

Registered number: 02054594  
Charity number: 518048

**COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING**  
**(A company limited by guarantee)**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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

**(A company limited by guarantee)**

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## COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS DIRECTORS AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

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<b>Directors</b>	C E Wesley, Non Executive Director and Chair R V Bundock, Chief Executive S Kingsnorth, Non Executive Director O Oluwadare, Executive Director of Finance (appointed 23 November 2023) C L Pendle, Non Executive Director M E Roberts, Executive Director of Finance (resigned 23 November 2023) D Webster, Non Executive Director and Vice Chair C Wood, Non Executive Director
<b>Company registered number</b>	02054594
<b>Charity registered number</b>	518048
<b>Registered office</b>	Second Floor, Marlborough House Westminster Place York Business Park York North Yorkshire YO26 6RW
<b>Company secretary</b>	M E Roberts (resigned 23 November 2023) O Oluwadare (appointed 30 November 2023)
<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 2024

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It has been another extraordinary year of achievement for Compass, as we have continued to focus our efforts and resources on upscaling the organisation's infrastructure whilst growing the contract base. As a result, our workforce has grown by 25% to over 400 staff in the past 12 months. Our priority has been to grow with care and in a way that future proof's the organisation. Central to this has been the collaboration between the Compass Board and Senior Leadership Team to set out a highly ambitious organisational development plan for the next three years that focuses on central resource, supporting the development of our workforce, systems transformation and the progression of social value and added value projects. All these things combined will enable Compass to deliver outstanding public health and wellbeing services to our beneficiaries in the most efficient and effective way that provides value for money.

Following planned investment, we have onboarded specialist expertise in a number of central roles that will provide essential support to our local services and teams, allowing us to develop integrated management information systems, processes and ways of working aligned to Compass' mission, vision and values and our regulatory and contractual obligations.

What has been central to our ability to grow and innovate with care has been to recruit, retain and empower a workforce centrally and locally, that is able to use its collective and diverse wealth of knowledge, skills and (lived) experience from a wide range of personal and professional backgrounds, ultimately helping us to drive forward early intervention system transformation through the delivery of integrated health and wellbeing models under-pinned by a values-led approach. Our staff at every level in Compass are incredible change agents, who are aligned to Compass' central mission of delivering the right care at the right time, by the right professional for each individual child and young person irrespective of background. Our breadth of expertise as early intervention specialists means we can confidently take on the role of system enabler; working collaboratively with commissioners and system partners to put into practice the steps needed to co-develop integrated and progressive pathways of care that are flexible, seamless, and remove duplication.

Through the creation of a ONE Compass approach, where all staff know what it means to actively display the core Compass values, characteristics and principled ways of working, we have enabled teams to identify gaps or barriers within services and systems that prevent children, young people and families getting the support they need, when they need it, in a way that works best for them. Identification and responding to unmet needs swiftly are central to our mission and the investment in our infrastructure is designed to facilitate bringing staff together across diverse health and wellbeing specialisms to share their knowledge, skills, and experience in order to design solutions to operational and systemic problems. This has led to innovations, both front and back office from the ground up using a wide range of data sources to evidence need.

By year end, Compass was partnering with five universities; Wolverhampton, Sheffield, Edge Hill, Derby and Exeter supporting 56 staff to achieve their post graduate diplomas in school nursing, education, mental health and clinical supervision, including an important partnership to evaluate Compass mental health support teams (MHST) model to identify 'what works', and actions to further improve. We continue to play a key role in helping to achieve the NHS's goal of expanding a skilled and qualified workforce. These achievements are down to the hard work and dedication of our managers and team leaders, working together with university course leaders to provide all year-round support to staff in training, helping them balance the demands of the role alongside their course qualification. We have established career progression pathways underpinned by investment in continuous professional development and implemented a volunteering programme 'Compass Together' across our three directorates of public health school nursing, mental health and emotional wellbeing, and substance misuse and risky behaviours.

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## COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING

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### MESSAGE FROM THE CHIEF EXECUTIVE (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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Over the past 12 months, Compass has made significant progress towards achieving its goals:

- Investing and establishing a highly talented and skilled senior operations management team across the three directorates enabling greater visibility and collaboration with commissioners and stakeholders.
- Winning contracts to deliver eight mental health support teams (MHSTs) in Birmingham.
- Winning a children and young people's bereavement contract in Wakefield.
- Expanding the number of teams within the North East Lincolnshire, Barnsley, Derby and Lancashire MHSTs.
- Further developing our health needs assessment tool and processes within our Warwickshire school health contract
  - to increase uptake and efficiency resulting in released capacity to see more children and young people.
- Developing a cross Compass digital solutions group to evaluate and implement a range of preferred evidence-based digital interventions.
- Implementing an innovative App to help young people, families and professionals to self-navigate resources and access the right support.
- Supporting more public, private and logistics organisations to improve their workplace wellbeing through training, coaching, and implementing initiatives.

Through our collaborations with commissioners, system partners and wider stakeholders we continue to build a reputation as a trusted, dynamic, and innovative partner, one that is capable of co-developing and delivering high impacting, flexible services as part of wider integrated systems and models of care.

At the heart of Compass' achievements, is our staff. Their commitment, tenacity and values are inspiring as they continue to innovate, adapt, flex, and respond to meet demand and acuity. Working as part of a ONE Compass approach ensures we all move forward with purpose and at pace; united in our mission and working tirelessly to become better at what we do so that more children, young people and families get the right support when they need it, enabling them to believe in, aspire to and achieve their true potential.

*Rachel Bundock*

Signer ID: ES01V1ATS...

**Rachel Bundock**

Chief Executive Officer

Date: 22/08/2024 GMT

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## COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2024

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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) for the year ended 31 March 2024.

The Directors confirm that the annual report and financial statements comply with the current statutory requirements, the requirements of the 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 (FRS 102).

#### ***Objectives and activities***

##### **a. Policies and objectives**

The Company was established in 1986, for the public benefit, and had the following objectives during the year to March 2024:

To promote the health and well-being of children, young people, families and adults with particular focus on helping to reduce health inequalities by proactively engaging with disadvantaged and minoritised groups through the delivery of:

- Promotion of activities that support positive health and wellbeing.
- Providing training and resources to relevant professionals to understand a wide range of health and wellbeing issues and their role in supporting individuals.
- Supporting education settings to co-develop and deliver whole school approaches to mental health and wellbeing.
- Identification of population health needs by the gathering of information, on lived experiences of members of communities.
- Providing consultation, coaching and support to families, system (health, education, social, VCFSE ) partners, and wider stakeholders.
- Delivering therapeutic support to those with low to moderate mental health and emotional wellbeing needs.
- Delivering specialist support to those with substance misuse, sexual health and/or risky behaviour needs.

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 services to support children, young people, parents/carers, families, professionals, and local communities. Our core areas of activity are mental health, emotional health, and wellbeing; public health nursing and weight management; risky behaviours and substance misuse. They include delivering whole school approaches, education prevention, early help, structured treatment, engagement in meaningful activities and aftercare.

Underpinning these services is a thematic, tiered training and consultation programme for different stakeholders to upskill and coach them to identify children and young people with additional health and wellbeing needs early and put in place strategies to support them including making appropriate referrals. Compass has extended its public health expertise and knowledge to support employers and businesses within local communities and particular professional groups who are at greater risk of health inequalities to embed mentally healthy cultures within the workplace. Compass has a broad geographical spread with services based in Yorkshire, Lincolnshire, the Midlands, Lancashire, and London; and supports school aged children and their families from the age of four years up to 25 years for young people with special educational needs and disabilities (SEND)

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## COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### *Strategic report*

#### *Achievements and performance*

##### **a. Strategy**

Compass recognises that, in an ever-changing environment where the speed of change is accelerating, a detailed long-term strategy is neither desirable nor effective. Instead, the Directors have agreed long term goals with detailed objectives to support their achievement.

#### Long Terms Goals

- To grow its contract base at a steady and sustainable rate:
  - o Secure further mental health support team (MHSTs) and school nursing contracts.
  - o Secure substance misuse and risky behaviour contracts in areas where Compass already has a footprint.
  - o Secure organic growth within current local contracts by broadening and deepening the offer based on evidence-need.
  - o Achieve annual surpluses.
  
- 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.
  
- Diversification of income streams to include workforce training and professional consultancy in the areas of mental health and wellbeing.

Over the past 12 months, Compass has made significant progress towards achieving its goals with more tender successes which have resulted in the achievement of the financial targets reducing reliance on a single contract.

Analysis of current contract shows a portfolio more balanced across different sized contracts:

Distribution of contracts at 31 March 2024		
Annual Contract Value	Number of contracts	% of Total Value
> £3 Million	1	24
£2.5-3.0 Million	1	15
£2.0-2.5 Million	-	-
£1.5-2.0 Million	3	32
£1.0-1.5 Million	1	7
£0.5-1.0 Million	4	17
<£0.5 Million	2	5

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## COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### Strategic report (continued)

#### Achievements and performance (continued)

##### b. Risks to strategy

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

##### c. Review of activities

Compass has continued with the theme of developing holistic high quality integrated health and wellbeing services that are children and young people led. This has been alongside the successful mobilisation of new services for Children, Young People and Families in Birmingham, Coventry, Derby City, Derbyshire and Wakefield, building on Compass' existing low-intensity, early intervention and prevention models of care and continuing to build and strengthen collaborative partnerships and systems with key partners across the health, education, social care and voluntary sectors.

Compass remains committed to employing creative means to meet the diverse needs of the children and young people who will benefit from our services, adapt and develop our delivery models, including:

- Direct therapeutic and health promotion activities in education settings.
- Extending our range and availability for therapeutic groupwork in schools.
- Enhancing the range of self-help resources through different medias.
- Promoting the wider use of digital technology in our services.
- Deploying practitioners in schools and communities to engage with those who may otherwise not access the service.

These themes have taken shape in each of our services differently reflecting the needs of local children, young people and families and bringing benefit to the local system.

**Compass Phoenix** our North Yorkshire emotional health early intervention and prevention service, previously saw a significant increase in both the number of children and young people waiting for services and the length of time waiting. This year the team have creatively adapted both groupwork and digital delivery methods to increase the range and capacity of services and to meet the demand achieving a significant reduction in waiting times. Compass Phoenix has worked in partnership with the commissioner to pilot a digital intervention 'Lumi Nova' which has been hugely successful. The team have also provided a text support service for young people 'Buzz Us' which received and responded to **4678** messages in 2023/24 on topics including exam stress and family relationships amongst many others.

**Warwickshire Connect for Health** school nursing service has continued to deliver extensive health needs assessment across the ages whilst continuing to build on accessibility. This year the team reviewed parent/carer and practitioner feedback for the School Readiness and developed the questionnaire based on feedback then refreshed to improve engagement and shared with all our partners including schools, H/Vs, GP surgeries, libraries, pre-schools and children and family centres, soft play centres and school uniform shops and social media platforms. The year 6 HNA had a fantastic uptake this year with 5941 questionnaires (90 per cent) completed by children across 171 primary schools (97 per cent). The questionnaire provides a wealth of knowledge about the health of our young people, reflective of the myriad of different environments, care and education they and their families will have encountered. This then provides a solid foundation from which to deliver effective, evidence based public health interventions.



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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### Strategic report (continued)

#### Achievements and performance (continued)

Staying in Warwickshire, our **Warwickshire Drug and Alcohol service** has responded to the changing needs of children and young people and has worked creatively with those at greater risk who are not in education or employment, are involved with youth justice or who may have increased difficulty engaging with traditional services. The team have pioneered new approaches to tackling risks associated with vaping and continue to work across the communities on an outreach basis undertaking harm reduction, education and intervention. Beyond direct work with CYPF workforce training in drug awareness and harm reduction, vaping information and hidden harm has been offered and/or provided to hospital and school staff across the County.

Our children and young people's substance misuse and risky behaviour services in London made-up of **Tower Hamlets (Compass Safe East) and Harrow (Compass Elevation)** have continued to build relationships in communities and have made significant progress in engaging with schools and education settings allowing them to extend the early intervention and prevention work. We have extended the teams with additional engagement roles supported by public health commissioning to improve engagement at tier 2 and 3 and this will benefit from a renewed focus as a result. The Safe East team supported 'Stoptober' and visited a number of settings to promote the public health campaign, promoting our one-to-one sessions, PHSE sessions with 240 pupils attending assemblies in the week to learn about smoking and vaping risk.

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## COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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Strategic report (continued)

Achievements and performance (continued)

Our **Compass Mental Health Support Teams** have continued to grow in number and thrive as services mature and develop. **Compass Go...** our first MHST in North East Lincolnshire established in January 2020 as part of the Wave 2 has received confirmation of an extension to contract following an extensive assessment of the impact of our work. This allowed us to reflect on the many achievements of the team as outlined here:

## Summary Overview Oct-2020 - Sep-2023



2,214 referrals



71 out of 72  
educational setting  
signed-up



89.9% referrals  
accepted



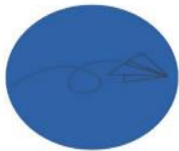
5,194 children seen in  
PODs (groups)



11,445 children seen  
in workshops



18,160 children  
attended assemblies



In total 36,790  
children accessing  
Compass



35 staff members  
employed



£4,092,321 total  
contract value



For every £1 spent on MHSTs,  
there is a return of £1.90  
Total return on investment  
£7,775,408

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## COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### Strategic report (continued)

#### Achievements and performance (continued)

**Compass Be** in Barnsley, our second MHST and part of the Wave 4 rollout, has again experienced a year of growth and development training a further cohort of low intensity CBT practitioners and supervisors and implementing specialist emotional wellbeing services for children and young people impacted by adverse childhood experiences. The team have focussed on developing a creative, responsive and vibrant whole school approach and make sure to continue to support children, young people, families and school staff to develop knowledge and skills to improve emotional wellbeing. Here are some things children and young people told us following school workshops

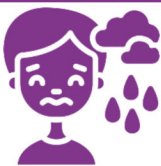
*'It was really good. 10 out of 10. Really informational and taught me a lot'.*

*'The workshops are good, I am feeling a bit more confident with my friendships!'*

*'The workshop was good because we had lots of time to discuss ideas and we learnt things that we maybe did not understand before'.*

**Compass Bloom**, our third MHST have supported a further cohort of trainee EMHP's to successful qualification and have gone from strength to strength building relationships with schools and communities across Central and West Lancashire with 96% of referrals in quarter 4 coming directly from schools and education settings. The team are continuously developing responses to the needs presented including targeting psychoeducational groups and assemblies to encourage greater awareness and access to services based on the presenting needs of local children and young people. Locally anxiety remains the greatest need (note some young people have more than one presenting need).

#### Low Mood



(45%)

#### Mild to Moderate Anxiety



(88%)

#### Conduct



(2%)

**Compass Changing Lives** our fourth MHST in Derby and Derbyshire transferred to Compass on 1st January 2023 and following a period of induction and recruitment the team has grown in number but significantly developed in the provision of locally sensitive services capable of meeting the needs of children young people and families across diverse rural and urban communities and providing ease of access with a single point of contact for advice, information, signposting and referral. The team have worked hard on a number of initiatives to increase access and engagement in the year resulting in significant increases in requests for support. To support children, young people and families navigate the service successfully a welcome pack was co-designed by 137 children and young people has now been launched alongside monthly equality, diversity and inclusion newsletters to encourage greater awareness of the diverse local communities.

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## COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### Strategic report (continued)

#### Achievements and performance (continued)



The **Compass Coventry Emotional Health and Wellbeing Service** was branded and launched with children and young people who helped to design the name and logo for Compass Shine.

The team hosted a launch event in the centre of Coventry to a packed audience of Coventry providers, services, council officials and schools helping to promote access to the service and encourage a partnership approach to delivering the right service at the right time. Compass Shine has encountered ongoing challenges with recruitment to a full team and this coupled with significant demand for service has led to children, young people waiting too long for services. However we end the year with all of the practitioner vacancies filled and a waiting list action plan in place to reduce this in the coming year.

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## COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### Strategic report (continued)

#### Achievements and performance (continued)

**Compass Wakefield Emotional Wellbeing Service** went live on 1st April 2023 embedding a model for early intervention emotional wellbeing services within a developed local partnership. The team have outreached extensively across all of the Wakefield localities delivering group and individual interventions with children and young people alongside groups and workshops for parents. The team have really gone the extra mile during school holidays with a wide range of wellbeing focussed activities delivered within the community ending the year with an amazing 227 psychoeducation sessions delivered in schools and communities in the last 3 months of the year. The team have built momentum in the first year to establish an accessible and helpful support service and as a result receive referrals from a broad range of sources, including schools, Targeted Early Help, health and social care agencies and parents/carers.

Compass was delighted to successfully secure our fifth **MHST in Birmingham** made-up of eight teams operating as a single integrated service. Compass Birmingham is supporting 32 trainees through their first year at University and deploying the team and wider workforce to engage schools in the co-development of whole school approaches to emotional health and wellbeing. From November 2023 to March 2024, the team delivered a wide range of activities including assemblies, workshops, parents evenings, coffee mornings, and staff trainings. Throughout this period, we were able to reach a total of **10,567** children, young people, parents and professionals at **195** whole school college approach events that took place; including assemblies on topics such as Resilience, Self-esteem, parent engagement in schools with the highest needs via parents evenings and coffee mornings, thematic workshops with the goal of reaching as many students as possible to equip them with strategies to manage exam stress, foster healthy friendships, and develop positive relationships.

**Compass Positive Effect**, our trading arm continued to make a real difference by supporting wider professionals' groups on a wide range of mental health and wellbeing issues. There has been face to face training with London bus operators; co-developing internal training for drivers to tackle mental health and wellbeing as part of Transport for London's (TFL) Innovations Fund. There has been extensive online training, delivering the accredited Senior Mental Health Lead course, funded by the Department for Education (DfE) to over 80 schools throughout the year. With our trainer providing further supported by online 'Communities in Practice' networking conferences and trainer consultations, to help put learning into practice. Positive Effect has also provided a bespoke Train the Trainer model for Drug Education and Wellbeing as part of our partnership with the British Army. Additionally, as a consultant training offer, we have supported 'Mission to Sea Farers' through the delivery of their 'WeCare' programmes to seafarers across the globe.

Work also began to broaden Positive Effect's remit to become a social value and sustainability arm to Compass; co-developing corporate partnerships with local businesses and organisations in the areas that Compass is commissioned to deliver services. Its purpose to add value to local communities by giving and receiving support with business partners to help reduce economic, health, and workforce inequality, improve health and wellbeing and increase sustainability. This includes the development of a Compass Carbon Reduction Plan.

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## COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### Strategic report (continued)

##### Commitment to achieving Net Zero

Compass are committed to achieving Net Zero emissions by 2050. To assist us in achieving this, we have established our first Carbon Reduction Plan (Baseline). This baseline will be the basis of a more detailed review into our carbon emissions and establish firm reduction targets for the future.

<u>Baseline Year Emissions: 2024</u>	
<b>Emissions</b>	Total (tCO <sub>2</sub> e) 374
<b>Scope 1</b>	0.9 tCO <sub>2</sub> e
<b>Scope 2</b>	33.9 tCO <sub>2</sub> e
<b>Scope 3</b>	379 tCO <sub>2</sub> e

#### Financial review

##### a. Going concern

The Directors are of the opinion that Compass is a going concern based on 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 rose to £16.57 Million from the previous year's figure of £10.21 Million. This increase resulted from new contracts including Derbyshire MHST Coventry and Wakefield Emotional Health & Wellbeing Services, and Birmingham MHST.

Expenditure has risen to £15.08 million compared to £10.33 Million mainly in line with increases in turnover and some planned expenditure from a designated reserve to support the successful growth strategy and to improve underpinning infrastructure.

Net income was £1.49 million compared to net expenditure of £118K in the previous year. This reflects the reorganisation and more efficient and effective blended delivery model which includes the use of remote, in person and community.

##### 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 our beneficiaries.

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## COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### Strategic report (continued)

The Directors revised the method of calculating the minimum reserves requirement last year, recognising the nature of its contract portfolio. The calculation considers the need for working capital, long term lease commitments, levels of potential redundancy liability and assessment of the likelihood of these liabilities crystallising.

Compass turnover is exclusively made up of secured contracts which are part of core NHS services, if Compass were unable to fulfil its contracts they and their costs would be transferred to a new provider. Therefore, central overheads cost might not be covered as such, Compass will hold funds to cover six months of central overheads which would allow time for costs to be terminated.

The minimum requirement as of 31 March 2024 is £2.07 Million compared to £1.65 Million last year. The free reserves on 31 March 2024 are £3.848 Million compared with £2.653 Million last year. 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 and any financial impact of high rates of both general and wage inflation which may not be covered by increases in funding.

#### d. Principal funding

The principal funding source for the Charity is contractual income from Integrated Care Boards, Local Authorities and Police and Crime Commissioners.

#### e. 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.

#### 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 leadership 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 Finance & Corporate Services Director 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.

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## COMPASS - SERVICES TO IMPROVE HEALTH AND WELLBEING

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### Strategic report (continued)

Non-Executive Directors have been recruited through advertising in local and national media, through a consultant led headhunting campaign, and using 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 Leadership 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 seven Directors, two of whom are Executive Directors. The five 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 Leadership Team.

#### 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 Leadership 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 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.



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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 2024

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#### Strategic report (continued)

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 operates a performance related pay system linked to appraisal; salaries also rose by 5% in April 2023 with a further 4% at 1 April 2024 to reflect inflationary pressure in the labour market.

#### Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The company carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Directors.

The company has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the company's equal opportunities policy, the company has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the company's offices.

#### 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.

#### 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 charitable Company's auditor is unaware, and
- that each Director has taken all the necessary 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 charitable Company's auditor is aware of that information.

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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 2024**

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**Strategic report (continued)**

**Auditor**

The auditor, BHP LLP, has indicated its willingness to continue in office. The Directors reappointed the auditors at a meeting of the Board on 15 August 2024.

This report was approved by the Directors on 16 August 2024 and signed on their behalf by:



Signer ID: UN829IEBKS...  
**C E Wesley**

Chair

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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**

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We have audited the financial statements of Compass - Services to Improve Health and Wellbeing (the 'charitable company') for the year ended 31 March 2024, which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and notes to the financial statements, including 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 2024, 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

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

We have nothing to report in this regard.

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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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**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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

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

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

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

**Responsibilities of directors**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor 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.

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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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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 charitable company 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 charitable company, 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; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company'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; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk or 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; and
- 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 is available on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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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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**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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**BHP LLP**

Signer ID: CRZCVPKXXZ  
Laura Masheder (Senior statutory auditor)

for and on behalf of

**BHP LLP**

Chartered Accountants  
Statutory Auditor's  
Rievaulx House  
1 St Mary's Court  
Blossom Street  
York  
YO24 1AH

Date: 27/08/2024 GMT

**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 2024**

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>				
Donations and legacies	4	-	-	5,704
Charitable activities	5	16,310,611	16,310,611	10,193,492
Investments	6	44,899	44,899	12,135
<b>Total income</b>		<b>16,355,510</b>	<b>16,355,510</b>	10,211,331
<b>Expenditure on:</b>				
Charitable activities	7	15,079,929	15,079,929	10,329,218
<b>Total expenditure</b>		<b>15,079,929</b>	<b>15,079,929</b>	10,329,218
<b>Net movement in funds</b>		<b>1,275,581</b>	<b>1,275,581</b>	(117,887)
<b>Reconciliation of funds:</b>				
Total funds brought forward		3,113,015	3,113,015	3,230,902
Net movement in funds		1,275,581	1,275,581	(117,887)
<b>Total funds carried forward</b>		<b>4,388,596</b>	<b>4,388,596</b>	3,113,015

The Statement of financial activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 24 to 39 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 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	13	340,351	259,507
		340,351	259,507
<b>Current assets</b>			
Debtors	14	1,607,343	1,773,874
Cash at bank and in hand		4,132,063	3,098,036
		5,739,406	4,871,910
Creditors: amounts falling due within one year	15	(1,691,161)	(2,018,402)
<b>Net current assets</b>		<b>4,048,245</b>	2,853,508
<b>Total net assets</b>		<b>4,388,596</b>	3,113,015
<b>Charity funds</b>			
Unrestricted funds			
Designated funds	17	540,351	459,507
General funds	17	3,848,245	2,653,508
		4,388,596	3,113,015
<b>Total funds</b>		<b>4,388,596</b>	3,113,015

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

  
 Signer ID: UN829IEBKS...  
**C E Wesley**  
 Chair  
 Date: 27/08/2024 GMT

  
 Signer ID: ES0UJIATS...  
**R V Brundock**  
 Chief Executive

The notes on pages 24 to 39 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 2024**

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash provided by / (used in) operating activities	19	<b>1,193,693</b>	(568,532)
<b>Cash flows from investing activities</b>			
Bank interest	6	<b>44,899</b>	12,135
Purchase of tangible fixed assets	13	<b>(204,565)</b>	(224,398)
<b>Net cash used in investing activities</b>		<b>(159,666)</b>	(212,263)
<b>Change in cash and cash equivalents in the year</b>		<b>1,034,027</b>	(780,795)
Cash and cash equivalents at the beginning of the year		<b>3,098,036</b>	3,878,831
<b>Cash and cash equivalents at the end of the year</b>	20	<b>4,132,063</b>	3,098,036

The notes on pages 24 to 39 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 2024**

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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 from charitable activities includes income recognised as earned (as the related service is provided) under contract. Where income is received in advance of a specified service, it is deferred until the charity is entitled to that income.

Investment income is included when receivable by the charity.

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 2024**

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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 2024**

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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 2024**

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**2. Accounting policies (continued)**

**2.14 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock of fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2.15 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**

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**4. Income from donations and legacies**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	Total funds 2023 £
Donations	-	-	5,704
Total 2023	5,704	5,704	

**5. Income from charitable activities**

	<b>As restated Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	Total funds 2023 £
Income from charitable activities - services	16,310,611	<b>16,310,611</b>	10,193,492
Total 2023	10,193,492	10,193,492	

In the previous year, all income from charitable activities was deemed to be restricted. As detailed in note 16, the decision has been taken to unrestrict the income derived from the provision of services delivered under contracts and the prior year income has been adjusted and disclosed as unrestricted income.

**6. Investment income**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	Total funds 2023 £
Bank interest	44,899	<b>44,899</b>	12,135
Total 2023	12,135	12,135	

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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

**Summary by fund type**

	As restated Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
Governance costs	48,228	<b>48,228</b>	36,482
Expenditure on charitable activities - services	15,031,701	<b>15,031,701</b>	10,292,736
	<u>15,079,929</u>	<u><b>15,079,929</b></u>	<u>10,329,218</u>
Total 2023	<u>10,329,218</u>	<u>10,329,218</u>	

In the previous year, all expenditure from charitable activities was deemed to be restricted. As detailed in note 16, the decision has been taken to unrestrict the expenditure incurred from the provision of services delivered under contracts and the prior year expenditure has been adjusted and disclosed as unrestricted expenditure.

**8. Support costs**

	2024 £	2023 £
Staff costs	<b>715,795</b>	568,616
Rent and storage	<b>46,152</b>	38,230
Repairs, maintenance and cleaning	<b>1,739</b>	506
Rates, heat, light and power	<b>14,201</b>	644
Office costs	<b>593,051</b>	284,078
Client activity	<b>149,124</b>	121,548
Depreciation	<b>39,147</b>	-
	<u><b>1,559,209</b></u>	<u>1,013,622</u>

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.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**9. Analysis of expenditure by type**

	Staff costs 2024 £	Depreciation 2024 £	Other costs 2024 £	Total 2024 £	Total 2023 £
Charitable activities	11,817,911	123,721	3,090,069	15,031,701	10,292,376
Expenditure on governance	25,548	-	22,680	48,228	36,482
<b>Total</b>	<b>11,843,459</b>	<b>123,721</b>	<b>3,112,749</b>	<b>15,079,929</b>	<b>10,329,218</b>
Total 2023	8,013,062	63,531	2,252,625	10,329,218	

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

This is stated after charging:

	2024 £	2023 £
Depreciation of tangible fixed assets: - owned by the charity	123,721	63,531
Auditor's remuneration - preparation of financial statements	3,675	3,500
Auditor's remuneration - audit	15,225	14,500

**11. Staff costs**

	2024 £	2023 £
Wages and salaries	10,100,113	6,830,881
Social security costs	944,578	638,291
Contribution to defined contribution pension schemes	798,768	543,890
	<b>11,843,459</b>	<b>8,013,062</b>

Included within the wages and salaries figures above are agency staff costs of £276,068 (2023: £347,970). Total staff costs excluding agency staff was £11,567,391 (2023: £7,665,092).

Redundancy or termination payments which are included as an expense within wages and salaries above, amounted to £nil (2023: £53,230 to 4 individuals).



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**11. Staff costs (continued)**

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

	<b>2024</b>	2023
	<b>No.</b>	No.
Project staff	<b>306</b>	227
Administrative staff	<b>29</b>	19
	<hr/> <b>335</b> <hr/>	<hr/> 246 <hr/>

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

	<b>2024</b>	2023
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>1</b>	-
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	<b>1</b>	-

The key management are deemed to be the Executive Directors. Details of their remuneration are included within note 12.

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**12. Directors' remuneration**

Under the Articles of Association, Executive Directors are permitted to be remunerated for their services provided as an employee to the charitable company.

Details of Executive Directors' remuneration and expenses are given below.

During the year retirement benefits were accruing to 2 directors (2023: 2) in respect of defined contribution pension schemes.

The Executives Directors' individual remuneration including pension contributions was:

M Roberts - £76,807 (2023: £73,104) including pension contributions of £6,950 (2023: £1,783)

R Bundock - £103,719 (2023: £95,049), including pension contributions of £9,371 (2023: £8,641)

O Oluwadare - £49,331 (2023: £nil) including pension contributions of £2,260 (2023: £nil) .

The highest paid director received remuneration of £103,719 (2023: £95,049), including pension contributions of £9,371 (2023: £8,641).

In addition, employers national insurance contributions in respect of the above directors amounted to £25,624 (2023: £20,274).

3 Executive Directors received expenses amounting to £2,854 in the current year (2023: £170 paid to 1 Director).

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

2 Non-Executive Directors received expenses amounting to £501 in the current year (2023: £138 paid to 2 Non-Executive Directors).

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**13. Tangible fixed assets**

	Short-term leasehold property improvements £	Computer equipment, fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2023	38,599	541,829	580,428
Additions	21,707	182,858	204,565
At 31 March 2024	60,306	724,687	784,993
<b>Depreciation</b>			
At 1 April 2023	2,252	318,669	320,921
Charge for the year	4,777	118,944	123,721
At 31 March 2024	7,029	437,613	444,642
<b>Net book value</b>			
At 31 March 2024	53,277	287,074	340,351
At 31 March 2023	36,347	223,160	259,507

**14. Debtors**

	2024 £	2023 £
Trade debtors	838,845	1,325,735
Prepayments and accrued income	768,498	448,139
	1,607,343	1,773,874

Accrued income of £59,184 (2023: £86,452) will be taken to income in more than 1 year.

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

	2024	2023
	£	£
Trade creditors	573,254	687,300
Other taxation and social security	246,231	203,092
Other creditors	120,105	106,613
Accruals and deferred income	751,571	1,021,397
	<b>1,691,161</b>	<b>2,018,402</b>
	<b>1,691,161</b>	<b>2,018,402</b>
	2024	2023
	£	£
Deferred income at 1 April	847,468	550,157
Income deferred during the year	500,409	618,593
Amounts released from previous periods	(847,493)	(321,282)
	<b>500,384</b>	<b>847,468</b>
<b><i>Deferred income at 31 March</i></b>	<b>500,384</b>	<b>847,468</b>

Deferred income relates to amounts received in advance of the contract or work still to be completed on contracts commencing.

Total pension commitments, which are included within other creditors, amount to £120,105 (2023: £106,612).

**16. Prior year adjustment**

Historically, all income and expenditure from the provision of charitable activities, which were delivered under service contracts, has been deemed to be restricted. At the balance sheet date a transfer of all restricted funds remaining would be made to unrestricted funds, this represented any surplus / (deficit) on that particular contract.

The Trustees have reviewed this treatment and are of the opinion that there is no restriction as these are contracts for services provided. Any potential claw back would relate to under delivery and would be agreed with the commissioner and income would be deferred accordingly.

As a result of this, a prior year adjustment has been made to reflect the unrestricting of all income and expenditure from the provision of charitable activities. This has not affected the presentation of the Statement of Financial Activities or the Balance Sheet as at 31 March 2023. However the relevant notes to the financial statements have been updated to move £10,193,492 from restricted to unrestricted income and £10,292,736 from restricted charitable activity expenditure to unrestricted expenditure. The transfer of the restricted deficit of £99,244 which had been recognised was reversed accordingly.

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**17. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
<i><b>Unrestricted funds</b></i>					
<i><b>Designated funds</b></i>					
Fixed asset reserve fund	259,507	-	(123,721)	204,565	340,351
Covid 19 recovery fund	200,000	-	-	-	200,000
	<u>459,507</u>	<u>-</u>	<u>(123,721)</u>	<u>204,565</u>	<u>540,351</u>
<i><b>General funds</b></i>					
General funds	2,653,508	16,355,510	(14,956,208)	(204,565)	3,848,245
<i><b>Total Unrestricted funds</b></i>	<u><u>3,113,015</u></u>	<u><u>16,355,510</u></u>	<u><u>(15,079,929)</u></u>	<u><u>-</u></u>	<u><u>4,388,596</u></u>

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

**Statement of funds - prior year**

	Balance at 1 April 2022 £	As restated Income £	As restated Expenditure £	As restated Transfers in/out £	Balance at 31 March 2023 £
<b><i>Unrestricted funds</i></b>					
<b><i>Designated funds</i></b>					
Fixed asset reserve fund	98,640	-	-	160,867	259,507
Covid 19 recovery fund	739,000	-	-	(539,000)	200,000
	<u>837,640</u>	<u>-</u>	<u>-</u>	<u>(378,133)</u>	<u>459,507</u>
<b><i>General funds</i></b>					
General funds	2,393,262	10,211,331	(10,329,218)	378,133	2,653,508
<b><i>Total Unrestricted funds</i></b>	<u><u>3,230,902</u></u>	<u><u>10,211,331</u></u>	<u><u>(10,329,218)</u></u>	<u><u>-</u></u>	<u><u>3,113,015</u></u>

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

Funds have been designated by the Directors to represent the value of tangible fixed assets. Expenditure from the fund represents depreciation charged during the year and transfers of £204,565 represents capital additions during the year.

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

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

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Tangible fixed assets	340,351	<b>340,351</b>
Current assets	5,739,406	<b>5,739,406</b>
Creditors due within one year	(1,691,161)	<b>(1,691,161)</b>
<b>Total</b>	<b>4,388,596</b>	<b>4,388,596</b>

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

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	259,507	259,507
Current assets	4,871,910	4,871,910
Creditors due within one year	(2,018,402)	(2,018,402)
<b>Total</b>	<b>3,113,015</b>	<b>3,113,015</b>

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

	2024 £	2023 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	<b>1,275,581</b>	(117,887)
<b>Adjustments for:</b>		
Depreciation charges	<b>123,721</b>	63,531
Bank interest	<b>(44,899)</b>	(12,135)
Decrease/(increase) in debtors	<b>166,531</b>	(944,337)
(Decrease)/increase in creditors	<b>(327,241)</b>	442,296
<b>Net cash provided by/(used in) operating activities</b>	<b>1,193,693</b>	(568,532)

**20. Analysis of cash and cash equivalents**

	2024 £	2023 £
Cash in hand	<b>4,132,063</b>	3,098,036
<b>Total cash and cash equivalents</b>	<b>4,132,063</b>	3,098,036

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

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash in hand	<b>3,098,036</b>	<b>1,034,027</b>	<b>4,132,063</b>
	<b>3,098,036</b>	<b>1,034,027</b>	<b>4,132,063</b>

There is no debt in either the current or previous year.



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**22. Operating lease commitments**

At 31 March 2024 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Not later than 1 year	275,363	238,100
Later than 1 year and not later than 5 years	212,913	320,160
	<u>488,276</u>	<u>558,260</u>

**23. 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.

**24. Post balance sheet events**

Following the balance sheet date, the Trustees took the decision to designate additional funds.

The Board has decided to assign funds for:

**1. Workforce development:** in recognising the difficulties in recruiting suitably qualified professionals, the Board will be investing £1.5 million over the next 3 years in recruiting and training staff within local services to achieve a range of post graduate qualifications in partnership with designated Universities.

As well as aiding staff recruitment this will further support career progression and staff retention resulting in more children and young people receiving the support they need by the right professional. In addition to test a new remote and agile approach to operational delivery to help meet the capacity and demands within services.

**2. Value Added and Innovation Projects:** The Board also assigned £1.2million over 3 years to support innovation and service improvement programmes that will enhance existing provision for our beneficiaries and allow operational teams to test and pilot new models of delivery.

These funds are to be managed by the Operations Director who will report regularly to the Board on progress and impact.