



Registered Charity Number
1074539

Registered Company Number
03593394

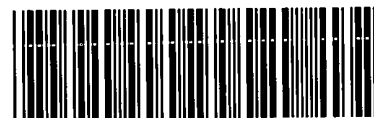
VALLEY HOUSE

(A COMPANY LIMITED BY GUARANTEE AND HAVING NO SHARE CAPITAL)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

THURSDAY



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COMPANIES HOUSE



Burgis & Bullock
Chartered Accountants
the natural choice

VALLEY HOUSE
(company limited by guarantee having no share capital)

LEGAL AND ADMINISTRATIVE INFORMATION

Registered company number	03593394	
Registered charity number	1074539	
Directors and Trustees	J Briffitt G Common D du Boulay S Kasli G Parker S Wyllie B Whittington	(Chairman) (Treasurer to 31/03/2017) (Treasurer from 01/04/2017)
Company secretary	C Haydon	(Resigned 22/06/2017)
Senior management team	LJ Winterburn D Beuzeval L Pettifor C Haydon B Hall C Benson	Chief Executive Project director Financial manager Operational services manager Manager of Supported accommodation and Floating support Counselling and Pre-Therapy Coordinator
Business address & Registered office	55-57 Bell Green Road Coventry West Midlands CV6 7GQ	
Auditors	Burgis & Bullock 23-25 Waterloo Place Warwick Street Leamington Spa CV32 5LA	
Bankers	Barclays Bank plc Coventry City Office PO Box 2, 25 High Street Coventry CV1 5QZ	
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES	



VALLEY HOUSE
(company limited by guarantee having no share capital)
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VALLEY HOUSE
(company limited by guarantee having no share capital)
ANNUAL TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017

INTRODUCTION

The Directors, who are also Trustees of the charitable company present their annual report and the audited accounts for the year ended 31 March 2017.

NAME, REGISTERED OFFICE AND CONSTITUTION OF THE CHARITY

The full name of the charity is Valley House.

The legal registration details are:

Date of incorporation	6 July 1998
Company registration number	03593394
Registered office	55-57 Bell Green Road, Coventry, West Midlands, CV6 7GQ
Charity registration number	1074539

DIRECTORS AND TRUSTEES

The following directors have held office since 1 April 2016:

J Briffitt
G Common
D du Boulay
S Kasli
G Parker
S Wyllie
B Whittington (appointed Treasurer 01/04/2017)

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ANNUAL TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

STRUCTURE, GOVERNANCE & MANAGEMENT

1. Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 6th July 1998 and registered as a charity on 5th March 1999. The charitable company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.00

2. Recruitment and Appointment of Trustees/Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Trustee Board. Under the requirements of the Memorandum and Articles of Association the members of the Trustee Board are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

3. Trustee Induction and Training

All Trustee vacancies are widely advertised through existing local partnerships and the National Council of Voluntary Organisations (NCVO) Trustee recruitment site. All interested individuals meet with the Chair of the Board and one other trustee or member of the Management Team as relevant to their potential Trustee role. Trustee induction includes meeting with the Chair of the Board who explains the role and responsibilities of being a trustee at Valley House. They also meet with the CEO and any other member of the Senior Management Team that may be relevant to their trustee role. All trustees are encouraged to attend training specific to the trustee role. This is currently provided by an external trainer specialising in this area. The Board will be using training recently attended to help frame the new induction and training package for new trustees.

Appointment to the Board consists of attendance at a Board meeting and a vote by trustees.

Additional training opportunities are available at the board away days held each year. The Board identifies their training needs and an internal or external trainer will be sourced to meet this need.

4. Organisational Structure

There are currently 7 Trustee Board Members (see Legal and Administrative page for details)

During 2016-2017 the Board moved to holding 4 full Board meetings a year; and 4 Finance Sub Committee meetings a year. The Finance Sub Committee consists of the Treasurer, 3 Trustees, the Chief Executive and the Financial Manager. Additionally the Treasurer, the Financial Manager and the CEO meet in advance of the Finance Sub Committee. Sub-groups are established for individual projects as necessary.

Two Board Away Days are held each year, open to all trustees.

VALLEY HOUSE
(company limited by guarantee having no share capital)
ANNUAL TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Day-to-day operations are overseen by the Chief Executive. During 2016/2017 each service was managed by a Service Manager, namely:

- Supported Accommodation and Floating Support Manager
- Children's Services Co-ordinator
- Nursery Manager
- Youth and Community Co-ordinator
- Counselling and Pre-Therapy Co-ordinator
- Operational Services Manager (Admin and Centre Management)
- Financial Manager

Business Development and associated activities are the direct responsibility of the Project Director, who worked directly to the Chief Executive and reports to the Trustee Board meeting.

Marketing & Communications were undertaken on a day-to-day basis by the Marketing & Communications Officer working directly to the Chief Executive and to the Marketing & Communications Group (MAC-G).

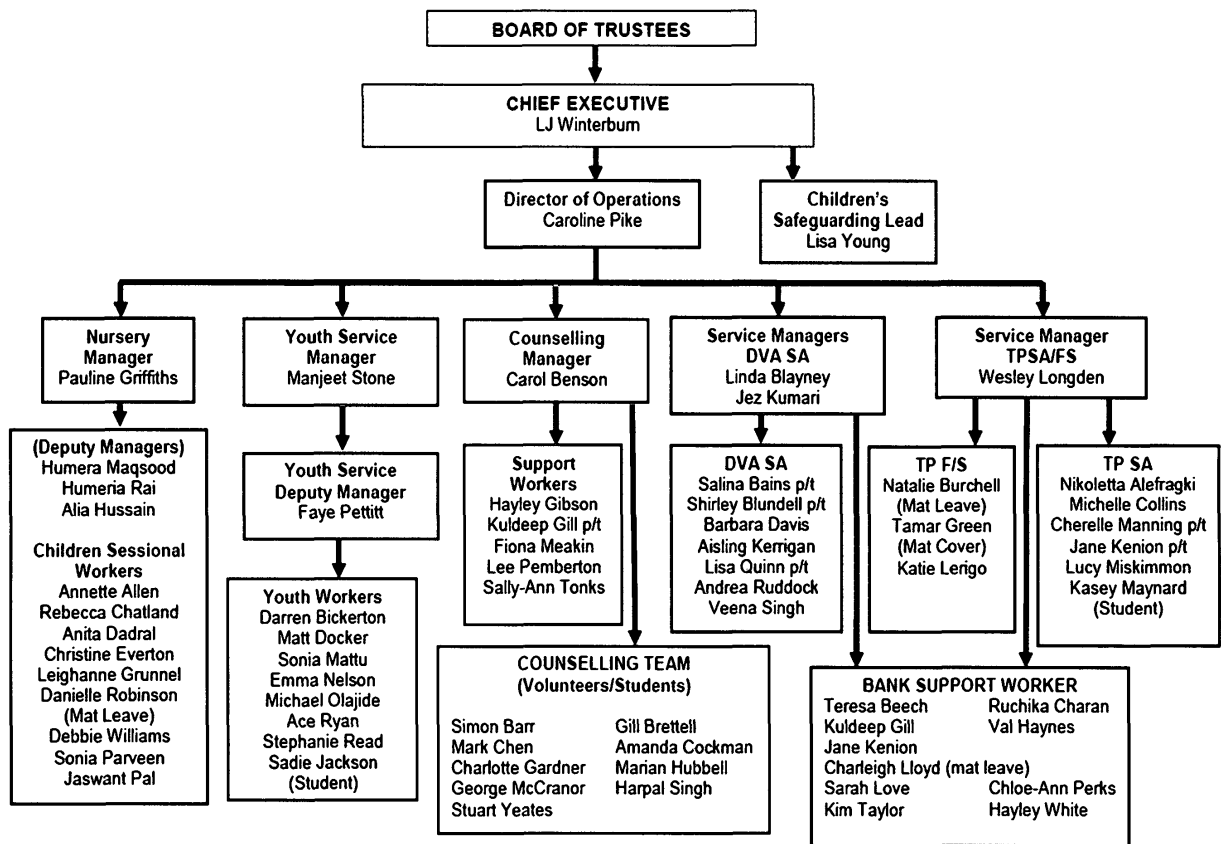
Please see the organisational structure chart on page 4 - 5.

Training is a shared responsibility of the Management Team and overseen by the Chief Executive.

The Board of Trustees delegates day to day management to the CEO and the Management Team.

The trustees take advice from the CEO and the Management Team, the organisations appointed auditors and solicitors.

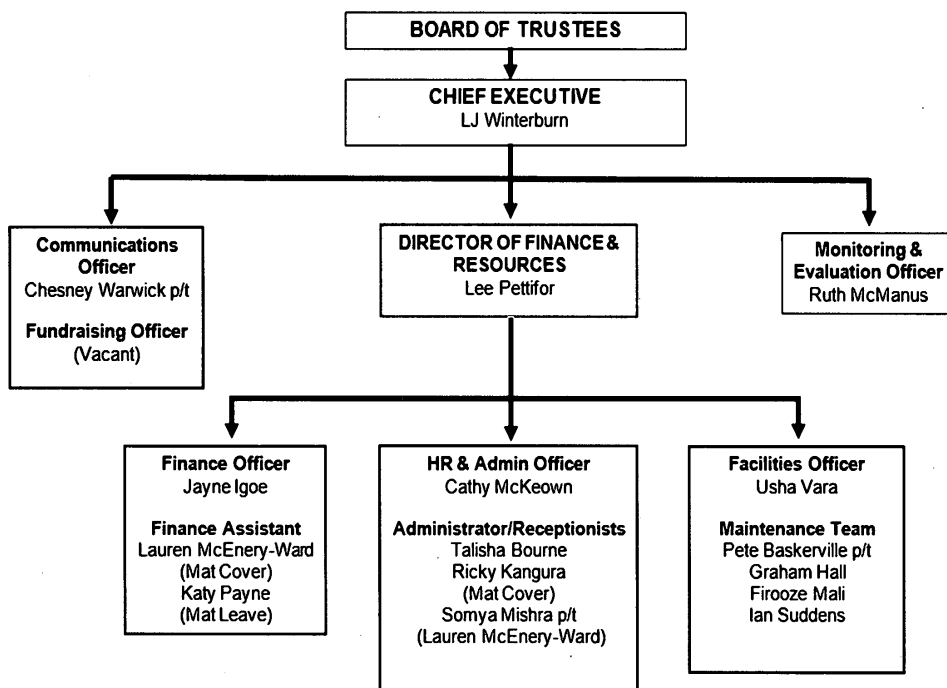
VALLEY HOUSE ORGANISATIONAL STRUCTURE - OPERATIONS



VALLEY HOUSE
(company limited by guarantee having no share capital)
ANNUAL TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017



VALLEY HOUSE ORGANISATIONAL STRUCTURE – FINANCE & RESOURCES



VALLEY HOUSE
(company limited by guarantee having no share capital)
ANNUAL TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Structure, Governance and Management (continued)

Risk Management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face.
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work ensures continuously improving contingency planning. Financial risk is mitigated by establishing a reserves policy, which is reviewed annually by trustees, together with the diversification of the funding base.

Our Aims, Objectives & Activities

The principle purposes and aims of the organisation are:

- a) To offer support and/or accommodation appropriate to the needs of individuals within the City of Coventry and the surrounding area who are homeless, with the aim of enabling them to move into and sustain their own accommodation.
- b) To support and motivate people to re-engage with educational opportunities, that will allow them to develop their potential and have more life choices and the advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience.
- c) To provide quality services for the advancement of the lives of children in partnership with parents, to enable children and young people to develop their physical and mental capacities so they may achieve their potential as individuals and members of society and their conditions of life may improve.

The issues we seek to tackle are wide ranging and ever evolving as those individuals and families approaching us for support continue to grow in complexity of need. Whilst we continue to adhere to our purpose and aims the types of interventions and service delivery models we use continue to evolve.

The broad brush changes we seek to make through our work is encapsulated by our Mission Statement "To work alongside people to take control of their lives and create their own futures". This can range from a service user feeling able to attend an appointment by themselves after years of not leaving their home, through to a young person deciding on their career path after years of drifting; finding a suitable training course and becoming qualified in their chosen vocation.

We seek to bring public benefit most usually but not exclusively to the more vulnerable, disadvantaged and disengaged members of the community by enabling them through appropriate holistic professional support to develop their potential and take control of the quality and independence of their lives.

VALLEY HOUSE
(company limited by guarantee having no share capital)
ANNUAL TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

We deliver a wide range of services specifically designed to support us in achieving our aims and objectives: Valley House is a specialist high support needs provider commissioned by the Local Authority to offer Supported Accommodation to teenage parents. In partnership with Panahghar Safe House Ltd we formed Safe & Supported Partnership (Coventry) Ltd which provides supported accommodation for survivors of Domestic Violence and Abuse (DVA). We provide 16 units of Teenage Parent (TP) accommodation and 39 units of DVA accommodation. The accommodation is made up of single flats, single family houses and shared houses. The emotional and practical support we offer includes 24 hour staff availability, structured support and safety plans, 1 to 1 and group work. We work alongside service users on their journey to emotional and practical independence. This includes securing appropriate move on accommodation and giving them the tools to sustain their tenancies.

Direct staffing within the DVA Supported Accommodation was 0.5 Supported Accommodation and Floating Support Manager; 3 FTE Senior Workers and 5.5 FTE front line Support Workers. Direct staffing within the TP Supported Accommodation was 0.25 Supported Accommodation and Floating Support Manager; 2 FTE Senior Workers and 2.5 FTE front line Support Workers. In addition we have a dedicated maintenance team for our Supported Accommodation. Direct staffing within this team was 1 FTE Maintenance Team Leader and 3.25 FTE Maintenance Workers.

Through our Youth Service, Counselling and Support Service and our Teenage Parent Floating Support Service we provide 1 to 1 and group work interventions specifically designed to support those most vulnerable and disadvantaged to re-engage in their communities and access education, employment and training opportunities. Direct staff within the Youth Service was 1 FTE Youth and Community Coordinator; 2 FTE Senior Workers and 6 FTE front line Support Workers. Direct staffing within the Counselling and Support Service was 1 FTE Counselling and Pre-Therapy Coordinator; 1 FTE Senior Worker and 3.25 FTE front line Support Workers. Direct staffing in the TP Floating Support Service was 0.25 Supported Accommodation and Floating Support Manager; 1 FTE Senior Worker and 2 FTE front line Support Workers.

Our Children's Centre and our Nursery are focused on providing quality services to enable children to further develop their personal capabilities and achieve their potential, despite the barriers they may face. This includes 1 to 1, family work and group work with peers. Direct staffing in the Children's Centre was 0.75 Children's Services Coordinator and 3 FTE front line Support Workers. Direct staffing in the Nursery was 1 FTE Nursery Manager; 1 FTE Deputy and 6 nursery staff with support hours dependant on the number of children accessing the nursery at any one time.

Volunteering has always been central to Valley House. The majority of our volunteers move onto paid work following their volunteering at Valley House. A number of our current staff are ex-Valley House volunteers. Some were in turn service users of Valley House before they became volunteers. Our current nursery staff team has 3 qualified workers who were former volunteers and trainees at Valley House. During 2016/17 we had 17 volunteers in total across our services.

Our current success measurements are funder driven and include both quantitative and qualitative data capture. The tools used for qualitative data capture, specifically mapping a service users journey and outcomes achieved, are nationally recognised tools and include the Outcomes Star, the Warwick-Edinburgh Mental Wellbeing Scale (WEMWBS), and the Housing Association Charitable Trust (HACT) outcomes framework. Additionally we have developed a number of internal qualitative data capture tools that use pre and post service user questionnaires, mapped to defined service user outcomes.

VALLEY HOUSE
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ANNUAL TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Quantitative success is measured through achieving the outputs as specified and agreed with the funder prior to commencement of delivery.

REVIEW OF 2016/17

During 2016/17 Valley House supported 415 adults, 275 young people and 470 children.

Supporting those more vulnerable members of our community to optimise their potential and take control of their lives, is achieved through providing the following services and activities.

Supported Accommodation and Floating Support

Within our DVA supported Accommodation service we worked with 79 adults and 95 children. As a result of the support offered 91% of those individuals and families worked with were successfully enabled to move on to alternative accommodation.

Within the Teenage Parent Supported Accommodation service we worked with 43 young parents and 47 children. As a result of the service offered 96% of those families worked with were successfully enabled to move on to alternative accommodation.

Within our Teenage Parent Floating Support service we worked with 63 young parents and 66 children. As a result of the service offered 97% of those young parents worked with reported an increase in their life skills.

Children & Families

Valley House runs a self-funding nursery offering full day care to both funded and fee paying families. It offers a creative and fun experience to children and seeks to optimise their readiness for school. During 2016/2017 156 children accessed our nursery provision. We have a wide range of families from different cultural and ethnic backgrounds and good working relationships with statutory services.

Valley House also delivered a Sure Start designated Children's Centre in the City, offering a full range of children and family services. This year Children's Centre services had 103 registered children and 110 registered adults. There are marked increases in presenting cases of children with additional needs, learning delay, social isolation, parental mental ill-health, domestic violence and homelessness. We have also continued to see increases year-on-year in Comprehensive Assessment Framework (CAF) level 2/3 numbers as well as in Social Care level 4's. Unfortunately due to funding cuts this service will close on 31 May 2017.

Youth & Community

During 2016/17 the Youth Service worked with a total of 275 young people. There were numerous funding streams, delivering a range of services, broken down below:

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ANNUAL TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

“The Whole Shabang” Big Lottery Reaching Communities funded Youth Project addresses the emotional, practical and aspirational needs of disadvantaged young people within the City. Last year we worked with 172 young people. 100% of the young people worked with reported an increase in either their physical or emotional wellbeing, or increases in confidence.

The “Progress” Big Lottery/European Social Fund Building Better Opportunities funded programme gave us a chance to take our way of working with young people into Bedworth and Nuneaton. During 2016/2017 we had signed up 4 young people who we were still working with and therefore no reported outcomes at the end of the reporting period.

Our “Activities” programme offers young people an opportunity to plan a series of events aimed at giving them the chance to challenge themselves and experience something different. Last year 30 young people were involved in this programme. 100% of young people involved reported increased confidence and self-esteem.

Our “Jump Start Ambition Coventry” European Social Fund Youth Employment Initiative employment and training programme targeted isolated and vulnerable young people and supported them to overcome barriers to accessing employment and training opportunities. We worked with 46 young people last year of which 37% moved into and sustained employment and training opportunities.

Our “Talent Match” programme aims to help young people improve their mental and emotional wellbeing, in order to move closer to the world of work. Last year we worked with 23 young people. 100% reported greater confidence and motivation in relation to wanting to engage in work.

Counselling & Pre-Therapy

During 2016/17 the Counselling Service worked with a total of 26 individuals. Currently this service is unfunded and whilst it is delivered by student counsellors we pay for all expenses related to the service from our own resources.

Our Pre-Therapy service worked with a total of 94 individuals. This service combines therapeutic interventions with practical support to enable isolated and vulnerable individuals to live healthier and more independent lives. This service receives funding from numerous sources, broken down below:

Our “Reaching Communities” Big Lottery Funded service worked with 26 service users that we are still working with and therefore there are no reported outcomes at the end of this reporting period.

Our “Helping You Help Yourself” service funded by Orbit worked with 17 service users of which 100% reported feeling more informed and better able to manage their mental health.

Our “Smart Start” service worked with 28 service users of which 100% reported improved relationships and social networks.

Our “Rooted” service with Coventry CAB worked with 4 service users that we are still working with and therefore there are no reported outcomes at the end of this reporting period.

VALLEY HOUSE
(company limited by guarantee having no share capital)
ANNUAL TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Our "Accelerate" Big Lottery/European Social Fund Building Better Opportunities funded service worked with 15 service users that we are still working with and therefore there are no reported outcomes at the end of this reporting period.

Our "Breakthrough" service worked with 4 service users that we are still working with and therefore there are no reported outcomes at the end of this reporting period.

Training and Education

Valley House offers student placements to Social Work, Youth & Community and Early Years courses in partnership with local universities as well as local apprenticeships in partnership with local colleges. During 2016/17 we provided 7 placement opportunities for Social Work students. Additionally, we created an apprenticeship opportunity within our administration team. She qualified at Level 2 Business and Administration during the reporting period and gained a permanent position with Valley House.

Much of the above shows the public benefit within individual services. Looking across Valley House services more generally, one can see a range of public benefits achieved for vulnerable and disadvantaged citizens as well as the wider community including:

- Promoting Health & Wellbeing, including emotional and psychological wellbeing
- Enabling marginalised individuals and families access to training, education and work readiness
- Directly tackling violence/abuse effects on victims and children, promoting their confidence and independence and holding perpetrators to account
- Promoting individuals/families aspirations, self-confidence, and engagement
- Supporting parenting skills, child development and take up of children and family services
- Championing the confidence, aspirations and constructive engagement of young people
- Promoting a sense of community and the valuing of all its members

The charitable company has given due consideration of the Charity Commissions published guidance on Public Benefit requirement under Charities Act 2011.

The ongoing challenging funding climate for Local Authorities and RSL's has meant that a number of funding opportunities we expected to be available during the year did not materialise. This has meant that a number of services that had delivered positive outcomes for service users were forced to close as no other funding could be sourced.

Additionally a lack of appropriate and affordable move-on accommodation in the city continues to be a major issue.

On the flip side of this, as Coventry City Council seeks to reduce costs by integrating services and creating seamless service provision in relation to Public Health, opportunities are being created to engage with larger providers who will be seeking to look at innovate delivery models. In turn this should provide sub contract opportunities for specialist delivery providers. We are hopeful that we will be able to benefit from this.

VALLEY HOUSE
(company limited by guarantee having no share capital)
ANNUAL TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

LOOKING TO THE FUTURE

During 2016/17 Valley House commissioned NCVO to work with trustees and staff to review our organisational structure. The organic growth of Valley House over the last 40 years had resulted in a flat management structure that was not viable for an organisation of its size. Additionally, internal support services had not grown at a comparable rate to the growth of service delivery. This piece of work has resulted in creating an internal structure more in line with a charity of our size and income.

Recommended changes, in terms of new roles and re-assigning of responsibilities were implemented by March 2017. The new organisational structure can be seen on page 4 - 5 of this report. The review also gave us an opportunity to carry out a benchmarking exercise in relation to salaries at all levels within the organisation. Benchmarking information was collated from similar roles in similar charities in a similar geographical area. All recommended changes in relation to salaries were presented to the Board, and with their agreement, implemented. Following good practice in Employment Law, all affected staff were consulted on the changes. All changes were implemented from 1st April 2017.

It is expected that this new structure will support us in being able to compete effectively for funding in the future, as well as ensuring a continuing quality service for our local communities.

Alongside this NCVO also supported trustees and staff to review the Valley House Vision, Mission and Values statements, creating a more succinct description of what guides us in our work.

We continue to seek to maximise spend on our charitable aims while remaining financially sustainable. We have set our reserves at a prudent level, relative to our turnover, to allow us sufficient time to respond if there were to be a significant drop in funding. Thus, in establishing general reserves and contingency funds of approximately £400k against a turnover of approximately £2m, we are seeking to provide ourselves with the ability to cover our liabilities for approximately a quarter of a year. This will allow us to address any extreme financial situation that might arise and is in line with our Reserves Policy.

We have committed resources via our Development Fund to creating an internal data capture and case management system, to be used across the organisation. The benefits of this are many fold and include us being able to track a service users journey through our different services; capturing outcome and impact data in a uniform way and helping us identify issues and trends which in turn will inform continued service development.

2017/18 will see the launch of our new website and roll out of the rebranding exercise that began in 2016/17. We see this as a way to raise our profile and in turn encourage individuals and families to access our services.

We will continue to develop our relationships with local Registered Social Landlords (RSLs) to identify gaps in service provision and innovative ways to support those most vulnerable to homelessness. In addition we will be working hard to access Public Health funding, offering specialist support for those most isolated and most likely to fall through the gaps.

VALLEY HOUSE
(company limited by guarantee having no share capital)
ANNUAL TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

FINANCIAL REVIEW

The financial statements for the year ended 31 March 2017 show net incoming resources of £8,198, which includes £9,072 costs in respect of restricted funds. While our major source of funding continues to be from the Local Authority, Valley House recognises that this provision is rapidly disappearing and still seeks both to diversify funding and identify sources of income-generating work.

a) Investment policy

Under the Memorandum and Articles of Association, the charitable company has the power to invest in any way the trustees consider fit. The Board of Trustees has considered the most appropriate policy for investing funds and currently any cash surplus to day to day requirements is invested in medium to long term funds.

b) Reserves policy

The Board of Trustees is responsible for establishing that the level of reserves (that is those funds that are freely available) is sufficient to be able to continue the current activities of the charity in the event of a significant drop in funding, albeit for a limited time, to enable us to replace the funding or reduce services in a way not detrimental to our service users. This figure is reviewed annually and at 31 March 2017 the ideal minimum level considered necessary was £400,000.

The free reserves, identified as the General Fund at 31 March 2017, were £157,790 (2016: £430,810). In order to enable our future strategic and development plans to move forward, the Trustees have designated Contingency and Development Funds from free reserves. This allows us to make necessary infrastructure improvements as well as pilot developmental opportunities. The Development Fund will be set at £63,571 at 31 March 2017 with the appropriate spend reviewed on an annual basis. The contingency fund has been set at an equivalent value to the investment of £395,222 at 31 March 2017 for the purpose of allowing us to address any extreme financial situation that might arise (see note 19).

The Funds resources will be used to:

- Finance infrastructure projects to ensure we have sufficient capacity going forward
- Establish additional aspects of service delivery to ensure the appropriate levels of support to our core areas of business activity
- Establish pilot projects to develop new ways of delivering our services and innovative ideas for earning income

c) Principal funding sources

These are service contracts £880,043 (please refer to analysis in note 4) and Tenant welfare services income £497,077.

d) Trustees/Management Committee's responsibility for the accounts

The Trustees (who are also directors of Valley House for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

VALLEY HOUSE
(company limited by guarantee having no share capital)
ANNUAL TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Company law requires the Trustees/Management Committee to prepare financial statements for each financial year, which give a true and fair view 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 the company will continue in operation.

The Trustees/Management Committee 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 safe guarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

e) Disclosure of information to auditors

We, the directors of the charitable company who held office at the date of approval of these Financial Statements, as set out above, each confirm so far as we are aware, that:

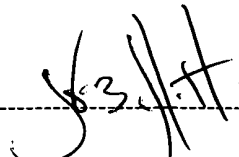
- there is no relevant audit information of which the company's auditors are unaware; and
- We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

f) Auditors

Burgis and Bullock were re-appointed as the charitable company's auditors during the year and expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice-Accounting and Reporting by Charities and in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Signed on behalf of the Board

----- Chairman
John Briffitt 

----- 11.11.17 Date

VALLEY HOUSE
(company limited by guarantee having no share capital)
INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF VALLEY HOUSE

We have audited financial statements of Valley House for the year ended 31 March 2017 set out on pages 16 to 34. These financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditors

As explained more fully in the statement of Trustees' Responsibilities, the Trustees, who are also the directors of Valley House 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 review.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standard on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charitable company as at 31 March 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Companies Act 2006.

VALLEY HOUSE
(company limited by guarantee having no share capital)
INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE TRUSTEES OF VALLEY HOUSE

Matters on which we are required to report by exception

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

- the information given in the Trustees Report is inconsistent in any material respects with the financial statements; or
- 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
- we have not received all the information and explanations we require for our audit.

W A Hubbard

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

Burgis & Bullock

Chartered Accountants
Statutory Auditor

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

Dated: *1st November 2017*

VALLEY HOUSE
(company limited by guarantee having no share capital)
STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2017

		Unrestricted Funds		Restricted Funds	Total 2017	Restated Total 2016
		General	Designated			
Income from:	Note	£	£	£	£	£
Donations and legacies	3	4,067	-	60	4,127	1,646
Charitable activities						
<i>Tenant welfare services</i>	4	497,077	-	-	497,077	508,946
<i>Nursery Fees</i>	4	200,665	-	-	200,665	246,847
<i>Service Contracts</i>	4	880,043	-	-	880,043	1,017,432
<i>Grants</i>	4	-	-	383,713	383,713	225,504
Other trading activities	5	8,769			8,769	10,670
Investment income	6	3,142	-	-	3,142	3,656
Total income		1,593,763	-	383,773	1,977,536	2,014,701
Expenditure on:						
Raising Funds	7	31,382	-	-	31,382	53,269
Charitable activities	8	1,556,912	47,738	392,845	1,997,495	2,024,335
Governance	9	4,950	-	-	4,950	4,950
Total resources expended		1,593,244	47,738	392,845	2,033,827	2,082,554
Net gains/(losses) on investments		-	64,489	-	64,489	(2,713)
Net income/(expenditure)		519	16,751	(9,072)	8,198	(70,566)
Transfer between funds		(273,539)	273,539	-	-	-
Net movement in funds		(273,020)	290,290	(9,072)	8,198	(70,566)
Fund balances at 1 April 2016		430,810	663,026	491,230	1,585,066	1,655,632
Fund balances at 31 March 2017	19/20	157,790	953,316	482,158	1,593,264	1,585,066

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.

VALLEY HOUSE
(company limited by guarantee having no share capital)
BALANCE SHEET AS AT 31 MARCH 2017

	Note	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	13		1,002,699		883,365
Current assets					
Debtors	14	187,050		113,279	
Investments	15	395,222		330,733	
Cash at bank and in hand		309,735		485,343	
		<u>892,007</u>		<u>929,355</u>	
Creditors: amounts falling due within one year	16	<u>(301,442)</u>		<u>(227,654)</u>	
Net current assets			590,565		701,701
Net assets			<u>1,593,264</u>		<u>1,585,066</u>
Funds					
Unrestricted funds					
Designated funds	19	953,316		663,026	
General funds		<u>157,790</u>		<u>430,810</u>	
			1,111,106		1,093,836
Restricted funds	18		<u>482,158</u>		<u>491,230</u>
			<u>1,593,264</u>		<u>1,585,066</u>

The Trustees' responsibilities for ensuring that the charitable company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

Approved by the Board of Directors/Trustees

J Briffitt
Director/Trustee

Date 11/11/17

Company Registration No. 03593394

B Whittington
Director/Trustee

Date 11/11/17

VALLEY HOUSE
(company limited by guarantee having no share capital)

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	£	£
Cash flows from operating activities		
Net incoming resources	8,198	(70,566)
Add back depreciation charge	39,401	42,696
Deduct unrealised losses/(profits) on investments	(64,489)	2,713
(Increases)/decrease in debtors	(73,771)	44,087
Increase/(decrease) in creditors	73,788	108,123
Cash (outflow)/inflow from operating activities	<u>(16,873)</u>	<u>127,053</u>
 Cash flows from investing activities		
purchase of fixed assets	(158,735)	(101,056)
Unrealised (losses)/profits on investments	64,489	(2,713)
Cash used in investing activities	<u>(94,246)</u>	<u>(103,769)</u>
 Net (decrease) / increase in cash and cash equivalents	 (111,119)	 23,284
 Cash and cash equivalents at 01/04/2016	 816,076	 792,792
Cash and cash equivalents at 31/03/2017	<u><u>704,957</u></u>	<u><u>816,076</u></u>

VALLEY HOUSE
(company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies

Charity Information

Basis of accounts

Valley House is a registered charity and is governed under its Articles of Association. Valley House was incorporated in England and is a company limited by guarantee and has no share capital. In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. It is principally engaged to support those more vulnerable members of our community to optimise their potential and take control of their lives. Its registered office is 55-57 Bell Green Road, Coventry, West Midlands, CV6 7GQ.

Accounting Convention

These 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 (FRS102)" (as amended for accounting periods from 1 January 2016). The charitable company is a public benefit entity as defined by FRS102.

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

These financial statements for the year ended 31 March 2017 are the first financial statements of Valley House prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

Going concern

Given the uncertain nature of funding available to the entity, the charitable company prepares biannual budgets which are regularly monitored against actual performance. The budgets are supported by long term strategic aims and objectives. At time of approving the financial statements, the trustees have a reasonable expectation that the charitable company 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 financial statements.

Incoming resources

Income recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charitable company has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

VALLEY HOUSE
(company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

Investment income

Investment income is included in the Financial Statements when receivable.

Activities for generating funds

Student placements and other income is included in the Financial Statements when receivable.

Tenant welfare services

Tenant welfare services is accounted for on an accruals basis for all tenants in residence during the financial year.

Grant

Revenue grants are included on a receivable basis. Capital grants in respect of building costs are to be written off over the estimated useful life of the building from the date of occupancy.

Nursery income

Nursery fees are included on a receivable basis.

Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is included on an accruals basis.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charitable company's activities. Refer to note 9 for the analysis of support and governance costs. Support costs are generally allocated based on revenue.

The charitable company initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately.

Costs of generating funds

Comprise the costs associated with attracting voluntary income.

Charitable expenditure

Comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It included costs that can be allocated directly to such activities and those costs of an indirect nature to support them.

VALLEY HOUSE
(company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

Governance

Includes those costs associated with meeting the constitutional and statutory requirements of the charitable company and include audit fees.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charitable company. Designated funds are unrestricted funds of the charitable company which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Trust's work or for specific artistic projects being undertaken by the Trust.

Leases

Assets acquired under finance lease are capitalised in the balance sheet and are depreciated in accordance with the charitable company's normal policy. The outstanding liabilities under such agreements are included in creditors.

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor, are charged to the Statement of Financial Activities in the year in which they fall due.

Tangible fixed assets

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

All additions greater than £1,000 are capitalised and brought into account in accordance with normal accounting practice.

Depreciation is provided at rates calculated to write off the cost of fixed assets over their expected useful lives on the following basis:

New furniture & equipment	- 4 years (straight line)
Buildings	- 50 years (straight line) from date of first use.
Community garden	- 3 years (straight line) from date of first use.

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.

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, and bank overdrafts are shown in current liabilities.

Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

VALLEY HOUSE
(company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

Financial instruments are recognised in the charitable company's balance sheet when the charitable company 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.

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.

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 charitable companies contractual obligations expire or are discharged or cancelled.

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

VALLEY HOUSE
 (company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

Retirement Benefits

The charitable company operates a defined contributions personal pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The fund is managed by Scottish Widows Limited. Contributions payable for the year are charged to the Statement of Financial Activities as and when incurred.

Investments

Quoted investments are shown in the balance sheet at their mid-market value at the balance sheet date. The charitable company does not have any programme related or mixed motive investments.

Taxation

The charitable company has charitable status for taxation purposes and its activities are not subject to corporation tax.

2. Critical accounting estimates and judgements

In the application of the charitable company'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. Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	2017 Total £	2016 Total £
Donations	4,067	60	4,127	1,646

VALLEY HOUSE
(company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

4. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2017 Total £	Restated 2016 Total £
Tenant welfare services	497,077	-	497,077	508,946
Nursery Fees	200,665	-	200,665	246,847
Service Contracts				
Childrens' centre	186,170	-	186,170	187,911
Supported accommodation	544,982	-	544,982	596,951
Floating Support	77,822	-	77,822	167,630
Pre-therapy counselling	43,795	-	43,795	46,199
Youth Service	27,274	-	27,274	18,741
Grants				
Floating support	-	26,647	26,647	7,409
Pre-therapy counselling	-	139,013	139,013	68,105
Youth service	-	218,053	218,053	149,990
	<u>1,577,785</u>	<u>383,713</u>	<u>1,961,498</u>	<u>1,998,729</u>

Tenant welfare services for 2016 have been restated to more accurately reflect the contractual nature of the transactions with RSL's and their tenants.

5. Income from other trading activities

	Unrestricted Funds £	Restricted Funds £	2017 Total £	2016 Total £
Student placements	7,684	-	7,684	7,000
Other income	1,085	-	1,085	3,670
	<u>8,769</u>	<u>-</u>	<u>8,769</u>	<u>10,670</u>

VALLEY HOUSE
(company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

6. Income from investment income

	Unrestricted Funds £	Restricted Funds £	2017 Total £	2016 Total £
Bank interest	3,142	-	3,142	3,656

7. Expenditure on raising funds

	Direct Costs £	Support Costs £	2017 Total £	2016 Total £
Unrestricted Funds				
Fundraising and publicity	31,382	-	31,382	53,269

8. Expenditure on charitable activities

	Direct Costs £	Support Costs £	2017 Total £	Restated 2016 Total £
Unrestricted Funds				
Property costs	266,782	136,338	403,120	472,590
Nursery	166,618	42,189	208,807	236,962
Childrens' centre	119,699	37,240	156,939	180,486
Supported accommodation	516,187	69,629	585,816	668,530
Floating Support	123,806	16,055	139,861	180,252
Pre-therapy counselling	57,079	2,724	59,803	-
Youth service	38,850	11,454	50,304	18,931
	1,289,021	315,629	1,604,650	1,757,751
Restricted Funds				
Childrens' centre	7,489	-	7,489	7,489
Floating support	30,606	3,878	34,484	15,793
Pre-therapy counselling	110,006	29,615	139,621	86,362
Youth service	177,367	33,884	211,251	156,940
	325,468	67,377	392,845	266,584
Total cost of charitable activities	1,614,489	383,006	1,997,495	2,024,335

Support costs are allocated in proportion to revenue.

VALLEY HOUSE
 (company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

9. Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost type	Governance Related £	Other Support Costs £	Total £
Staff costs	-	235,879	235,879
Other costs	-	131,885	131,885
Auditors remuneration	4,950	-	4,950
Depreciation	-	15,242	15,242
	<u>4,950</u>	<u>383,006</u>	<u>387,956</u>

Cost of governance	Direct Costs £	Support Costs £	2017 Total £	2016 Total £
Auditors remuneration	<u>4,950</u>	<u>-</u>	<u>4,950</u>	<u>4,950</u>

10. Staff costs

	2017 Total £	2016 Total £
Salaries	1,378,206	1,332,749
Social security costs	107,731	104,517
Pension costs	26,343	23,654
	<u>1,512,280</u>	<u>1,460,920</u>

Salaries include £1,833 (2016: £575) paid to agency staff during the year.

The aggregate redundancy costs during the year amounted to £41,178 (2016: £nil).

VALLEY HOUSE
(company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

10. Staff costs (continued)

The average number of employees during the year was:

	2017	2016
	Headcount	Headcount
Service providers/admin	69	72
Maintenance	5	5
	<u>74</u>	<u>77</u>

No employees earned £60,000 or more (2016: None).

Key management personnel have been identified as the Chief Executive
Remuneration benefits for the year were as follows

M Lamour £23,122 (2016: £60,422)

LJ Winterburn £37,411 (2016: £nil)

No Director/Trustee received any remuneration for services during the year or is a member of the retirement benefit scheme.

Trustees were reimbursed for expenses totalling £nil (2016: £49) within the year.

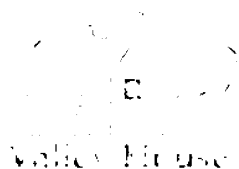
11. Net incoming resources for the year

	2017	2016
	£	£
This is stated after charging		
Depreciation	39,401	42,696
Auditors remuneration - audit	4,000	4,000
Auditors remuneration - other	950	950
Tax services	<u>14,100</u>	<u>-</u>

12. Grant making activities

	2017	2016
	£	£
Grants paid to institutions	<u>-</u>	<u>3,460</u>

All of the above relates to Community Wellbeing grants. No support costs have been allocated to grant making activities.



VALLEY HOUSE
(company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

13. Tangible Fixed Assets

	Furniture fixtures & equipment £	Buildings £	Community garden £	Total £
Cost:				
As at 1st April 2016	386,827	1,068,285	44,151	1,499,263
Additions during year	3,723	155,012	-	158,735
Disposals during the year	(316,869)	-	-	(316,869)
As at 31 March 2017	<u>73,681</u>	<u>1,223,297</u>	<u>44,151</u>	<u>1,341,129</u>
Depreciation:				
As at 1st April 2016	340,658	231,089	44,151	615,898
Charge for the Year	19,904	19,497	-	39,401
Disposals during the year	(316,869)	-	-	(316,869)
As at 31 March 2017	<u>43,693</u>	<u>250,586</u>	<u>44,151</u>	<u>338,430</u>
Net book value:				
As at 31 March 2017	<u>29,988</u>	<u>972,711</u>	<u>-</u>	<u>1,002,699</u>
As at 1st April 2016	<u>46,169</u>	<u>837,196</u>	<u>-</u>	<u>883,365</u>

14. Debtors

	2017 £	2016 £
Rent receivable	36,910	29,753
Other debtors	146,419	78,117
Prepayments	3,721	5,409
	<u>187,050</u>	<u>113,279</u>

15. Investments

	£
Market value as at 01 April 2016	330,733
Unrealised gains in the year	64,489
Market value as at 31 March 2017	<u>395,222</u>

Investments are held in the COIF Charities Ethical Investment Fund.

VALLEY HOUSE
(company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

16. Creditors: amounts falling due within one year.

	2017 £	2016 £
Deferred income (see below)	122,266	92,213
Custodial funds	112	178
Accruals	33,516	79,499
Social security	104,148	49,913
Other creditors	41,400	5,851
	<u>301,442</u>	<u>227,654</u>

Deferred income

Balance at 01/04/2016 £	Funds Receivable £	Funds Expended £	Balance at 31/03/2017 £
<u>92,213</u>	<u>333,274</u>	<u>(303,221)</u>	<u>122,266</u>

Deferred income relates to grants and other income received in advance for activities in the coming year.

17. Custodial funds

The movement within the year in relation to custodial funds is as follows:

	£
Monies received	14,153
Monies paid out	<u>14,219</u>

The above monies received and paid out is not included in the SOFA as the charitable company acts as custodian in relation to these monies.

At 31 March 2017 £112 (2016: £178) has been included within creditors in relation to custodial funds received not yet distributed.

VALLEY HOUSE
(company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

18. Restricted Funds

The funds of the charitable company include restricted funds comprising:

	Balance at 01/04/2016 £	Funds Receivable £	Funds Expended £	Transfer Between Funds £	Balance at 31/03/2017 £
Capital grants					
National lotteries charity board	152,618	-	(4,857)	-	147,761
LSC regeneration budget	8,577	-	(474)	-	8,103
Coventry children's centres	256,213	-	(6,868)	-	249,345
Coventry children's centres - Canopy	4,659	-	(149)	-	4,510
Coventry children's centres - Conservatory	22,110	-	(472)	-	21,638
Big lottery fund - Young people's fund	650	-	2,623	-	3,273
General charities - Servers	7,126	-	(2,506)	-	4,620
General charities - Capital Fund	20,000	-	-	-	20,000
Counselling suite	23,456	-	(548)	-	22,908
Total restricted capital grants	495,409	-	(13,251)	-	482,158

Grants for capital purchases have been spent on the assets for which the donations were intended. Amortisation is shown at the same rate as the asset is depreciated.

The National Lotteries Charity Board grant was to purchase and renovate the Navigation Centre office and nursery facility in 1998 with the restriction that the property is retained for its charitable purpose for a twenty year period.

Coventry City Council provided funds in 2006 for an expansion of the Nursery and improvements to the Children's Centre with the restriction that the property is used as a Nursery for 25 years. A restriction is also placed on the registered title of the property that no disposition, sale or lease may take place unless accompanied by a certificate of the Council of the City of Coventry stating there is no payment due under the grant agreement.

No restrictions apply to the other grants.

VALLEY HOUSE
(company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

18. Restricted Funds (continued)

	Balance at 01/04/2016 £	Funds Receivable £	Funds Expended £	Transfer Between Funds £	Balance at 31/03/2017 £
Revenue grants					
Young people's project					
Big lottery fund	(4,179)	98,411	(94,232)	-	-
Ambition Coventry	-	100,900	(100,900)	-	-
29 May 1961 Charitable Trust	-	829	(829)	-	-
WA Cadbury Charitable Trust	-	1,061	(1,061)	-	-
Coventry General Charities	-	304	(304)	-	-
Groundwork Progress	-	16,548	(16,548)	-	-
Support Services					
Victims Services Capacity Fund Grant	-	7,410	(7,410)	-	-
Smart Start	-	7,714	(7,714)	-	-
Michael Marsh Charitable Trust	-	3,500	(3,500)	-	-
Police & Crime Commissioner	-	8,023	(8,023)	-	-
Community Safety	-			-	-
Counselling					
Big lottery fund	-	41,732	(41,732)	-	-
Donations	-	60	(60)	-	-
Smart Start	-	36,929	(36,929)	-	-
Coventry CAB Rooted/Breakthrough	-	35,189	(35,189)	-	-
CDA Accelerate	-	25,163	(25,163)	-	-
Total restricted revenue grants	(4,179)	383,773	(379,594)	-	-
Total restricted funds	491,230	383,773	(392,845)	-	482,158

Negative funds relate to expenditure in advance of which the funds were received post year end.

Grants received for specific projects are included in revenue grants from each of the donors as indicated and have no trust law restrictions.

VALLEY HOUSE
(company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

19. Unrestricted funds

	Balance at 01/04/2016 £	Incoming resources £	Resources expended £	Transfer between Funds £	Balance at 31/03/2017 £
General fund	430,810	1,593,763	(1,593,244)	(273,539)	157,790
Designated funds					
25 Bell Green Road	239,334	-	(5,924)	-	233,410
Counselling Suite 25 Bell Green Road	17,904	-	-	-	17,904
Furnishing new tenancies	25,064	-	(10,492)	-	14,572
Improvements to garden, car park	77,518	-	(2,601)	-	74,917
Navigation Centre extension	-	-	(1,292)	155,012	153,720
<i>Development funds</i>					
Property / infrastructure	169,000	-	-	(142,000)	27,000
Pilot projects	103,473	-	(27,429)	(39,473)	36,571
<i>Contingency funds</i>	30,733	64,489		300,000	395,222
TOTALS	663,026	64,489	(47,738)	273,539	953,316
	1,093,836	1,658,252	(1,640,982)	-	1,111,106

Designated funds are monies set aside by the Trustees to be spent on the projects specified and have no trust law restrictions.

The Development Fund is designated for capital and revenue projects. Capital expenditure incurred is re-designated to a named fund and amortisation is stated at the same rate as the asset is depreciated.

Contingency funds are monies relating to investments which have been designated to cover any large unforeseen expenditure.

20. Analysis of Net Assets between Funds

	Fixed Assets £	Net Current Assets £	Total Assets £
Restricted Funds	482,158	-	482,158
Unrestricted Funds - General	26,018	131,772	157,790
Unrestricted Funds - Designated	494,523	458,793	953,316
	1,002,699	590,565	1,593,264

21. Pension contributions

The charge for the year was £26,343 (2016: £23,654). At 31 March 2017 £3,654 contributions were outstanding to the scheme (2016: £5,851).

22. Lease commitments

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

	2017		2016	
	Equipment £	Premises £	Equipment £	Premises £
Within one year	12,812	-	9,939	2,113
Between two and five years	7,168	-	11,682	-
In over five years	-	-	-	-
	<u>19,980</u>	<u>-</u>	<u>21,621</u>	<u>2,113</u>

23. Financial Instruments

	2017 £	2016 £
<i>Carrying amount of financial assets</i>		
Fixed asset investments (at fair value)	395,222	330,733
Rent debtors (at unamortised cost)	36,910	29,753
Other debtors (at unamortised cost)	146,419	78,117
	<u>578,551</u>	<u>438,603</u>
<i>Carrying amount of financial liabilities</i>		
Accruals and deferred income (at unamortised cost)	155,782	164,217
Other creditors (at unamortised cost)	145,660	97,089
	<u>301,442</u>	<u>261,306</u>

The income, expenses, net gains and net losses attributable to the charitable company's financial instruments are as follows.

Income and expense

Financial instruments measured at fair value through net income/expenditure	<u>64,489</u>	<u>(2,713)</u>
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VALLEY HOUSE
(company limited by guarantee having no share capital)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2017

24. Related parties

Valley House is a member of a joint venture in Safe & Supported Partnership (Coventry) Ltd (SSP) (a company limited by guarantee) with Panahghar Safe House Limited.

Miles Larmour (Valley House Chief Executive) was a Director of SSP until 15 August 2016.

LJ Winterburn (Valley House new Chief Executive) became a Director of SSP on 3 October 2016.

Geraldine Parker, Valley House Trustee/Director is a Director of SSP.

SSP provide a range of supported accommodation and accommodation based support for victims of domestic violence and abuse to cover administration and associated costs.

The results for SSP, for the year ended 31 March 2017, were as follows:

- Profit (£1)
- Reserves £1

During the year Valley House provided services to SSP to the value of £345,638 net (2016: £345,104). At 31 March 2017, debtors include £34,228 (2016: £26,497) due from SSP.

25. Controlling parties

The charitable company is under the control of its trustees, directors and management committee.

26. Corporation taxation

The charitable company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.