

Charity Registration No. 1035805

Company Registration No. 02856210 (England and Wales)

**GLOUCESTERSHIRE GROUP HOMES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	E A Cawston A S Finn J W Silverman L Stinchcombe J Trevains
<b>Charity number</b>	1035805
<b>Company number</b>	02856210
<b>Registered office</b>	Spring Mill Business Centre Avening Road Nailsworth Gloucestershire United Kingdom GL6 0BS
<b>Auditor</b>	Azets Audit Services 5 Pullman Court Great Western Road Gloucester Gloucestershire United Kingdom GL1 3ND
<b>Bankers</b>	Lloyds Bank Plc 12 Rowcroft Stroud Gloucestershire United Kingdom GL5 3BD
	COIF Charity Funds St Aplhage House 2 Fore Street London United Kingdom EC2Y 5AQ

---

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## CONTENTS

---

	<b>Page</b>
Trustees' report	1 - 5
Independent auditor's report	6 - 9
Statement of financial activities	10
Balance sheet	11 - 12
Statement of cash flows	13
Notes to the financial statements	14 - 26

---

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021**

---

The Trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

### **Objectives and activities**

#### **Principal Activities**

The charity's principal object is the provision of a specialist service for individuals that have received a diagnosis of an Autism Spectrum Disorder, specifically Asperger Syndrome.

#### **Policies and objectives**

The main aim of the Charity is to provide a secure, caring and knowledgeable environment that enables people to achieve their fullest potential.

#### **Strategies for achieving objectives**

In furtherance of our objects, Gloucestershire Group Homes offers the following:

- Small group homes set in the local community
- Knowledgeable, qualified staff
- Close links with support services
- Support and education for families/ carers
- Training/ consultancy
- Individualised programmes of care
- Variety of leisure/ recreational activities specific to need

#### **Statement of Public Benefit**

The Trustees are aware of the Public Benefit provisions of the Charities Act 2011 and of the guidance on them published by the Charity Commission. They are satisfied that the objects of the Charity and the activities of the charity are within the definitions of Charitable Purposes as set down in the Act. The Trustees are not aware of any public detriment caused by the Charity's objects or activities, and nor are they aware of anyone receiving any private benefit from the Charity's activities.

#### **Strategic report**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

# GLoucestershire Group Homes Limited

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

---

### **Achievements and performance**

Gloucestershire Group Homes continues to operate as a fully registered provision for the care and support of adults with the diagnosis of an Autism Spectrum Disorder.

All of the current provision has received its Annual Inspection from the Care Quality Commission and there are no outstanding requirements.

#### Care Quality Commission

We continue to receive inspections and currently there are no outstanding issues.

#### Service Provision

All homes are reviewed on a regular basis and any improvements required are undertaken taking into consideration the very specific needs of Service Users.

#### Day facilities

These continue to evolve to meet the very specific needs of the individuals who choose to make use of the facilities.

### **Financial review**

#### **Results**

The results for the year show a deficit of £4,711 (2020: £117,891) which after making adjustments to the pension scheme costs in accordance with FRS 102 SORP increases to a deficit of £23,711 (2020: surplus of £268,109).

A review of the statement of financial activities shows the following significant variations between this year and last.

- Total income increased by 6.7%
- Total expenditure reduced by 1.5%

The defined benefit pension scheme operated by the Charity is having a significant impact on the Statement Of Financial Activities and the Balance Sheet. The Trustees are aware that this liability does not represent an immediate cash flow and solvency problem but is subject to future investment performance and changes in membership profile of the scheme. It does indicate that the charity may be required to make increased pension contributions for the foreseeable future.

During the year an anomaly was discovered relating to client benefit contributions. Overpayment has been refunded to one service user which resulted as a prior year adjustment amounting to £47,147. Further details have been included in Note 19.

#### **Reserves Policy**

It is the policy of the Charity to hold reserves equivalent to the value of twelve weeks running costs. This should allow the Charity to meet any unforeseen fall in its income without prejudicing its objectives.

As at 31 March 2021 the unrestricted free reserves (excluding fixed assets and the pension reserve) of the charity are £370,321(2020: £337,443). This represents 13 weeks direct charitable expenditure, which is more than the current policy. The trustees have decided to hold more reserves than charity policy dictates at the present time due to expected future reductions in Local Authority income.

#### **Material Investments Policy**

The Committee has considered the most appropriate policy for investing funds and has found that a specialised deposit taker, designed for the charity sector, meets their requirements to generate income and to safeguard the capital balance. The Committee considers the interest rate offered by their bankers to be satisfactory in view of current interest rate levels.

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2021***

---

### **Risk Management**

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. This is reviewed and updated on an annual basis or as and when necessary.

The Charity is registered with the Care Quality Commission. Procedures are also in place to ensure compliance with the Health and Safety at Work etc. Act 1974.

### **Impact of COVID 19**

Gloucestershire Group Homes Limited have worked extremely hard to manage and safeguard Clients and staff during what has for all been an incredibly challenging time. At the time of writing this the charity remains Covid free.

There have been many challenges and continue to be many changes imposed on us from the Government and Public Health England, therefore we have to be continually vigilant.

Financially we have received some support from the Government to assist with day-to-day cost implications although the true cost won't become clear until we are fully through this pandemic.

We continue to assess risk on a daily basis and are working towards all clients and staff receiving their Vaccination. We are currently required to test staff weekly which has resulted in the need to designate a staff member and a testing environment.

Naturally this is an evolving situation and somewhat out of our control, however we believe Gloucestershire Group Homes Limited are achieving a high standard of control.

### **Future Developments**

To continue to ensure that the Gloucestershire Group Homes' residential services meet the Care Quality Commission requirements and specifically endeavour to provide a needs led service for its Service Users.

To continue to assess the need for appropriate Outreach Services and the ability of Gloucestershire Group Homes to provide innovative support.

### **Going Concern**

After making appropriate enquires, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

### **Structure, governance and management**

The organisation is a Charitable Company limited by guarantee, incorporated on 23 September 1993 and registered as a charity on 30 March 1994. The Company was established by a Memorandum of Association on 26 August 1993, 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 the Members are required to contribute an amount not exceeding £1 each.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

E A Cawston

A S Finn

J W Silverman

L Stinchcombe

J Trevains

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2021***

---

### **Method of appointment or election of Trustees**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

New trustees are required to attend on an informal basis at least one management meeting prior to taking up position. There is also an opportunity to visit the properties and meet with employees and service users. The service provides an up to date calendar of appropriate seminars held both locally and nationally.

A job specification has been developed for each position on the Committee of Management along with access to a vast selection of resources pertaining to the specifics of Asperger Syndrome.

Gloucestershire Group Homes continue to ensure all mandatory training is up to date to ensure we are meeting the Care Quality Commission requirements.

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

The charity is governed by a Committee of Management of up to six members (currently four) who meet quarterly. In accordance with the constitution, one third of members of the Executive must retire at the AGM together with all new members appointed since the last AGM.

The Committee have delegated the day to day operations for the service to a management and relevant support team. The management team are responsible for ensuring that the Charity delivers and develops appropriate provision to meet the needs of its service users. An essential component is to ensure that the staff team, through line management and supervision, continue to enhance and develop the skills necessary when working with this client group.

### **Policies adopted for the induction and training of trustees**

Members of the committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are shown above.

New members of the committee can be appointed at any time either to fill a casual vacancy or add to the committee. Recruitment of committee members endeavours to ensure that there exists a body of knowledge and experience within the wide-ranging field of Autistic Spectrum Disorder; this may include parental candidates and members or appropriate professional bodies.

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2021***

---

### **Statement of Trustees' responsibilities**

The Trustees, who are also the directors of Gloucestershire Group Homes Limited for the purpose 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).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.

**J W Silverman**

Trustee

Dated: 16 November 2021



# GLOUCESTERSHIRE GROUP HOMES LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF GLOUCESTERSHIRE GROUP HOMES LIMITED

---

#### Opinion

We have audited the financial statements of Gloucestershire Group Homes Limited (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

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

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

#### Other information

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

We have nothing to report in this regard.

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF GLOUCESTERSHIRE GROUP HOMES LIMITED**

---

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF GLOUCESTERSHIRE GROUP HOMES LIMITED**

---

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Mark Handscombe (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services**

16 November 2021

**Chartered Accountants**  
**Statutory Auditor**

5 Pullman Court  
Great Western Road  
Gloucester  
Gloucestershire  
United Kingdom  
GL1 3ND

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF GLOUCESTERSHIRE GROUP HOMES LIMITED**

---

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds As restated 2020 £
<b><u>Income from:</u></b>			
Donations and legacies	3	101,262	20,988
Charitable activities	4	1,320,393	1,310,887
Investment income	5	3,044	2,295
<b>Total income</b>		<b>1,424,699</b>	<b>1,334,170</b>
<b><u>Expenditure on:</u></b>			
<b><u>Charitable activities</u></b>			
Clients	6	13,037	35,848
Day Services & Outreach	6	177,070	168,473
Houses	6	1,214,721	1,227,559
Governance	6	24,360	20,694
<b>Total charitable expenditure</b>		<b>1,429,188</b>	<b>1,452,574</b>
Loss on disposal of tangible assets		222	(513)
<b>Total resources expended</b>		<b>1,429,410</b>	<b>1,452,061</b>
<b>Net expenditure for the year/ Net outgoing resources</b>		<b>(4,711)</b>	<b>(117,891)</b>
<b>Other recognised gains and losses</b>			
Actuarial (loss)/gain on defined benefit pension schemes		(19,000)	386,000
<b>Net movement in funds</b>		<b>(23,711)</b>	<b>268,109</b>
Fund balances at 1 April 2020			
As originally reported		557,502	283,088
Prior year adjustment		(47,147)	(40,842)
As restated		510,355	242,246
<b>Fund balances at 31 March 2021</b>		<b>486,644</b>	<b>510,355</b>

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.

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2021

		2021		2020 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		172,323		202,912
<b>Current assets</b>					
Debtors	11	54,396		39,779	
Cash at bank and in hand		453,416		399,009	
		<u>507,812</u>		<u>438,788</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(137,491)</u>		<u>(101,345)</u>	
Net current assets			370,321		337,443
<b>Total assets less current liabilities</b>			<u>542,644</u>		<u>540,355</u>
<b>Net assets excluding pension liability</b>			542,644		540,355
<b>Defined benefit pension liability</b>	13		<u>(56,000)</u>		<u>(30,000)</u>
<b>Net assets</b>			<u><u>486,644</u></u>		<u><u>510,355</u></u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
General unrestricted funds		542,644		540,355	
Pension reserve		<u>(56,000)</u>		<u>(30,000)</u>	
			486,644		510,355
			<u><u>486,644</u></u>		<u><u>510,355</u></u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **BALANCE SHEET (CONTINUED)**

***AS AT 31 MARCH 2021***

---

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

The accounts were approved by the Trustees on 16 November 2021

J W Silverman

**Trustee**

**Company Registration No. 02856210**

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	17		62,176		(68,544)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(11,269)		(60,389)	
Proceeds on disposal of tangible fixed assets		456		3,099	
Investment income received		3,044		2,295	
<b>Net cash used in investing activities</b>			(7,769)		(54,995)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			54,407		(123,539)
Cash and cash equivalents at beginning of year			399,009		522,548
<b>Cash and cash equivalents at end of year</b>			453,416		399,009



# GLoucestershire Group Homes Limited

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2021**

---

### **1 Accounting policies**

#### **Charity information**

Gloucestershire Group Homes Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Spring Mill Business Centre, Avening Road, Nailsworth, Gloucestershire, GL6 0BS, United Kingdom.

#### **1.1 Accounting convention**

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue its charitable activities for the foreseeable future. The pension scheme deficit does not represent an immediate cash flow problem to the charity as the liability is not payable on demand. The charity is currently paying additional contributions in line with the actuary's recommendations and it is expected that the situation will improve over time. Accordingly, the charity continues to adopt the going concern basis in preparing the financial statements.

The global COVID 19 pandemic has created challenges however the charity have worked hard to manage and safeguard clients and staff. There have been many changes imposed from the Government and Public Health England and the charity have remained continually vigilant. Support from the Government has been utilised to assist with day-to-day cost implications and combined with the existing cash resources the Trustees consider that the charity can continue to meet its liabilities as they fall due and therefore continue to adopt the going concern basis in preparing the accounts.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

Investment income gains and losses are allocated to the appropriate fund.

#### **1.4 Income**

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

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

### **1 Accounting policies**

**(Continued)**

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

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

Income from government and other grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

#### **1.5 Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure included irrecoverable VAT which is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its clients. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at headquarters,

Governance costs included those costs associated with meeting the constitution and statutory requirements of the Charity and include the audit fees and costs linked to strategic management of the charity. It also includes the costs of running the office that manages the charity's homes.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of management estimates of the amount attributable to that activity in the year either by reference to staff time, space occupied, or estimated usage, as appropriate.

#### **1.6 Tangible fixed assets**

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	4% Straight line
Leasehold improvements	Over the length of the lease
Fixtures, fittings and equipment	25% Straight line
Motor vehicles	25% Reducing balance

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

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

---

### 1 Accounting policies

(Continued)

#### 1.7 Impairment of fixed assets

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

#### 1.8 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. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

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

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

##### **Basic financial assets**

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

##### **Basic financial liabilities**

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

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

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

##### **Derecognition of financial liabilities**

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

#### 1.10 Employee benefits

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

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

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

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

---

#### 1 Accounting policies

(Continued)

##### 1.11 Retirement benefits

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

##### 1.12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### 2 Critical accounting estimates and judgements

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

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

##### Key sources of estimation uncertainty

###### Defined benefit pension scheme

The present value of the Local Government Pension scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the Retirement benefit schemes note, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact the carrying amount of the pension liability.

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Donations and gifts	4,838	20,743
Government grants	96,169	-
Membership fees	255	245
	<u>101,262</u>	<u>20,988</u>
<b>Grants receivable for core activities</b>		
Covid-19 related grant funding	96,169	-
	<u>96,169</u>	<u>-</u>

### 4 Charitable activities

	2021 £	2020 As restated £
Local Authorities & Department of Work and Pensions	1,320,393	1,308,419
Outreach services	-	2,468
	<u>1,320,393</u>	<u>1,310,887</u>

### 5 Investment and other income

	2021 £	2020 £
Interest receivable	<u>3,044</u>	<u>2,295</u>

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 6 Charitable activities

	Clients	Day Services & Outreach	Houses	Governance	Total 2021	Total 2020
	£	£	£	£	£	£
Staff costs	-	160,177	900,146	18,283	1,078,606	1,057,208
Depreciation	-	537	40,643	-	41,180	38,078
Activities and holidays	1,490	115	-	-	1,605	20,250
Clothing allowance	-	-	-	-	-	3,305
Motor and travel	213	-	13,882	-	14,095	21,977
Insurance	-	-	12,284	-	12,284	11,742
Printing, postage and stationery	-	-	5,391	-	5,391	5,965
Rent and rates	-	13,381	129,099	-	142,480	146,414
Professional fees	-	-	3,828	-	3,828	5,087
Light and heat	-	-	7,413	-	7,413	9,006
Housekeeping	-	-	70,484	-	70,484	79,083
Registration fees	-	-	2,884	-	2,884	2,884
Telephone	-	-	9,601	-	9,601	8,476
Bank charges	-	-	654	-	654	1,291
Hire of equipment	-	-	1,311	-	1,311	1,268
Equipment and maintenance	-	2,860	15,666	-	18,526	18,529
Other expenses	11,334	-	1,435	6,077	18,846	22,011
	13,037	177,070	1,214,721	24,360	1,429,188	1,452,574
	13,037	177,070	1,214,721	24,360	1,429,188	1,452,574
<b>Analysis by fund</b>						
Unrestricted funds	13,037	177,070	1,214,721	24,360	1,429,188	
	13,037	177,070	1,214,721	24,360	1,429,188	
<b>For the year ended 31 March 2020</b>						
Unrestricted funds	35,848	168,473	1,227,559	20,694		1,452,574
	35,848	168,473	1,227,559	20,694		1,452,574

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 7 Net movement in funds

	2021 £	2020 £
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	5,935	5,824
Depreciation of owned tangible fixed assets	41,180	38,078
Loss/(profit) on disposal of tangible fixed assets	222	(513)
Operating lease charges	124,359	109,545

### 8 Trustees

During the year one Trustee, J Trevains, received total remuneration of £29,193 in her capacity as a senior care provider at Gloucestershire Group Homes (2020: £23,779). No other Trustees received any remuneration (2020: £Nil)

During the year, no Trustees received any benefits in kind (2020: £Nil)

During the year, expenses of £Nil (2020: £Nil) were reimbursed to no Trustees.

### 9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Homes	36	35
Day Service	2	2
Office	3	2
Total	41	39

### Employment costs

	2021 £	2020 £
Wages and salaries	926,189	867,336
Social security costs	79,833	75,495
Other pension costs	72,584	114,377
	1,078,606	1,057,208

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
In the band £80,001 - £90,000	2	1

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 9 Employees

(Continued)

Of the employees whose emoluments exceed £60,000, none (2020: 1) have retirement benefits accruing under defined benefit pension schemes.

#### 10 Tangible fixed assets

	Land and buildings	Leasehold improvements	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2020	304,023	105,006	78,223	32,474	519,726
Additions	-	-	6,774	4,495	11,269
Disposals	-	-	(1,701)	(2,895)	(4,596)
At 31 March 2021	304,023	105,006	83,296	34,074	526,399
<b>Depreciation and impairment</b>					
At 1 April 2020	186,713	59,452	54,351	16,299	316,815
Depreciation charged in the year	12,498	12,489	11,791	4,402	41,180
Eliminated in respect of disposals	-	-	(1,420)	(2,499)	(3,919)
At 31 March 2021	199,211	71,941	64,722	18,202	354,076
<b>Carrying amount</b>					
At 31 March 2021	104,812	33,065	18,574	15,872	172,323
At 31 March 2020	117,310	45,555	23,872	16,175	202,912

#### 11 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	40,975	22,680
Prepayments and accrued income	13,421	17,099
	54,396	39,779



# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 12 Creditors: amounts falling due within one year

	2021	2020
	£	As restated £
Other taxation and social security	19,099	16,669
Trade creditors	3,496	5,027
Other creditors	58,200	54,592
Accruals and deferred income	56,696	25,057
	<u>137,491</u>	<u>101,345</u>

Deferred income is included in the financial statements as follows:

	2021	2020
	£	£
Deferred income		
Deferred income at 1 April 2020	20,310	3,482
Resources deferred during the year	45,673	20,310
Amounts released from previous years	(20,310)	(3,482)
	<u>45,673</u>	<u>20,310</u>
Deferred income at 31 March 2021	<u>45,673</u>	<u>20,310</u>

Income received during the period specific to funding for future periods has been deferred accordingly.

### 13 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

#### Defined benefit schemes

The Charity operates a defined benefit scheme as detailed in the accounting policies. The scheme is no longer open to new employees. The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 31 March 2021 by Hymans Robertson LLP.

#### Key assumptions

	2021	2020
	%	%
Discount rate	2.00	2.3
Expected rate of increase of pensions in payment	2.85	1.9
Expected rate of salary increases	3.15	2.2
	<u>3.15</u>	<u>2.2</u>

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 13 Retirement benefit schemes

(Continued)

#### *Mortality assumptions*

The assumed life expectations on retirement at age 65 are:

	2021 Years	2020 Years
Retiring today		
- Males	21.7	21.7
- Females	23.9	23.9
Retiring in 20 years		
- Males	22.4	22.4
- Females	25.3	25.3

Amounts recognised in the profit and loss account:

	2021 £	2020 £
Current service cost	61,000	90,000
Net interest on defined benefit liability/(asset)	1,000	10,000
Other costs and income	-	54,000
Total costs	62,000	154,000

Amounts taken to other comprehensive income:

	2021 £	2020 £
Actual return on scheme assets	(983,000)	451,000
Less: calculated interest element	85,000	99,000
Return on scheme assets excluding interest income	(898,000)	550,000
Actuarial changes related to obligations	917,000	(933,000)

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	2021 £	2020 £
Present value of defined benefit obligations	4,732,000	3,731,000
Fair value of plan assets	(4,676,000)	(3,701,000)
Deficit in scheme	56,000	30,000

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 13 Retirement benefit schemes

(Continued)

Movements in the present value of defined benefit obligations:

	2021 £
Liabilities at 1 April 2020	3,731,000
Current service cost	61,000
Benefits paid	(74,000)
Contributions from scheme members	11,000
Actuarial gains and losses	917,000
Interest cost	86,000
At 31 March 2021	<u>4,732,000</u>

The defined benefit obligations arise from plans which are wholly or partly funded.

Movements in the fair value of plan assets:

	2021 £
Fair value of assets at 1 April 2020	3,701,000
Interest income	85,000
Return on plan assets (excluding amounts included in net interest)	898,000
Benefits paid	(74,000)
Contributions by the employer	55,000
Contributions by scheme members	11,000
At 31 March 2021	<u>4,676,000</u>

The fair value of plan assets at the reporting period end was as follows:

	2021 £	2020 £
Equity instruments	3,274,000	2,331,630
Debt instruments	935,000	962,266
Property	327,000	333,090
Cash	140,000	74,014
	<u>4,676,000</u>	<u>3,701,000</u>

### 14 Financial commitments, guarantees and contingent liabilities

Other than operating lease commitments referred to below, the charitable company has no other financial commitments, guarantees or contingent liabilities (2020 - £nil).

### 15 Operating lease commitments

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

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 15 Operating lease commitments

(Continued)

	2021 £	2020 £
Within one year	111,639	110,033
Between two and five years	107,712	155,878
	<u>219,351</u>	<u>265,911</u>

### 16 Related party transactions

During the year ended 31 March 2021, rent totalling £90,944 (2020: £89,087) was paid to Birnbeck Housing Association Limited, of which the trustee J Silverman is the chief executive. The rent was in respect of Wortley Villa, The Old Dairy and Churchill Road properties and all transactions were completed at an arms length.

During the year, Birnbeck Housing Association Limited donated £1,638 (2020: £1,638) to the charity.

### 17 Cash generated from operations

	2021 £	2020 £
(Deficit)/surplus for the year	(4,711)	(117,891)
Adjustments for:		
Investment income recognised in statement of financial activities	(3,044)	(2,295)
Loss/(gain) on disposal of tangible fixed assets	222	(513)
Depreciation and impairment of tangible fixed assets	41,180	38,078
Difference between pension charge and cash contributions	7,000	-
Movements in working capital:		
(Increase) in debtors	(14,617)	(9,923)
Increase in creditors	36,146	24,000
<b>Cash generated from/(absorbed by) operations</b>	<u>62,176</u>	<u>(68,544)</u>

### 18 Analysis of changes in net funds

The charity had no debt during the year.

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 19 Prior period adjustment

#### Changes to the balance sheet

		At 31 March 2020		
		As previously reported	Adjustment	As restated
		£	£	£
<b>Creditors due within one year</b>				
Other creditors	1	(7,445)	(47,147)	(54,592)
Capital funds				
Income funds				
Unrestricted funds		557,502	(47,147)	510,355
<b>Total equity</b>		<b>557,502</b>	<b>(47,147)</b>	<b>510,355</b>

#### Changes to the profit and loss account

		Period ended 31 March 2020		
		As previously reported	Adjustment	As restated
		£	£	£
<b>Income from:</b>				
Donations and legacies		20,988	-	20,988
Charitable activities	1	1,317,178	(6,291)	1,310,887
Investment income		2,295	-	2,295
Other income		14	(14)	-
		<b>1,340,475</b>	<b>(6,305)</b>	<b>1,334,170</b>
Expenditure on:				
Charitable activities		1,452,574	-	1,452,574
Loss on disposal of tangible assets		(513)	-	(513)
		<b>(1,452,061)</b>	<b>-</b>	<b>(1,452,061)</b>
Net gains on investments				
		-	-	-
Income/expenditure for the year		<b>(111,586)</b>	<b>(6,305)</b>	<b>(117,891)</b>

#### Notes to reconciliation

- 1 Impact of repayment of benefits on prior years