

**Waymarks Limited**  
Report and Financial Statements  
For the year ended  
31 March 2018

Company Registration Number: 6967283  
Charity Registration Number: 1133664

# Waymarks Limited

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# Waymarks Limited

## Advisors and Other Information

### Year ended 31 March 2018

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The Board	<p>K Lewis (Chair)</p> <p>A Barnard (appointed 28<sup>th</sup> March 2018 and Vice Chair from 9<sup>th</sup> July 2018)</p> <p>H Baker (appointed 9<sup>th</sup> July 2018)</p> <p>C Cryne (appointed 9<sup>th</sup> July 2018)</p> <p>C Mercer (appointed 9<sup>th</sup> July 2018)</p> <p>G Lyle (appointed 9<sup>th</sup> July 2018)</p> <p>N Turner (appointed 9<sup>th</sup> July 2018)</p> <p>S Malik (appointed 9<sup>th</sup> July 2018)</p> <p>D Lloyd-Evans (appointed 9<sup>th</sup> July 2018)</p> <p>M Boniface (resigned 9<sup>th</sup> July 2018)</p> <p>J Fletcher (resigned 9<sup>th</sup> July 2018)</p> <p>J Lish (resigned 9<sup>th</sup> July 2018)</p> <p>A Britton (resigned 9<sup>th</sup> July 2018)</p> <p>A Acostas-Armas (resigned 9<sup>th</sup> July 2018)</p> <p>M Tidball (resigned on 10<sup>th</sup> May 2018)</p> <p>D Korea (resigned on 25<sup>th</sup> April 2017)</p>	
Executive Directors	<p>Steve Scown</p> <p>Mark Horlock</p> <p>Stella Cheetham</p> <p>Jackie Fletcher</p> <p>Chris Woodhead</p> <p>Steph Thompson</p>	<p>Group Chief Executive Officer</p> <p>Group Director of Finance</p> <p>Group Director of People and Organisational Development</p> <p>Group Director of Quality, Public Affairs and Policy</p> <p>Group Director of Housing and Business Development</p> <p>Managing Director</p>
Bankers	<p>National Westminster Bank Plc</p> <p>3 Market Place,</p> <p>Reading,</p> <p>RG1 2EP</p>	<p>HSBC</p> <p>Apex Plaza,</p> <p>Forbury Road,</p> <p>Reading, RG1 1AX</p>
Solicitors	<p>Trowers &amp; Hamlins</p> <p>3 Bunhill Row</p> <p>London EC1Y EYZ</p>	
External Auditor	<p>KPMG LLP</p> <p>Arlington Business Park,</p> <p>Reading, RG7 4SD</p>	
Principal and Registered Office	<p>1430 Arlington Business Park,</p> <p>Theale, Reading,</p> <p>RG7 4SA</p>	

# **Waymarks Limited**

## **Directors' Report**

### **Year ended 31 March 2018**

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The directors (who are also trustees of the charitable company) present their report and the audited financial statements for the year ended 31 March 2018.

#### **Objectives and Activities**

Waymarks ('the Charity') is a charitable company limited by guarantee, whose governing documents are its Memorandum and Articles of Association.

The objects of the Charity, set out in its Memorandum and Articles of Association, are as follows: to support and promote, and to assist in the support and promotion of, the intellectual, emotional, physical and spiritual welfare of adults with learning disabilities, complex needs, physical disabilities, sensory impairments, autism, mental illness, mental health needs and with a complex history of behaviour.

The Charity fulfils these objects by the provision of person-centred support and training.

#### **Achievements and Performance**

Waymarks' business development activity in 2017/18 focused on continuing to create long term strategic relationships with commissioners as part of the national implementation of the Transforming Care strategy for people with learning disabilities. This is a lengthy process and has resulted in delays in planned packages of support being implemented during the year. However by the end of 2017/18 Waymarks had in place positive agreements with four commissioning communities that are based on a cohort of people referred to the Charity rather than one or two individuals. This enables Waymarks to establish a safe infrastructure once costings for full packages of support are confirmed. The national drive to move people out of hospital if they have been there for a long time has meant that the model of support Waymarks provides has started to be recognised by commissioners in new localities and the Charity has been able to agree fee rates that reflect the specific expertise it has in working with people with complex needs and risky behaviours in a housing and support model.

Activity has continued in ensuring a consistent level of high quality throughout all existing services, and new services, for people being supported. Waymarks has continued, and enhanced, a previously introduced system of connection between senior managers, employees, people supported, and their families, which has further enabled honest and robust feedback from the various stakeholders throughout the organisation. It is called a listening, learning and acting meeting and is an integral part of the Charity's governance structure. Waymarks has invested significantly during the year to ensure that available systems and structures are used to support transparency and learning. The Charity had a second inspection under the new CQC standards and received a rating of 'good' in every domain.

Waymarks has been able to successfully recruit fully into its practice development team and that team, together with the service management team, has been stable.

In 2017/18 Waymarks supported two research projects led by external academic organisations and has continued to work with a consultant from the Ashridge business school as part of a 'speaking truth to power' project.

Waymarks has started to implement a tool called the 'inclusion web' working with the National Development Team for Inclusion (NDTi) as a way of evidencing meaningful outcomes for the people it works alongside as part of its ongoing focus on supporting people to be as independent as possible. The Charity is now able to provide stories of the people it works with which highlight for commissioners the impact it has in reducing spend to the public purse over time. Working with one commissioning community Waymarks has started to develop a proposal to the life chances fund bid. This is being done on a collaborative basis jointly with the commissioning community.

# **Waymarks Limited**

## **Directors' Report**

### **Year ended 31 March 2018**

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The Charity made the difficult decision to serve notice in two localities affecting four people we worked alongside. In both cases this was linked to sustainability and geographical stretch.

During 2017/18 Waymarks continued to review its costing model and approach and developed a new, more responsive approach to new referrals. The Charity had a full review of its approach to financial management internally and this can be evidenced by the management of expenditure during the year. Waymarks won the award for the 'Community Provider' category of the Health Investor awards in 2017. The Charity was also shortlisted as provider of the year by the Howard League.

The Charity has also completed a brand review and a new website: <https://waymarks.org.uk/>.

Despite these achievements, there has been continuing concern over the level of financial support required from the parent. The Charity has experienced difficulties in mitigating the impact of sleep-in uplifts and there has been a slower rate of growth than is required. This concern led to an in-depth review, both internally and by NEL Healthcare Consulting. The outcomes of these reviews informed the decision to change the governance of the Charity, effective 9<sup>th</sup> July 2018, whereby the trustees of Dimensions UK, the parent of the Charity, are now also the trustees of Waymarks and the Managing Director of Waymarks reports directly to the Group Chief Executive. In addition, an independently chaired Scrutiny Panel has been created to ensure that appropriate attention is given to the ongoing safety and development of the people supported who display "risky" behaviours, the people who provide support and the wider community.

The focus in 2018/19 will be on converting the current business development pipeline into support contracts and negotiating appropriate rate uplifts with commissioners.

#### **Structure, Governance and Management**

#### **Reference and Administrative Details**

Waymarks was incorporated on 20 July 2009 as a company limited by guarantee (company no. 6967283) and was registered as a charity (no. 1133664) on 21 January 2010. Waymarks is an operating company within the Dimensions (UK) Group.

#### **Recruitment of New Board Members**

The normal process is for new board members to be recruited on an ad-hoc basis when a need for new board members is identified. Board membership is for the parent, Dimensions UK, as well as two subsidiaries, Waymarks Limited and Outreach 3 Way.

Interested parties are required to write to the Company Secretary and the Group Director of People and Organisational Development, attaching a full CV and a supporting statement, along with details of two referees. For particular posts an agency is used to headhunt suitable candidates.

The Dimensions recruitment process includes informal meetings with members of the Group Executive Team, visits to services and panel interviews. The Board seeks to attract a diverse range of membership in terms of interest, culture and background, most appropriately reflecting the richness and diversity of the communities served by the Charity.

#### **Training for Board members**

Board members are able to attend appropriate training at the expense of the Charity to help them fulfil their Board role most effectively.

# Waymarks Limited

## Directors' Report

### Year ended 31 March 2018

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#### Employee Involvement

All employees receive regular one-to-one supervision meetings and annual appraisals with their line manager. There are also regular team meetings, service management meetings and senior team meetings.

Employee views are gathered and collated through these various media, and contribute to service improvement plans to ensure that the teams are constantly moving forward. These plans, in turn, contribute to the organisation's business plan.

#### Executive Pay and remuneration

Executive Pay is determined by the Board. Pay levels are established in line with the Remuneration Strategy which provides for pay to be set at the average of the relevant external market with annual external benchmarking being undertaken by an independent external organisation.

#### Board meetings

The trustees who served on the Board are set out on page 2.

The trustees of the parent were appointed as trustees of the Charity on 9<sup>th</sup> July 2018.

The Board met on seven occasions in the period. The attendance of trustees at meetings of the Board during the year ended 31 March 2018 is detailed below:

<b>Trustee</b>	<b>Board meetings Attended</b>
<b>K Lewis</b>	7/7
<b>M Boniface</b>	6/7
<b>J Fletcher</b>	7/7
<b>J Lish</b>	5/7
<b>A Britton</b>	6/7
<b>A Acostas Armas</b>	6/7
<b>M Tidball</b>	5/7
<b>D Korea</b>	1/1

The Memorandum and Articles of Association give the trustees the power to invest any monies of the Charity not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, and to lend any such monies to other charitable bodies having objects altogether or in part similar to those of Waymarks.

# Waymarks Limited

## Directors' Report

### Year ended 31 March 2018

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The Group Board (Dimensions (UK) Limited) and its committees provided support to the Board of Waymarks to fulfil a number of its responsibilities. At the time of the approval of these financial statements the principal committees of Dimensions impacting on Waymarks were as follows:

<u>Committee</u>	<u>Purpose</u>
Group Audit	To provide assurance on the adequacy of internal control.
Human Resources	To set targets and remuneration for the Senior Management Team.
Quality and Practice	To consider matters relating to the quality of services provided.
Finance and Resources	To review the financial performance.
Development	To look at business development, mergers and acquisitions.
Scrutiny Panel	To ensure the ongoing safety of the people supported.
Safeguarding Panel	To ensure people we support live safely and without fear of abuse.

#### **Financial Review**

Trading income of £4,301,000 (2017: £4,268,000) was offset by staff costs, management costs and professional fees of £4,288,000 (2017: £4,177,000), which resulted in net income of £13,000 (2017: £91,000) before exceptional items.

At 31 March 2018 the Charity had a cash balance of £720,000 (2017: £399,000) and unrestricted funds of negative £728,000 (2017: negative £741,000).

Waymarks continues to increase its turnover year on year although has started to see people supported move away from the niche support that it provides as outcomes are met. 2017/18 saw a focus on developing the systems and structures within the Charity that will support growth, in new geographies. In the next phase of the Charity's development, and with the ongoing support of the Charity's parent, the trustees are confident that the Charity will achieve the sustainable growth that it needs.

#### **Financial Support**

The Board of Dimensions (UK) Limited has confirmed that it will provide financial and management support to Waymarks to enable it to meet its commitments. In addition, Dimensions (UK) Limited and its other subsidiaries will not seek repayment of any balances owed if such an act would reduce the ability of Waymarks to meet any other financial commitments.

#### **Incoming Resources**

Funding comes from the public sector for the provision of care and support, the design of individual services and from the provision of training. Primarily this is through individual contracts rather than framework agreements. Packages are often jointly funded by the National Health Service (NHS) and local authorities. This approach is one which is set through the national policy which drives our work.

#### **Outgoing Resources**

Employees are the largest and most important resource that Waymarks has at its disposal. In 2017/18, all staff costs relate to the provision of care and support to individuals, the development of individual service plans for individuals and the provision of training. Support functions are provided by the parent, Dimensions (UK) Limited.

# **Waymarks Limited**

## **Directors' Report**

### **Year ended 31 March 2018**

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#### **Statement of Trustees' Responsibilities in Respect of the Trustees' Annual Report and the Financial Statements**

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Public Benefit**

The Charities Act 2011 requires Waymarks to demonstrate that it is delivering identifiable benefit or benefits to the public or a section of the public. This annual report includes content that describes the work of Waymarks. The trustees believe that this work supports the objectives of the Charity and clearly delivers benefit to the people it supports and to the wider community. The majority of the funding for Waymarks' services comes from local authorities, which may require beneficiaries to contribute to their support, although this is always affordable within their level of savings/income. Access to Waymarks' services is therefore based on an assessment of need and nobody is excluded on financial grounds.

The trustees consider that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.



# **Waymarks Limited**

## **Directors' Report**

### **Year ended 31 March 2018**

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#### **Provision of Information to Auditor**

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the trustees has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The organisation's principal advisors are listed on page 2 of the Report and Financial Statements.

#### **Risk Management**

The Group Executive Team meets on a regular basis as a Risk Panel with the objective of ensuring that the risks that have been identified are reviewed periodically and managed appropriately. There is a specific risk register in place reviewed by the Waymarks Board. The Group Board also monitors the operation of the Risk Panel and approves the Group Risk Map which includes Waymarks. The Waymarks trustees confirm that suitable systems to evaluate risk have been established and that risks are managed in accordance with the Charity's policy on risk.

This work has identified that financial sustainability is the major financial risk for the Charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, and active management of trade debtors and creditors balances to ensure sufficient working capital by the Charity. This financial risk is however mitigated by the support given to the Charity by its parent, Dimensions UK. Financial risk is of particular note as the costs of critical factors such as available housing and recruitment impact on the capacity of the Charity in delivering the highly individualised package of support. A number of mitigating actions have been put in place including proactive reviews of all current individual contracts. The charity is not (on the whole) working within the constraints of local authority framework processes and the people Waymarks supports are a high priority within the current government policy agenda.

Attention has also been focussed on non-financial risks relating to the health and safety of the people we work alongside and the people we employ, particularly those who are lone-workers. These risks are managed by having robust policies and procedures in place, and regular awareness training for employees.

An independently chaired scrutiny panel has been created to oversee policy, practice and associated risk for people who display 'risky' behaviours and identified stakeholders. This will include an assessment of risks and controls with the support plans in place as well as monitoring accidents and incidents. The scrutiny panel will advise the risk panel of organisational related risk.

Regulation and increasing monitoring against quality standards by a range of external stakeholders are key reputational risks, as is ensuring that we balance community safety with people's developing independence and confidence.

Capacity to identify and secure appropriate housing is rated highly as a risk to growth and responding to new service opportunities.

#### **Reserves Policy**

In the light of the £728,000 negative unrestricted funds, the Reserves Policy is to restore these unrestricted reserves to a positive position.

#### **Moving Forward**

The focus in 2018/19 will be on converting the current business development pipeline into support contracts and negotiating appropriate rate uplifts with commissioners.

# **Waymarks Limited**

## **Directors' Report**

### **Year ended 31 March 2018**

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Activity in the year ahead will continue to establish a presence in the areas already committed to. Work is also being carried out to employ people more creatively in order to facilitate greater empathy towards the lives of people supported. The Charity has a clear business plan in place for the year with essential tasks being led by named members of the leadership support team.

The Charity has a clear and strong vision for the next few years which focuses on increasing the number of people it works with and the geographies in which it works.

The strategy includes an operating model to support growth while carefully managing the related increases in the overhead/infrastructure costs of the Charity. The model continues to support the growth of the practice development team and a more localised operational team. Moving into 2018/19 there is a significant pipeline already in place of people who meet Waymarks criteria for support and a national push to have discharge dates for individuals. Waymarks has made a clear decision not to respond to any more development opportunities in geographically distant areas. The Charity has also started to approach the strategic commissioning leaders in areas where it has been working from the beginning to develop a similar approach to the one being taken in new geographies.

The new Board reflects the necessary skills required of the growing organisation and the uniqueness of the client group's needs.

#### **Auditor**

A resolution for the re-appointment of KPMG LLP was approved at the Board Meeting on the 25 July 2018.

On behalf of the trustees



**Kevin Lewis**

**Chair**

Waymarks Limited

1430 Arlington Business Park

Theale

Reading

RG7 4SA

## Independent Auditor's Report to the Members of Waymarks Limited

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### Opinion

We have audited the financial statements of Waymarks Limited ("the charitable company") for the year ended 31 March 2018 which comprise the Statement of Financial Activities, Balance Sheet and related notes, including the accounting policies in note 1.

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 2018 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 UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### Other information

The directors are responsible for the other information, which comprises the Directors' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

## **Independent Auditor's Report to the Members of Waymarks Limited (continued)**

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### **Trustees' responsibilities**

As explained more fully in their statement set out on page 7, 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



**Jonathan Brown**  
**for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants

KPMG LLP

Arlington Business Park

Theale

Reading

RG7 4SD

Date:

30 July 2018

**Waymarks Limited**  
**Statement of Financial Activities**  
**(including Income and Expenditure Account and Statement of**  
**Total Recognised Gains and Losses)**  
**For the year ended 31 March 2018**

	Total funds 2018 £'000	Total funds 2017 £'000
<b>Incoming resources</b>		
Income from donations and legacies	2	320
Incoming resources from charitable activities:		
Provision of person centred support		
Fees for support services	3	3,981
	<u>4,301</u>	<u>4,118</u>
<b>Total incoming resources</b>	<b>4,301</b>	<b>4,268</b>
<b>Resources expended</b>		
Charitable activities:		
Provision of person centred support	4	4,288
Exceptional items:		
Charge arising for sleep-in back pay	4	-
	<u>4,288</u>	<u>4,177</u>
<b>Total resources expended</b>	<b>4,288</b>	<b>4,255</b>
Net income for the year before exceptional items	<u>13</u>	<u>91</u>
<b>Net income for the year after exceptional items</b>	<b>13</b>	<b>13</b>
<b>Reconciliation of funds</b>		
Fund balances brought forward	(741)	(754)
<b>Fund balances at 31 March</b>	<b>(728)</b>	<b>(741)</b>

The figures above relate to continuing activities and are all general unrestricted.


The accompanying notes form part of these financial statements.

**Waymarks Limited**  
**Balance Sheet**  
**As at 31 March 2018**  
**Company Number: 6967283**

	<i>Note</i>	2018 £'000	2017 £'000
<b>Fixed Assets</b>			
Tangible assets	<i>9</i>	11	12
Total fixed assets		<u>11</u>	<u>12</u>
<b>Current assets</b>			
Debtors	<i>10</i>	410	826
Cash at bank and in hand		720	399
Total current assets		<u>1,130</u>	<u>1,225</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	<i>11</i>	(522)	(533)
Net current liabilities		<u>608</u>	<u>692</u>
<b>Total assets less current liabilities</b>		<u>619</u>	<u>704</u>
Creditors: amounts falling due after more than one year	<i>13</i>	(1,339)	(1,408)
Provisions for liabilities	<i>14</i>	(8)	(37)
<b>Total net liabilities</b>		<u><b>(728)</b></u>	<u><b>(741)</b></u>
<b>The funds of the charity</b>			
General unrestricted funds	<i>16</i>	(728)	(741)
<b>Total charity funds</b>	<i>16</i>	<u><b>(728)</b></u>	<u><b>(741)</b></u>

The accompanying notes form part of these financial statements.

The financial statements were approved by the trustees and authorised for issue on 25 July 2018 and signed on their behalf by:

  
 .....  
 K Lewis  
 Chair

  
 .....  
 J Fletcher  
 Company Secretary

# Waymarks Limited

## Notes to the Financial Statements

### For the year ended 31 March 2018

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#### 1 Accounting Policies

##### **Basis of Preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Waymarks 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 note(s).

The Board of Dimensions (UK) Ltd have confirmed in a letter dated 25 July 2018 that they will continue to provide financial and management support to meet the commitments of Waymarks. As a result of this support the trustees have prepared the financial statements on a going concern basis notwithstanding the net liability position of £728,000.

##### **Income recognition**

###### *Fees for support services*

Fees for support services represent care charges receivable from local authorities and the NHS for services provided in the year by Waymarks. Care charges and revenue grants from local authorities for the design of individual services and the provision of training are recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance for the provision of specified services is deferred until the criteria for income recognition are met (see note 12).

##### **Expenditure**

All expenditure, other than that which has been capitalised, is charged against income on an accruals basis. Expenditure includes VAT which cannot be recovered and is reported as part of the expenditure to which the VAT relates.

Governance costs relate to the costs of running the Charity as a statutory body and include audit fees, certain legal and professional fees, and the costs of trustee and member meetings. No support costs are allocated to governance costs as any allocation would be immaterial.

##### **Pensions**

The Charity operates defined contribution pension schemes. The costs under these schemes are charged to the income and expenditure account as incurred.

##### **Operating leases**

Under section 20 of FRS 102, the Charity classifies the lease of properties and vehicles as operating leases; the title to the properties and vehicles remains with the lessor. The property leases are for one year or less, whilst the economic life of such properties is normally sixty years.

Rental charges are charged on a straight line basis over the term of the lease.

# Waymarks Limited

## Notes to the Financial Statements

### For the year ended 31 March 2018

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#### 1 Accounting Policies (continued)

##### Fixed assets and depreciation

All assets are stated at cost. Assets having a value below £1,000 are not capitalised, but are expensed through the income and expenditure account.

Depreciation of tangible fixed assets is charged on a straight-line basis in annual instalments commencing from the date of acquisition, over an expected useful life which has been estimated to write off their cost less any residual value as follows:

Motor vehicle	4 years
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##### Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

##### Creditors and provisions

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

##### Statement of cash flows

Waymarks has taken advantage of the disclosure exemption granted to small entities by FRS 102 and accordingly no statement of cash flows has been produced. The cash flow of the Charity is included within the group cash flow in the statutory accounts of its parent, Dimensions UK, and further details on how to view these accounts can be found in note 20 of these accounts.

<b>2</b>	<b>Income from donations and legacies</b>	2018	2017
		£'000	£'000
	Income from donations	320	150
		<u>320</u>	<u>150</u>
<b>3</b>	<b>Provision of Person Centred Support – Analysis of Income</b>	2018	2017
		£'000	£'000
	<i>Fees for support services</i>		
	Rent	313	316
	Income from support services	3,668	3,802
		<u>3,981</u>	<u>4,118</u>



**Waymarks Limited**  
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**4 Provision of Person Centred Support**

	2018	2017
	£'000	£'000
Analysis of Expenditure		
<i>Direct costs</i>		
Support costs (note 5)	3,466	3,234
Occupancy costs	385	408
Other costs	420	508
Depreciation	4	5
Governance costs (note 6)	13	22
	<u>4,288</u>	<u>4,177</u>
<i>Exceptional item</i>		
Sleep in back-pay	-	78
	<u>-</u>	<u>78</u>
<b>Total</b>	<u><u>4,288</u></u>	<u><u>4,255</u></u>

The exceptional item in 2017/18 related to back-pay to top-up for sleep-ins worked.

Historically, there was a lack of clarity over whether National Minimum Wage (NMW) applied to all time spent on sleep-in shifts. Current case law and a change in the way HMRC now enforces the legislation suggests that on average NMW should be paid for all hours worked, including those on sleep-in shifts. In 2016/17, the Board decided that it was appropriate to revise the method for paying for sleep-in shifts to incorporate this. It was also agreed with UNISON that these changes would be back-dated to July 2016 and the cost of this back-pay (£78k) was recorded as an exceptional item in 2016/17.

Waymarks, like many providers, joined the Social Care Compliance Scheme (SCCS) to work with HMRC to assess any further back-payment required and where necessary to facilitate payment to employees and former employees. There continues to be significant uncertainty, however, with recent further case law again changing the sector's understanding of the legislation. The Board has therefore decided that payment of further back-pay is not probable. Consequently, no further liability for back-pay has been recognised in in the 2017/18 accounts.

**5 Provision of Person Centred Support**

	2018	2017
	£'000	£'000
Analysis of Support Costs (note 4)		
Wages and salaries	3,045	2,886
Staff training	102	72
Social security costs	280	262
Employer's contribution to defined contribution pension schemes	39	14
	<u>3,466</u>	<u>3,234</u>

Included in wages and salaries costs are redundancy payments totalling £30,000 (2017: £1,000).

**Waymarks Limited**  
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<b>6 Governance Costs</b>	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Meetings	9	17
Legal and profession fees	3	4
Auditor's remuneration	1	1
	<u>13</u>	<u>22</u>

None of the trustees (or any persons connected with them) received any remuneration during the year. Two trustees were reimbursed a total of £2,000 for travel expenses during the year (2017: £2,000). No charity trustee received payment for professional or other services supplied to the charity (2017: £nil).

The Managing Director is the highest paid employee at 31 March 2018. The emoluments paid or payable to the Managing Director (excluding pension contributions but including benefits in kind) were:

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Emoluments	<u>77</u>	<u>76</u>

The pension contributions paid by the Charity for the Managing Director were £6,000 (2017: £6,000).

The highest paid person during the year was the Operations Director, £81,000 (2017: £66,000), due to taking voluntary redundancy during March 2018.

<b>7 Net Expenditure for the Period</b>	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
This is stated after charging:		
Operating leases – land and buildings	243	240
Operating leases - vehicles	22	25
Depreciation	4	5
Auditor's remuneration:- audit of these financial statements	1	1
Exceptional item:- charge arising on sleep-in back-pay	-	78
	<u>270</u>	<u>349</u>

**Waymarks Limited**  
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<b>8 Average Number of Employees</b>	2018 Number Headcount	2018 Number *FTE	2017 Number Headcount	2017 Number *FTE
Staff directly providing person-centred support	114	102	121	105
Administrative staff	8	8	9	9
	<u>122</u>	<u>110</u>	<u>130</u>	<u>114</u>

\*FTE: Full Time Equivalent.

Remuneration of staff (including taxable benefit in kind, excluding employer's pension contribution) exceeding £60,000 in the year is in the following bands:

	2018 Number	2017 Number
£80,000 to £89,999	1	-
£70,000 to £79,999	1	1
£60,000 to £69,999	-	2

**9 Tangible Fixed Assets**

	Fixtures, fittings and office equipment £'000	Motor Vehicle £'000	Total £'000
<b>Cost</b>			
At 1 April 2017	-	14	14
Additions	3	-	3
Disposals	-	-	-
At 31 March 2018	<u>3</u>	<u>14</u>	<u>17</u>
<b>Depreciation</b>			
At 1 April 2017	-	2	2
Charge for the year	1	3	4
Disposals	-	-	-
At 31 March 2018	<u>1</u>	<u>5</u>	<u>6</u>
Net Book Value At 31 March 2018	<u>2</u>	<u>9</u>	<u>11</u>
At 31 March 2017	<u>-</u>	<u>12</u>	<u>12</u>

**Waymarks Limited**  
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10 Debtors	2018 £'000	2017 £'000
Trade debtors	235	515
Prepayments and accrued income	175	311
	<hr/>	<hr/>
	410	826
	<hr/>	<hr/>

11 Creditors: amounts falling due within one year	2018 £'000	2017 £'000
Trade creditors	1	3
Other creditors	115	105
Accruals	97	111
Deferred income (note 12)	1	1
Taxation and social security	58	63
Amounts owed to group and associated undertakings	250	250
	<hr/>	<hr/>
	522	533
	<hr/>	<hr/>

**12 Deferred Income**

Deferred income comprises advance billing for services which ended after the reporting date. The portion of the invoice relating to the next reporting period has been deferred and released in the period in which the service has been delivered.

	£'000
Balance as at 1 April 2017	1
Amount released to income earned from charitable activities	(1)
Amount deferred in year	1
	<hr/>
Balance as at 31 March 2018 (note 11)	1
	<hr/>

13 Creditors: amounts falling due after more than one year	2018 £'000	2017 £'000
Amounts owed to group and associated undertakings	1,339	1,408
	<hr/>	<hr/>
	1,339	1,408
	<hr/>	<hr/>

**Waymarks Limited**  
**Notes to the Financial Statements**  
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**14 Provisions for Liabilities**

Provisions brought forward relating to rent disputes have now been released as the rents were agreed and paid by the disputing party. Provisions brought forward relating to disputed transition costs have now been moved to the provision for doubtful debts as it is unlikely that this will be resolved.

New provisions have been added during the year relating to reductions in support. These outflows are expected to be incurred in the next financial year.

	£'000
At 1 April 2017	37
Reversals	(29)
Additions	-
	<hr/>
At 31 March 2018	8
	<hr/> <hr/>

**15 Share Capital – Non Equity**

The Charity, which is incorporated under the Companies Act 2006, is limited by guarantee and as such has no share capital. The liability of each member is limited to £1, being the amount guaranteed.

**16 Unrestricted Funds**

	£'000
At 1 April 2017	(741)
Surplus for the year	13
	<hr/>
At 31 March 2018	(728)
	<hr/> <hr/>

**17 Capital Commitments**

As at 31 March 2018, the Charity had no capital commitments (2017: £nil).

# Waymarks Limited

## Notes to the Financial Statements

### For the year ended 31 March 2018

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#### 18 Commitments under Operating Leases

The total of future minimum lease payments under non-cancellable operating leases for each of the following periods are as follows:

	Land & buildings		Vehicles	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Due in:				
Not later than one year	65	55	19	18
Later than one year and not later than five years	-	-	7	17
	65	55	26	35

#### 19 Related Parties

Dimensions UK, the parent of the Charity, has apportioned and charged £248k (2017: £282k) of central overhead costs to Waymarks during the year. These are apportioned based on the total direct costs of providing social housing and other activities in each entity within the Group. At 31 March 2018 the Charity owed Dimensions UK £1,589k (2017: £1,657k) for recharged central overhead costs. The intercompany balance is to be settled as soon as Waymarks has the available cash to do so (£250k of which is expected to be in the next financial period).

Dimensions UK has donated £320k (2017: £150k) to the Charity during the year in support of the Charity's aims.

Mr Britton, a Waymarks Board member, has received £1k from Dimensions UK, the parent of the Charity, as remuneration for attending the Dimensions UK Group Audit Committee meetings.

Dimensions UK has supported the son of Mr Boniface, a Board member, during the year via the supported living scheme. There has been no financial transaction between the two parties during the year as the support given was funded by the South Worcestershire Clinical Commissioning Group.

There are no other related party transactions or outstanding balances during the year (2017: £nil).

#### 20 Controlling Party

Waymarks' parent association and controlling party is Dimensions (UK) Limited, a charitable registered society under the Co-operative and Community Benefit Societies Act 2014 registered number 31192R.

The principal purpose and activities of Dimensions (UK) Limited and its subsidiaries is the provision of person-centred support packages, with housing, for people with learning disabilities and autism.

The public can obtain the consolidated accounts of Dimensions (UK) Limited that include the Charity's accounts via the website [www.dimensions-uk.org](http://www.dimensions-uk.org) or by writing to the registered office address on page 2 of this report.

**Waymarks Limited**  
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**21 Off-Balance Sheet Arrangements**

Waymarks, along with the other entities in the Dimensions Group, became party to a £10m Revolving Credit Facility with HSBC plc on 7 April 2017, whereby the liabilities to HSBC of each of the entities within the Dimensions Group are cross guaranteed by the others.