

Registered number: 02054594  
Charity number: 518048

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING  
FORMERLY COMPASS - SERVICES TO TACKLE PROBLEM DRUG USE**

**(A company limited by guarantee)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
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**CONTENTS**

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	Page
Reference and administrative details of the company, its Directors and advisers	1
Message from the Chief Executive	2
Directors' report	3 - 10
Directors' responsibilities statement	11
Independent auditor's report on the financial statements	12 - 15
Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19 - 36

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS DIRECTORS AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2021**

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<b>Directors</b>	C E Wesley, Non Executive Director and Chair R V Bundock, Chief Executive A J Begg, Non Executive Director (completed term 24 September 2020) A J Biddle, Non Executive Director (completed term 24 September 2020) R B Clark CBE, Non Executive Director (completed term 11 August 2020) D Webster, Non Executive Director and Vice Chair P Webster, Non Executive Director C Wood, Non Executive Director M E Roberts, Executive Director of Finance L Pendle, Non Executive Director (appointed 12 November 2020) S Kingsnorth, Non Executive Director (appointed 12 November 2020)
<b>Company registered number</b>	02054594
<b>Charity registered number</b>	518048
<b>Registered office</b>	Floor 2, Kensington House Westminster Place York Business Park York North Yorkshire YO26 6RW
<b>Company secretary</b>	M E Roberts
<b>Chief Executive</b>	R V Bundock
<b>Independent auditor</b>	BHP LLP Chartered Accountants Rievaulx House 1 St Mary's Court Blossom Street York YO24 1AH
<b>Bankers</b>	The Royal Bank of Scotland

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
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**MESSAGE FROM THE CHIEF EXECUTIVE  
FOR THE YEAR ENDED 31 MARCH 2021**

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Any review of the year must start with Covid and the wonderful response of our staff, who throughout the pandemic have worked tirelessly to find innovative ways to respond to the needs of children, young people, their families and communities who are at the centre of everything we do at Compass. Staff have produced videos, run seminars, done outdoor walk and talks, drafted newsletters, become experts on MS Teams, Zoom and WhatsApp, delivered online training webinars and workshops, as well as seeing individuals face to face when they could. As we look forward to a better year, we must remember those that tragically have died and their families and friends who are having to live with the devastating effects of this virus. We sadly lost a hugely admired and respected colleague and member of the Compass family. They will be very much missed but will always be in the forefront of our minds as we endeavour to carry on their important and inspirational work with young people.

Away from Covid, we have seen our continued development of prevention and early intervention services to improve the mental health and emotional wellbeing of children and young people, with the expansion of the North East Lincolnshire MHST service to include a third mental health support team and the winning of the Barnsley MHST service. Both provide locality based mental health support teams, with skill mix staff working collaboratively with education and other key health and social care professionals to deliver comprehensive provision of Cognitive Behaviour Therapy informed interventions and tailored training and coaching to schools and colleges to deliver a whole school approach to mental health and wellbeing.

As pleasing as big contract gains are, it is also important to celebrate those smaller projects that have made a significant impact to the lives of children and young people in our services including:

- Equine therapy in Warwickshire where young people's lives have been transformed by being given the opportunity to take responsibility for the care and welfare of a horse.
- Extra support in Enfield for those young people who were more adversely affected by lockdown as a result of parental substance misuse.
- A service in Harrow aimed at children, young people and their families in the Eastern European community at risk from substance misuse.
- Therapeutic baking in Warwickshire that combines bread making and talking therapy for young carers.
- A bereavement counsellor in Barnsley who works as part of our MHST service, upskilling colleagues and professionals to provide support to bereaved children and parents/carers.
- A young champions programme in Warwickshire that trains pupils to have the knowledge, understanding and skills to actively support peer mental wellbeing in their school communities.
- A peer healthy relationship service in Barnsley to tackle the adverse effects of bullying, build resilience and help young people develop positive relationships.

Next year we have new challenges and opportunities we want to explore:

- Improving the diversity and inclusion cultures within our services and central head office functions.
- Developing our models to respond to the complex challenges resulting from negative body image and the adverse impact of social media.
- Further develop our digital offer to meet the ever increasing desire of young people to receive instantly accessible services.

None of our past achievements and future goals have been or will be possible without our dedicated workforce and the incredible support of our young people, volunteers and Non-Executive Directors. Their continuing support, challenge, lived experience and ideas are what drives us to be better and do better.

Rachel Bundock

Chief Executive Officer

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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The Directors present their annual report together with the audited financial statements of Compass – Services to improve health and wellbeing (the Company) formerly known as Compass- Services to Tackle Problem Drug Use, for the year ended 31 March 2021. The Company changed its name in order to recognise the broader reach of the services it now offers.

The Annual report serves the purposes of both a Trustees' report and a Directors' report under company law. The Directors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) published in October 2019.

***Objectives and activities***

**a. Policies and objectives**

The Company was established in 1986, for the public benefit, and has the following objectives:

- (i) the relief of individuals, families and communities from the health, social and economic problems and crime that attend substance misuse;
- (ii) the prevention or reduction of the crime that attends substance misuse by providing services to substance misusers that enable them to become drug free and therefore reduces their need to commit crimes to buy illicit substances;
- (iii) the support of individuals who misuse substances or who are at risk of misusing substances to achieve stable and productive lives that are free from substance misuse through the delivery of services at all stages of the journey to abstinence;
- (iv) the advancement of the education of persons working in or generally concerned in the field of drug and alcohol services and of the public generally in problems resulting from substance misuse;
- (v) to promote the health and well-being of children, young people and adults by such exclusively charitable means as the Trustees shall from time to time determine.

The Directors review the performance, aims and objectives of the Company every year. In carrying out the review, the Directors refer to the Charity Commission's guidance on public benefit to ensure that all activities meet that guidance.

**b. Activities for achieving objectives**

Compass' activities span universal, targeted and specialist provision of public health and wellbeing related interventions. Its service range covers education, prevention, early help, treatment and recovery process, including the identification of risky behaviours and the universal healthy child programme which it supports via its School Health and Wellbeing Service and the provision of training to support wellbeing in both school and employment settings. Its services have a wide geographical spread with services based in Yorkshire, Lincolnshire, the Midlands, and London and support school aged children and their families from the age of four years up to 25 years.

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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*Strategic report*

*Achievements and performance*

**a. Strategy**

Compass recognised that in an ever changing environment where the speed of change is accelerating, a detailed four year strategy was neither desirable nor effective. In its place the Directors have agreed long term goals with detailed objectives to support their achievement.

Long Term Goals

- To achieve financial stability by targeting a range of key financial measures:
  - o Income of largest contract as a percentage of total income
  - o Contribution of largest contract as percentage of total income
  - o Central overheads as percentage of income
  - o Annual Surplus
  
- Diversification of income streams to include:
  - o Contract income
  - o Grant income
  - o Training and consultancy in the areas of wellbeing and mental health
  
- Rationalising systems and processes to reflect the necessary balance between costs, benefits and risks.

Over the past 12 months, Compass has made significant progress towards achieving its goals, despite resources being diverted to manage the continued delivery of services in a Covid environment by:

- Winning a contract to deliver mental health early help services in Barnsley including the incorporation of an NHSE funded Mental Health Support Team in education settings
- Expanding the coverage of the North East Lincolnshire mental health early help service, Compass Go, by securing funding for a third team to provide full borough coverage
- Securing significant contracts in Positive Effect the Company's trading arm, to provide training to schools in the mental health and wellbeing needs of school aged children returning to schools post national lockdown
- Improving its governance structure to allow greater focus by all Directors on strategic issues and ensuring the senior management team have appropriate levels of support and challenge

Compass aims to strengthen further its financial position through the acquisition of new business through the targeting of resources on the critically important and expanding MHST market and geographical areas where Compass already has strong representation and impact. This growth will be managed to ensure quality, innovation and high levels of performance in order to enhance Compass' long term sustainability.

**b. Risks to strategy**

Clear objectives with milestones have been agreed and these are reviewed regularly by both the Senior Management Team and the Directors. Adjustments are made to priorities and resources to ensure objectives are delivered.

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**c. Review of activities**

Compass was fortunate in that Covid 19 had no significant effect on its income with most of it being derived from Local Authority or Clinical Commissioning Group contracts which have been honoured in full. Compass had to adapt its delivery methods but did not need to call on the Government's furlough scheme or any other external support. The main challenge faced was gaining access to Compass' service users with the closure of schools and community venues and therefore delivery was switched to online methods using MS teams and Zoom. Compass also accelerated its use of digital offers producing webinars and videos broadcast through YouTube and social media.

Compass continued to deliver a wide range of activities across universal, targeted and specialist provision for individuals, families and communities from age four upwards, with emphasis remaining focused on developing and delivering early intervention models of care to identify problems early and before they escalate. Extensive knowledge gained; across a wide range of health and wellbeing issues, at different levels of support; providing insight and understanding of how issues are often interconnected, multi-layered and complex. Compass uses its aggregated activity data across services for itself and partners to

- Help determine population health needs
- Identify trends and lessons learnt
- Highlight 'what works', gaps and missed opportunities
- Identify potential solutions and early interventions

At Compass Go in North East Lincolnshire our 11 trainee Emotional Health Practitioners and Supervisors completed their qualification at Sheffield University and are now delivering high quality intervention to school aged children and families. Stakeholders have been delighted with the progress made and the innovative delivery model implemented that enables full borough support to all schools. Their confidence in Compass was further evidenced by their awarding the service a third Mental Health Support Team.

Following on the success of the Compass Go service, Compass bid for and won a similar service in Barnsley where implementation started in February 2021. There are now an additional 12 individuals over the two services attending Sheffield University with the aim of becoming qualified mental health professionals. As a result, Compass is making significant contribution to increasing the pool of suitably qualified mental health professionals in line with the Government's vision for Mental Health Support Teams in education settings.

**Compass BUZZ**, successfully completed its four year programme to improve educational professionals' knowledge of and capability to identify and respond to low level mental health issues across North Yorkshire schools through its four levels of mental health training (awareness, identification, early intervention and leadership) and embed a whole school approach within school settings. In recognition of this success and the continuing high quality interventions being delivered by Compass Reach, Compass have been commissioned to deliver an early help service to deal with low to moderate mental health needs of young people in North Yorkshire whilst still supporting schools through training, coaching and facilitation of a whole school approach.

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**Compass Warwickshire School Health & Wellbeing service** (school nursing) in many ways was hardest hit by the Covid-19 pandemic and the closures of schools with the suspension of the National Child Measurement Programme and the inability to access children directly to carry out health needs assessments and deliver public health messages. In response Compass found alternative methods to reach children, young people and families. They worked with their partners Thomson Screening to enable health needs assessments to be completed online and produced a series of short videos to tackle issues that young people are currently facing. A monthly newsletter for schools and parents was produced offering tips and advice and to ensure both professionals and parents were aware that the service could still be accessed remotely. The courses and workshops Compass delivered were all converted into Webinars.

Compass young people's substance misuse services in **Harrow, Enfield, Warwickshire** continued to further develop integrated care pathways with statutory and voluntary partner agencies to identify and support the most vulnerable children and young people as a result of their own or others substance misuse. This has resulted in the broadening of the Compass offer to include Equine Therapy in Warwickshire to promote human physical and mental health, an increased allocation of resources in Enfield to deliver psycho-educational and therapeutic interventions to those affected by parental substance misuse and funding for a specialist post in Harrow to provide early help support to young people and their families in minority communities.

**Lewisham and Tower Hamlets** young peoples' integrated health and wellbeing service continued to deliver a multi-faceted offer under 'one roof' facilitated by one multi skilled team. The models continue to flex and adapt turning theory into practice and shaping a workforce that is capable and confident of providing a holistic response; the Lewisham offer was enhanced by the incorporation of new posts to concentrate on outreach work focusing on those individuals hardest to engage.

Positive Effect, Compass' trading arm, was adversely affected by Covid 19 with businesses concentrating on survival and not having the money for training with medium to long term returns. Many of the public sector organisations that Compass targeted still had funds but did not have the capacity to embark on major training programmes. In response, Positive Effect reshaped its offer, designing courses that could be delivered by webinar that focused on the wellbeing issues around Covid. Positive Effects skills and knowledge were recognised by a number of local authorities who commissioned them to deliver the DfE's Wellbeing for Education Return training programme. In recognition of the unprecedented need for support and advice, Positive Effect also produced a series of free Videos 'Wakeup to Wellbeing' targeted at younger children who were home schooling. Each video was centred on one the '5 ways to wellbeing' and offered advice to parents / carers and activities to be undertaken that illustrated how ideas could be put into practice. For teachers they offered a webinar exploring the issues young people would be facing on their return from lockdown and approaches to tackle them.

**d. Investment policy**

The Directors have the power to invest in such assets as they consider appropriate. The Company has a policy of keeping any surplus liquid funds in short term deposits which can be readily accessed. Investments in property are permitted if the purchase of a property is for the use of furthering the organisation's activities.

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Strategic report (continued)**

***Financial review***

**a. Going concern**

The Directors are of the opinion that Compass is a going concern on the basis of the level of its reserves and the level of income which will be delivered in the next two years via contracts currently secured.

**b. Financial review**

Income during the year fell to £6.85 Million from the previous year's figure of £7.60 Million. This reduction resulted from the decision not to re-bid for the Milton Keynes contracts being partly offset by the full year effect of the North East Lincolnshire contract gained in February 2020 and the part year effect of the Barnsley contract gained in February 2021.

Expenditure has fallen to £6.25 million compared to £7.56 Million. This reduction has come from 3 main sources

- The relative values of contracts won and lost
- Reduction in travel costs as a result of Covid-19
- Increased levels of vacancies as result of the lengthening of the time the recruitment process has taken in a Covid-19 environment

Net income of £599K has risen significantly from the previous year's figure of £37K. This movement came about partly as a result of the removal of the Milton Keynes contracts which made no contribution to central overheads, steps taken to reduce costs but in a large part from factors related to Covid-19. Therefore, the Directors have decided to ring fence £600K in a designated reserve to improve the breadth, quality and impact of services offered.

**c. Reserves policy**

The Directors recognise the need to have reserves in place to ensure the sustainability of the Company in the event of the loss of a major contract. The Directors are also aware of the need to balance the levels of free reserves with the need to maximise the service delivered to current beneficiaries.

The Directors have agreed a method of calculating the minimum reserves requirement that Compass prudently needs to hold. The calculation takes into account the need for working capital, any long term lease commitments, levels of potential redundancy liability and assessment of the likelihood of these liabilities crystallising. Using this methodology, the minimum requirement at 31 March 2021 is £1.33 Million.

The free reserves at 31 March 2021 are £1.70 Million. This figure excludes the fixed assets reserve fund and the designated reserve. The excess of free reserves over the reserves required will be used to support future business growth.

**d. Principal funding**

The principal funding source for the company is contractual income from Local Authorities, Clinical Commissioning Groups and Police and Crime Commissioners.

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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***Structure, governance and management***

**a. Constitution**

The charity is constituted as a company limited by guarantee and governed by its Articles of Association which set out a Unitary Board arrangement whereby Executive Directors share with Non Executive Directors full responsibility for managing the affairs of the company.

All business is conducted through board meetings without the use of sub-committees. Clinical Governance, issues are scrutinised by an advisory group made up of Non Executive Directors, members of the senior management team and external clinical experts.

**b. Recruitment and appointment of Directors**

The Directors of the company are also Charity Trustees for the purposes of charity law and under the company's Articles are known collectively as the Board of Directors. Directors are elected to the Board either to fill a vacancy or to add to the number of Board members, up to a maximum of sixteen. The Articles provide that of the total number of Directors, no less than two thirds should be Non Executive Directors. The Non Executive Directors will hold office for a term of three years and will be able to put themselves forward to be elected for a further three year term. Further terms beyond the initial two must be approved by the Board on an individual basis.

The Chief Executive and Director of Finance are Executive Directors by virtue of office and any other Executive Directors, subject to a maximum of one third of total Board membership, may be elected by the Board. The Chair of the Board is elected by the Non Executive Directors; Claire Wesley was elected to the role in March 2016.

Non Executive Directors have been recruited through advertising in local and national media, through a consultant led headhunting campaign, and through the use of professional and personal networks.

**c. Non Executive Directors' induction and training**

All new Non Executive Directors are given a starter information pack and meet with the Chief Executive and Chair and are briefed on the history of the organisation, its current strategy and future developments in the context of related national strategy and the wider issues of social policy.

Directors and the Senior Management Team meet at least annually separate from standard Board meetings to focus on a review of the Company's core vision, its values and its performance. The Non Executive Directors' training schedule covers core components such as the Role of a Director and Trustee, Health and Safety, Safeguarding Children and Equal Opportunities and Diversity, as well as specific individual development needs..

**d. Organisational structure**

The Directors meet regularly and are responsible for the strategic direction and policy of the company. Currently there are eight Directors, two of whom are Executive Directors. The six Non Executive Directors are drawn from a variety of professional backgrounds relevant to the work of the Company.

A scheme of delegation is in place and day to day responsibility for the administration of the Company and the delivery of the services rests with the Chief Executive and the Senior Management Team.

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Structure, governance and management (continued)**

**e. Risk management**

The Board manages risk through its scrutiny of the two principal risk registers, the strategic risk register and the clinical risk register whilst at the same time seeking assurance from the Senior Management Team that identification and management of risk is core to the operational management of the business. The risk review process is underpinned by the Board's evaluation of the forward strategy and annual business plan which together ensure that risks are identified and evaluated for likelihood of crystallisation, and to support effective decision making.

The principal registers are reviewed at each Board meeting ensuring that new risks and changes in the risk environment are properly identified and that controls are in place to maintain all risks within the Board's agreed risk tolerance, along with the testing of procedures and mitigation of controls.

The principal risks to which Compass is exposed are regulatory/compliance and financial risks. Key risks with their corresponding risk scores are highlighted for the Board as a risk map. Risks are also monitored alongside key performance indicators per contract. Compass works closely with commissioners to minimise the risk of not attaining contractual targets. Risks in relation to data protection are managed through Compass' Information Governance policies and procedures which ensure compliance with the General Data Protection Regulations; and the requirements of the NHS Digital data security and protection toolkit. The Covid-19 crisis was managed in line with the Compass risk strategy where risks are identified, evaluated and mitigated. During this period the Senior Management Team met regularly to consider the changing risk environment and the appropriate response. At the start of the crisis these meetings were weekly and as lockdown eased, they moved to monthly. The Board received regular updates in regard to Covid-19 and its impact on Compass' business outside of normal meetings.

The financial risks are managed so that there are sufficient resources to meet ongoing contractual obligations. Such risks are further controlled against the Directors' approved annual budget and variances are scrutinised through the year. Procedures are maintained for all operations and are subject to planned reviews and updating for business and statutory changes. Compass has in place a fraud and whistleblowing policy and has no exposure to financial risk instruments other than to ensure Compass maximises the return on credit bank balances.

The Board has given due consideration to its key strategic risks and is satisfied that Compass systems, procedures and policies are in place to manage these risks.

**f. Key management pay and remuneration**

The pay of Executive Directors is set by the Non Executive Directors. Remuneration is based on a pay range relevant to a particular role – ranges are regularly reviewed in a pay benchmarking exercise.

Compass moved from an incremental pay scheme to a performance related pay system linked to appraisal in 2021; salaries also rose in line with the pre-approved 3 year pay agreement which had run its course at March 2021.

**Information on fundraising practices**

The charity does not actively engage in fundraising practices nor contract with a third party to fundraise on the charity's behalf.

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Disclosure of information to auditor**

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

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

**Auditor**

The auditor, BHP LLP, has indicated his willingness to continue in office. The designated Directors will propose a motion reappointing the auditor at a meeting of the Directors.

Approved by order of the members of the board of Directors and signed on their behalf by:

Claire Wesley

Claire Wesley (Aug 17, 2021 10:04 GMT+1)

**C E Wesley**

Chair

Date: 17-Aug-2021

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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The Directors (who are also the Trustees of the Company for the purposes of charity law) are responsible for preparing the Directors' report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPASS - SERVICES TO IMPROVE  
HEALTH AND WELLBEING**

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**Opinion**

We have audited the financial statements of Compass - Services to improve health and wellbeing (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPASS - SERVICES TO IMPROVE  
HEALTH AND WELLBEING (CONTINUED)**

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**Other information**

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

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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPASS - SERVICES TO IMPROVE  
HEALTH AND WELLBEING (CONTINUED)**

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**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement, the Directors (who are also the trustees 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 Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the 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 Directors either intend to liquidate the 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**

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.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with management and directors, and from our knowledge and experience of this charity;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, CQC inspections, safeguarding, health and safety and employment law;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and directors;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non compliance throughout the audit.

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

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

To address the risks of fraud through management override controls, we:

- performed analytical procedures to identify any unusual or unexpected variances;
- tested journal entries to identify unusual transactions;
- investigated the rationale behind significant or unusual transactions.

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPASS - SERVICES TO IMPROVE  
HEALTH AND WELLBEING (CONTINUED)**

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our Auditor's report.

#### **Use of our report**

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

**BHP LLP**

Jane Marshall (Aug 17, 2021 13:04 GMT+1)

#### **Jane Marshall (Senior statutory auditor)**

for and on behalf of

**BHP LLP**

Chartered Accountants

Statutory Auditors

Rievaulx House  
1 St Mary's Court  
Blossom Street  
York  
YO24 1AH

Date: 17-Aug-2021

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations and legacies	4	1,185	-	1,185	5,640
Charitable activities	5	-	6,852,597	6,852,597	7,586,602
Investments	6	3,248	-	3,248	3,461
<b>Total income</b>		<b>4,433</b>	<b>6,852,597</b>	<b>6,857,030</b>	<b>7,595,703</b>
<b>Expenditure on:</b>					
Charitable activities	7	28,871	6,228,577	6,257,448	7,557,963
<b>Total expenditure</b>		<b>28,871</b>	<b>6,228,577</b>	<b>6,257,448</b>	<b>7,557,963</b>
<b>Net (expenditure)/income</b>					
Transfers between funds	17	(24,438) 624,020	624,020 (624,020)	599,582 -	37,740 -
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>599,582</b>	<b>-</b>	<b>599,582</b>	<b>37,740</b>
<b>Other recognised gains/(losses):</b>					
Losses on revaluation of fixed assets		-	-	-	(48,450)
<b>Net movement in funds</b>		<b>599,582</b>	<b>-</b>	<b>599,582</b>	<b>(10,710)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		1,807,539	-	1,807,539	1,818,249
Net movement in funds		599,582	-	599,582	(10,710)
<b>Total funds carried forward</b>		<b>2,407,121</b>	<b>-</b>	<b>2,407,121</b>	<b>1,807,539</b>

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

The notes on pages 19 to 36 form part of these financial statements.

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 02054594**

**BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	<b>105,206</b>	257,837
		<u>105,206</u>	<u>257,837</u>
<b>Current assets</b>			
Debtors	15	<b>900,043</b>	1,493,425
Cash at bank and in hand		<b>2,356,349</b>	1,406,940
		<u>3,256,392</u>	<u>2,900,365</u>
Creditors: amounts falling due within one year	16	<b>(954,477)</b>	(1,350,663)
<b>Net current assets</b>		<b>2,301,915</b>	1,549,702
<b>Total net assets</b>		<b>2,407,121</b>	1,807,539
<b>Charity funds</b>			
Restricted funds	17	-	-
Unrestricted funds			
Designated funds	17	<b>705,206</b>	257,837
General funds	17	<b>1,701,915</b>	1,549,702
		<u>2,407,121</u>	<u>1,807,539</u>
<b>Total unrestricted funds</b>	17	<b>2,407,121</b>	1,807,539
<b>Total funds</b>		<b>2,407,121</b>	1,807,539

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

*Claire Wesley*  
Claire Wesley (Aug 17, 2021 10:04 GMT+1)

**C E Wesley**  
Chair  
Date: 17-Aug-2021

*Rachel Bundock*  
Rachel Bundock (Aug 13, 2021 13:27 GMT+1)

**R V Bundock**  
Chief Executive

The notes on pages 19 to 36 form part of these financial statements.

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<b>838,261</b>	182,437
<b>Cash flows from investing activities</b>			
Bank interest		<b>3,248</b>	3,461
Proceeds from the sale of tangible fixed assets		<b>146,452</b>	-
Purchase of tangible fixed assets	14	<b>(38,552)</b>	(39,591)
<b>Net cash provided by/(used in) investing activities</b>		<b>111,148</b>	<b>(36,130)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>949,409</b>	<b>146,307</b>
Cash and cash equivalents at the beginning of the year		<b>1,406,940</b>	1,260,633
<b>Cash and cash equivalents at the end of the year</b>	21	<b>2,356,349</b>	1,406,940

The notes on pages 19 to 36 form part of these financial statements

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1. General information**

Compass - Services to improve health and wellbeing is a company limited by guarantee. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member. The registered office of the charity is given in the charity information on page 1.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Compass - Services to improve health and wellbeing meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

**2.2 Going concern**

At the time of approving the financial statements, the Directors have a reasonable expectation that the charity has adequate resources to continue in existence for the foreseeable future. The Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**2.3 Income**

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grants and contract income due for the year have been included in full and have been allocated as restricted income where appropriate.

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance are allocated to the applicable expenditure headings.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the Bank.

**2.6 Taxation**

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.7 Operating leases**

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**2.8 Tangible fixed assets and depreciation**

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)**

**2.8 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Short-term leasehold property improvements	- 10% straight line
Computer equipment, fixtures and fittings	- 33.33% straight line

**2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.10 Cash at bank and in hand**

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

**2.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.12 Financial instruments**

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

**2.13 Pensions**

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year in accordance with section 28 of FRS 102.

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)**

**2.14 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**3. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**4. Income from donations and legacies**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	Total funds 2020 £
Donations	1,185	<b>1,185</b>	5,640
Total 2020	5,640	5,640	

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**5. Income from charitable activities**

	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	Total funds 2020 £
Income from charitable activities - Universal Services	3,382,073	<b>3,382,073</b>	3,366,951
Income from charitable activities - Target and Specialist Services	3,470,524	<b>3,470,524</b>	4,219,651
	<u>6,852,597</u>	<u><b>6,852,597</b></u>	<u>7,586,602</u>
Total 2020	<u>7,586,602</u>	<u>7,586,602</u>	

**6. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	Total funds 2020 £
Bank interest	3,248	<b>3,248</b>	3,461
	<u>3,461</u>	<u><b>3,461</b></u>	
Total 2020	<u>3,461</u>	<u>3,461</u>	

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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7. **Analysis of expenditure on charitable activities**

*Summary by fund type*

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Universal Services	13,157	2,838,584	<b>2,851,741</b>	3,108,975
Target and Specialist Services	15,714	3,389,993	<b>3,405,707</b>	4,448,988
	<u>28,871</u>	<u>6,228,577</u>	<u><b>6,257,448</b></u>	<u>7,557,963</u>
Total 2020	<u>28,916</u>	<u>7,529,047</u>	<u>7,557,963</u>	

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**8. Support costs**

	<b>Universal Services 2021 £</b>	<b>Target and Specialist Services 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Support costs	229,541	274,131	<b>503,672</b>	445,046
Total 2020	183,070	261,976	445,046	

Support costs, which are included within expenditure on charitable activities (Note 7), cover the costs of governance and HR, Finance and Administration departments. They have been allocated on the basis of direct costs.

**9. Governance costs**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Audit fees (Note 10)	13,000	<b>13,000</b>	13,000
Staff cost allocation (Note 10)	15,871	<b>15,871</b>	15,916
	28,871	<b>28,871</b>	28,916
Total 2020	28,916	28,916	

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**10. Analysis of resources expended by expenditure type**

	Staff costs	Depreciation	Other costs	Total	Total
	2021	2021	2021	2021	2020
	£	£	£	£	£
Universal Services	2,112,648	17,261	708,678	2,838,587	3,097,080
Target and Specialist Services	2,564,395	45,749	779,846	3,389,990	4,431,967
<b>Sub total</b>	<b>4,677,043</b>	<b>63,010</b>	<b>1,488,524</b>	<b>6,228,577</b>	<b>7,529,047</b>
Expenditure on governance	15,871	-	13,000	28,871	28,916
<b>Total</b>	<b>4,692,914</b>	<b>63,010</b>	<b>1,501,524</b>	<b>6,257,448</b>	<b>7,557,963</b>
2020 total	5,056,161	84,732	2,417,070	7,557,963	

**11. Net income/(expenditure)**

This is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	63,010	84,732
(Profit)/loss on disposal of computer equipment, fixtures and fittings	(18,279)	2,774
Auditor's remuneration - audit	13,000	13,000

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**12. Staff costs**

	<b>2021</b>	2020
	£	£
Wages and salaries	<b>4,079,075</b>	4,447,119
Social security costs	<b>344,494</b>	358,157
Contribution to defined contribution pension schemes	<b>269,345</b>	250,885
	<b>4,692,914</b>	5,056,161
	<b>4,692,914</b>	5,056,161

Included within the wages and salaries figures above are agency staff costs for 2021 of £320,551 (2020: £555,323). Total staff costs excluding agency staff was £4,372,364 (2020: £4,500,837).

Redundancy or termination payments which are included as an expense within wages and salaries above, amounted to £33,577 (2020: £nil).

The average number of persons employed by the Company during the year was as follows:

	<b>2021</b>	2020
	No.	No.
Project staff	<b>133</b>	143
Administrative staff	<b>8</b>	8
	<b>141</b>	151
	<b>141</b>	151

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2021</b>	2020
	No.	No.
In the band £60,001 - £70,000	<b>1</b>	1
In the band £70,001 - £80,000	<b>1</b>	1

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**13. Directors' remuneration**

Details of Executive Directors' remuneration and expenses are given below

	<b>2021</b>	2020
	<b>£</b>	£
Executive Directors' remuneration	<b><u>142,500</u></b>	<u>181,640</u>

In addition, employers national insurance contributions in respect of the above directors amounted to £16,206 (2020: £21,102).

During the year retirement benefits were accruing to 1 director (2020: 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £82,500 (2020: £82,500), including pension contributions of £7,500 (2020: £7,500).

The Executives Directors' individual remuneration including pension contributions was:

M Roberts - £60,000 (2020: £60,000)

R Bundock - £82,500 (2020: £82,500), including pension contributions of £7,500 (2020: £7,500)

J Hughes - £nil (2020: £39,140, including pension contributions of £1,846)

No remuneration was paid to Non-Executive Directors during the year.

1 Director received expenses amounting to £478 in the current year (2020: £11,740 paid to 3 Directors).

No Non-Executive Directors received expenses in the current year (2020: £2,768 paid to 6 Non-Executive Directors).

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**14. Tangible fixed assets**

	Short-term leasehold property improvements £	Computer equipment, fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2020	270,325	261,841	532,166
Additions	-	38,552	38,552
Disposals	(211,034)	-	(211,034)
At 31 March 2021	59,291	300,393	359,684
<b>Depreciation</b>			
At 1 April 2020	75,077	199,252	274,329
Charge for the year	21,757	41,253	63,010
On disposals	(82,861)	-	(82,861)
At 31 March 2021	13,973	240,505	254,478
<b>Net book value</b>			
At 31 March 2021	45,318	59,888	105,206
At 31 March 2020	195,248	62,589	257,837

**15. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	362,488	1,074,551
Prepayments and accrued income	537,555	418,874
	900,043	1,493,425

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**16. Creditors: Amounts falling due within one year**

	2021	2020
	£	£
Trade creditors	569,226	311,791
Other taxation and social security	154,468	145,204
Accruals and deferred income	230,783	893,668
	954,477	1,350,663
	954,477	1,350,663
	2021	2020
	£	£
Deferred income at 1 April	125,000	68,917
Resources deferred during the year	35,761	125,000
Amounts released from previous periods	(125,000)	(68,917)
<b><i>Deferred income at 31 March</i></b>	<b>35,761</b>	125,000
	<b>35,761</b>	125,000

Within accruals and deferred income is a balance of £35,761 (2020: £125,000) of deferred income. This relates to amounts received in advance of the contract or work commencing.

Total pension commitments, which are included within creditors, amount to £53,248 (2020: £41,011).

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**17. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
<b><i>Unrestricted funds</i></b>					
<b><i>Designated funds</i></b>					
Fixed asset reserve fund	257,837	-	-	(152,631)	105,206
Covid 19 recovery fund	-	-	-	600,000	600,000
	<u>257,837</u>	<u>-</u>	<u>-</u>	<u>447,369</u>	<u>705,206</u>
<b><i>General funds</i></b>					
General funds	1,549,702	4,433	(28,871)	176,651	1,701,915
<b><i>Total Unrestricted funds</i></b>	<u>1,807,539</u>	<u>4,433</u>	<u>(28,871)</u>	<u>624,020</u>	<u>2,407,121</u>
<b><i>Restricted funds</i></b>					
Universal Services	-	3,382,073	(2,838,584)	(543,489)	-
Target and Specialist Services	-	3,470,524	(3,389,993)	(80,531)	-
	<u>-</u>	<u>6,852,597</u>	<u>(6,228,577)</u>	<u>(624,020)</u>	<u>-</u>
<b><i>Total of funds</i></b>	<u>1,807,539</u>	<u>6,857,030</u>	<u>(6,257,448)</u>	<u>-</u>	<u>2,407,121</u>

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**17. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Fixed asset reserve fund	354,202	-	-	(47,915)	(48,450)	257,837
<b>General funds</b>						
General funds	1,464,047	9,101	(28,916)	105,470	-	1,549,702
<b>Total Unrestricted funds</b>	<b>1,818,249</b>	<b>9,101</b>	<b>(28,916)</b>	<b>57,555</b>	<b>(48,450)</b>	<b>1,807,539</b>
<b>Restricted funds</b>						
Universal Services	-	3,366,951	(3,097,080)	(269,871)	-	-
Target and Specialist Services	-	4,219,651	(4,431,967)	212,316	-	-
	-	7,586,602	(7,529,047)	(57,555)	-	-
<b>Total of funds</b>	<b>1,818,249</b>	<b>7,595,703</b>	<b>(7,557,963)</b>	<b>-</b>	<b>(48,450)</b>	<b>1,807,539</b>

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**18. Summary of funds**

**Summary of funds - current year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	257,837	-	-	447,369	705,206
General funds	1,549,702	4,433	(28,871)	176,651	1,701,915
Restricted funds	-	6,852,597	(6,228,577)	(624,020)	-
	<u>1,807,539</u>	<u>6,857,030</u>	<u>(6,257,448)</u>	<u>-</u>	<u>2,407,121</u>

**Summary of funds - prior year**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Designated funds	354,202	-	-	(47,915)	(48,450)	257,837
General funds	1,464,047	9,101	(28,916)	105,470	-	1,549,702
Restricted funds	-	7,586,602	(7,529,047)	(57,555)	-	-
	<u>1,818,249</u>	<u>7,595,703</u>	<u>(7,557,963)</u>	<u>-</u>	<u>(48,450)</u>	<u>1,807,539</u>

Restricted funds are for the provision of services commissioned to tackle issues in Health and Well-being. Where applicable surpluses accrued in the year are released to general reserves to be used for the charitable purpose of the Company. These are shown as transfers between funds.

Covid 19 recovery fund has been designated by the Directors to improve breadth, quality and impact of services offered by the charity.

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	105,206	<b>105,206</b>
Current assets	3,256,392	<b>3,256,392</b>
Creditors due within one year	(954,477)	<b>(954,477)</b>
<b>Total</b>	<u>2,407,121</u>	<u><b>2,407,121</b></u>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	257,837	257,837
Current assets	2,900,365	2,900,365
Creditors due within one year	(1,350,663)	(1,350,663)
<b>Total</b>	<u>1,807,539</u>	<u>1,807,539</u>

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**20. Reconciliation of net movement in funds to net cash flow from operating activities**

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	599,582	37,740
<i>Adjustments for:</i>		
Depreciation charges	63,010	84,732
Bank interest	(3,248)	(3,461)
(Profit)/loss on the sale of fixed assets	(18,279)	2,774
Decrease/(increase) in debtors	593,383	(274,726)
(Decrease)/increase in creditors	(396,187)	335,378
<b>Net cash provided by operating activities</b>	<b>838,261</b>	<b>182,437</b>

**21. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand	2,356,349	1,406,940
<b>Total cash and cash equivalents</b>	<b>2,356,349</b>	<b>1,406,940</b>

**22. Analysis of changes in net debt**

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash in hand	1,406,940	949,409	2,356,349
	<b>1,406,940</b>	<b>949,409</b>	<b>2,356,349</b>

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**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**23. Operating lease commitments**

At 31 March 2021 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2021</b>	2020
	£	£
Not later than 1 year	<b>65,617</b>	200,186
Later than 1 year and not later than 5 years	<b>5,417</b>	58,100
	<hr/> <b>71,034</b> <hr/>	<hr/> 258,286 <hr/>

**24. Related party transactions**

There were no related party transactions during either period other than the remuneration paid to Directors of the charity, disclosed in Note 13 of the financial statements.