

Charity registration number 1035805

Company registration number 02856210 (England and Wales)

**GLOUCESTERSHIRE GROUP HOMES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	E A Cawston A S Finn J W Silverman L M Stinchcombe J M Bird	(Appointed 24 November 2022)
<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>	Griffiths Marshall Beaumont House 172 Southgate Street Gloucester GL1 2EZ	

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# GLOUCESTERSHIRE GROUP HOMES LIMITED

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# GLoucestershire Group Homes Limited

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

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The trustees present their annual report and financial statements for the year ended 31 March 2023.

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 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

#### Objects

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

#### Policies and objectives

The charity via its management team evaluates the provision through regular reviews to ensure the service delivery is appropriate to the specific needs of the service users and any relevant stakeholders.

New ideas/approaches or enhancements will be adopted as and when required.

The Senior Management Team are responsible for ensuring that the main aim of the charity is to provide a secure, caring and knowledgeable environment that enables people to achieve their fullest potential.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### Significant activities

In furtherance of its objectives the charity provides the following:

- Registered small community based group homes
- Knowledgeable, experienced staff
- Close working relationships with external Support Services
- Support and education for the families/carers
- Training and consultancy
- Individualised programmes of care and support
- Variety of leisure activities specific to individual 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.

Throughout the previous three years the focus has been on continuing to keep people safe with restrictions still being placed on the Care Sector. Gloucestershire Group Homes have worked hard to support not only the service users and staff but also work closely with families, carers, and the general public.

#### Volunteers

The charity has limited interaction with volunteers as it chooses to ensure that its services are supported by experienced employees.

However, there are some excellent relationships with a few work experience placements and leisure providers for which we are extremely grateful.

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### **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 Autism.

Throughout 2022-2023, the charity continued to provide a high standard of care and support to its service users, their families/carer's and the staff.

There was still a significant impact on the service relating to Covid 19, adjustments in service delivery and the national shortage of care staff. However, the service was extremely fortunate in that the support and commitment from existing staff was invaluable.

### Care Quality Commission

All registered provisions have received a "Good" rating with no outstanding issues.

### Service Provision

The Registered Manager carries out regular quality audits and any enhancements to the individual services have been instigated.

### Fundraising

The charity does not undertake any significant fundraising activities.

### **Financial review**

#### **Results**

The results for the year show an increase in funds of £173,724 (2022: decrease in funds of £1,732) which after making adjustments to the pension scheme costs in accordance with SORP 2019 increases to a net increase in funds of £1,088,724 (2022: increase in funds of £529,268).

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

- Total income increased by 8.8%
- Total expenditure decreased by 3.2%

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 the surplus 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.

#### **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 2023 the unrestricted free reserves (excluding fixed assets and the pension reserve) of the charity are £581,465 (2022: £410,855). This represents 21 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.

As at 31 March 2023, the restricted reserves of the charity (including fixed assets) are £13,019 (2022: £Nil) and relate to a replacement vehicle fund.

#### **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) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### 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 has reviewed and enhanced policy and procedures in connection with their insurance requirements.

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

### Principal risks

Potential risks for the care sector as a whole is the staffing crisis. However, Gloucestershire Group Homes has been extremely fortunate and has worked hard to secure its long-standing team of staff, this has naturally had a very positive impact on the charity's ability to meet its objectives.

Another potential risk would be loss of income should a service user die or have their funding from their local authorities removed. The charity operates a reserve policy that will help towards supporting such a void which enables the management to explore options.

### 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 enquiries, 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 M Stinchcombe

J M Bird

(Appointed 24 November 2022)

### Auditor

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

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** ***FOR THE YEAR ENDED 31 MARCH 2023***

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The trustees' report was approved by the Board of Trustees.

J W Silverman  
**Trustee**

19 October 2023

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2023***

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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; 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.

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



# GLOUCESTERSHIRE GROUP HOMES LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF GLOUCESTERSHIRE GROUP HOMES LIMITED

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#### Opinion

We have audited the financial statements of Gloucestershire Group Homes Limited (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 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.

#### 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.

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF GLOUCESTERSHIRE GROUP HOMES LIMITED

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#### **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.

#### *Extent to which the audit was 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, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtain an understanding of the 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 risk of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedure 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, but were not limited to:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries of management regarding known or suspected instances of non-compliance with laws and regulations;
- Review of minutes of the Board meetings throughout the year; and
- 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
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluation the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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**

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#### **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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Stephen Humphries (Senior Statutory Auditor)**  
**for and on behalf of Griffiths Marshall**

19 October 2023

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

Beaumont House  
172 Southgate Street  
Gloucester  
GL1 2EZ

Griffiths Marshall is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under 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 2023**

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	2022 £
<b>Income from:</b>					
Donations and legacies	3	240,055	13,500	253,555	154,394
Charitable activities	4	1,374,272	-	1,374,272	1,341,881
Investments	5	13,099	-	13,099	823
<b>Total income</b>		<b>1,627,426</b>	<b>13,500</b>	<b>1,640,926</b>	<b>1,497,098</b>
<b>Expenditure on:</b>					
<u>Charitable activities</u>					
LA&DWP - Clients	6	15,404	-	15,404	32,355
LA&DWP - Day Services & Outreach	6	19,493	-	19,493	61,848
LA&DWP - Houses	6	1,431,029	481	1,431,510	1,404,339
<b>Total charitable expenditure</b>		<b>1,465,926</b>	<b>481</b>	<b>1,466,407</b>	<b>1,498,542</b>
Loss on disposal of tangible fixed assets		795	-	795	288
<b>Total expenditure</b>		<b>1,466,721</b>	<b>481</b>	<b>1,467,202</b>	<b>1,498,830</b>
<b>Net income/(expenditure) for the year/ Net incoming/(outgoing) resources</b>		<b>160,705</b>	<b>13,019</b>	<b>173,724</b>	<b>(1,732)</b>
<b>Other recognised gains and losses</b>					
Actuarial gain on defined benefit pension schemes		915,000	-	915,000	531,000
<b>Net movement in funds</b>		<b>1,075,705</b>	<b>13,019</b>	<b>1,088,724</b>	<b>529,268</b>
Fund balances at 1 April 2022		1,015,912	-	1,015,912	486,644
<b>Fund balances at 31 March 2023</b>		<b>2,091,617</b>	<b>13,019</b>	<b>2,104,636</b>	<b>1,015,912</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 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	11		155,366		154,057
<b>Current assets</b>					
Debtors	12	32,374		39,619	
Cash at bank and in hand		627,298		458,177	
		<u>659,672</u>		<u>497,796</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(72,402)</u>		<u>(86,941)</u>	
Net current assets			587,270		410,855
<b>Total assets less current liabilities</b>			<u>742,636</u>		<u>564,912</u>
<b>Net assets excluding pension surplus</b>			742,636		564,912
<b>Defined benefit pension surplus</b>	15		<u>1,362,000</u>		<u>451,000</u>
<b>Income funds</b>					
Restricted funds			13,019		-
<u>Unrestricted funds - general</u>					
Designated funds	16	1,362,000		451,000	
General unrestricted funds		<u>729,617</u>		<u>564,912</u>	
			<u>2,091,617</u>		<u>1,015,912</u>
			<u>2,104,636</u>		<u>1,015,912</u>

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **BALANCE SHEET (CONTINUED)**

***AS AT 31 MARCH 2023***

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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 2023, 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.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 19 October 2023

J W Silverman

**Trustee**

**Company registration number 02856210**

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	21		208,792		24,238
<b>Investing activities</b>					
Purchase of tangible fixed assets		(40,770)		(20,325)	
Proceeds from disposal of tangible fixed assets		-		25	
Investment income received		1,099		823	
<b>Net cash used in investing activities</b>			(39,671)		(19,477)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			169,121		4,761
Cash and cash equivalents at beginning of year			458,177		453,416
<b>Cash and cash equivalents at end of year</b>			627,298		458,177

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **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 financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). 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**

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

#### **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.

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.

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.



# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes 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 land and buildings	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 the statement of financial activities.

#### 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.

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### **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 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

### 1.11 Employee benefits

The cost 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.

### 1.12 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.

# **GLOUCESTERSHIRE GROUP HOMES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MARCH 2023**

### **1 Accounting policies**

**(Continued)**

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.

### **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 note 15, will impact the carrying amount of the pension surplus. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions surplus at 31 March 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact the carrying amount of the pension surplus.

A change in the financial conditions has led to a gain for the period and results in a surplus as at 31 March 2023 detailed on note 15. The surplus is not restricted and recognised in full per the actuarial annual report.

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 3 Donations and legacies

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total Unrestricted funds general 2023 £	2022 £
Donations and gifts	5,253	13,500	18,753	4,653
Legacies receivable	205,000	-	205,000	-
Government grants	29,592	-	29,592	149,511
Membership fees	210	-	210	230
	<u>240,055</u>	<u>13,500</u>	<u>253,555</u>	<u>154,394</u>
<b>Grants receivable for core activities</b>				
Adult Social Care Infection Control Fund grant	-	-	-	139,000
Coronavirus Job Retention Scheme grant	-	-	-	693
Workforce Capacity Fund grant	13,480	-	13,480	3,000
Other Covid-19 related grant funding	16,112	-	16,112	6,818
	<u>29,592</u>	<u>-</u>	<u>29,592</u>	<u>149,511</u>

### 4 Charitable activities

	2023 £	2022 £
Local Authorities & Department of Work and Pensions (LA&DWP)	<u>1,374,272</u>	<u>1,341,881</u>

### 5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	1,099	823
Net interest on defined benefit pension scheme	12,000	-
	<u>13,099</u>	<u>823</u>

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 6 Charitable activities

	LA&DWP - Clients 2023 £	LA&DWP - Day Services & Outreach 2023 £	LA&DWP - Houses 2023 £	Total 2023 £	LA&DWP - Clients 2022 £	LA&DWP - Day Services & Outreach 2022 £	LA&DWP - Houses 2022 £	Total 2022 £
Staff costs	-	-	897,650	897,650	-	-	1,043,483	1,043,483
Depreciation and impairment	-	86	35,850	35,936	-	-	35,814	35,814
Housekeeping	2	-	71,176	71,178	-	-	69,390	69,390
Activities and holidays	12,633	1,285	-	13,918	13,032	871	-	13,903
Motor and travel	2,769	1,322	19,656	23,747	337	-	20,541	20,878
Equipment and maintenance	-	-	21,047	21,047	-	1,053	20,095	21,148
Registration fees	-	-	2,884	8,396	-	-	2,884	2,884
Rent and rates	-	5,512	124,283	124,283	-	-	119,434	119,434
Light and heat	-	-	11,128	11,128	-	-	10,718	10,718
Hire of equipment	-	-	1,043	1,043	-	-	1,076	1,076
Telephone	-	-	1,568	1,568	-	-	8,409	8,409
Insurance	-	-	16,915	16,915	-	-	14,688	14,688
Professional fees	-	-	7,617	7,617	-	-	3,828	3,828
Other expenses	-	-	6,194	6,194	-	-	4,466	4,466
	15,404	8,205	1,217,011	1,240,620	13,369	1,924	1,354,826	1,370,119
Share of support costs (note 7)	-	10,974	208,527	219,501	18,986	59,924	23,016	101,926
Share of governance costs (note 7)	-	314	5,972	6,286	-	-	26,497	26,497
	15,404	19,493	1,431,510	1,466,407	32,355	61,848	1,404,339	1,498,542
<b>Analysis by fund</b>								
Unrestricted funds - general	15,404	19,493	1,431,029	1,465,926	32,355	61,848	1,404,339	1,498,542
Restricted funds	-	-	481	481	-	-	-	-
	15,404	19,493	1,431,510	1,466,407	32,355	61,848	1,404,339	1,498,542

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	183,149	-	183,149	46,543	18,751	65,294
Bank charges	643	-	643	446	-	446
Printing, postage and stationery	3,324	-	3,324	3,719	-	3,719
Telephone	5,324	-	5,324	571	-	571
Depreciation	2,730	-	2,730	2,464	-	2,464
Equipment and maintenance	1,075	-	1,075	2,435	-	2,435
Rent and rates	16,592	-	16,592	26,762	-	26,762
Other expenses	6,664	-	6,664	18,986	-	18,986
Audit fees	-	6,263	6,263	-	7,746	7,746
Governance costs heading 1	-	23	23	-	-	-
	<u>219,501</u>	<u>6,286</u>	<u>225,787</u>	<u>101,926</u>	<u>26,497</u>	<u>128,423</u>
Analysed between Charitable activities	<u>219,501</u>	<u>6,286</u>	<u>225,787</u>	<u>101,926</u>	<u>26,497</u>	<u>128,423</u>

Governance costs includes payments to the auditors of £6,138 (2022- £5,970) for audit fees.

### 8 Trustees

During the year, no Trustees received remuneration (2022: £20,557) or any benefits in kind (2022: £nil).

During the year, expenses of £nil (2022: £nil) were reimbursed to Trustees.

### 9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Homes	37	33
Day Service	-	2
Office	4	3
Total	<u>41</u>	<u>38</u>

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 9 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	921,933	941,671
Social security costs	80,365	78,297
Other pension costs	78,501	88,809
	<u>1,080,799</u>	<u>1,108,777</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
In the band £60,001 - £70,000	<u>1</u>	<u>2</u>

### 10 Taxation

The charity 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.

### 11 Tangible fixed assets

	Land and buildings £	Leasehold land and buildings £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2022	304,023	114,667	90,984	34,074	543,748
Additions	7,007	12,536	13,532	7,695	40,770
Disposals	-	(9,512)	(8,330)	(2,700)	(20,542)
At 31 March 2023	<u>311,030</u>	<u>117,691</u>	<u>96,186</u>	<u>39,069</u>	<u>563,976</u>
<b>Depreciation and impairment</b>					
At 1 April 2022	211,652	83,782	72,444	21,813	389,691
Depreciation charged in the year	12,535	11,800	11,089	3,242	38,666
Eliminated in respect of disposals	-	(9,512)	(7,991)	(2,244)	(19,747)
At 31 March 2023	<u>224,187</u>	<u>86,070</u>	<u>75,542</u>	<u>22,811</u>	<u>408,610</u>
<b>Carrying amount</b>					
At 31 March 2023	<u>86,843</u>	<u>31,621</u>	<u>20,644</u>	<u>16,258</u>	<u>155,366</u>
At 31 March 2022	<u>92,371</u>	<u>30,885</u>	<u>18,540</u>	<u>12,261</u>	<u>154,057</u>

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 12 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	7,606	21,818
Prepayments and accrued income	24,768	17,801
	<u>32,374</u>	<u>39,619</u>

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

	Notes	2023 £	2022 £
Other taxation and social security		20,875	20,202
Deferred income	14	17,486	20,321
Trade creditors		11,044	2,837
Other creditors		12,246	32,027
Accruals		10,751	11,554
		<u>72,402</u>	<u>86,941</u>

### 14 Deferred income

	2023 £	2022 £
Other deferred income	<u>17,486</u>	<u>20,321</u>

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	<u>17,486</u>	<u>20,321</u>
Movements in the year:		
Deferred income at 1 April 2022	20,321	(45,673)
Released from previous periods	(20,321)	45,673
Resources deferred in the year	<u>17,486</u>	<u>20,321</u>
Deferred income at 31 March 2023	<u>17,486</u>	<u>20,321</u>

At the balance sheet date, the charitable company was holding funds received in advance for 2023/24 in respect of residential fee income.



# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 15 Retirement benefit schemes

#### Defined contribution 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.

#### Valuation

The latest actuarial valuation of the LGPS related to the period ended 31 March 2022.

A roll forward approach has been used by the actuary in valuing the pensions liability at 31 March 2023.

#### Key assumptions

	2023 %	2022 %
Discount rate	4.75	2.7
Expected rate of increase of pensions in payment	3.0	3.2
Expected rate of salary increases	3.5	3.5

#### Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2023 Years	2022 Years
Retiring today		
- Males	21.30	21.7
- Females	25.0	24.1
Retiring in 20 years		
- Males	20.3	22.6
- Females	25.90	25.8

Amounts recognised in the profit and loss account:

	2023 £	2022 £
Current service cost	67,000	75,000
Net interest on defined benefit liability/(asset)	(12,000)	1,000
Total costs	55,000	76,000

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 15 Retirement benefit schemes

(Continued)

Amounts taken to other comprehensive income:

	2023 £	2022 £
Actual return on scheme assets	260,000	(323,000)
Less: calculated interest element	133,000	93,000
	<hr/>	<hr/>
Return on scheme assets excluding interest income	393,000	(230,000)
Actuarial changes related to obligations	(1,308,000)	(301,000)
	<hr/>	<hr/>

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

	2023 £	2022 £
Present value of defined benefit obligations	3,265,000	4,514,000
Fair value of plan assets	(4,627,000)	(4,965,000)
	<hr/>	<hr/>
Surplus in scheme	(1,362,000)	(451,000)
	<hr/>	<hr/>

Movements in the present value of defined benefit obligations:

	2023 £
Liabilities at 1 April 2022	4,514,000
Current service cost	67,000
Benefits paid	(139,000)
Contributions from scheme members	10,000
Actuarial gains and losses	(1,308,000)
Interest cost	121,000
	<hr/>
At 31 March 2023	3,265,000
	<hr/>

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

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 15 Retirement benefit schemes

(Continued)

Movements in the fair value of plan assets:

	2023 £
Fair value of assets at 1 April 2022	4,965,000
Interest income	133,000
Return on plan assets (excluding amounts included in net interest)	(393,000)
Benefits paid	(139,000)
Contributions by the employer	51,000
Contributions by scheme members	10,000
	<hr/>
At 31 March 2023	4,627,000 <hr/>

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

	2023 £	2022 £
Equity instruments	2,962,000	3,277,000
Debt instruments	1,018,000	1,043,000
Property	555,000	496,000
Cash	92,000	149,000
	<hr/>	<hr/>
	4,627,000	4,965,000 <hr/>

### 16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2021	Resources expended	Actuarial gains or losses	Balance at 1 April 2022	Movement in funds			Balance at 31 March 2023
	£	£	£	£	Resources expended	Actuarial gains or losses		£
Pension Scheme	(56,000)	(24,000)	531,000	451,000	(4,000)	915,000		1,362,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>		<hr/>
	(56,000)	(24,000)	531,000	451,000	(4,000)	915,000		1,362,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>		<hr/>

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 17 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	2022 £
Fund balances at 31 March 2023 are represented by:				
Tangible assets	148,152	7,214	155,366	154,057
Current assets/(liabilities)	581,465	5,805	587,270	410,855
Provisions and pensions	1,362,000	-	1,362,000	451,000
	<u>2,091,617</u>	<u>13,019</u>	<u>2,104,636</u>	<u>1,015,912</u>

### 18 Financial commitments, guarantees and contingent liabilities

At the reporting end date the charity had outstanding commitments for future minimum lease payments under a verbal agreement, which totalled £Nil (2022 - £63,000).

### 19 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:

	2023 £	2022 £
Within one year	125,712	114,672
Between two and five years	422,807	404,040
In over five years	369,403	464,203
	<u>917,922</u>	<u>982,915</u>

### 20 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	<u>141,659</u>	<u>165,301</u>

# GLOUCESTERSHIRE GROUP HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 20 Related party transactions

(Continued)

During the year ended 31 March 2023, rent totalling £94,800 (2022: £92,841) 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 (2022: £1,638) to the charity and made a one-off contribution of £400 (2022: £Nil) towards leasehold improvement works at The Old Dairy.

During the year, £2,875 (2022: £Nil) was paid to J Bird in the form of consultancy fees.

21 Cash generated from operations	2023 £	2022 £
Surplus for the year	173,724	(1,732)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,099)	(823)
Loss on disposal of tangible fixed assets	795	288
Depreciation and impairment of tangible fixed assets	38,666	38,278
Difference between pension charge and cash contributions	4,000	24,000
Movements in working capital:		
Decrease in debtors	7,245	14,777
(Decrease) in creditors	(11,704)	(50,550)
(Decrease) in deferred income	(2,835)	-
<b>Cash generated from operations</b>	<b>208,792</b>	<b>24,238</b>