

Charity Registration No. 1003230

Company Registration No. 2614194 (England and Wales)

POLESWORTH GROUP HOMES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

THURSDAY



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01/11/2018
COMPANIES HOUSE

POLESWORTH GROUP HOMES LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr S Barratt Mrs G Irons Mr D Lockwood Mr F Price Mr W Wilkinson Mrs A Wilson
Secretary	Mrs C Forbes
Chief Executive	Mrs L-A Smith
Charity number	1003230
Company number	2614194
Registered office	Laurel End Laurel Avenue Polesworth Nr Tamworth Staffordshire B78 1LT
Auditor	Burgis & Bullock 23-25 Waterloo Place Warwick Street Leamington Spa Warwickshire CV32 5LA
Bankers	HSBC plc 3a Queens Road Nuneaton Warwickshire CV11 5JL
Solicitors	Rutherfords Ventura House, Ventura Park Road Tamworth Staffordshire B783HL

POLESWORTH GROUP HOMES LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Investment advisors

Adler Financial Planning
23-25 Waterloo Place
Warwick Street
Leamington Spa
Warwickshire
CV32 5LA

POLESWORTH GROUP HOMES LIMITED

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POLESWORTH GROUP HOMES LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

The Directors/Trustees submit their annual report and audited accounts for the Charity's activities during the year ended 31st March 2018.

Objectives and activities

The principal objectives of the Charity are to assist people with severe learning disabilities in the provision of accommodation, support and wider life-enhancing opportunities.

The main activities of the charity are the provision of residential care and domiciliary care (long-stay services) and the provision of respite care and daytime care/opportunities (short-stay services) for adults with learning disabilities.

In order to meet and further the Charity's objectives, the following policies have been adopted, which guide all of the Charity's activities:

1. The Charity aims to enable users of its services to live as normal a life as possible, taking account of their disabilities. It wishes to enable them to use a wide variety of facilities in the local community which are used by non-disabled people, such as shops, doctors, dentists, sports facilities, public houses, places of worship, social clubs and educational facilities.
2. The Charity supports the proposals of the "Government response to No voice unheard, no right ignored- a consultation for people with learning disabilities, autism and mental health conditions" (November 2015) as well as the principles enshrined in The Care Act 2014 which places specific responsibilities on Local Authorities. The Charity aims to provide the right amount of care and support to help people to achieve maximum independence, and by acquiring basic skills, help them to achieve their full potential.
3. The Charity recognises that people with learning disabilities are fellow citizens who lose none of their rights on account of their disabilities. It aims to uphold the rights of people to be consulted about their wishes and feelings and to have the opportunity for these views to be aired through the promotion of advocacy.
4. The Charity also recognises the special needs and problems of people who are significantly dependent on others, and that the exercise of rights involves responsibilities, duties and obligations. Therefore it believes that a sensible and sensitive approach should be adopted in pursuit of its objectives.
5. The Charity values the significant part played by families and carers. It wishes at all times to consult them concerning the implications of the widening opportunities for people with disabilities to participate more fully in the life of the community.
6. The Charity values opportunities to work in partnership with local authorities to promote the interests of people with learning disabilities. It welcomes opportunities to work with other agencies and professional workers.

POLESWORTH GROUP HOMES LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Success criteria

The criteria or measures that the charity uses to assess success in the reporting period are, in reality, measured on an individual basis by the outcomes achieved by each and every service user. However more tangible measures of success are the popularity of our services (vacancy rates) and the outcome of inspections by the external regulator, the Care Quality Commission (CQC). Performance of the charity during the year to 31 March 2018 is detailed below – see 'Achievements and performance'.

Significance of volunteers

As at 31 March 2018 the Charity had two volunteers working with service users on a part time basis. More voluntary roles will be considered in the future. The volunteers complement the work of employees, primarily by providing additional resource to help service users live their lives as independently as possible and widen the range of activities and experiences that we are able to offer service users. All Trustees undertake their role voluntarily.

Public Benefit

The Trustees have considered the Charity Commission's guidance on public benefit. Benefit is identified within the 'Objectives and activities' section of the Trustees' Report. The beneficiaries of the Charity's work are adults with learning disabilities (service users) and, indirectly, members of their families and/or their carers. Most service users are from the local area, although the Charity does accept people from other areas when there is spare capacity. Users of the Charity's facilities are means-tested and the cost of meeting their needs is met by local authorities where personal funds are insufficient.

The activities of the Charity also provide benefit for the wider public by providing employment and skills development in the local area and by developing links with the local community and educational establishments. In doing so the lives of our service users are enhanced and the Charity's activities educate the wider public about learning disability and how people with learning disabilities can best be supported to fulfil their individual potential.

The Charity is a Company Limited by Guarantee and the Trustees give their time free of any charge which means that management costs are lower, leading to more modest fees being incurred by local authorities.

Additional benefits provided by the Charity to service users include assisting with the cost of holidays and with costs incurred in moving home where their personal funds are insufficient. Where the Charity rents properties to people with learning disabilities as tenants, levels of rent are set so as to ensure as far as possible that tenants' liabilities are covered by housing benefits, even when the resulting rent is below the local market rate.

During the year to 31st March 2018 the Charity has continued its relationship with a local Primary School Academy. Service users have taken part in activities at the schools and pupils have had the opportunity to understand more about the lives of people with learning disabilities. This relationship is beneficial to service users and to the local school children and wider community alike and it is hoped that the links will continue in future years.

POLESWORTH GROUP HOMES LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Achievements and performance

At 31st March 2018, the Charity provided long-stay services for 34 people in its registered homes and for 20 people living in their own homes. Its day services were regularly used by 17 people who live with their own families, as well as others living in premises owned by the Charity. A maximum of six respite care places were available at any one time in its registered respite service.

The success of the charity in meeting its aims and objectives is, in reality, measured on an individual, person-centred basis by the outcomes achieved by each service user. More tangible measures of success are the popularity of our services (low vacancy rates) and the outcome of inspections by the external regulator, the Care Quality Commission (CQC). During the year to 31st March 2018 the vacancy rate in residential care homes was 3% (2017, 1%). The vacancy rate in tenancies offering supported living accommodation was 8% (2017, 7%). There was one long-stay vacancy in a registered care home at 31st March 2018 and one in a tenancy offering supported living. There were no vacancies in our day service and the popularity of the respite service has again increased during the year. At 31st March 2018 there were 54 service users accessing the respite service (2017, 52).

One inspection has been carried out during the year ended 31st March 2018 by the CQC at registered care homes. The rating awarded following this inspection was 'Good'.

The Charity has closed one service during the year which supported two people living in their own home. The property was no longer suitable to meet the needs of the service users concerned. These service users are now living in more appropriate accommodation. This has decreased the Charity's overall provision for this type of service by two people. However the Charity is likely to open new properties in the future to maintain or increase its provision.

Since the year end the Charity has converted a twin room at its respite home into two single rooms, both with en-suite bathrooms. This provides a more comfortable stay for service users and increases the capacity with bookings because the twin room was not desirable for an increasing number of service users.

The Charity has regularly consulted users of its services during the year and held a consultation meeting with nearest relatives. These discussions have enabled the Charity to provide services in keeping with users' and carers' needs and wishes.

The Charity has continued to work closely with Warwickshire County Council in providing places in long-stay registered care homes and by participating in the Council's Framework Agreements for supported living, respite and daytime opportunity services. The Charity also contributes to provider forums hosted by Warwickshire County Council, one of the aims of which is the continuous improvement of the services commissioned. The Charity also works with Staffordshire County Council and Leicestershire County Council to deliver services to a small but growing number of people.

The Charity has not undertaken any significant fund-raising activities during the year.

No material expenditure has been incurred during the year to 31st March 2018 to raise income for future periods.

POLESWORTH GROUP HOMES LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Staff training opportunities

The Charity takes the view that staff training and development are crucial in maintaining the quality of its services and therefore in achieving its objectives.

During the year a member of the management team has been working towards a Level 5 Diploma in Leadership and Management in Social Care.

All new staff complete the Care Certificate. This is an identified set of standards that health and social care workers adhere to in their daily working life. Training has also been provided on food hygiene; people handling; fire warden; care of medicines; first aid; adult abuse, neglect and safeguarding; dementia; challenging behaviour; nutrition and health; falls and fractures; infection control; the Mental Capacity Act and Deprivation of Liberties; epilepsy and rescue medication and health & safety awareness.

For a number of years, the Charity has enabled staff members to obtain National Vocational Qualifications in Health and Social Care, now known as Diplomas in Health and Social Care. At 31st March 2018, the Charity had a total of 107 staff employed in direct care-giving roles, of whom 68% (2017 : 74%) were qualified to NVQ level 2 or 3 or equivalent level.

Financial review

The Charity has made a surplus for the year which enables it to continue to invest in its ongoing activities.

Detailed financial statements are attached to this report. It is appropriate to draw attention to the following items:

1. The Charity's funds have been applied solely in pursuit of its objectives in either direct charitable expenditure or in its management and administration.
2. The Charity's assets are all held for the purpose of pursuing its objectives. There are no material differences in values to those shown on the accounts.
3. During the year the Charity has replaced two vehicles used by service users.
4. The Charity has a satisfactory financial position at the balance sheet date. No funds are in deficit.
5. The Trustees have discussed the matter of the Charity's reserves. In view of the Charity's responsibilities as an employer and the continuing uncertainties over future funding sources, the trustees agreed that it is appropriate to maintain a general reserve equivalent to the net book value of tangible fixed assets plus half the past year's expenditure. No amounts are designated or otherwise committed as at 31 March 2018. The following is relevant information with regard to the Charity's reserves as at 31 March 2018:

i.	Amount of reserves	£ 3,636,298
ii.	Amount of any restricted funds	£ 0
iii.	Amount of reserves fund that can only be realised by disposing of tangible fixed assets	£ 2,164,460
iv.	Amount of reserves after making allowance for ii) and iii) above	£ 1,471,658

POLESWORTH GROUP HOMES LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

6. The Charity's relationship with local authorities has continued to prosper, through contracts for the provision of long-stay (residential care and supported living) and short-stay (respite and daytime opportunity) services. The great majority of the Charity's service users originate from within the County of Warwickshire and the Charity acknowledges the financial support of Warwickshire County Council, the principal funding source for the Charity's activities.

7. The Charity has invested for the medium to longer term in funds which are expected to provide capital growth in keeping with the agreed reserves policy. The funds are deemed appropriate for Trustees and the investments have been acquired and held in accordance with the powers available to the Trustees. The Trustees will take social, environmental or ethical considerations into account when making any new investments.

8. The Charity and its Trustees do not hold any assets on behalf of any other body.

9. No significant events have affected financial performance during the period. One significant event has affected financial position during the period. Warwickshire County Council implemented a new finance system and as a result of issues that they experienced processing invoices, debtors at 31 March 2018 were significantly higher than at 31 March 2017. All the related debtor balances at 31 March 2018 have been recovered at the date of signing and there are no known problems with future recovery.

The factor most likely to affect future financial performance or position is pressure on local authority budgets for social care. The extent to which this affects the Charity's existing activities will depend on local and national government policy.

Plans for future periods

The Charity's overall aims and objectives remain consistent. The Charity will continue to work under Framework Agreements with Warwickshire County Council and to complete any appropriate tender exercises for contracts or Framework Agreements with Warwickshire County Council and nearby local authorities. The Charity expects that changes in funding arrangements and pressure on local authority budgets for social care will affect its activities in the medium and longer term. The Charity will continue to work as efficiently as possible with its resources. The Charity will continue to maintain and invest in suitable properties to ensure that they remain suitable for its purposes. Further changes in financial benefits provided by the State are expected and are likely to impact on service users. There may continue to be increased emphasis on personal budgets and direct payments, meaning that the Charity's services will be purchased by individuals and their families rather than by local authorities. The Charity's Trustees believe that its reputation for providing excellent services will enable it to meet future challenges with confidence.

Structure, governance and management

The Charity is governed by its Memorandum and Articles of Association. These also govern its status as a Company Limited by Guarantee.

POLESWORTH GROUP HOMES LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

The Trustees, who are also the Directors for the purpose of company law who served during the year were:

Dr S Barratt

Mrs G Irons

Mr D Lockwood

Mr F Price

Mr W Wilkinson

Mrs A Wilson

Overall responsibility and control rests with the Board of Directors who are also Trustees of the Charity. The Board meets each quarter and is updated on the activities of the charity. The Board also determines strategic policy issues.

New Trustees are appointed by the Board after identifying areas of expertise which may be of benefit. New Trustees are appointed in accordance with the guidance set out in the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014: Regulation 5. New trustees are inducted by the Company Secretary and existing Board members and by the provision of information issued by the Charity Commission regarding the role of Trustee. No new trustees joined the Board during the year to 31st March 2018.

The Trustees delegate day-to-day management to the Charity's Chief Executive, Mrs L.-A. Smith and the Company Secretary/Head of Finance, Mrs C. Forbes. Both were in position throughout the financial year ended 31 March 2018 and remain in position at the date of this report.

The key management personnel of the Charity are the Chief Executive and Head of Finance/Company Secretary.

The Charity's facilities and services are in the day-to-day control of the Chief Executive. At 31st March 2018 four Registered Managers had responsibility for a total of seven registered care homes, one of them also having responsibility for the Charity's domiciliary (supported living) service. An Assistant Manager works alongside the Registered Managers, while the Charity's daytime activity services are led by a further Manager. There are a number of Senior Care/Support Workers and Care/Support Workers at the various registered homes, domiciliary locations and daytime activity services. At its two largest registered homes the Charity employs cooks and domestic workers. There are also two gardeners/handyman who undertake gardening and maintenance work at all locations.

The Company Secretary has day-to-day control of the Charity's financial affairs. The Company Secretary is a Chartered Accountant (ICAEW).

The Charity's training and induction programme for new staff members is carried out in keeping with the standards required by the Care Certificate. The Care Certificate is a set of minimum standards that social care and health workers adhere to. The Charity uses the services of a training consultant to assist with its responsibilities for staff qualifications, training and development.

POLESWORTH GROUP HOMES LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

There are secretarial, accounting and administrative staff assisting in the management and administration of the Charity.

The Charity employed a total of 125 staff at 31st March 2018.

The pay and remuneration of all employees, including management, is reviewed and agreed on an annual basis by the Pay Award Sub-Committee, a sub-committee of the Board. The pay and remuneration of all employees, including the Charity's management, is set fairly and in accordance with their responsibilities by reference to local market and sector pay rates.

The Trustees and senior managers formally reviewed the register of the principal risks faced by the Charity at their meeting in January 2018. Systems and procedures have been established to manage risks. External risks to funding are reduced by the Charity's policy on reserves. Internal risks are minimised through:

- Robust and thorough policies and procedures
- Training and supervision of staff
- Regular consultation with service users and family carers
- Regular Board meetings and Trustee visits to services
- Internal controls such as financial controls, security controls and insurance.

Auditor

A resolution proposing that Burgis & Bullock be reappointed as auditors of the Charity will be put to the members.

Disclosure of information to auditor

Each of the Trustees'/Directors' have confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees'/Directors' report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

Signed on behalf of the Board of Trustees/Directors:



Mr W Wilkinson

Trustee

Dated: 1-10-2018

POLESWORTH GROUP HOMES LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2018

The Trustees (who are also Directors of Polesworth Group Homes Limited for the purposes of Company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that 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 also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

POLESWORTH GROUP HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF POLESWORTH GROUP HOMES LIMITED

Opinion

We have audited the financial statements of Polesworth Group Homes Limited (the 'Charity') for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

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

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

POLESWORTH GROUP HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF POLESWORTH GROUP HOMES LIMITED

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 Charity 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 Trustees' report and from the requirement to prepare a strategic report.

POLESWORTH GROUP HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF POLESWORTH GROUP HOMES LIMITED

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the Directors of the Charity for the purpose 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 Charity'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's responsibilities for the audit of the financial statements

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

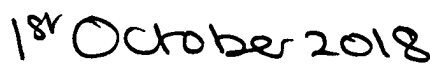
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 auditors' 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.



**Wende Hubbard FCCA (Senior Statutory Auditor)
for and on behalf of Burgis & Bullock**


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**Chartered Accountants
Statutory Auditor**

23-25 Waterloo Place
Warwick Street
Leamington Spa
Warwickshire
CV32 5LA

POLESWORTH GROUP HOMES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
<u>Income from:</u>			
Donations and legacies	3	4,670	14,355
Charitable activities	4	2,953,682	2,879,728
Investments	5	1,879	7,885
Other income	6	18,379	14,628
Total income		2,978,610	2,916,596
<u>Expenditure on:</u>			
Charitable activities	7	2,840,715	2,702,231
 Net gains on investments	 11	 (2,882)	 9,556
Net movement in funds		135,013	223,921
Fund balances at 1 April 2017		3,501,285	3,277,364
Fund balances at 31 March 2018		3,636,298	3,501,285

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

POLESWORTH GROUP HOMES LIMITED

BALANCE SHEET AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	12	2,164,640		2,197,979	
Investments	13	191,380		194,262	
		<u>2,356,020</u>		<u>2,392,241</u>	
Current assets					
Debtors	15	642,069		335,695	
Cash at bank and in hand		724,244		870,964	
		<u>1,366,313</u>		<u>1,206,659</u>	
Creditors: amounts falling due within one year	16	(86,035)		(97,615)	
Net current assets		<u>1,280,278</u>		<u>1,109,044</u>	
Total assets less current liabilities		<u><u>3,636,298</u></u>		<u><u>3,501,285</u></u>	
Income funds					
Unrestricted funds		<u>3,636,298</u>		<u>3,501,285</u>	
		<u><u>3,636,298</u></u>		<u><u>3,501,285</u></u>	

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

The accounts were approved by the Trustees on 1-10-2018



Mr W Wilkinson
Trustee

Company Registration No. 2614194

POLESWORTH GROUP HOMES LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	21		(56,697)		153,527
Investing activities					
Purchase of tangible fixed assets		(95,199)		(352,652)	
Proceeds on disposal of tangible fixed assets		2,751		5,692	
Purchase of investments		-		(6,643)	
Proceeds on disposal of investments		546		508	
Interest received		1,879		7,885	
Net cash used in investing activities			(90,023)		(345,210)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(146,720)		(191,683)
Cash and cash equivalents at beginning of year			870,964		1,062,647
Cash and cash equivalents at end of year			724,244		870,964

POLESWORTH GROUP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity information

Polesworth Group Homes Limited is a registered charity (no 1003230) and a private company limited by guarantee incorporated in England and Wales. The registered office is Laurel End, Laurel Avenue, Polesworth, Nr Tamworth, Staffordshire, B78 1LT. No changes in principal activities occurred during the year.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006 and '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)' (as amended for accounting periods commencing from 1 January 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the requirements of the Charities Act 2011. The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

POLESWORTH GROUP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Deferred income consists of resources received that do not meet the criteria for recognition as incoming resources as entitlement to the resource does not exist at the balance sheet date, e.g. grants received relating specifically to a future period and income invoiced in advance of services to be provided.

Income for charitable activities is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Resources expended include attributable VAT in the instances that it cannot be recovered.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation or impairment. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	Nil
Buildings	50 years straight line
Office equipment	3 years straight line
Fixtures, fittings & equipment	3 years straight line
Motor vehicles	5 years reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

POLESWORTH GROUP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

POLESWORTH GROUP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.11 Employee benefits

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 Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The Charity operates two defined contribution pension schemes. Contributions are charged in the financial statements as they become payable in accordance with the rules of the schemes.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.14 Debtors

Debtors are recognised at the settlement amount due after any discounts offered. Prepayments are valued at the amount prepaid after taking account of any discounts due.

1.15 Creditors

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 discounts due.

POLESWORTH GROUP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees 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.

Critical judgements

Support cost allocation

Support costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resources. Costs relating to a particular activity are allocated directly.

3 Donations and legacies

	2018	2017
	£	£
Donations and gifts	4,670	6,175
Legacies receivable	-	8,180
	<u>4,670</u>	<u>14,355</u>

4 Charitable activities

	Long stay services	Short stay services	Total 2018	Total 2017
	£	£	£	£
Accommodation, care and support services	<u>2,481,053</u>	<u>472,629</u>	<u>2,953,682</u>	<u>2,879,728</u>

POLESWORTH GROUP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

5 Investments

	2018	2017
	£	£
Interest receivable	1,879	7,885
	<u> </u>	<u> </u>

6 Other income

	2018	2017
	£	£
Contributions to meals and holidays	16,487	13,070
Solar panel income	1,354	1,459
Farm produce	538	99
	<u> </u>	<u> </u>
	<u>18,379</u>	<u>14,628</u>

POLESWORTH GROUP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

7 Charitable activities

	Long stay services £	Short stay services £	Total 2018 £	Total 2017 £
Staff costs	1,715,855	322,272	2,038,127	1,988,366
Depreciation and impairment	100,858	15,299	116,157	106,422
Food and household	125,123	30,083	155,206	143,516
Daycare	20,698	9,925	30,623	29,608
Premises	81,642	28,027	109,669	112,190
Motor and travelling	43,449	15,054	58,503	53,371
Miscellaneous	17,567	2,497	20,064	8,288
Telephone	3,239	1,358	4,597	5,530
Printing, stationery and computer costs	783	500	1,283	1,992
(Profit)/loss on disposals of fixed assets	(2,713)	1	(2,712)	135
	<u>2,106,501</u>	<u>425,016</u>	<u>2,531,517</u>	<u>2,449,418</u>
Share of support costs (see note 8)	247,629	54,358	301,987	244,995
Share of governance costs (see note 8)	5,913	1,298	7,211	7,818
	<u>2,360,043</u>	<u>480,672</u>	<u>2,840,715</u>	<u>2,702,231</u>
Analysis by fund				
Unrestricted funds	<u>2,360,043</u>	<u>480,672</u>	<u>2,840,715</u>	
	<u>2,360,043</u>	<u>480,672</u>	<u>2,840,715</u>	
For the year ended 31 March 2017				
Unrestricted funds	<u>2,255,137</u>	<u>447,094</u>		<u>2,702,231</u>
	<u>2,255,137</u>	<u>447,094</u>		<u>2,702,231</u>

POLESWORTH GROUP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

8 Support costs

	Support costs	Governance costs	2018	2017	Basis of allocation
	£	£	£	£	
Staff costs	198,725	-	198,725	148,050	
Depreciation	12,339	-	12,339	11,023	
Office costs	27,517	-	27,517	23,915	
Premises	14,017	-	14,017	16,323	
Motor and travelling	10,965	-	10,965	11,621	
Sundry	35,086	-	35,086	35,497	
Recruitment costs	3,335	-	3,335	4,354	
(Profit)/loss on disposals of fixed assets	3	-	3	(5,788)	
Audit fees	-	4,500	4,500	4,400	Governance
Accountancy	-	2,711	2,711	3,418	Governance
	<u>301,987</u>	<u>7,211</u>	<u>309,198</u>	<u>252,813</u>	
Analysed between					
Charitable activities	<u>301,987</u>	<u>7,211</u>	<u>309,198</u>	<u>252,813</u>	

Support costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resources. Costs relating to a particular activity are allocated directly.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration nor reimbursement of expenses during the year.

POLESWORTH GROUP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

10 Employees

Number of employees

The average monthly number employees during the year was:

	2018 Number	2017 Number
Accommodation, care and support staff	111	107
The Charity's management and administration	14	14
	<u>125</u>	<u>121</u>

Employment costs

	2018 £	2017 £
Wages and salaries	2,058,441	1,963,670
Social security costs	151,642	146,531
Other pension costs	26,769	26,215
	<u>2,236,852</u>	<u>2,136,416</u>

As at the 31 March 2018, there were 95 full time equivalent employees.

There were no employees whose annual remuneration was £60,000 or more.

11 Net gains/(losses) on investments

	2018 £	2017 £
Revaluation of investments	<u>(2,882)</u>	<u>9,556</u>

POLESWORTH GROUP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

12 Tangible fixed assets

	Land and buildings	Office Equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2017	2,765,046	55,025	488,852	426,712	3,735,635
Additions	1,552	8,148	51,720	33,779	95,199
Disposals	-	(1,625)	(27,604)	(31,050)	(60,279)
At 31 March 2018	2,766,598	61,548	512,968	429,441	3,770,555
Depreciation and impairment					
At 1 April 2017	710,676	38,833	444,330	343,817	1,537,656
Depreciation charged in the year	52,291	6,460	25,677	44,068	128,496
Eliminated in respect of disposals	-	(1,622)	(27,587)	(31,028)	(60,237)
At 31 March 2018	762,967	43,671	442,420	356,857	1,605,915
Carrying amount					
At 31 March 2018	2,003,631	17,877	70,548	72,584	2,164,640
At 31 March 2017	2,054,370	16,192	44,522	82,895	2,197,979

The net book value of land and buildings includes £23,739 (2017: £24,447) in respect of a leasehold property which would revert to a third party should it cease to be used to accommodate adults with severe learning difficulties.

POLESWORTH GROUP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

13 Fixed asset investments

	Listed Investments £
Cost or valuation	
At 31 March 2017	194,262
Unrealised gain/(loss) in the year	(2,336)
Disposals	(546)
	<hr/>
At 31 March 2018	191,380
	<hr/>
Carrying amount	
At 31 March 2018	191,380
	<hr/> <hr/>
At 31 March 2017	194,262
	<hr/> <hr/>

14 Financial instruments	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,285,103	1,149,824
Instruments measured at fair value through profit or loss	191,380	194,262
	<hr/>	<hr/>
Carrying amount of financial liabilities		
Measured at cost (not amortised)	46,002	59,234
	<hr/>	<hr/>

15 Debtors	2018 £	2017 £
Amounts falling due within one year:		
Prepayments and accrued income	642,069	335,695
	<hr/>	<hr/>

POLESWORTH GROUP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

16 Creditors: amounts falling due within one year

	2018	2017
	£	£
Other taxation and social security	40,033	38,381
Other creditors	16,801	31,415
Accruals and deferred income	29,201	27,819
	<u>86,035</u>	<u>97,615</u>

17 Retirement benefit schemes

The Charity operates defined contribution pension schemes for all qualifying employees. The assets of the schemes are held separately from those of the Charity in independently administered funds.

The charge to profit or loss in respect of defined contribution schemes was £26,769 (2017 - £26,215).

18 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018	2017
	£	£
Within one year	12,941	12,941
Between two and five years	46,155	51,763
In over five years	-	7,333
	<u>59,096</u>	<u>72,037</u>

For the financial year ended 31 March 2018, the operating lease payments recognised as an expense in the statement of financial activities amounted to £12,941 (2017 : £9,235).

POLESWORTH GROUP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

19 Capital commitments	2018	2017
	£	£
At 31 March 2018 the Charity had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	49,900	-
	<u> </u>	<u> </u>
20 Related party transactions		
Remuneration of key management personnel		
The remuneration of key management personnel is as follows.		
	2018	2017
	£	£
Aggregate compensation	113,383	112,790
	<u> </u>	<u> </u>
21 Cash generated from operations	2018	2017
	£	£
Surplus for the year	135,013	223,921
Adjustments for:		
Investment income recognised in statement of financial activities	(1,879)	(7,885)
Gain on disposal of tangible fixed assets	(2,709)	(5,653)
Fair value gains and losses on investments	2,336	(9,556)
Depreciation and impairment of tangible fixed assets	128,496	117,445
Movements in working capital:		
(Increase) in debtors	(306,374)	(133,211)
(Decrease) in creditors	(11,580)	(31,534)
	<u> </u>	<u> </u>
Cash (absorbed by)/generated from operations	(56,697)	153,527
	<u> </u>	<u> </u>