

**POLESWORTH GROUP HOMES LIMITED**  
**(COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2003**

Registered Number 2614194

Registered Charity Number 1003230

**Burgis & Bullock**  
**Chartered Accountants**  
Gethin House  
36 Bond Street  
Nuneaton  
WARCS CV11 4DA



# POLESWORTH GROUP HOMES LIMITED

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# **POLESWORTH GROUP HOMES LIMITED**

## **ANNUAL REPORT OF THE DIRECTORS/TRUSTEES FOR THE YEAR ENDED 31 MARCH 2003**

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The directors/trustees submit their annual report and audited accounts for the Charity's activities during the year ended 31 March 2003.

### **Objectives of the Charity**

The Charity is governed by its Memorandum and Articles of Association.

The principal objectives are to assist people with severe learning disabilities in the provision of accommodation and wider learning opportunities.

In order to further the Charity's objectives, the following policies have been adopted:

1. The Charity aims to enable its residents 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 and public houses.
2. In keeping with the Government's policy of Care in the Community, the Charity aims to provide the right amount of care and support to help people to achieve maximum independence, and by re-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 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 for partnership with County Councils to promote the interests of people with learning disabilities. It also welcomes opportunities to work with other agencies and professional workers.

There have been no changes in policy since the last Annual General Meeting.

# **POLESWORTH GROUP HOMES LIMITED**

## **ANNUAL REPORT OF THE DIRECTORS/TRUSTEES FOR THE YEAR ENDED 31 MARCH 2003**

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### **Organisational structure and decision making**

Overall responsibility and control rests with the Board of Directors who are also trustees of the Charity. The board meets each quarter and determines strategic policy issues.

The Charity's facilities are in the day to day control of the Chief Executive, who is the Registered Manager of three homes. Two other Registered Managers have responsibility for a total of five homes. There is one Assistant Manager and a number of Senior Care/Support Workers and Care/Support Workers at various homes.

The Company Secretary has day to day charge of the Charity's financial affairs. The Company Secretary is a qualified social worker and also holds a management qualification.

There are part-time secretarial, accounting and administrative staff assisting in the management and administration.

The Charity employed a total of 65 staff at 31 March 2003.

### **Developments during the year 2002/2003**

During the year the Charity extended its respite home, replacing a double bedroom with two single rooms. The Charity also decided to reduce occupancy of two double bedrooms to single rooms in its long stay homes.

At 31 March 2003, the Charity provided long stay accommodation for forty one residents, six respite care places providing for up to forty users, and outreach support for a further four. There was one long stay vacancy at 31 March 2003.

### **Staff training opportunities**

During the year, the Charity's Chief Executive completed a part-time course leading to a certificate in Management of Health and Social Care. She proceeded to undertake National Vocational Qualification Level 4 in Management of Care, which she expects to complete in the summer of 2003.

Three of the Charity's managers began National Vocational Qualification Level 4 in care, with a view to completing the qualification for Registered Managers during 2003/2004.

Eight members of staff attained the National Vocational Qualification Level 3 in Social Care and five completed Level 2. Five more members began work on Level 3 and two on Level 2 expecting to complete during 2003/2004.

The Charity provided training in manual handling; understanding depression; death and bereavement counselling; good practice with medicines; foot care; food hygiene; first aid; fire prevention; diabetes; risk assessment; and on the management of challenging behaviour.

# **POLESWORTH GROUP HOMES LIMITED**

## **ANNUAL REPORT OF THE DIRECTORS/TRUSTEES FOR THE YEAR ENDED 31 MARCH 2003**

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### **Review of risk**

The Trustees have considered the major risks to which the Charity is exposed and systems have been established to mitigate those risks. External risks to funding are reduced by the Charity's policy on reserves. Internal risks are minimised by implementing procedures for the authorisation of all projects and transactions and for promoting consistent quality of service delivery, through training and supervision of staff. These procedures are reviewed regularly to ensure that they continue to meet the needs of the Charity.

### **Financial report**

Detailed accounts 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 objects in either direct charitable expenditure or the management and administration of the Charity.
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 in the accounts.

Significant additions to the tangible fixed assets include provision of ensuite shower facilities to rooms at Laurel End, Polesworth and 19 Pooley View, Polesworth; a single room extension at Pooley Heights, Polesworth; replacement of three motor vehicles; and provision of computer equipment for the managers of two homes.

3. The Charity has a satisfactory financial position at the Balance Sheet date. There are no projects that are not completed and no obligations not yet met apart from the commitment to extend the company's administrative premises at Laurel End (see note 9)
4. The directors/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 maximum general reserve equivalent to half the past years expenditure plus the book value of fixed assets. Reserves above this level have been identified as a designated development fund, which will be used to develop new projects, undertaken in discussion with the principal purchaser of the Charity's services. These discussions will continue in the coming financial year.
5. The Charity's relationship with local authorities continues to prosper, chiefly through contracts for the provision of long stay and respite care services. These contracts have been renewed during the year.
6. The Charity's only investments are deposits with a national building society, which are deemed appropriate for Trustees and have been acquired and held in accordance with the powers available to the Trustees.

### **Major events during the year**

There were no major events during the year.

### **Significant events since the year end**

There have been none up to the time of writing this report.

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# **POLESWORTH GROUP HOMES LIMITED**

## **ANNUAL REPORT OF THE DIRECTORS/TRUSTEES FOR THE YEAR ENDED 31 MARCH 2003**

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### **Directors**

The following have served as directors and trustees during the year:

Mr D W A Morley  
Mr W P Wilkinson  
Dr S A Barratt  
Mrs G Irons

### **Registered office**

The Charity's registered office is:

Laurel End  
Laurel Avenue  
Polesworth  
Nr. Tamworth  
Staffordshire  
B78 1LT

### **Auditors**

The following have acted as auditors in accordance with Section 384 of the Companies Act 1985, and have indicated their willingness to stand for re-appointment:

Burgis and Bullock  
Chartered Accountants  
Gethin House  
36 Bond Street  
Nuneaton  
CV11 4DA

### **Solicitors**

The following have acted as solicitors for the Charity throughout the year:

Rutherfords  
6-9 Ladybank  
Tamworth  
Staffordshire  
B79 7NF

### **Bankers**

The following have acted as the Charity's bankers throughout the year:

HSBC plc  
110 Long Street  
Atherstone  
Warwickshire  
CV9 1AQ

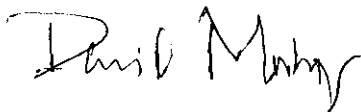
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**POLESWORTH GROUP HOMES LIMITED**  
**ANNUAL REPORT OF THE DIRECTORS/TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2003**

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Signed on behalf of the board of directors/trustees:

Mr D W A Morley  
Chairman, Board of Directors



Date: .....12/9/03.....

# POLESWORTH GROUP HOMES LIMITED

## STATEMENT OF DIRECTORS'/TRUSTEES' RESPONSIBILITIES

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We are required to prepare financial statements for each financial year which give a true and fair view of the Charity's incoming resources and application of resources during the year and of its state of affairs at the end of the year. In preparing those financial statements we are required to:

- select suitable accounting policies and then apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the Charity's assets;
- taking reasonable steps for the prevention and detection of fraud;
- ensuring that the financial statements comply with the Charities Act 1993 and the Companies Act 1985.

Mr D W A Morley  
Chairman



Date: .....22/1/02.....



# POLESWORTH GROUP HOMES LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF POLESWORTH GROUP HOMES LIMITED

We have audited the financial statements of Polesworth Group Homes Limited for the year ended 31 March 2003 which comprise of the statement of financial activities, the balance sheet, the cashflow statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have found.

### Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities the charitable company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Accounting Standards. We also report to you if, in our opinion, the directors report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable company is not disclosed.

We read the Annual Report of the directors /trustees and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

### Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

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 2003 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Burgis & Bullock*

**BURGIS & BULLOCK**

**Registered Auditor**

36 Bond Street

Nuneaton

CV11 4DA

**Date:** 22/02/03

# POLESWORTH GROUP HOMES LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2003

### ALL UNRESTRICTED FUNDS

	Notes	Total 2003 £	Total 2002 £
<b>Incoming resources</b>			
<b>Activities in furtherance of the charity's objectives:</b>			
Residency and daycare		1,268,021	1,228,646
Grants receivable		2,000	-
<b>Activities for generating funds:</b>			
Sundry income		1,130	54
Interest receivable		27,151	29,500
<b>Donations</b>		1,689	1,132
<b>Total incoming resources available for charitable application</b>		<u>1,299,991</u>	<u>1,259,332</u>
<b>Charitable expenditure</b>			
<b>Cost of activities in furtherance of the charity's objectives:</b>			
Provision of services		1,033,187	987,937
<b>Administration and management</b>		176,647	152,604
<b>Total charitable resources expended</b>	2	<u>1,209,834</u>	<u>1,140,541</u>
<b>Net movement in total funds for the year (net incoming resources)</b>		90,157	118,791
<b>Total fund balances brought forward</b>		1,627,511	1,508,720
<b>Total fund balances carried forward</b>	8	<u>1,717,668</u>	<u>1,627,511</u>

There are no recognised gains or losses other than net incoming resources for the above two financial years.

None of the Charity's activities were acquired or discontinued during either of the above years.

# POLESWORTH GROUP HOMES LIMITED

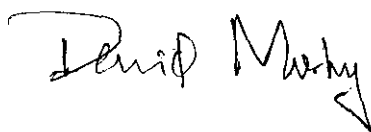
## BALANCE SHEET AS AT 31 MARCH 2003

### ALL UNRESTRICTED FUNDS

	Notes	Total 2003 £	Total 2002 £
<b>Fixed Assets</b>			
Tangible assets	4	1,018,576	959,157
<b>Current Assets</b>			
Debtors	5	21,849	25,582
Cash at bank and in hand		719,837	662,922
		<u>741,686</u>	<u>688,504</u>
<b>Creditors: amounts falling due within one year</b>	6	(42,594)	(20,150)
<b>Net Current Assets</b>		<u>699,092</u>	<u>668,354</u>
<b>Net Assets</b>		<u>1,717,668</u>	<u>1,627,511</u>
<b>Funds</b>	8	<u>1,717,668</u>	<u>1,627,511</u>

The financial statements were approved by the Board and signed on its behalf by

Mr D W A Morley  
Chairman



Date: 22/4/03

# POLESWORTH GROUP HOMES LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2003

### ALL UNRESTRICTED FUNDS

	Notes	2003 £	2002 £
<b>Reconciliation of net incoming resources to net cashflow from operating activities</b>			
Net incoming resources excluding interest receivable		63,006	89,291
Depreciation less profit on sale of assets		82,711	93,190
Decrease /(increase) in debtors		3,733	(2,138)
Increase /(decrease) in creditors		22,444	(851)
<b>Net cash inflow from operating activities</b>		<b>171,894</b>	<b>179,492</b>

### CASH FLOW STATEMENT

Net cash inflow from operating activities		171,894	179,492
Returns on investments and servicing of finance	11	27,151	29,500
Capital expenditure	11	(142,130)	(123,887)
<b>Increase in cash in the year</b>	<b>12</b>	<b>56,915</b>	<b>85,105</b>

# POLESWORTH GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

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### 1. Accounting policies

#### Accounting convention

The financial statements have been prepared in accordance with the historical cost convention and on the going concern basis and are in accordance with applicable accounting standards, and the Charities Accounting Statement of Recommended Practice (revised 2000) (SORP).

#### Tangible fixed assets and depreciation

Tangible assets are capitalised and written off over their estimated useful life on a straight line basis at annual rates as follows:

Freehold properties	- 50 years straight line
Fixtures, fittings and equipment	- 3 years straight line
Office equipment	- 3 years straight line
Motor vehicles	- 5 years straight line
Tractor	- 5 years straight line (nil this year)

#### Residency and daycare

Income received from Local District Councils and Government benefits are credited to the profit and loss account as they are receivable.

#### Donations

Donations are included in income when they are received.

#### Taxation

As a registered Charity the company is exempt from tax.

#### Grants

Capital based grants are deducted from the cost of the fixed asset on which the grants are claimed and are accordingly written off against profits over the estimated useful lives of the asset concerned.

Revenue based grants are credited to the profit and loss account in the same year as the expenditure is charged.

#### Provision of services

Direct charitable expenditure includes the direct costs of the activities and the depreciation on related assets.

#### Pension contributions

The Charity operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are held separately by independent managers. The pension cost charge represents contributions due from the charity and amounted to £15,326 (2002 £10,772).

# POLESWORTH GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

### 2. Total charitable resources expended

	Staff costs £	Deprec- iation etc. £	Other costs £	Total 2003 £	Total 2002 £
Provision of services	702,204	74,824	256,159	1,033,187	987,937
Administration and management	148,590	7,887	20,170	176,647	152,604
	<u>850,794</u>	<u>82,711</u>	<u>276,329</u>	<u>1,209,834</u>	<u>1,140,541</u>

#### Staff costs

	2003 £	2002 £
Wages and salaries	775,581	727,976
Social security costs	59,887	53,272
Pension costs	15,326	10,772
	<u>850,794</u>	<u>792,020</u>

#### Depreciation and profit on disposal

	2003 £	2002 £
Assets owned by the Charity	<u>82,711</u>	<u>93,190</u>

# POLESWORTH GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

### Other costs

	2003	2002
	£	£
Premises	65,904	61,791
Food and household	95,184	99,658
Daycare	35,887	36,471
Motor and travelling	27,742	21,203
Accountancy - audit services	2,365	2,250
- non audit services	3,311	3,293
Staff training	15,170	9,505
Miscellaneous	30,766	21,160
	<u>276,329</u>	<u>255,331</u>

	2003	2002
	£	£
Trustees/directors' emoluments and expenses	<u>-</u>	<u>-</u>

Number of employees analysed between earning bands are as follows:

up to £10,000	32	33
£10,001 - £20,000	28	28
£20,001 - £30,000	3	3
£30,001 - £40,000	1	1
£40,001 - £50,000	<u>1</u>	<u>1</u>

The average number of employees, analysed by function was:

Residency and daycare	60	61
Management and administration of the charity	5	5
	<u>65</u>	<u>66</u>

### 3. Pension costs

The charity operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the Charity and amounted to £15,326 (2002 £10,772).

# POLESWORTH GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

### 4. Tangible fixed assets

	Freehold property	Office equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2002	926,702	29,305	181,208	203,770	1,340,985
Additions	67,078	4,865	37,432	40,615	149,990
Disposals	-	-	(2,782)	(32,956)	(35,738)
At 31 March 2003	993,780	34,170	215,858	211,429	1,455,237
<b>Depreciation</b>					
At 1 April 2002	115,650	26,767	129,143	110,268	381,828
On disposals	-	-	(2,483)	(32,953)	(35,436)
Charge for the year	16,594	3,842	37,870	31,963	90,269
At 31 March 2003	132,244	30,609	164,530	109,278	436,661
<b>Net book values</b>					
At 31 March 2003	861,536	3,561	51,328	102,151	1,018,576
At 31 March 2002	811,052	2,538	52,065	93,502	959,157

The net book value of freehold property includes £26,042 (2002 £26,596) in respect of a property which would revert to a third party should it cease to be used to accommodate adults with severe learning disabilities.

The office equipment and one motor vehicle are used for the management and administration of the charity, all other assets are used for direct charitable purposes.

### 5. Debtors

	2003 £	2002 £
Due within one year:		
Prepayments and other debtors	21,849	25,582



# POLESWORTH GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

6. Creditors: amounts falling due within one year	2003 £	2002 £
Taxes and social security costs	18,932	16,841
Other creditors	-	628
Accruals and deferred income	23,662	2,681
	<u>42,594</u>	<u>20,150</u>

### 7. Share capital

The Charity is a Company Limited by Guarantee having no share capital.

### 8. Funds

	General fund £	Designated development fund £	Total funds £
At 1 April 2002	1,529,428	98,083	1,627,511
Retained profit for the year	90,157	-	90,157
Transfer between funds	-	-	-
At 31 March 2003	<u>1,619,585</u>	<u>98,083</u>	<u>1,717,668</u>

The designated development fund relates to funds set aside by the charity to develop new projects.

### 9. Capital commitments

At 31 March 2003 the Charity had authorised future capital expenditure amounting to £41,759.

### 10. Controlling parties

The Charity is under the control of its board of directors who are also trustees.

# POLESWORTH GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

### 11. Gross Cash Flows

	2003 £	2002 £
<b>Returns on investments and servicing of finance</b>		
Interest received	<u>27,151</u>	<u>29,500</u>
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(149,990)	(126,787)
Proceeds from sales of assets	<u>7,860</u>	<u>2,900</u>
	<u>(142,130)</u>	<u>(123,887)</u>

### 12. Analysis of changes in net cash resources

	Opening balance £	Cash flows £	Closing balance £
Cash at bank and in hand	<u>662,922</u>	<u>56,915</u>	<u>719,837</u>
<b>Net funds</b>	<u>662,922</u>	<u>56,915</u>	<u>719,837</u>