gold standard and personalised experience for every person we support
- Create a process for attracting and retaining the best possible values-driven workforce
- Continually build on our credentials as a socially responsible member within our sector, our markets and localities
- Provide opportunities that enable the people we support to be active and valued members within their local communities

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

I. ACHIEVEMENTS AND PERFORMANCE (continued)

- Support agile working practices in our drive for organisational excellence
- Create an efficient and effective infrastructure for delivering frontline support
- Build an organisation that anticipates customer needs, is resilient to change and well-led.

During 2021/22 RLO continues to develop the strategy further using a purpose led strategic approach.

Person Centred Support and Enablement

Significant investment has produced a framework which defines RLO Group's primary aim of person centred support and enablement as enabling staff to support people to engage in meaningful activity and relationships because taking part in a range of activities provides experience of variety of life and the opportunity to make real and informed choices. Being actively involved increases the opportunities the people we support have to interact with others in meaningful and purposeful ways, which in turn increases quality of life.

At Real Life Options we have developed a bespoke person-centred support and enablement learning programme based on real life experiences of people who use our services.

Practice leads are key in providing a consistent messages regarding values, expectations and effective performance management to ensure that the priority is the goals and aspirations of the people we support. To support practice leads in this role we have developed bespoke support and enablement tools which are linked to our model of support.

We have two support and enablement partners (one in Scotland and one in England), who will take the lead in developing capacity of our practice leads and supporting teams to truly embed a culture of doing for, to doing with.

Social Impact

At the end of 20/21 RLO concluded it's exercise and short term partnership with "The Collectives charity" that had been established to define the organisation's social benefit and impact as a charity. The final report presented an overview of the social value and monetary worth derived through RLO's activity in the year and offered a template to consider for the future as we continue to measure RLO's social impact and return on investment . In 2021 we have continued to shape our social impact measures/targets/outputs and outcomes to dovetail with wider Group strategy, "Our Purpose".

Community Connection Fund

Albeit slowly due to Covid19, during the year RLO Group continued to deliver against the Community Connection Fund, a small grants programme designed to empower people we support and staff in local services to invest in their communities by submitting funding applications for activities that make a difference locally. The CCF Panel had a 2 year tenure and we have now recruited 6 new employees from across the Group to meet and decide on proposals from the teams. Further development of the fund has now created a dual funding stream of opportunity as teams are encouraged to match fund their proposals with fundraising activities.

Staff Health and Wellbeing

Real Life Options are committed to supporting our staff with their health and wellbeing. Over the year a Health & Wellbeing Core Group have met to structure a plan for the future Health & Wellbeing Strategy. This has resulted in the organisation being committed to the following objectives:

1. Producing, implementing and communicating a mental health at work plan that encourages and promotes good mental health in the workplace.
2. Communicating of Health & Wellbeing
3. Providing a specific focus on mental health awareness

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Staff health and Wellbeing (continued)

4. Providing Health & Wellbeing/Mental Health Representatives & Support Networks
5. Encouraging open conversations about mental health
6. Providing good working conditions, ensuring staff have a healthy work life balance
7. Providing good career and role development opportunities
8. Promoting an effective people management environment
9. Routinely monitoring employee mental health and wellbeing by
10. Analysing data

We have already provided toolkits for managers to support staff when they return to work and monitor their wellbeing at work. A health & wellbeing discussion is also included in review meetings with staff. The organisation also provides an external Employee Assistance Programme where a counselling service and financial guidance can be accessed. A Health Cash Plan was also introduced mid year to support staff with the payment of health care provisions.

We are looking forward to the year ahead where we will be working toward the 10 objectives and providing additional opportunities for health & wellbeing discussions to take place.

II. CONSTITUTION

The organisation is a company limited by Guarantee. The organisation's governing documents are its Articles of Association. The liability of each member of Real Life Options is £1. There are a minimum of six members and a maximum of twelve members. Only one Non-Executive and one Senior Manager of the company can be a member at any time.

The Articles require a minimum of three Non-Executive Directors (who are also Trustees) and a maximum of eight non-executive Directors. The articles allow for the appointment of up to two Executive Directors as Trustees, with no minimum number.

The Board reviews its own operational effectiveness and governance annually to ensure that it is meeting the needs of the organisation and complying with all applicable regulations.

RLO Group's governance policy and structure complies with the following regulators:

- Charities Commission
- Scottish Charities Regulator
- Care Quality Commission
- The Care Inspectorate

Under the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014: Regulation 17, providers must have effective governance, including assurance and auditing systems or processes. These must assess, monitor and drive improvement in the quality and safety of the services provided, including the quality of the experience for people using the service. The systems and processes must also assess, monitor and mitigate any risks relating the health, safety and welfare of people using services and others. Providers must continually evaluate and seek to improve their governance and auditing practice. RLO Group's governance approach drives performance in compliance with this.

Operation of the Board of Trustees

The Board of Trustees meets quarterly during the year to monitor performance against agreed strategic goals and review the organisation's and Leaderships Team's work and services. An Audit Committee, comprised of Non-Executive Trustees, has responsibility for reviewing the organisation's accounting policies and financial accounts. It meets at least annually, with the Chief Executive and Director of Finance in attendance.

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Operation of the Board of Trustees (continued)

A Remuneration Committee, comprising Non-Executive Trustees, has specific responsibility to review and determine the remuneration of the CEO and review the remuneration of the Leadership Team based on external benchmarking and, where appropriate, recommendation and discussion with the Chief Executive. Oversight is also provided to the Remuneration Committee on levels of remuneration/rewards throughout the whole organisation.

Recruitment and appointment of new Trustees

Under the leadership of the Chair, the recruitment needs of the Board of Trustees is monitored. This includes a review of the current knowledge, experience, skills and abilities, and how these will be affected by any planned Trustee departures in the future. Trustee vacancies are advertised externally. Applicants are shortlisted against the criteria in the person specification for the role, including any specific matters highlighted during the above review. Shortlisted applicants are recruited through a process which includes being interviewed by at least two Non-Executive Trustees (one of whom will be the Chair) and meeting a panel comprising people we support and their support workers. Shortlisted applicants are appointed only where they have the necessary skills and qualities to contribute effectively to the organisation's management and development.

New Trustees are inducted in two main ways:

- Through the provision of information on the organisation's policies and procedures and on its staff, financial and organisational management and development.
- Trustees are briefed by the Leadership Team and key staff of functional aspects of the organisation's operations.

During the year a new Non Executive Trustee with financial expertise - K Shier was appointed 11 March 2021.

Related parties

The only related parties are considered to be the Trustees. The only transactions have been transactions in the normal course of their employment and through standard delivery of services.

Subsidiaries

At the balance sheet date, Real Life Options had nine wholly-owned subsidiaries and 13 dormant newly incorporated subsidiaries (see note 15).

- Affinity Homecare Shrewsbury Limited is a Shrewsbury based domiciliary homecare company. This strategic investment will expand on its market share of traditional LA funded clients as well as private and continuing health care clients.
- Montana Home Care Ltd, is a company based in Falkirk, Scotland. The company provides domiciliary care to service users who require support. It is a strategic investment in domiciliary care provision and has well-earned reputation for excellent quality services.
- 1st Home Care Ltd is a company with offices located throughout Scotland. The company provides domiciliary care to service users who require support. It is a strategic investment in domiciliary care provision and with previous acquisitions has created a significant provider within Scotland.
- Orchard Care Services Limited is a dormant trading company that previously provided domiciliary care to elderly service users. The trading was previously transferred to RLO Orchard Care Limited.
- RLO Orchard Care Limited is a dormant trading company that previously provided domiciliary care to elderly services users in Warwickshire and Coventry.

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Subsidiaries (continued)

- Alpha Homecare (Scotland) Limited, Real Life Options (Cymru) Limited, Lowland Care Services Limited, and Lowland's subsidiary Senior Service (Edinburgh) Limited are dormant trading companies who ceased trading on 31 March 2016 and transferred their activities to 1st Homecare Limited.

Staff Management

During the year under review the Leadership Team (LT) had the following staff structure:

- Chief Executive,
- Chief Operating Officer,
- Director of Operations, England & Wales
- Director of Operations, Scotland and NI
- Director of Human Resources (appointed in March 2020)
- Director of Digital & Enablement – Business Support (resigned in December 2020)
- Director of Finance and Resources (appointed in December 2020)

The Chief Executive has overall responsibility for all operational matters and reports directly to the Board of Trustees on a regular basis.

Environmental Policy

The organisation is fully committed to safeguard the environment. In this respect it will specifically endeavour to:

- encourage the reduced consumption of natural resources and energy
- operate a purchasing policy that avoids the use of environmentally damaging products whenever feasible
- prevent environmental pollution arising from its own operations
- provide information and support to both the service users and staff to encourage interest in environmental matters
- encourage economical and environmentally sound use of its vehicles
- encourage the use of public transport and car sharing where appropriate

Modern Slavery Act 2015 - Modern Slavery and Human Trafficking Statement

Real Life Options will always work to the highest ethical standards and comply with all laws, regulations and rules relevant to our business. Our reputation is paramount and we take our Corporate and Social Responsibilities very seriously. We realise that our relationships with those we deal with, whether service users, employees, stakeholders, suppliers or the local community, are key to our success and consequently we take our obligations to those people very seriously.

This statement which covers the financial period 1st April 2020 to 31st March 2021, is made on behalf of the Board at Real Life Options Group with regards to the Modern Slavery Act 2015, which requires large employers to be transparent about their efforts to eradicate Slavery and Human Trafficking in their supply chains. This statement describes how we recognize and prevent human trafficking and slavery in our supply chains.

Since 1992, Real Life Options has been delivering high quality, ethically managed social care for people with learning disabilities and autism. We have a national reputation for providing person-centred care and services to support people to live their lives. We provide self-directed support to ensure people have equal rights as citizens, to maximize their independence and social inclusion and to exercise choice about their own lives.

Our supply chains include procurement of agency staff, facilities maintenance and utilities.

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Modern Slavery Act 2015 - Modern Slavery and Human Trafficking Statement (continued)

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. We are committed to acting ethically and with integrity in all our business relationships and to implement and enforce effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. We expect our supply chains to comply with all relevant regulatory pre-employment checks and verification of certification and eligibility.

We have various checks that enable us to identify and mitigate risk in relation to slavery and human trafficking. We will ensure that we work with suppliers who treat their obligations towards modern slavery with the same importance that we do. We maintain systems that:

- Identify and assess potential risk areas in our supply chains, through active risk management.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains, through ethical procurement.
- Monitor potential risk areas in our supply chains, through close working relationships with suppliers
- Protect whistle blowers, through our policy.

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, staff are made aware through our safeguarding learning module. Our employees are encouraged to identify any potential anti-slavery concerns and receive regular communications regarding what to do if they suspect this and we have in place protection for whistle blowers.

Gender Pay Reporting

Our gender pay report can be found on the government website.

Operating in the social care sector, we employ a high percentage of female employees (73%) in common with sector norms. Our strategy is to build a diverse workforce ensuring that all employees are treated fairly and with respect. We ensure that all our pay and reward scales are transparent and ensure that all employees have equal opportunity to progress within the organisation.

We are pleased to note that there is only a 0.4% pay differential in our Median hourly wage rates and a 4.0% differential towards males in our Mean hourly wages. We continue to strive towards parity among all employees and all new recruits are paid at standard rates to help us achieve this. The organisation will continue to review any evident pay gaps both at Mean and Quartile levels, with an aspiration to close any gaps and ensure pay parity for all employees.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." Such amounts received are presented in our accounts as "voluntary income" and include legacies and grants when they are received.

In relation to the above we can confirm that all solicitations are managed internally, without the involvement of commercial participators, professional fundraisers or third parties. The day to day management of all income generation is delegated to the Leadership Team, who are accountable to the Board of Trustees.

The charity is not bound by any undertaking to a regulatory scheme and the charity does not consider it necessary to comply with any voluntary code of practice. We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonable at all times. As we do not approach individuals for funds we do not particularise this to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

III. FINANCIAL REVIEW

In the year to 31 March 2021, Real Life Options Group turnover decreased by 0.8% from £45.0 million to £44.6 million. This decrease reflects a decrease in services across Real Life Options and its subsidiaries. Real Life Options turnover decreased by 1.3% from £39.6 million to £39.1 million and its subsidiaries increased from £5.4 million to £5.5 million.

Net movement in funds for the group decreased by 85.5% from £726,000 to £105,000 reflecting the decrease in activity throughout England and Scotland and also a £479,000 impairment charge (more details in note 13). Fee levels have increased largely in response to the increase in the National Minimum Wage and Scottish Living Wage, although not all local authorities have responded promptly or comprehensively to the increase in the rates that we are obliged to pay.

We continue to discuss the need for fee rates that ensure quality provision and sustainable services for the people we support. Over-capacity and voids continue to drain resources and we are continuing to work with commissioners in both England and Scotland to ensure that we are in a position to continue to provide effective and economic services.

We continued to carefully review our services in London and during the year closed a day service in London as a consequence of low take up and the withdrawal of funding by the local authority. The lack of new referrals to the services, the accommodation on offer and the difficulty of recruiting and retaining staff are all factors that have resulted in the need to reassess what we should be offering in London.

In Birmingham, the transition to a new framework continued throughout the year fairly slowly, in part due to the COVID pandemic. We believed that the fees in Birmingham did not reflect our view of the needs of the people we support. This combined with the lack of referrals to occupy the rooms available in the care homes, which is largely a result of an aging client group, has resulted in under budget performance. We are continuing to review this service provision. In addition a number of care homes have closed in part in response to the Care Inspectorate changing their vision and wanted more independent living rather than Care Homes. Families had been included in discussions too.

In Fife, the physical environment of one of our smaller services dictated the need to close the service. Although the service was removed from Care Inspectorate registration and therefore our portfolio, people we supported transitioned to alternative Real Life Options services in the Fife area.

Balance Sheet

Debt collection remains strong and the relationship with local authorities that commission our services ensures strong cashflow. Our relationship with our long term lenders remains strong and through the year debt has been repaid in accordance with the agreed schedules. Short term cashflow requirements if required will be met using arrangements already in place with RBS Invoice Financing.

There has been no substantial investment in property. The Group did purchase a new finance system during the year.

An impairment review of the value of the investment in the two non-trading companies: Alpha Homecare (Scotland) Ltd; and Lowland Care Services Ltd has been undertaken, resulting in the value of the investments being written down in full. The impairment loss has been recognised in full in the Statement of Financial Activities.

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Taxation

The activities of the charity fall within the exemptions conferred by sections 505 and 506 of the Income and Corporation Taxes Act 1988. Consequently, no corporation tax will be provided for in the financial statements for the charity in this and future years.

The group's trading subsidiaries are subject to corporation tax where retained reserves are insufficient for all surpluses to be paid to the charity by way of gift aid. In the current year there has not been a declaration of any donations that will qualify for gift aid relief to the parent charity, but the accounts have been prepared on the assumption that the gift will be made and corporation tax relief granted.

Fund Accounting

At the end of the year the Group held total reserves of £7.5M.

The Group's funds are held for a variety of purposes, to ensure that the organisation can operate as a going concern in the future and also fulfil its legal obligations. The funds are summarised as follows:

- Restricted funds (£11,000) – these are held under trust law and so can only be used for particular purposes, as specified or agreed with the donor.
- Designated funds (£209,000) - have been designated within the unrestricted reserves for furniture and equipment repairs and replacement.
- General funds (£3.3M) – these are sums that are freely available for general use. They are held at a level to withstand any short-term financial risks.
- Fixed asset funds (£4.0M) – these funds form part of the general funds. These have changed due to asset purchases in the year, these continue to make up the bulk of assets held, representing the operational assets of the organisation, without which we could not operate. The vast majority of these are freehold property or computers.

The funds policy review still recognises the need for free reserves to cover short-term risk. The Board of Trustees considers it prudent that unrestricted reserves should be sufficient to manage and changes in the funding from local authorities in respect of fee rates and losses of contracts. RLO has many contracts with c 40 local authorities which protects the organization from any significant pressure of the loss of contract from one or two of these local authorities.

The Board have agreed that reserves should be kept at 10% of turnover or £5m, whichever is the lowest.

The reserves are sufficient to meet the requirements of the reserves policy.

The Board of Trustees has reviewed the reserves policy in light of changing risks presented to the organisation and will formally review the reserves policy and levels maintained on an annual basis. The Trustees recognise that investment in trading subsidiaries and operational assets ties up funds that would otherwise be available for spending, but have concluded that funds do not need to be set aside for a specific purpose at this time and that additional funds are not required to meet future commitments.

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1,400 (2020 £2,687).

REAL LIFE OPTIONS
(A company limited by guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Going concern

Despite the continued impact of the COVID 19 pandemic, the Group's finances have held up well over this uncertain period with government grant funding and Local Authority support continuing to be at an adequate level to support the charity.

Taking account of the above and the level of reserves held, the cash available to the Charity to the 31 March 2023 will ensure there is sufficient funding to support our existing commitments.

The three wholly owned trading subsidiary companies 1st Home Care Ltd, Montana Homecare Ltd and Affinity Homecare Shrewsbury Ltd are all also affected by the pandemic given the nature of their business. Assessment of the impact of COVID-19 on their businesses confirm that they have sufficient funding to support their existing commitments.

The Trustees have reviewed forecasts to 31 March 2023, and it was concluded that the Charity will be able to meet its liabilities as they fall due over the period.

The Trustees expect that Real Life Options has sufficient resources to enable it to continue to adopt the going concern basis in preparing the financial statements. These financial statements do not include any adjustment that would arise if the going concern basis of preparation was not considered appropriate.

As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of the Trust to continue as a going concern.

IV. PLANS FOR THE FUTURE

Real Life Options Group is committed to achieving the current strategic plan, to become a very effective learning organisation and to have excellent communication at all levels.

In future Real Life Options will consider the development of services in home care, supported living and mixed models of partnership delivery.

Supported Living for People with Learning Disabilities is a core segment of Real Life Options' portfolio and provides opportunities for innovation and viability.

Real Life Options is aware that place-based commissioning is likely to generate other forms of support going forwards and that whole life planning where care and support is delivered through collaboration is part of the journey going forwards. The forward plan is influenced by changes resulting from the current pandemic and external policies.

ON BEHALF OF THE BOARD

David Wilkin

D Wilkin
Director and Chair of the Trustees

Date: 31/3/2022

REAL LIFE OPTIONS
(A company limited by guarantee)
REAL LIFE OPTIONS

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report with the financial statements of the charitable company and the group for the year ended 31 March 2021.

Principal Activities and Future Developments

The principal activities of the group are set out in the strategic report. The group continues to deliver public services.

Results

The group surplus for the year, after taxation amounted to £105,000 (2020: £726,000).

Directors

The Directors who served during the year were:

D I Sargent
D Wilkin
R A Hendry
J R Swales (Resigned 23 November 2020)
H Mounsey (Resigned 14 August 2020)
C.A.Maltby (Appointed 20 October 2020)
C.R.McCorkindale (Appointed 20 October 2020)
R.C.Sloggett (Appointed 12 November 2020)
K Shier (Appointed 11 March 2021 and resigned 5 December 2021)

Employees

Local arrangements have continued for managers to meet employees and their representatives to discuss matters of mutual interest and concern including the provision of relevant information.

Employment of the disabled

The company recognises its responsibility for the employment, training, career development and promotion of disabled persons and gives full consideration of applications irrespective of an individual's background. Every effort is made to continue to employ those who become disabled while working for the company.

Statement as to disclosure of information to auditor

Each of the trustees who are directors for the purpose of company law at the time when this Report of the Trustees is approved has confirmed that:

- So far as the directors are aware, there is no relevant information of which the company's auditors are unaware, and
- each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

REAL LIFE OPTIONS
(A company limited by guarantee)
REAL LIFE OPTIONS

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

Auditor

The auditor, Grant Thornton LLP, was appointed during the year and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

ON BEHALF OF THE BOARD

David Wilkin

D Wilkin
Director and Chair of the Trustees
Date: 31/3/2022

REAL LIFE OPTIONS
(A company limited by guarantee)
REAL LIFE OPTIONS

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2021

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

David Sargent

D I Sargent

Director

Date: 31/3/2022

REAL LIFE OPTIONS
(A company limited by guarantee)
REAL LIFE OPTIONS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of Real Life Options ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the charity statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including the Group and Parent Charitable Company's incoming resources and application of resources 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent charitable company and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the parent charitable company or group to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the parent charitable company's and group's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the parent charitable company's and group's financial resources or ability to continue operations over the going concern period.

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

REAL LIFE OPTIONS
(A company limited by guarantee)
REAL LIFE OPTIONS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2021

Conclusions related to going concern (continued)

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

The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Group Strategic Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Group Strategic Report and the Trustees' Report, prepared for the purposes of company law, included in the Group Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Group Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Group Strategic Report or the Trustees' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

REAL LIFE OPTIONS
(A company limited by guarantee)
REAL LIFE OPTIONS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2021

Responsibilities of Trustees for the financial statements

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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 Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditors>. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

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

- The Company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur; Charities SORP (FRS 102), FRS 102, Charities Act 2011, Data Protection Act 2018 and the Charity Code of Governance.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We understood how the Company is complying with those legal and regulatory frameworks by making enquiries of management. We corroborated our enquiries through our review of board minutes and legal expenses.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by discussions with management to understand where management considered there is a susceptibility to fraud.

REAL LIFE OPTIONS
(A company limited by guarantee)
REAL LIFE OPTIONS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL LIFE OPTIONS
FOR THE YEAR ENDED 31 MARCH 2021

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

- Audit procedures performed by the engagement team included:
 - evaluation of the controls established to address the risks related to irregularities and fraud;
 - testing manual journal entries, in particular journal entries determined to be large or relating to unusual transactions based on our understanding of the business;
 - identifying and testing related party transactions;
 - completion of audit procedures to conclude on the compliance of disclosures in the annual report and accounts with applicable financial reporting requirements.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the industry in which the client operates
 - understanding of the legal and regulatory requirements specific to the entity.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Peter Edwards
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Sheffield
Date: 31/3/2022

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

REAL LIFE OPTIONS
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Designated Funds £'000	2021 Total £'000	2020 Total £'000
Incoming resources						
Charitable activities	4	37,664	-	287	37,951	39,590
Donations		1	11	-	12	2
Trading activities:						
Trading subsidiaries income		5,568	-	-	5,568	5,401
Other income	5	1,096	-	-	1,096	-
Total incoming resources		44,329	11	287	44,627	44,993
Resources expended						
Trading expenditure:						
Trading subsidiaries expenditure		4,805	-	-	4,805	5,095
Charitable activities	13	39,012	-	285	39,297	39,171
Impairment of goodwill	13	479	-	-	479	-
Total resources expended	6	44,296	-	285	44,581	44,266
Net income before transfers and tax		33	11	2	46	727
UK Corporation tax	12	59	-	-	59	(1)
Net movement in funds		92	11	2	105	726
Fund balances at 1 April 2020	29	7,137	-	207	7,344	6,618
Total fund balances at 31 March 2021	29	7,229	11	209	7,449	7,344

The statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 31 to 57 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Designated Funds £'000	2021 Total £'000	2020 Total £'000
Incoming resources						
Charitable activities	4	37,664	-	287	37,951	39,590
Donations		1	11	-	12	2
Other income	5	1,096	-	-	1,096	-
Total incoming resources		38,761	11	287	39,059	39,592
Resources expended						
Charitable activities		37,832	-	285	38,117	38,780
Impairment of investments	15	1,925	-	-	1,925	-
Total resources expended	6	39,757	-	285	40,042	38,780
Net (expenditure)/income before gift aid from subsidiaries and transfers		(996)	11	2	(983)	812
Gift Aid from subsidiaries		441	-	-	441	83
Net movement in funds		(555)	11	2	(542)	895
Reconciliation of funds						
Fund balances at 1 April 2020	29	8,729	-	207	8,936	8,041
Net movement in funds		(555)	11	2	(542)	895
Total fund balances at 31 March 2021	29	8,174	11	209	8,394	8,936

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 31 to 57 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

CONSOLIDATED AND CHARITY BALANCE SHEETS
Registered No 02699638

AS AT 31 MARCH 2021

	Note	Group 2021 £'000	2020 £'000	Charity 2021 £'000	2020 £'000
Fixed assets					
Goodwill	13	2,387	2,467	24	72
Tangible assets	14	4,041	4,092	4,039	4,086
Investments in Subsidiaries	15	-	-	4,916	5,685
		<u>6,428</u>	<u>6,559</u>	<u>8,979</u>	<u>9,843</u>
Current assets					
Debtors:					
Amounts recoverable within one year	16	4,100	4,430	4,178	3,980
Cash at bank and in hand		2,425	2,633	1,233	1,438
		<u>6,525</u>	<u>7,063</u>	<u>5,411</u>	<u>5,418</u>
Creditors:					
Amounts falling due within one year	17	(4,524)	(4,934)	(5,016)	(4,981)
		<u>2,001</u>	<u>2,129</u>	<u>395</u>	<u>437</u>
Net current assets/(liabilities)					
		<u>8,429</u>	<u>8,688</u>	<u>9,374</u>	<u>10,280</u>
Total assets less current liabilities					
Creditors:					
Amounts falling due after more than one year	19	(980)	(1,344)	(980)	(1,344)
		<u>7,449</u>	<u>7,344</u>	<u>8,394</u>	<u>8,936</u>
Net assets	30				
Reserves					
Unrestricted Funds		7,229	7,137	8,174	8,729
Restricted Funds		11	-	11	-
Designated Funds		209	207	209	207
		<u>7,449</u>	<u>7,344</u>	<u>8,394</u>	<u>8,936</u>
Total Funds	29				

The financial statements were approved and authorised for issue by the Trustees on 31/3/2022 and signed on their behalf by:

David Wilkin

D Wilkin
Chair of the Board

The notes on pages 31 to 57 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2021

		2021	2020
		£'000	£'000
Cash flows from operating activities			
Profit for the financial year		105	726
Adjustments for:			
Amortisation of intangible assets	13	504	413
Depreciation of fixed assets	14	129	135
Impairment of goodwill	13	479	-
Loss on disposal of fixed asset		5	-
Net interest payable		52	55
Taxation	12	(59)	1
Decrease in debtors	16	295	16
(Decrease)/increase in creditors	17	(188)	440
Cash from operations		1,322	1,786
Interest paid		(52)	(55)
Taxation paid		(51)	(4)
Net cash generated from operating activities		1,219	1,727
Cash flows from investing activities			
Acquisition of subsidiary	23	(499)	(890)
Purchases of tangible fixed assets	14	(81)	(91)
Purchase of intangible fixed assets	13	(8)	-
Net cash outflow from investing activities		(588)	(981)
Cash flows from financing activities			
Receipt of new bank loans		-	840
Bank loans repaid		(479)	(518)
Deferred consideration paid		(360)	-
Net cash (used in)/generated in financing activities		(839)	322
Net (decrease)/increase in cash and cash equivalents		(208)	1,068
Cash and cash equivalents at beginning of year		2,633	1,565
Cash and cash equivalents at end of year	27	2,425	2,633
Cash and cash equivalents comprise:			
Cash at bank and in hand	27,28	2,425	2,633

The notes on pages 31 to 57 form part of these financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1 General information

The charity is a private charitable company limited by guarantee incorporated in England and Wales and has no share capital. The address of the registered office is given on the company information page and the nature of the group's operations and its principal activities are set out in the trustees report.

2 Accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - Charities SORP (FRS 102), UK Generally Accepted Accounting Practice (UK GAAP) including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and Liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity meets the definition of a public benefit entity under FRS 102.

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

Parent company disclosure exemptions

In preparing the separate financial statements of the charity, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the charity;
- Disclosures in respect of the charity's financial instruments have not been presented as equivalent disclosures have been provided for the group as a whole.

The following principal accounting policies have been applied:

2.1. Basis of Consolidation

The consolidated financial statements present the results of Real Life Options and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of financial affairs from the date on which control is obtained. They are deconsolidated from the date control ceases.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies *(continued)*

2.2. Going Concern

Despite the continued impact of the COVID 19 pandemic, the Group's finances have held up well over this uncertain period with government grant funding and Local Authority support continuing to be at an adequate level to support the charity.

Taking account of the above and the level of reserves held, the cash available to the Charity to the 31 March 2023 will ensure there is sufficient funding to support our existing commitments.

The three wholly owned trading subsidiary companies 1st Home Care Ltd, Montana Homecare Ltd and Affinity Homecare Shrewsbury Ltd are all also affected by the pandemic given the nature of their business. Assessment of the impact of COVID-19 on their businesses confirm that they have sufficient funding to support their existing commitments.

The Trustees have reviewed forecasts to 31 March 2023, and it was concluded that the Charity will be able to meet its liabilities as they fall due over the period.

The Trustees expect that Real Life Options has sufficient resources to enable it to continue to adopt the going concern basis in preparing the financial statements. These financial statements do not include any adjustment that would arise if the going concern basis of preparation was not considered appropriate.

As a result of the above, the trustees, after reviewing cashflow forecasts prepared for a 12 month period after the date these financial statements are signed, do not believe that there are any material uncertainties, which cast significant doubt on the ability of the Trust to continue as a going concern.

2.3. Fund Accounting

Unrestricted funds, which have not been designated for other purposes, are available for use at the discretion of the Trustees, in furtherance of the general objectives of the Charity.

Designated funds are transferred from general unrestricted funds for specific purposes, based on available cost information. These amounts are monitored annually and may be amended or re-designated by the Board.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by conditions relating to the arrangements leading to the receipt of the money; conditions under which money has been donated; or which have been raised by the Charity for particular purposes. If there is an obligation to use resources generated for a specific purpose the income will be accounted for in a restricted fund. The costs of raising and administering such funds will be charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies *(continued)*

2.4. Income

All income is included in the Statement of Financial Activities ('SOFA') when:

- The entity is legally entitled to the income, and
- any performance conditions attaching to the income have been met, and
- the amount can be quantified with reasonable accuracy, and
- the amount is likely to be received.

Income may be accrued if the work has been completed and the service under the contract delivered. Income may be deferred if the service has not been provided even if the value has been invoiced and payment received.

Grants are received from bodies within Local Government and the National Health Service and are specific to the charitable activities.

All grants, donations, rental income and contractual payments are included on a receivable basis.

For legacies, income will be recognised if the amount can be measured and there is a clear indication that a distribution will be made from the estate.

Donated professional services and donated facilities will be recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. The economic benefit will be the amount the charity would have been willing to pay to obtain those services or facilities on the open market; a corresponding amount will be recognised in expenditure in the period of receipt.

In accordance with the Charities SORP (FRS 102), the contribution of volunteers' general time to the Charity will not be recognised in the financial reports but will be referred to in the trustees' annual report.

Deferred capital grants are treated as deferred income in compliance current GAAP and are credited to the income and expenditure account over the expected useful economic life of the relevant fixed asset on a basis consistent with the depreciation policy.

Other grants are recognised as and when conditions for their release are fulfilled.

2.5. Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure and support costs comprise direct expenditure including direct staff costs attributable to the activity. The charity has one type of activity – support services. All support costs are allocated to this activity. Governance costs are those incurred in connection with the management of the Charity's assets, organisational administration and costs regarding compliance with constitutional and statutory requirements.

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2 Accounting policies *(continued)*

2.6. Goodwill

At the date of acquisition, goodwill will initially be measured as the excess of the cost of the business combination over the fair value of the net amount of the identifiable assets, liabilities and contingent liabilities.

After initial recognition, the goodwill shall be measured as cost less accumulated amortisation and accumulated impairment losses. An estimate of the useful life of the Goodwill will be made at the time of acquisition and the Goodwill be amortised on a systematic basis over that life. The useful life of the goodwill will not normally be more than 10 years.

Using the definitions in FRS 102, as part of the annual impairment review process, the value of goodwill will be compared with the recoverable amount of the asset. In the event that the value of the goodwill is found to be less than the recoverable amount, the value of the impairment will be recognised in the accounts.

2.7. Tangible Assets

Tangible fixed assets costing more than £1,000 are capitalised and valued at historical cost along with any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value on a straight line basis over the following ranges of expected useful economic lives:

Freehold land & buildings	- 50 years
Leasehold improvements	- 10 years or the length of the lease if shorter
Fixtures and fittings	- 3-10 years
Computer equipment	- 2-4 years
Office equipment	- 3-4 years

Freehold Land will not be depreciated.

2.8. Operating Leases

Income and costs associated with operating leases are either credited or charged to the SOFA on an accruals basis in accordance with the contracts in force during the year.

The cost of the lease payments over the contracted period, after allowing for any lease incentives, will be apportioned equally over the life of the lease.

2.9. Current and Deferred Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of financial affairs.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the UK.

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2 Accounting policies (continued)

2.10. Current and Deferred Taxation (continued)

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or future profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the near future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of the liabilities acquired and the amount that will be assessed for tax.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.11. Accounting for Investments in Subsidiaries

Investments in subsidiaries are stated at cost less any assessed impairment in the asset.

2.12. Financial Instruments

Real Life Options and its group entities only enter into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables are measured, initially and subsequently, at the undiscounted amounts 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 outright 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 amortised at 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 income statement.

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.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2 Accounting policies (continued)

2.13. Pension Contributions

Retirement benefits to the majority of employees are provided by the Group's defined contribution scheme. Contributions payable to the Group's pension scheme are charged to the profit and loss account in the period to which they relate.

A small, and reducing, number of employees are members of the NHS pension scheme. This is a defined benefit scheme and the assets are held separately from those of the Group. The NHS Pension scheme is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. The NHS pension scheme is a multi-employer scheme.

The Group will recognise in the accounts its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis if it is possible and economical to identify its share of the cost. If it is not possible or economical to identify the Group's share of the underlying assets and liabilities the NHS pension scheme will be treated as a defined contribution scheme and the Group's contributions will be recognised as they are paid each year.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements the directors have made the following judgements:

The Directors have reviewed the carrying value of the Group's assets, including goodwill, to determine whether there are any indicators of impairment. Factors taken into account include the economic viability and expected future financial performance of the assets.

Other key sources of estimation uncertainty

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of assets and residual values are assessed on acquisition and may be revised if operating circumstances change significantly.

The Directors have made assumptions about the potential value and likelihood of success of claims against the company for unpaid wages from current and former employees.

4 Analysis of Income from Charitable Activities

All activity relates to the provision of care services in the UK.

All income in the current year is unrestricted. In the prior year, all income was unrestricted except for £2k of restricted donations.

5 Other income

	GROUP & CHARITY	
	2021	2020
	£'000	£'000
Government grants:		
- Job retention scheme	268	-
- Covid support for personal protective equipment	816	-
Other income	12	-
	<hr/>	<hr/>
	1,096	-
	<hr/>	<hr/>

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

5 Other income (continued)

Grant received from Government were in relation to the Job Retention Scheme and also in respect of support for the costs of additional Personal Protective Equipment (PPE) as a result of the COVID-19 pandemic.

6 Analysis of resources expended

The charity allocates its support costs as shown in the table below. Regional Office costs are allocated to the relevant region. Support Service costs are apportioned between the regions based on the percentage of income per region.

GROUP 2021

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Trading subsidiaries expenditure	4,805	-	4,141	138	526
Charitable activities	39,297	100	33,329	1,784	4,084
Impairment of goodwill	479	-	-	-	479
	44,581	100	37,470	1,922	5,089

GROUP 2020

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Trading subsidiaries expenditure	5,095	-	4,894	130	71
Charitable activities	39,171	80	32,966	1,881	4,244
	44,266	80	37,860	2,011	4,315

Total expenditure for the year for the group was £44,102k (£44,266k) of which £Nil (2020: £4k) was restricted, £285k (2020: £466k) was designated and £43,817k (£43,796k) was unrestricted.

CHARITY 2021

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Charitable activities	38,117	66	33,329	1,783	2,939

CHARITY 2020

	Total	Governance costs	Human Resources & Training	Property Costs	Administration and Finance
	£'000	£'000	£'000	£'000	£'000
Charitable activities	38,780	80	32,966	1,881	3,853

Total expenditure for the year for the charity was £38,117k (£38,780k) of which £Nil (2020: £4k) was restricted, £285k (2020: £466k) was designated and £37,832k (£38,310k) was unrestricted.

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7 Analysis of support costs

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Analysis of governance costs				
Audit fees	76	46	42	36
Other financial services including accountancy services	24	22	24	22
Other professional fees	-	12	-	22
	<u>100</u>	<u>80</u>	<u>66</u>	<u>80</u>
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Audit and Non Audit Services				
Statutory audit of parent and consolidated accounts	42	36	42	36
Statutory audit of subsidiary companies	34	10	-	-
Tax Services	11	12	11	12
Other Services	13	10	13	10
	<u>100</u>	<u>68</u>	<u>66</u>	<u>58</u>

Governance costs relate to the audit and other professional services in connection with governance of the charity. All other costs are allocated to charitable activities where they are incurred within the charity or trading subsidiaries expenditure where they are incurred in those subsidiaries.

8 Other costs and income

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Operating lease rentals:				
- land & buildings	893	938	821	877
- equipment	164	230	161	213
Depreciation - owned assets	129	135	129	135
Loan interest	51	36	51	36
Amortisation of goodwill	525	413	48	47
	<u></u>	<u></u>	<u></u>	<u></u>

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

9 Staff costs

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Wages and salaries	33,966	34,139	30,192	30,060
Social security costs	2,551	2,390	2,328	2,156
Other pension costs - contributions to defined contribution schemes	881	829	804	750
	<u>37,398</u>	<u>37,358</u>	<u>33,324</u>	<u>32,966</u>

The figures shown above represent all staff costs for the Group and Company including operational staff costs, as shown in Note 4, together with costs relating to staff who work in support services and regional offices, which are incorporated within the support cost figures in note 4.

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	GROUP		CHARITY	
	2021	2020	2021	2020
	Number	Number	Number	Number
£60,001 - £70,000	3	2	3	2
£70,001 - £80,000	1	-	1	-
£80,000- £90,000	1	2	1	2
£90,001- £100,000	-	-	-	-
£100,001-£110,000	2	2	2	2
£130,001-£140,000	-	-	-	-
£140,001-£150,000	-	-	-	-
£150,001-£160,000	1	-	1	-
£160,001-£170,000	1	-	1	-
	<u>9</u>	<u>6</u>	<u>9</u>	<u>6</u>

All employees earning more than £60,000 contributed to a personal pension scheme. The Charity contributed £62,563 (2020 - £46,402) on their behalf.

The number of full and part-time employees, calculated on a monthly average basis, was:

	GROUP		CHARITY	
	2021	2020	2021	2020
	Number	Number	Number	Number
Staff	<u>1,868</u>	<u>2,041</u>	<u>1,580</u>	<u>1,704</u>

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

10 Directors' Remuneration

	GROUP AND CHARITY	
	2021	2020
	£'000	£'000
Directors' emoluments	705	391
Company contributions to defined contribution pension scheme	51	56
	756	447

There were 7 directors in the group's defined contribution pension scheme (2020 - 5). None of the directors accrued benefits under the group's defined benefit pension scheme during the year (2020 - none).

Other than the directors, there are not considered to be any other employees who are key management personnel.

Emoluments of the highest paid director were £164k (2020 - £105k). Company pension contributions of £12k (2020 - £11k) were made to a defined contribution pension scheme on their behalf.

Under the Articles of Association the charity is allowed to remunerate non-executive trustees for their duties.

In the year ended 31 March 2021, or the year ended 31 March 2020, no non-executive trustees were remunerated.

Trustees are reimbursed for expenditure incurred in attending trustees meetings or visiting the Group's home and facilities in their roles as Trustees. In the year to 31 March 2021, costs totalling £49 (2020 - £380) were reimbursed to no (2020 - 3) Non-Executive Trustees.

During the year ended 31 March 2021, there was an amount of £369,464 (2020 - £Nil) paid as compensation for loss of office. Of this £369,464 (2020 - £Nil) was unpaid at the year end.

11 Indemnity insurance

The Charity purchases Directors and Officers Liability insurance. The cost of the premium in the year was £1,400 (2020 - £2,687).

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12 Taxation

	GROUP	
	2021	2020
	£'000	£'000
Corporation Tax		
Charge for year	-	-
Adjustment in respect of prior periods	(23)	-
	<hr/>	<hr/>
Total	(23)	-
Deferred Tax		
Origination and reversal of timing differences	-	-
Adjustments in respect of prior periods	(36)	1
Change to tax rates	-	-
	<hr/>	<hr/>
	(36)	1
	<hr/>	<hr/>
Total tax (credit)/charge for the year	(59)	1
	<hr/>	<hr/>
Net incoming resources before other recognised gains, losses and transfers	46	727
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	9	140
Income not subject to tax	(91)	(139)
Impairment of goodwill	91	-
Expenses not deductible for tax purposes	103	-
Adjustments in respect of prior periods	(59)	1
Deferred tax not recognised	(101)	(1)
Other adjustments	(11)	-
	<hr/>	<hr/>
Total tax (credit)/charge for the year	(59)	1
	<hr/>	<hr/>

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

13 Goodwill

	GROUP	
	2021	2020
	£'000	£'000
Cost as at the start of the year	5,065	3,830
Additions	903	1,235
	<hr/>	<hr/>
Cost as at 31 March 2021	5,968	5,065
Accumulated Amortisation as at the start of the year	2,598	2,185
Amortisation in the year	504	413
Impairment of goodwill	479	-
	<hr/>	<hr/>
Accumulated Amortisation as at 31 March 2021	3,581	2,598
	<hr/>	<hr/>
Net book value as at 31 March 2021	2,387	2,467
	<hr/>	<hr/>
Net book value as at 31 March 2020	2,467	1,645
	<hr/>	<hr/>

	CHARITY	
	2021	2020
	£'000	£'000
Cost as at the start of the year	474	474
	<hr/>	<hr/>
Cost as at 31 March 2021	474	474
Accumulated Amortisation as at the start of the year	402	355
Amortisation in the year	48	47
	<hr/>	<hr/>
Accumulated Amortisation as at 31 March 2021	450	402
	<hr/>	<hr/>
Net book value as at 31 March 2021	24	72
	<hr/>	<hr/>
Net book value as at 31 March 2020	72	119
	<hr/>	<hr/>

Goodwill additions relate to the acquisition of Affinity Homecare Shrewsbury Limited with goodwill on acquisition being £903k, more details of this can be found in note 23.

Following an impairment review of Alpha Homecare (Scotland) Ltd; and Lowland Care Services Ltd, the associated goodwill £159,260 and £319,389 has been fully impaired in the Group Accounts.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

14 Tangible fixed assets

GROUP	Freehold land and buildings £'000	Leasehold improvements £'000	Fixtures and fittings £'000	Motor Vehicles £'000	Office equipment £'000	Computer equipment £'000	Total £'000
Cost							
At 1 April 2020	4,275	208	256	-	1	1,286	6,026
Additions	-	44	-	1	-	36	81
Disposals	-	-	(54)	-	-	-	(54)
On acquisition of subsidiary	-	-	2	-	-	-	2
At 31 March 2021	4,275	252	204	1	1	1,322	6,055
Depreciation							
At 1 April 2020	384	102	197	-	-	1,251	1,934
Provided during the year	60	20	23	-	-	26	129
Disposals	-	-	(49)	-	-	-	(49)
At 31 March 2021	444	122	171	-	-	1,277	2,014
Net Book Value							
At 31 March 2021	3,831	130	33	1	1	45	4,041
At 31 March 2020	3,891	106	59	-	1	35	4,092

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14 Tangible fixed assets (continued)

CHARITY	Freehold land and buildings £'000	Leasehold improvements £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer £'000	Total £'000
At 1 April 2020	4,275	208	241	-	1,237	5,961
Additions	-	44	-	1	37	82
Disposals	-	-	(8)	-	-	(8)
At 31 March 2021	4,275	252	233	1	1,274	6,035
Depreciation						
At 1 April 2020	384	102	174	-	1,215	1,875
Provided during the year	60	20	24	-	25	129
Disposals	-	-	(8)	-	-	(8)
At 31 March 2021	444	122	190	-	1,240	1,996
Net book value						
At 31 March 2021	3,831	130	43	1	34	4,039
At 31 March 2020	3,891	106	67	-	22	4,086

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15 Investments

	CHARITY	
	2021	2020
	£'000	£'000
Cost and net book value as at the start of the year	5,685	4,322
Movement in Montana	8	-
Additions in the year	1,148	1,363
Impairment charge	(1,925)	-
	<hr/>	<hr/>
Cost and net book value as at 31 March 2021	4,916	5,685
	<hr/>	<hr/>

Additions relate to the purchase of 100% of Affinity Homecare Shrewsbury Ltd. for a total consideration of £1,148,000. More details of the acquisition can be found in note 23 of these financial statements.

Also there was a £8k increase in the cost of the investment in Montana due to some legal fees incurred that weren't originally recognised on acquisition.

Subsidiary	Control %	Co Number	Registered office
1st Home Care Ltd	100	SC272838	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
Orchard Care Services Limited	100	05767436	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Lowland Care Services Limited	100	SC236443	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
Alpha Homecare (Scotland) Limited	100	SC263919	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
RLO Orchard Care Limited	100	08164674	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Senior Service (Edinburgh) Limited*	100	SC312050	14B Dickson Street, Elgin Industrial Estate, Dunfermline, Fife, KY12 7SN
Real Life Options (Cymru) Limited	100	08165205	David Wandless House, A1 Business Park, Knottingley Road, Knottingley, WF11 0BU
Montana Home Care Ltd.	100	SC267110	88 Grahams Road, Falkirk, Stirlingshire, FK2 7DL
Affinity Homecare Shrewsbury Limited	100	09508514	Suite D, Global House Sitka Drive, Shrewsbury Busienss Park, Shrewsbury, SY2 6LG

All subsidiaries are involved in the provision of care services.

* Denotes that the 100% control is indirect via Lowland Care Services Limited.

Of the above named subsidiaries only 1st Home Care Ltd and Montana Home Care Ltd are considered to be material to the operations of the group.

An impairment review of the value of the investment in the two non-trading companies: Alpha Homecare (Scotland) Ltd: £988,089; and Lowland Care Services Ltd: £936,550; has been undertaken, resulting in the value of the investments being written down in full. The impairment loss has been recognised in full in the Statement of Financial Activities.

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15 Investments (continued)

During the year an impairment has been made against investments made in previous years based on a review of future discounted cashflows using a discount rate of rate of 6.75%. If the discount rate was 10% this would result in a further impairment of £100,000 which has not been provided for as the trustees believe the additional impairment would not affect the financial statements.

The following subsidiary Companies were incorporated during the financial year but were dormant. Each Company has 2 shares with an aggregate nominal values of £2.

Subsidiary	Control %	Co Number	Registered office
Real Life Options West Yorkshire Limited	100	13082099	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Warwickshire Limited	100	13082242	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Tyne & Wear Limited	100	13082119	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Staffordshire Limited	100	13082096	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Derbyshire Limited	100	13082113	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options County Durham Limited	100	13082447	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Cheshire Limited	100	13082164	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Angus Limited	100	13082200	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Aberdeenshire Limited	100	13082153	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Enterprise Ltd	100	13071404	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Innovation Ltd	100	13055357	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
Real Life Options Services Ltd	100	13055350	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU
13055370 Ltd	100	13055370	David Wandless House A1 Business park Knottingley Road Knottingley WF11 0BU

All of the above companies have been consolidated in these financial statements. The Companies registered offices are shown in note 15.

The group agrees to guarantee the liabilities of Affinity Homecare Shrewsbury Limited (09508514) thereby allowing them to take exemption from having an audit under section 479A of the Companies Act 2006.

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15 Investments (continued)

The income and expenditure for the year ended 31 March 2021 was as follows:-

	1st Home Care		Montana Home Care		Affinity Home Care
	Year Ended 31 March 2021 £'000	Year ended 31 March 2020 £'000	Year Ended 31 March 2021 £'000	6th December 2019 to 31 March 2020 £'000	1 month period ended 31 March 2021 £'000
Turnover	4,298	4,977	1,174	424	96
Cost of sales	(3,272)	(4,145)	(856)	(263)	-
Gross profit	1,026	832	318	161	96
Administrative expenses	(553)	(644)	(78)	(38)	(76)
Operating profit	473	188	240	123	20
Interest payable and similar charges	-	-	-	-	-
Profit on ordinary activities before tax	473	188	240	123	20
Taxation	36	(1)	27	(1)	(4)
Profit after tax	509	187	267	122	16

The aggregate of the assets liabilities and funds was:

	As at 31 March 2021 £'000	As at 31 March 2020 £'000	As at 31 March 2021 £'000	As at 31 March 2020 £'000	As at 31 March 2021 £'000
Assets	2,185	2,195	274	286	192
Liabilities	(418)	(749)	(15)	(41)	(70)
Reserves	1,767	1,446	259	245	122

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

16 Debtors

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Amounts due within one year				
Trade debtors	2,045	2,914	1,644	2,608
Amounts due from subsidiary undertakings	-	-	923	199
Other debtors	1,122	765	785	445
Prepayments and accrued income	849	750	826	728
Deferred tax asset	1	1	-	-
Corporation tax repayable	83	-	-	-
Total	4,100	4,430	4,178	3,980

The impairment loss recognised in the Group's Statement of Financial Activities for the period in respect of bad and doubtful trade debtors was £Nil (2020 - £Nil). The impairment loss recognised in the charity's Statement of Financial Activities for the period in respect of bad and doubtful trade debtors was £Nil (2020 - £Nil).

Amounts due from subsidiary undertakings are interest free and due on demand.

17 Creditors: amounts falling due within one year

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	408	523	408	523
Trade creditors	503	621	455	603
Other taxes and social security	653	616	587	557
Accruals and deferred income	2,106	2,072	2,108	2,072
Other creditors	642	716	335	357
Amounts due to subsidiary undertakings	-	-	911	509
Corporation tax payable	-	26	-	-
Deferred consideration	212	360	212	360
	4,524	4,934	5,016	4,981

Amounts due to subsidiary undertakings are interest free and due on demand.

For a number of service users, the charity is an appointee for the purposes of benefit claims with the Department for Work and Pensions. The charity claims benefits on behalf of the service users and manages bank accounts opened specifically for the purpose on behalf of the claimant. In addition, the charity works with service users in supported living by managing shared resources in bank accounts. The total amount of money controlled by the company under these arrangements is £2,241k (2020 - £2,257k). These are not included within the funds of the group.

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

18 Deferred income

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Balance at 1 April	895	305	895	305
Amount released to income	(895)	(305)	(895)	(305)
Amount deferred in the period	785	895	785	895
	<u>785</u>	<u>895</u>	<u>785</u>	<u>895</u>
Balance at 31 March	<u>785</u>	<u>895</u>	<u>785</u>	<u>895</u>

Deferred income relates to the provision of care services invoiced in advance.

19 Creditors: amounts falling due in more than one year

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Bank loans	980	1,344	980	1,344
	<u>980</u>	<u>1,344</u>	<u>980</u>	<u>1,344</u>

20 Bank loans

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Repayments fall due as follows:				
Within one year	408	523	408	523
In the second to fifth year inclusive	798	1,117	798	1,117
After 5 years	182	227	182	227
	<u>1,388</u>	<u>1,867</u>	<u>1,388</u>	<u>1,867</u>
Total loans and overdrafts	<u>1,388</u>	<u>1,867</u>	<u>1,388</u>	<u>1,867</u>

The bank loans are secured by specific charges over the Group's properties and floating charges on all of the Group's assets and are repayable at varying rates of interest.

21 Financial instruments

	GROUP	
	2021	2020
	£'000	£'000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	6,218	6,773
	<u>6,218</u>	<u>6,773</u>
Financial liabilities		
Financial liabilities measured at amortised cost	4,065	4,381
	<u>4,065</u>	<u>4,381</u>

Financial assets measured at amortised cost comprise cash, trade and other debtors and accrued income.

Financial liabilities measured at amortised cost comprise bank loans, trade and other creditors and accruals.

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

22 Deferred taxation

	GROUP	
	2021 £'000	2020 £'000
At 1 April 2020	1	2
Charged/(credited) in the year	-	(1)
	<hr/>	<hr/>
At 31 March 2021	1	1
	<hr/>	<hr/>

The deferred taxation debtor is made up as follows:

	GROUP	
	2021 £'000	2020 £'000
Short Term Timing Differences	1	1
	<hr/>	<hr/>

23 Business combinations

Acquisition of Affinity Homecare Shrewsbury Limited

On 26 February 2021, the Charity acquired 100% of Affinity Homecare Shrewsbury Limited for a consideration of £1,148,000.

In calculating the goodwill arising on acquisition, the fair value of net assets of Affinity Homecare Shrewsbury Limited have been assessed and adjustments from book value have been made where necessary.

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £'000	FV adjustment £'000	Fair value £'000
Fixed assets			
Tangible	2	-	2
Current assets			
Debtors due in one year	46	-	46
Cash at bank and in hand	272	-	272
	<hr/>	<hr/>	<hr/>
Total assets	320	-	320
Liabilities			
Due within one year	(67)	-	(67)
Corporation tax	-	-	-
	<hr/>	<hr/>	<hr/>
Total identifiable net assets	253	-	253
Goodwill (see note 13)			903
			<hr/>
Total purchase consideration			1,156
			<hr/>

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

23 Business combinations (continued)

	£'000
Consideration	
Cash	771
Deferred consideration	212
Settlement of debt	136
Direct expenses	29

Total purchase consideration	1,148
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Cash outflow on acquisition

Purchase consideration settled in cash, as above	771
Less: cash and cash equivalents acquired	(272)

Cash outflow on acquisition	499
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The results of the subsidiary since their acquisition was as follows:

	£'000
Turnover	96
Profit for the year	16

24 Other financial commitments

At 31 March 2021 the group had commitments under non-cancellable operating leases as follows:

	GROUP		GROUP	
	Land and buildings		Equipment	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	612	849	159	102
Between two and five years	82	127	184	166
In more than 5 years	-	-	-	-
	694	976	343	268
	CHARITY		CHARITY	
	Land and buildings		Equipment	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Expiry date:				
Within one year	570	794	155	100
Between two and five years	47	55	182	165
In more than 5 years	-	-	-	-
	617	849	337	265

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

25 Pension scheme obligations - Defined Contribution Schemes

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

These schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State in England and Wales. The schemes are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities.

Therefore, the schemes are accounted for as though they were defined contribution schemes: the cost to the clinical commissioning group of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2021, is based on valuation data as 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2016. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2021 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

For 2020-21, employers' contributions of £47,918 (2019-20: £51,025) were payable to the NHS Pension Scheme at the rate of 14.38% of pensionable pay. The scheme's actuary reviews employer contributions, usually every four years and now based on HMT Valuation Directions, following a full scheme valuation. The latest review used data from 31 March 2016. These costs are included within creditors.

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

26 Related party transactions

During the year there were no sales or direct purchases between Group companies. Recharges between Group companies have been made for expenses and other costs on behalf of related parties. Amounts owed between subsidiaries are disclosed in note 16 and 17.

Transactions with Trustees are detailed in note 10.

27 Analysis of cash and cash equivalents

	GROUP		CHARITY	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Short term deposits held	2,382	2,609	1,190	1,414
Cash balances	43	24	43	24
	<u>2,425</u>	<u>2,633</u>	<u>1,233</u>	<u>1,438</u>

28 Analysis of net debt

	At 1 April 2020 £'000	Cash flows £'000	Non-cash flows £'000	At 31 March 2021 £'000
Short term deposits held	2,609	(227)	-	2,382
Cash balances	24	19	-	43
	<u>2,633</u>	<u>(208)</u>	<u>-</u>	<u>2,425</u>
Bank loans due in one year	(523)	479	(364)	(408)
Bank loans due in more than one year	(1,344)	-	364	(980)
	<u>(1,867)</u>	<u>479</u>	<u>-</u>	<u>(1,388)</u>
	<u>766</u>	<u>271</u>	<u>-</u>	<u>1,037</u>

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

29 Funds

Group	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains, Losses and tax £'000	At 31 March 2021 £'000
Restricted funds						
Services Fund	-	11	-	-	-	11
Total restricted funds	-	11	-	-	-	11
Unrestricted funds						
Designated	207	287	(285)	-	-	209
General fund	7,137	44,329	(43,296)	-	59	7,229
Total unrestricted funds	7,344	44,616	(44,581)	-	59	7,438
Total funds	7,344	44,627	(44,581)	-	59	7,449

Charity	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	At 31 March 2021 £'000
Restricted funds						
Services Fund	-	11	-	-	-	11
Total restricted funds	-	11	-	-	-	11
Unrestricted funds						
Designated fund	207	287	(285)	-	-	209
General fund	8,729	39,202	(39,757)	-	-	8,174
Total unrestricted funds	8,936	39,489	(40,042)	-	-	8,383
Total funds	8,936	39,500	(40,042)	-	-	8,394

A figure of £209k (2020 - £207k) has been designated within the unrestricted reserves for furniture and equipment repairs and replacement, these are funds are provided on behalf of the clients supported by the group.

The restricted funds are funds collected for specific services that are ring fenced for projects they have collected for.

REAL LIFE OPTIONS
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

29 Funds (continued)

Group – prior year	At 1 April 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains, Losses and tax £'000	At 31 March 2020 £'000
Restricted funds						
Services Fund	-	2	(4)	2	-	-
Total restricted funds	-	2	(4)	2	-	-
Unrestricted funds						
Designated	315	358	(466)	-	-	207
General fund	6,303	44,633	(43,796)	(2)	(1)	7,137
Total unrestricted funds	6,618	44,991	(44,262)	(2)	(1)	7,344
Total funds	6,618	44,993	(44,266)	-	(1)	7,344

Charity – prior year	At 1 April 2019 (restated) £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains and losses £'000	At 31 March 2020 £'000
Restricted funds						
Services Fund	-	2	(4)	2	-	-
Total restricted funds	-	2	(4)	2	-	-
Unrestricted funds						
Designated fund	315	358	(466)	-	-	207
General fund	7,726	39,315	(38,310)	(2)	-	8,729
Total unrestricted funds	8,041	39,673	(38,776)	(2)	-	8,936
Total funds	8,041	39,675	(38,780)	-	-	8,936

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

30 Analysis of net assets

Group – current year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Goodwill	2,387	-	-	2,387
Tangible assets	4,041	-	-	4,041
Current assets	6,514	-	11	6,525
Amounts falling due within one year	(4,733)	209	-	(4,524)
Amounts falling due after more than one year	(980)	-	-	(980)
	<u>7,229</u>	<u>209</u>	<u>11</u>	<u>7,449</u>

Group – prior year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Goodwill	2,467	-	-	2,467
Tangible assets	4,092	-	-	4,092
Current assets	7,063	-	-	7,063
Amounts falling due within one year	(5,141)	207	-	(4,934)
Amounts falling due after more than one year	(1,344)	-	-	(1,344)
	<u>7,137</u>	<u>207</u>	<u>-</u>	<u>7,344</u>

Charity – current year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Goodwill	24	-	-	24
Tangible assets	4,039	-	-	4,039
Investments in Subsidiaries	4,916	-	-	4,916
Current assets	5,400	-	11	5,411
Amounts falling due within one year	(5,225)	209	-	(5,016)
Amounts falling due after more than one year	(980)	-	-	(980)
	<u>8,174</u>	<u>209</u>	<u>11</u>	<u>8,394</u>

REAL LIFE OPTIONS
(A company limited by guarantee)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

30 Analysis of net assets *(continued)*

Charity – prior year

	General fund £000	Designated fund £000	Restricted fund £000	Total funds £000
Goodwill	72	-	-	72
Tangible assets	4,086	-	-	4,086
Investments in Subsidiaries	5,685	-	-	5,685
Current assets	5,418	-	-	5,418
Amounts falling due within one year	(5,188)	207	-	(4,981)
Amounts falling due after more than one year	(1,344)	-	-	(1,344)
	<u>8,729</u>	<u>207</u>	<u>-</u>	<u>8,936</u>

31 Capital commitments

The company has the following capital expenditure contracted for at the year end:

	GROUP & COMPANY 2021 £'000	2020 £'000
Expenditure contracted for but not included in liabilities	<u>95</u>	<u>-</u>