

LUTON FRIENDSHIP HOMECARERS

England & Wales · Charity number 1081256

Details

Status Registered

Legal form Charitable company

Company number [03973439](#)

Registered 2000-06-26

Register [View on the Charity Commission register](#)

Contact

Address Friendship Homecarers
92 Hastings Street
Luton
LU1 5BH

Phone 07825058641

Email enquiries@lutonfhc.org.uk

Website www.lutonfhc.org.uk

Activities

Objects: TO PROVIDE FOR THE RELIEF OF SICKNESS AND THE PROTECTION OF HEALTH, THE RELIEF OF POVERTY AND THE ADVANCEMENT OF RELIGION, IN THE LUTON AREA, AND WHERE POSSIBLE IN OTHER CONVENIENT AREAS, BY THE MEANS OF1. ORGANISING AND MAINTAINING THE SUPPLY OF NURSES, CARE ASSISTANTS AND HOME HELPS TO LOOK AFTER THE HOMES AND PROVIDE PERSONAL CARE FOR NEEDY PERSONS INCAPACITATED THROUGH ACCIDENT, ILL-HEALTH, OLD AGE, CHILDBIRTH, PHYSICAL DISABILITY, MENTAL DISABILITY, OR ANY OTHER REASON EITHER IN THEIR HOMES OR IN A HOSPITAL AND TO RENDER TO SUCH PERSONS SUCH FINANCIAL ASSISTANCE AND OTHER ASSISTANCE AS MAY BE DEEMED DESIRABLE. 2. WELFARE WORK FOR SICK AND OTHERWISE HANDICAPPED PERSONS, PARTICULARLY, BUT NOT EXCLUSIVELY, FOR AFRO-CARIBBEAN MEMBER OF THE COMMUNITY. 3. THE PROMOTION OF CHRISTIANITY AS A WAY OF LIFE AFFECTING MAN'S EXPERIENCE AS AN ETHICAL SOCIAL AESTHETIC RATIONAL PHYSICAL EMOTIONAL AND SPIRITUAL BEING SEND IN ACCORDANCE WITH THE TEACHING OF SEVENTH-DAY ADVENTISTS.

Activities: Providing a high quality home care and personal service to the elderly and housebound

Classification

- **How:** Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** Elderly/old People, People With Disabilities

Geography

- **Area of benefit:** LUTON AREA AND OTHER CONVENIENT AREAS
- Central Bedfordshire
- Luton

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£570,486	£564,210	£614,974	32
2024-03-31	£806,360	£797,666	£608,697	35
2023-03-31	£697,857	£671,085	£600,005	34
2022-03-31	£806,991	£774,224	£573,235	39
2021-03-31	£918,976	£872,491	£506,875	45

Trustees

Name	Role	Appointed
Bernie Holford		2016-10-01
Dr Hixon Wesley Montgomery Warren		2021-02-20
GARY ANTONY GUNTER		2000-08-03
Max Benedict Frank McKenzie-Cook		2021-02-20
Mr Jojo Fetalino		2015-07-09
Nigel Everalld McNeil		2013-01-01

Accounts

Registered number: 3973439
Charity number: 1081256

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees who served during the year and Advisers	1
Trustees' Report	2 - 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet	13 - 14
Notes to the Financial Statements	15 - 21

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES WHO SERVED
DURING THE YEAR AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025**

Trustees who served during the year	Pastor Itamar James (appointed 22 February 2024) Wesley Warren Gary Gunter Nigel McNeil Tapiwa Mandeya Max McKenzie-Cook (resigned 2 August 2024) Stephen Griffiths Gloria Kupe
Company registered number	3973439
Charity registered number	1081256
Registered office	92 Hastings Street Luton Bedfordshire LU1 5BH
Accountants	Colledge Redfern Chartered Certified Accountants Glantaf Office Llanfallteg Whitland Carmarthenshire SA34 0UT

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report together with the financial statements of the company for the 1 April 2024 to 31 March 2025. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The charity's objectives and principles continue to be that of:

- Providing a high-quality home care and personal service to the elderly and housebound
- Offering a sensitive service that is tailored to the specific cultural needs of all the various ethnic/cultural groups seeking support and care
- Working with other voluntary organisations to promote the needs of the elderly and housebound within the community and to other statutory agencies
- Being an advocate in providing a link to enable service users to access other essential services
- Seeking to broaden the remit of the charity to include working with children within their home environment

Charity's Credo

Our Purpose

- To build a charity dedicated to our service users

Our parameter:

We focus our efforts exclusively on:

- What we are passionate about
- What we can become best at
- What drives our economic stability

Our principles:

- We are above all the agents of our service users
- Our people are our greatest asset. We should select them attentively and invest in them passionately
- We are unrelenting in the pursuit of excellence
- Pursuing our ambition to be the best healthcare provider is a never-ending process
- "Good enough" never is

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

b. Strategies for achieving objectives

- To provide a service of choice
- Provision of a service to the community where professionalism and quality are paramount
- Ensure our staff feel valued and provide the appropriate training and development opportunities such that high standards are achieved and sustained
- Strive for and develop through continuous improvement

c. Activities undertaken to achieve objectives

Home care is defined as domiciliary services which assist the service user to function as independently as possible and/or continue to live in their own home. Services include routine household tasks within or outside the home, personal care of the client or respite care in support of the client's regular carers. The charity believes that everyone has a right to remain in their own home, regardless of age, illness or infirmity for as long as they can. As a home care provider we will always respect the rights of the service user to confidentiality and privacy. We offer a sensitive care service tailored to meet the service users' specific requirements.

Our service delivery includes but is not limited to:

Personal Care Services

- Assisting in getting in and out of bed
- Assistance with dressing
- Personal hygiene
- Preparing and aiding the service user to eat their meals
- Continence management
- Moving and handling
- Carry out activities under the direction of a nurse, occupational therapist or physiotherapist
- Administration of medication
- Prepare meals (nutritional advice, special diets)
- Other forms of support/care to meet service user's needs as agreed in the care plan

Non-Personal Care Services

- House cleaning and washing up
- Laundry and ironing
- Shopping
- Collecting pensions, benefits, prescriptions

d. Social investment policies

The social investment policy of the charity is to re-invest 50% of its annual cash surplus into its employees (ex-gratia payment, Christmas bonus / lunch and other social events) and tithe paid to the Luton Central Seventh Day Adventist Church. Tithe is normally accrued and paid out in accordance with a business case supporting a worthy cause.

e. Grant-making policies

The charity was created to service the elderly and vulnerable members of society within our community. In the course of satisfying the objectives of the charity and where resources allow, the charity may contribute to local charitable groups/organisations and individuals referred by local government bodies. Applications must be received in writing and are considered by the management committee.

Locally, the charity continues to offer support through the local authority to those requiring emergency short term assistance in the community.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

f. Volunteers

The charity is always responsive to volunteers and would welcome such deed, however, there has been no notable volunteers of service during the year.

g. Main activities undertaken to further the company's purposes for the public benefit

From time to time the charity may contribute to other charities which share its ethos. In making such contributions there is no expectation for the charity to accrue any financial gains.

Achievements and performance

a. Main achievements of the company

The main achievements of the charity during the year have been:

1. To maintain a positive cash surplus on the year's performance
 2. Expand on its service user base by leveraging more value from our Luton Borough Council (LBC) Contract for "Supported Living for People with Learning Disability and Autism"
 3. Maintaining a high level of Quality of Service and underpinning this with the recruitment of a Quality Compliance Manager (Part-time)
 4. Maintaining our UK Immigration Registration status as a Licensed Sponsor for recruiting from overseas
 5. Effectively reducing our headcount and our overhead cost to ensure a positive cash flow
 6. Increasing & retaining our private clients revenue by constantly delivering high quality service
- These are further detailed lower down in this report

b. Key performance indicators

The four (4) Key Performance Indicators which the charity is focussed on are:

1. Quality
2. People (Employees and Service Users)
3. Revenue and Growth
4. Cost vs Expenditure

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

c. Review of activities

Several of the Charity's major successes during the past 12 months have been:

- i) Whilst the first half of the year was reasonably successful, the second half was extremely turbulent and by P7 we were experiencing negative cashflow. This led to us having to take appropriate action to stem the flow.
- ii) One such action was to brief the staff accordingly, prompting eight (8) people to leave of their own accord, while three (3) people had their sponsorship withdrawn due to our inability to provide them with enough care hours of work. Office hours were also reduced to reflect the down-turn in work and hence to reduce our overhead.
- iii) Reviewing and ensuring that travelling time is incorporated into carers' pay and that deduction from pay does not bring pay down below the level of the National Minimum Wage.
- iv) Following the loss of our APL status with LBC, the prediction was for a negative out-turn approximately half of our 2023-24 revenue. Through hard work and determination we managed to exceed expectations with an out-turn of revenue 29.25% that of 2023-24.
- v) Being able to in-source work from Generix Care during the final quarter of this fiscal. Many lessons were learnt from this experience by both management and carers.

All the above were underpinned with a good solid financial performance despite us experiencing a decline in revenue and corresponding surplus. Friendship Homecarers continues to build its reputation through the quality of its service. The loss of our Approved Provider Listing (APL) with LBC resulted in the migration of approximately 50% of our client base/revenue.

The main achievements of the company during the period are further detailed below:

Maintaining a positive cash surplus on the year's performance

Despite all the above, this has been a very good year for LFH where we have in real terms increased our revenue by approximately 20.75%. Correspondingly, we have seen our expenditure decreased by a similar margin.

Drawing any further comparisons to 2023-24 financial performance is difficult, other than to say we have turned around a situation of losing money from P8 to one of showing a surplus and the end of the year.

Putting all of this into perspective, it should be considered a good "very good" performance over the period, attained through agility and speed of action by management.

Throughout the year we saw a decrease in our Service User base from an average of 46 to a new average of 34, closing the year with a decrease down to 32. This decline in the number of SU work packages is directly attributed to us losing our APL status with LBC. Our management team are taking the necessary steps to reverse the situation, largely through increased advertisement, dropping of flyers / leaflets, more use of social media platforms.

	2022-23	2023-24	2024-25	Increase / Decrease	% Growth
Revenue	£697,857	£806,360	£570,486	-£235,874	-29.25%
Expenditure	£671,084	£797,666	£564,210	-£233,456	-29.27%
Surplus	£26,773	£8,694	£6,276	-£2,418	-27.81%

Notwithstanding all the above, this has been a good performance given the challenges we faced throughout the year which can be characterised as follows:

- 1) A decrease in revenue by 29.25% is seen a positive given the loss of 50% of our revenue stream on the back of losing out on our APL status with LBC. This is in contrast with an increase in revenue of 15.55% during the previous year.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

2) Similarly, our expenditure is showing a decrease of 29.27% for this fiscal, but when compared like for like it can be viewed as a much smaller decrease in expenditure, driven by managements' effort in keeping cost down, namely in the area of drop-off and pick-up, office overhead reductions and reduction in the transportation of non-driver carers.

3) Implementation of uplift in National Living Wage up 9.79% (to £11.44/hr) whilst the LBC Direct Payment rate went up by only 3.07% (£19.83/hr).

In line with government guidelines LFH had no option other than to increase the minimum wage paid to Carers as outlined above in (2). We certainly do not begrudge the increase but wished we could have gone further.

4) A hostile competitive environment persists; with more than 50 domiciliary care companies in the Luton catchment area.

5) Functioning for a large part of the year with limited staff has been an issue due to poor retention rate and lack of Care Sector resources.

The market place in and around Luton continues to be very crowded with numerous start up undercutting to gain market share. At any one time there are approximately 50 competitors jostling for position.

6) There has been an impact in that the upskilling rate of the recent recruits have been slow but they are now beginning to perform at a more acceptable level. Whilst during the first part of the year we had the right amount of resource to deliver our commitments, the second part was not so. Having lost our APL status with LBC we were forced into staff reduction due to insufficient care hours. This resulted in approximately eleven (11) of our carers leaving our employment whilst we also had a reduction in office hours/overheads. The positive thing is that our overseas recruits have settled in well, despite us losing 11 people due to insufficient care hours.

The above are attributing factors which have directly impacted our bottom line for the said period.

In summary, this continues to indicate that the Charity is able to keep its cost base down. The loss of our APL status with LBC has started to affect the number of care packages coming into the company, whilst the full effect of this is yet to materialise. Stabilising the finances of the Charity has been one of the main points of focus of the Management Team through driving down cost and improving margins through its pricing. In this period we have seen a number of indicators that suggests that the Charity is in a strong position to grow and continue to provide a good quality service to the vulnerable members of the community in Luton. This is evidenced by our ability to continue to attract and retain steady number of privately funded service users.

Accruals: After making allowance for our Tithe of 10% to the Luton Seventh-Day Adventist Church and putting aside 38.70% of our headline surplus for retirement, staff gratuities and bonus, we are able to declare a surplus of £6,276 after accruals.

a1) The Charity has been able to expand on its service user base by obtaining Luton Borough Council (LBC) contract, on their Approved Provider List for Lot/s 1 & 2, for Supported Living for People with Learning Disabilities and Autism in February 2023. The revenue stream for this line of work has grown significantly and is continuing to do so.

a2) Maintain a high level of Quality of Service
The Care Quality Commission (CQC) have developed a new monitoring approach by building on what they know works well. Each month they review the information they have on most of the services that they regulate. This approach helps them to prioritise their activity and target inspection activity where they have concerns. We

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

recently received an email from CQC stating "We have not found evidence that we need to carry out an inspection or reassess our rating at this stage. This could change at any time if we receive new information. We will continue to monitor data about this service".

a3)Service Users' Standard & Quality of Care

We have also been conducting our own Care Service Survey which showed that more than 90% of our Service Users were experiencing "Good Service" whilst >90% stated that the Service they received made an improvement to their quality of life.

a4) Company Vehicles

The Charity has long been experiencing difficulty in getting non-driving carers around to perform their duties. LFH have been utilising private contractors to chauffeur the carers around but this has proved to be very costly and as such not financially viable. There has been a marked shift away from the use of contractors chauffeuring carer in that carers are making better use of public transport, namely buses, to get their first call and making their way home after their last call. Carer drivers are being more cooperative in taking their colleagues around in between calls.

In summary, this has been a really very outstanding performance by the Charity as it continues to consolidate its place in the market through building of its reputation for delivering excellent value for money services and having ensured we have the right people in place to do so.

d. Factors relevant to achieve objectives

The factors bearing down on our ability to achieve our objectives were as follows:

- The prevailing market place, namely very high level of competition, due to crowded market place
- Availability & retention of resources, namely carers
- Ability to attract new service users
- Rising cost and decreasing margins

e. Fundraising activities and income generation

No specific fund raising activities have been undertaken by the charity. The charity's principal funding is through the activities of the organisation and this is support by ongoing advertisement and marketing.

Any donations received will not accrue any entitlement to the decision-making authority of the charity. External funding will not divert the charity from its agreed aims and objectives. Any donations will normally be acknowledged in public reports and accounts.

The charity also recognises that there are other methods of raising funds, which have not yet been fully explored, these include social events and sponsors.

f. Investment policy and performance

By the very nature of the charity's business there has been no formulated material investment policy. Having said that, the charity has acquired and invested in the freehold of its headquarter building, namely 92 Hastings Street. This has increased in value in excess of 100% since acquisition in November 2015.

Financial review

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company 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.

b. Reserves policy

The charity's reserve policy is to maintain enough cash to pay two months debts including, salaries, utilities, supplies and other monthly expenditures.

c. Material investments policy

By the very nature of the charity's business there has been no formulated material investment policy. Having said that, the charity has acquired and Invested in the freehold of its headquarter building, namely 92 Hastings Street. If in future, developments require similar investments, then the trustees would deliberate and decide as appropriate

d. Principal risks and uncertainties

The principal risks faced by the charity is twofold:

- i) Our ability to recruit and retain key personnel's, in particular carers, to deliver quality services to our service users
- ii) Our ability to attract new service users at the right time, thus maintain a steady stream of income/revenue

e. Financial risk management objectives and policies

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to such risks.

f. Principal funding

The principal funding of the charity is gained from the business it conducts delivering care to our Service Users in and around the community.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 14 April 2000.

The company is constituted under a Memorandum of Association dated 14 April 2000 and is a registered charity number 1081256.

The principal object of the company is to contribute positively to its local community by offering a home care service which is driven by a high standard of quality; and the need to meet the local diverse ethnic mix.

The last AGM was held on the 26 October 2024 and the next one is scheduled for October 2025.

b. Methods of appointment or election of Trustees

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

c. Organisational structure and decision-making policies

The management committee meet quarterly with the Trustees to monitor, develop and promote the activities and objectives of the charity. Ad hoc meetings are called as and when the need arises.

The Business Manager and Care Manager oversee the day to day running of the charity. Decisions are made in accordance with the charity's policies, procedures and code of conduct. If the Business Manager does not possess the authority to approve certain decisions, then recommendations are made to the management committee, and if needed, to the board of Trustees.

d. Policies adopted for the induction and training of Trustees

The charity's recruitment of Trustees is undertaken, mainly through recommendations and "word of mouth". Candidates are assessed and if deemed suitable are followed up with interview, references and DBS check. The successful applicant(s) is then taken on after the receipt of suitable references and DBS clearance followed by induction through half-day session during which training requirements is also assessed. Agreed training will be undertaken subject to mutual agreement on date and time.

e. Pay policy for key management personnel

The Charity's pay policy for key management personnel is to endeavour to remunerate in line with market trend whilst being cognizant of our charitable status in that we may never attain compatibility with the public/private sector.

f. Related party relationships

The charity is non-aligned and does not have any affiliation to any one party.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Plans for future periods

The following continue to be key high-level priorities set for the next period ending March 2026:

- Broaden the charity's services portfolio to include but not limited to:
 - a) the delivery of services for living-in careservices to adults and palliative care
 - b) supported people living in the community with learning disabilities and autism
- Continue review of charity's governing documents
- Seek new opportunities for growth
- Continuing to implement best practice in accordance with General Data Protection Regulation (GDPR) (EU) 2016/679
- c) The management team are currently exploring entering into Joint Venture (JV) with the South England Conference of the Seventh-day Adventist Church (SEC) to establish a Residential Care Home.

Statement of Trustees' responsibilities

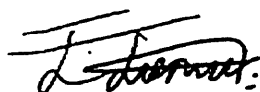
The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Approved by order of the members of the board of Trustees on 8 September 2025 and signed on their behalf by:



.....
Pastor Itamar James
(Chair of Trustees)

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2025

Independent Examiner's Report to the Trustees of Luton Friendship Homecarers ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2025.

Responsibilities and Basis of Report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Signed:

David Colledge

Colledge Redfern
Chartered Certified Accountants

Dated: 8 September 2025

FCCA

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:				
Charitable activities	3	563,258	563,258	799,973
Investments	4	7,228	7,228	6,387
Total income		570,486	570,486	806,360
Expenditure on:				
Charitable activities	5	563,710	563,710	797,666
Other expenditure	6	500	500	-
Total expenditure		564,210	564,210	797,666
Net movement in funds		6,276	6,276	8,694
Reconciliation of funds:				
Total funds brought forward		608,698	608,698	600,004
Net movement in funds		6,276	6,276	8,694
Total funds carried forward		614,974	614,974	608,698

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 21 form part of these financial statements.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 3973439

BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	9	151,220	151,527
		<u>151,220</u>	<u>151,527</u>
Current assets			
Debtors	10	24,153	89,527
Cash at bank and in hand		482,587	411,799
		<u>506,740</u>	<u>501,326</u>
Creditors: amounts falling due within one year	11	(42,986)	(44,155)
Net current assets		<u>463,754</u>	<u>457,171</u>
Total assets less current liabilities		<u>614,974</u>	<u>608,698</u>
Net assets excluding pension asset		<u>614,974</u>	<u>608,698</u>
Total net assets		<u><u>614,974</u></u>	<u><u>608,698</u></u>
Charity funds			
Restricted funds		-	-
Unrestricted funds		614,974	608,698
Total funds		<u><u>614,974</u></u>	<u><u>608,698</u></u>

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 3973439

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

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

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

The financial statements were approved and authorised for issue by the Trustees on 08 September 2025 and signed on their behalf by:

Pastor Itamar James
(Chair of Trustees)

The notes on pages 15 to 21 form part of these financial statements.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. General information

Luton Friendship Homecarers is registered as a charitable company limited by guarantee, registration number 3973439. The registered address is 92 Hastings Street, Luton, Bedfordshire, LU1 5BH.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Luton Friendship Homecarers meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Plant and machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Office equipment	- 25% reducing balance
Computer equipment	- 25% reducing balance

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.9 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

3. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Income from charitable activities - Care for elderly and housebound	563,258	563,258	799,973

4. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Interest received	7,228	7,228	6,387

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Total 2025 £	Total 2024 £
Staff salaries	445,245	445,245	618,291
Other staff costs	12,295	12,295	37,268
Employer's NI and pension contributions	40,696	40,696	59,336
Care cover and contractor fees	37,435	37,435	61,516
Office supplies and services	7,956	7,956	15,302
Insurance	2,984	2,984	4,343
Depreciation	306	306	943
Accountancy and auditing	1,954	1,954	3,037
Premises expenses	14,839	14,839	(2,370)
	<u>563,710</u>	<u>563,710</u>	<u>797,666</u>
<i>Total 2024</i>	<u>797,666</u>	<u>797,666</u>	

6. Other expenditure

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations payable to other charities	500	500	-
	<u>500</u>	<u>500</u>	<u>-</u>

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

7. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Staff salaries	445,245	-	445,245	618,291
Other staff costs	12,295	-	12,295	37,268
Employer's NI and pension contributions	40,696	-	40,696	59,336
Care cover and contractor fees	37,435	-	37,435	61,516
Office supplies and services	-	7,956	7,956	15,302
Insurance	2,984	-	2,984	4,343
Depreciation	-	306	306	943
Accountancy and auditing	-	1,954	1,954	3,037
Premises expenses	-	14,839	14,839	(2,370)
	<u>538,655</u>	<u>25,055</u>	<u>563,710</u>	<u>797,666</u>
<i>Total 2024</i>	<u>780,754</u>	<u>16,912</u>	<u>797,666</u>	

8. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from the company. It was agreed at a board meeting, at which he was not present, that Mr McNeil would be paid remuneration for his services. The value of Trustees' remuneration and other benefits was as follows:

	2025 £	2024 £
Nigel McNeil	25,307	26,816

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £NIL).

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

9. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2024	150,000	21,288	2,000	173,288
At 31 March 2025	150,000	21,288	2,000	173,288
Depreciation				
At 1 April 2024	-	21,041	720	21,761
Charge for the year	-	50	256	306
At 31 March 2025	-	21,091	976	22,067
Net book value				
At 31 March 2025	150,000	197	1,024	151,221
At 31 March 2024	150,000	247	1,280	151,527

Based on advice from local Estate Agents, the Trustees have formed the opinion that the freehold property at 92 Hastings Street has a market value of £375,000.

10. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	17,592	84,698
Other debtors	1,803	90
Prepayments and accrued income	4,758	4,739
	24,153	89,527

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

11. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	2,133	2,820
Other taxation and social security	12,327	15,214
Accruals and deferred income	28,526	26,121
	<u>42,986</u>	<u>44,155</u>

12. Summary of funds

Summary of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
Designated funds	33,590	-	-	1,024	34,614
General funds	575,108	570,486	(564,210)	(1,024)	580,360
	<u>608,698</u>	<u>570,486</u>	<u>(564,210)</u>	<u>-</u>	<u>614,974</u>

Summary of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Designated funds	37,697	-	-	1,610	39,307
General funds	562,307	806,359	(797,666)	(1,610)	569,390
	<u>600,004</u>	<u>806,359</u>	<u>(797,666)</u>	<u>-</u>	<u>608,697</u>

13. Related party transactions

The company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the company at 31 March 2025.

Accounts

Registered number: 3973439
Charity number: 1081256

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees who served during the year and Advisers	1
Trustees' Report	2 - 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet	13 - 14
Notes to the Financial Statements	15 - 21

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES WHO SERVED
DURING THE YEAR AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees who served during the year	Pastor Itamar James (appointed 22 February 2024) Pastor Bernie Holford (resigned 25 April 2024) Wesley Warren Gary Gunter Nigel McNeil Tapiwa Mandeya Max McKenzie-Cook Stephen Griffiths Gloria Kupe
Company registered number	3973439
Charity registered number	1081256
Registered office	92 Hastings Street Luton Bedfordshire LU1 5BH
Accountants	Colledge Redfern Chartered Certified Accountants Glantaf Office Llanfallteg Whitland Carmarthenshire SA34 0UT

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the financial statements of the company for the 1 April 2023 to 31 March 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The charity's objectives and principles continue to be that of:

- Providing a high-quality home care and personal service to the elderly and housebound
- Offering a sensitive service that is tailored to the specific cultural needs of all the various ethnic/cultural groups seeking support and care
- Working with other voluntary organisations to promote the needs of the elderly and housebound within the community and to other statutory agencies
- Being an advocate in providing a link to enable service users to access other essential services
- Seeking to broaden the remit of the charity to include working with children within their home environment

Charity's Credo

Our Purpose

- To build a charity dedicated to our service users.

Our parameter:

We focus our efforts exclusively on:

- What we are passionate about
- What we can become best at
- What drives our economic stability?

Our principles:

- We are above all the agents of our service users
- Our people are our greatest asset. We should select them attentively and invest in them passionately
- We are unrelenting in the pursuit of excellence
- Pursuing our ambition to be the best healthcare provider is a never-ending process
- "Good enough" never is

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities (continued)

b. Strategies for achieving objectives

- To provide a service of choice
- Provision of a service to the community where professionalism and quality are paramount
- Ensure our staff feel valued and provide the appropriate training and development opportunities such that high standards are achieved and sustained.
- Strive for and develop through continuous improvement.

c. Activities undertaken to achieve objectives

Home care is defined as domiciliary services which assist the service user to function as independently as possible and/or continue to live in their own home. Services include routine household tasks within or outside the home, personal care of the client or respite care in support of the client's regular carers. The charity believes that everyone has a right to remain in their own home, regardless of age, illness or infirmity for as long as they can. As a home care provider we will always respect the rights of the service user to confidentiality and privacy. We offer a sensitive care service tailored to meet the service users' specific requirements.

Our service delivery includes but is not limited to:

Personal Care Services

- Assisting in getting in and out of bed
- Assistance with dressing
- Personal hygiene
- Preparing and aiding the service user to eat their meals
- Continence management
- Moving and handling
- Carry out activities under the direction of a nurse, occupational therapist or physiotherapist
- Administration of medication
- Prepare meals (nutritional advice, special diets)
- Other forms of support/care to meet service user's needs as agreed in the care plan

Non-Personal Care Services

- House cleaning and washing up
- Laundry and ironing
- Shopping
- Collecting pensions, benefits, prescriptions

d. Social investment policies

The social investment policy of the charity is to re-invest 50% of its annual cash surplus into its employees (ex-gratia payment, Christmas bonus / lunch and other social events) and tithe paid to the Luton Central Seventh Day Adventist Church. Tithe is normally accrued and paid out in accordance with a business case supporting a worthy cause.

e. Grant-making policies

The charity was created to service the elderly and vulnerable members of society within our community. In the course of satisfying the objectives of the charity and where resources allow, the charity may contribute to local charitable groups/organisations and individuals referred by local government bodies. Applications must be received in writing and are considered by the management committee.

Locally, the charity continues to offer support through the local authority to those requiring emergency short term assistance in the community.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities (continued)

f. Volunteers

The charity is always responsive to volunteers and would welcome such deed, however, there has been no notable volunteers of service during the year.

g. Main activities undertaken to further the company's purposes for the public benefit

From time to time the charity may contribute to other charities which share its ethos. In making such contributions there is no expectation for the charity to accrue any financial gains.

Achievements and performance

a. Main achievements of the company

The main achievement of the charity during the year has been:

1. To maintain a positive cash surplus on the year's performance
2. Expand on its service user base by obtaining Luton Borough Council (LBC) "Spot Contract"
3. Maintain a high level of Quality of Service
4. Obtaining UK Immigration Registration as a Licensed Sponsor for recruiting from overseas
5. Recruitment of 16 carers from abroad

These are further detailed lower down in this report.

b. Key performance indicators

The four (4) Key Performance Indicators which the charity is focussed on are:

1. Quality
2. People (Employees and Service Users)
3. Revenue and Growth
4. Cost vs Expenditure

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

c. Review of activities

Three of the Charity's major successes during the past 12 months have been to:

- i) Revise the way we remunerate our staff and carers. This has led to increased salary/hourly pay rates and holiday pay.
- ii) Reviewing and ensuring that travelling time is incorporated into carers' pay and that deduction from pay does not bring pay down below the level of the National Minimum Wage
- iii) Drive up our revenue by, where possible, taking on larger Service Delivery work packages i.e. end of life residential care; and where possible moving towards the Private market.

All the above were underpinned with a good solid financial performance despite us experiencing a decline in revenue and corresponding surplus. Friendship Homecarers continues to build its reputation through the quality of its service. The loss of our Approved Provider Listing (APL) with LBC is beginning to impact our (Q4) revenue and will further manifest itself in the coming year (2024-25)..

The main achievements of the charity during the year were as follows:

1. To maintain a positive cash surplus on the year's performance
2. Expand on its service user base by obtaining Luton Borough Council (LBC) Contract for "Supported Living for People with Learning Disability and Autism"
3. Maintaining a high level of Quality of Service and underpinning this with the recruitment of a Quality Compliance Manager (Part-time)
4. Maintaining our UK Immigration Registration status as a Licensed Sponsor for recruiting from overseas
5. Consolidate and integrate the 16 carers recruited from abroad

These are further detailed below:

a1) Maintaining a positive cash surplus on the year's performance

This has been a very good year for LFH where we have seen our revenue restored to 2021-22 levels, but as expected we have also seen a corresponding increase in our expenditure which has stifled the level of surplus for the corresponding period.

Drawing comparisons to 2022-23 performance we have seen a 15.55% increase in revenue whilst expenditure has also increased by 18.86%. This has been largely driven by wage increase for all staff and increased staff benefits i.e. repayments for DBS, Uniforms, On-line training.

Putting all of this into perspective, it should be considered a good "stand alone" performance over the period, attained without any external financial support.

Throughout the year we saw a small decrease in our Service User base from an average of 50 to a new average of 46, closing the year with a decrease down to 38. This decline in the number of SU work packages is directly attributed to us losing our APL status with LBC. Our management team are taking the necessary steps to reverse the situation, largely through increased advertisement, dropping of flyers / leaflets, more use of social media platforms.

	2023-24	2022-23	2021-22	Increase / Decrease	% Growth
Revenue	£806,360	£697,857	£806,992	£108,503	15.55%
Expenditure	£797,666	£671,085	£768,977	£126,581	18.86%
Surplus	£8,694	£26,772	£38,015	£-18,028	-67.34%

Notwithstanding all the above, this has been a good performance given the challenges we faced throughout the year which can be characterised as follows:

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

1) A further increase in expenditure from 13.52% during the previous year to 18.86% for this year is not all surprising given the steep increase in National Living Wage (NLW). The increase of 18.86% is in line with expectation given the prevailing inflation rate, rising costs. Further evidenced by managements' effort in keeping cost down, namely in the area of drop-off and pick-up and the transportation of non-driver carers.

2) Implementation of uplift in National Living Wage up 9.45% (to £10.42/hr) whilst the LBC Direct Payment rate went up by only 6.18% (£19.24/hr).

In line with government guidelines LFH had no option other than to increase the minimum wage paid to Carers as outlined above in (2). We certainly do not begrudge the increase but wished we could have gone further.

3) A hostile competitive environment persists; with more than 50 domiciliary care companies in the Luton catchment area.

The NMLW went up by 100p as of 1st April 2023 from £9.42/hr to £10.42/hr, a 9.45% increase. There was also an increase in Luton Borough Council (LBC) Direct Payment (DP) hourly rate from £18.12 to £19.24 (6.18% increase); this has been a very welcomed increase and but somewhat short of the mark in terms of percentage increase.

4) Functioning for a large part of the year with limited staff has been an issue due to poor retention rate and lack of Care Sector resources.

The market place in and around Luton continues to be very crowded with numerous start up undercutting to gain market share. At any one time there are approximately 50 competitors jostling for position.

5) There has been an impact in that the upskilling rate of the recent recruits have been slow but they are now beginning to perform at a more acceptable level.

Whilst during the early part of the year we suffered from lack of available resources in the care sector and the retention of such staff, we now have in place the full complement of staff to delivery our services. The positive thing is that our overseas recruits have settle in well, despite us losing 2 who have returned home for personal reasons, and are skilled up to the required level.

The above are attributing factors which have directly impacted our bottom line for the said period.

In summary, this continues to indicate that the Charity has being able to keep its cost base down. The loss of our APL status with LBC has started to affect the number of care packages coming into the company, whilst the full effect of this is yet to materialise. Stabilising the finances of the Charity has been one of the main focus of the Management Team through driving down cost and improving margins through its pricing. In this period we have seen a number of indicators that suggests that the Charity is in a strong position to grow and continue to provide a good quality service to the vulnerable members of the community in Luton. This is evidenced by our ability to continue to attract and retain steady number of privately funded service users.

Accruals: After making allowance for our Tithe of 10% to the Luton Seventh-Day Adventist Church and putting aside 46.00% of our headline surplus for retirement, staff gratuities and bonus, we are able to declare a surplus of £8,694 after accruals.

a1) The Charity has been able to expand on its service user base by obtaining Luton Borough Council (LBC) contract, on their Approved Provider List for Lot/s 1 & 2, for Supported Living for People with Learning Disabilities and Autism in February 2023. To date we have received one work package from this venture.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

Unfortunately, we were unsuccessful in our bid for the LBC contract (APL) for Home Care Services for Adults Within Luton (Domiciliary Care). The effect of this loss has resulted in the migration (31 March) of 9 of Service Users representing a 29% decrease in revenue of which the effect will be felt in 2024-25.

a2) Maintain a high level of Quality of Service

The Care Quality Commission (CQC) have developed a new monitoring approach by building on what they know works well. Each month they review the information they have on most of the services that they regulate. This approach helps them to prioritise their activity and target inspection activity where they have concerns. We recently received an email from CQC stating "We have not found evidence that we need to carry out an inspection or reassess our rating at this stage. This could change at any time if we receive new information. We will continue to monitor data about this service".

a3) Service Users' Standard & Quality of Care

We also been conducting our own Care Service Survey which showed that more than 90% of our Service Users were experiencing "Good Service" whilst >90% stated that the Service they received made an improvement to their quality of life.

a4) Company Vehicles

The Charity have long been experiencing difficulty in getting non-driving carers around to perform their duties. LFH have been utilising private contractors to chauffeur the carers around but this has proved to be very costly and as such financially not viable. There has been a marked shift away from the use of contractors chauffeuring carer in that carers are making better use of public transport, namely buses, to get their first call and making their way home after their last call. Carer drivers are being more cooperative in taking their colleagues around in between calls.

In summary, this has been a really very outstanding performance by the Charity as it continues to consolidate its place in the market through building of its reputation for delivering excellent value for money services and having ensured we have the right people in place to do so.

d. Factors relevant to achieve objectives

The factors bearing down on our ability to achieve our objectives were as follows:

- The prevailing market place, namely very high level of competition, due to crowded market place
- Availability & retention of resources, namely carers
- Ability to attract new service users
- Rising cost and decreasing margins

e. Fundraising activities and income generation

No specific fund raising activities have been undertaken by the charity. The charity's principal funding is through the activities of the organisation and this is support by ongoing advertisement and marketing.

Any donations received will not accrue any entitlement to the decision-making authority of the charity. External funding will not divert the charity from its agreed aims and objectives. Any donations will normally be acknowledged in public reports and accounts.

The charity also recognises that there are other methods of raising funds, which have not yet been fully explored, these include social events and sponsors.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

f. Investment policy and performance

By the very nature of the charity's business there has been no formulated material investment policy. Having said that, the charity has acquired and invested in the freehold of its headquarter building, namely 92 Hastings Street. This has increased in value in excess of 100% since acquisition in November 2015.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company 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.

b. Reserves policy

The charity's reserve policy is to maintain enough cash to pay two months debts including, salaries, utilities, supplies and other monthly expenditures.

c. Material investments policy

By the very nature of the charity's business there has been no formulated material investment policy. Having said that, the charity has acquired and Invested in the freehold of its headquarter building, namely 92 Hastings Street. If in future, developments require similar investments, then the trustees would deliberate and decide as appropriate

d. Principal risks and uncertainties

The principal risks faced by the charity is twofold:

- a) Our ability to recruit and retain key personnel's, in particular carers, to deliver quality services to our service users
- b) Our ability to attract new service users at the right time, thus maintain a steady stream of income/revenue

e. Financial risk management objectives and policies

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to such risks.

f. Principal funding

The principal funding of the charity is gained from the business it conducts delivering care to our Service Users in and around the community.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 14 April 2000.

The company is constituted under a Memorandum of Association dated 14 April 2000 and is a registered charity number 1081256.

The principal object of the company is to contribute positively to its local community by offering a home care service which is driven by a high standard of quality; and the need to meet the local diverse ethnic mix.

The last AGM was held on the 28 October 2023 and the next one is scheduled for 26 October 2024.

b. Methods of appointment or election of Trustees

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

c. Organisational structure and decision-making policies

The management committee meet quarterly with the Trustees to monitor, develop and promote the activities and objectives of the charity. Ad hoc meetings are called as and when the need arises.

The Business Manager and Care Manager oversee the day to day running of the charity. Decisions are made in accordance with the charity's policies, procedures and code of conduct. If the Business Manager does not possess the authority to approve certain decisions, then recommendations are made to the management committee, and if needed, to the board of Trustees.

d. Policies adopted for the induction and training of Trustees

The charity's recruitment of Trustees is undertaken, mainly through recommendations and "word of mouth". Candidates are assessed and if deemed suitable are followed up with interview, references and DBS check. The successful applicant(s) is then taken on after the receipt of suitable references and DBS clearance followed by induction through half-day session during which training requirements is also assessed. Agreed training will be undertaken subject to mutual agreement on date and time.

e. Pay policy for key management personnel

The Charity's pay policy for key management personnel is to endeavour to remunerate in line with market trend whilst being cognizant of our charitable status in that we may never attain compatibility with the public/private sector.

f. Related party relationships

The charity is non-aligned and does not have any affiliation to any one party.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods

The following continue to be key high-level priorities set for the next period ending March 2025:

- Broaden the charity's services portfolio to include but not limited to:
 - a) the delivery of services for living-in careservices to adults and palliative care
 - b) supported people living in the community with learning disabilities and autism
- Continue review of charity's governing documents
- Seek new opportunities for growth
- Continuing to implement best practice in accordance with 'General Data Protection Regulation (GDPR) (EU) 2016/679
- c) The management team are currently exploring entering into Joint Venture (JV) with the South England Conference of the Seventh-day Adventist Church (SEC) to establish a Residential Care Home.

Statement of Trustees' responsibilities

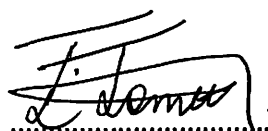
The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Approved by order of the members of the board of Trustees on 19 September 2024 and signed on their behalf by:



.....
Pastor Itamar James
(Chair of Trustees)

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

Independent Examiner's Report to the Trustees of Luton Friendship Homecarers ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2024.

Responsibilities and Basis of Report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Signed:

David Colledge

Colledge Redfern
Chartered Certified Accountants

Dated: 19 September 2024

FCCA

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Charitable activities	3	799,973	799,973	696,823
Investments	4	6,387	6,387	1,033
Total income		806,360	806,360	697,856
Expenditure on:				
Charitable activities	5	797,666	797,666	670,941
Other expenditure	6	-	-	143
Total expenditure		797,666	797,666	671,084
Net movement in funds		8,694	8,694	26,772
Reconciliation of funds:				
Total funds brought forward		600,004	600,004	573,232
Net movement in funds		8,694	8,694	26,772
Total funds carried forward		608,698	608,698	600,004

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 21 form part of these financial statements.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 3973439

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	9	151,528	154,071
		<u>151,528</u>	<u>154,071</u>
Current assets			
Debtors	10	89,527	70,984
Cash at bank and in hand		411,799	421,253
		<u>501,326</u>	<u>492,237</u>
Creditors: amounts falling due within one year	11	(44,157)	(46,304)
Net current assets		<u>457,169</u>	<u>445,933</u>
Total assets less current liabilities		<u>608,697</u>	<u>600,004</u>
Net assets excluding pension asset		<u>608,697</u>	<u>600,004</u>
Total net assets		<u><u>608,697</u></u>	<u><u>600,004</u></u>
Charity funds			
Restricted funds		-	-
Unrestricted funds		608,697	600,004
Total funds		<u><u>608,697</u></u>	<u><u>600,004</u></u>

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 3973439

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

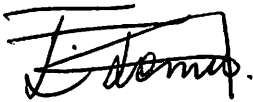
The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

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

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

The financial statements were approved and authorised for issue by the Trustees on 19 September 2024 and signed on their behalf by:



Pastor Itamar James
(Chair of Trustees)

The notes on pages 15 to 21 form part of these financial statements.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. General information

Luton Friendship Homecarers is registered as a charitable company limited by guarantee, registration number 3973439. The registered address is 92 Hastings Street, Luton, Bedfordshire, LU1 5BH.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Luton Friendship Homecarers meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Plant and machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Office equipment	- 25% reducing balance
Computer equipment	- 25% reducing balance

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.9 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

3. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Income from charitable activities - Care for elderly and housebound	799,973	799,973	696,823

4. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Interest received	6,387	6,387	1,033

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
Staff salaries	618,291	618,291	488,045
Other staff costs	37,268	37,268	63,816
Employer's NI and pension contributions	59,336	59,336	40,131
Care cover and contractor fees	61,516	61,516	47,481
Office supplies and services	15,302	15,302	18,051
Insurance	4,343	4,343	5,545
Depreciation	943	943	1,019
Accountancy and auditing	3,037	3,037	3,537
Premises expenses	(2,370)	(2,370)	3,316
	<u>797,666</u>	<u>797,666</u>	<u>670,941</u>
<i>Total 2023</i>	<u>670,941</u>	<u>670,941</u>	

6. Other expenditure

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations payable to other charities	-	-	143
	<u>-</u>	<u>-</u>	<u>143</u>

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

7. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Staff salaries	618,291	-	618,291	488,044
Other staff costs	37,268	-	37,268	63,816
Employer's NI and pension contributions	59,336	-	59,336	40,131
Care cover and contractor fees	61,516	-	61,516	47,480
Office supplies and services	-	15,302	15,302	18,052
Insurance	4,343	-	4,343	5,545
Depreciation	-	943	943	1,019
Accountancy and auditing	-	3,037	3,037	3,537
Premises expenses	-	(2,370)	(2,370)	3,317
	<u>780,754</u>	<u>16,912</u>	<u>797,666</u>	<u>670,941</u>
<i>Total 2023</i>	<u>645,018</u>	<u>25,923</u>	<u>670,941</u>	

8. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from the company. It was agreed at a board meeting, at which he was not present, that Mr McNeil would be paid remuneration for his services. The value of Trustees' remuneration and other benefits was as follows:

	2024 £	2023 £
Nigel McNeil	26,816	27,319

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2023	150,000	21,288	4,700	175,988
Disposals	-	-	(2,700)	(2,700)
At 31 March 2024	<u>150,000</u>	<u>21,288</u>	<u>2,000</u>	<u>173,288</u>
Depreciation				
At 1 April 2023	-	20,977	940	21,917
Charge for the year	-	63	320	383
On disposals	-	-	(540)	(540)
At 31 March 2024	<u>-</u>	<u>21,040</u>	<u>720</u>	<u>21,760</u>
Net book value				
At 31 March 2024	<u>150,000</u>	<u>248</u>	<u>1,280</u>	<u>151,528</u>
At 31 March 2023	<u>150,000</u>	<u>311</u>	<u>3,760</u>	<u>154,071</u>

Based on advice from local Estate Agents, the Trustees have formed the opinion that the freehold property at 92 Hastings Street has a market value of £375,000.

10. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	84,698	62,552
Other debtors	90	4,480
Prepayments and accrued income	4,739	3,952
	<u>89,527</u>	<u>70,984</u>

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

11. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	2,820	8,638
Other taxation and social security	15,216	7,608
Other creditors	-	1,685
Accruals and deferred income	26,121	28,373
	<u>44,157</u>	<u>46,304</u>

12. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Designated funds	37,697	-	-	1,610	39,307
General funds	562,307	806,359	(797,666)	(1,610)	569,390
	<u>600,004</u>	<u>806,359</u>	<u>(797,666)</u>	<u>-</u>	<u>608,697</u>

Summary of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Designated funds	33,590	-	-	4,107	37,697
General funds	539,643	697,857	(671,085)	(4,107)	562,308
	<u>573,233</u>	<u>697,857</u>	<u>(671,085)</u>	<u>-</u>	<u>600,005</u>

13. Related party transactions

The company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the company at 31 March 2024.

Accounts

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees who served during the year and Advisers	1
Trustees' Report	2 - 11
Independent Examiner's Report	12
Statement of Financial Activities	13
Balance Sheet	14 - 15
Notes to the Financial Statements	16 - 22

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES WHO SERVED
DURING THE YEAR AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees who served during the year	Bernie Holford Gary Gunter Wesley Warren Jorville Fetalino (Resigned 5 September 2022) Nigel McNeil Tapiwa Mandeya Max McKenzie-Cook Gloria Kupe Stephen Griffiths
Company registered number	3973439
Charity registered number	1081256
Registered office	92 Hastings Street Luton Bedfordshire LU1 5BH
Company secretary	Bernie Holford
Accountants	Colledge Redfern Chartered Certified Accountants Glantaf Office Llanfallteg Whitland Carmarthenshire SA34 0UT

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the financial statements of the company for the 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The charity's objectives and principles continue to be that of:

- Providing a high-quality home care and personal service to the elderly and housebound
- Offering a sensitive service that is tailored to the specific cultural needs of all the various ethnic/cultural groups seeking support and care
- Working with other voluntary organisations to promote the needs of the elderly and housebound within the community and to other statutory agencies
- Being an advocate in providing a link to enable service users to access other essential services
- Seeking to broaden the remit of the charity to include working with children within their home environment

Charity's Credo

Our Purpose

- To build a charity dedicated to our service users.

Our parameter:

We focus our efforts exclusively on:

- What we are passionate about
- What we can become best at
- What drives our economic stability?

Our principles:

- We are above all the agents of our service users
- Our people are our greatest asset. We should select them attentively and invest in them passionately
- We are unrelenting in the pursuit of excellence
- Pursuing our ambition to be the best healthcare provider is a never-ending process
- "Good enough" never is!

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

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

Objectives and activities (continued)

b. Strategies for achieving objectives

- To provide a service of choice
- Provision of a service to the community where professionalism and quality are paramount
- Ensure our staff feel valued and provide the appropriate training and development opportunities such that high standards are achieved and sustained.
- Strive for and develop through continuous improvement.

c. Activities undertaken to achieve objectives

Home care is defined as domiciliary services which assist the service user to function as independently as possible and/or continue to live in their own home. Services include routine household tasks within or outside the home, personal care of the client or respite care in support of the client's regular carers. The charity believes that everyone has a right to remain in their own home, regardless of age, illness or infirmity for as long as they can. As a home care provider we will always respect the rights of the service user to confidentiality and privacy. We offer a sensitive care service tailored to meet the service users' specific requirements.

Our service delivery includes but is not limited to:

Personal Care Services

- Assisting in getting in and out of bed
- Assistance with dressing
- Personal hygiene
- Preparing and aiding the service user to eat their meals
- Continence management
- Moving and handling
- Carry out activities under the direction of a nurse, occupational therapist or physiotherapist
- Administration of medication
- Prepare meals (nutritional advice, special diets)
- Other forms of support/care to meet service user's needs as agreed in the care plan

Non-Personal Care Services

- House cleaning and washing up
- Laundry and ironing
- Shopping
- Collecting pensions, benefits, prescriptions

d. Social investment policies

The social investment policy of the charity is to re-invest 50% of its annual cash surplus into its employees (ex-gratia payment, Christmas bonus / lunch and other social events) and tithe paid to the Luton Central Seventh Day Adventist Church. Tithe is normally accrued and paid out in accordance with a business case supporting a worthy cause.

e. Grant-making policies

The charity was created to service the elderly and vulnerable members of society within our community. In the course of satisfying the objectives of the charity and where resources allow, the charity may contribute to local charitable groups/organisations and individuals referred by local government bodies. Applications must be received in writing and are considered by the management committee.

Locally, the charity continues to offer support through the local authority to those requiring emergency short term assistance in the community.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

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

Objectives and activities (continued)

f. Volunteers

The charity is always responsive to volunteers and would welcome such deed, however, there has been no notable volunteers of service during the year.

g. Main activities undertaken to further the company's purposes for the public benefit

From time to time the charity may contribute to other charities which share its ethos. In making such contributions there is no expectation for the charity to accrue any financial gains.

Achievements and performance

a. Main achievements of the company

The main achievement of the charity during the year has been:

1. To maintain a positive cash surplus on the year's performance
2. Expand on its service user base by obtaining Luton Borough Council (LBC) "Spot Contract"
3. Maintain a high level of Quality of Service
4. Obtaining UK Immigration Registration as a Licensed Sponsor for recruiting from overseas
5. Recruitment of 16 carers from abroad

These are further detailed lower down in this report.

b. Key performance indicators

The four (4) Key Performance Indicators which the charity is focussed on are:

1. Quality
2. People (Employees and Service Users)
3. Revenue and Growth
4. Cost vs Expenditure

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

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

Achievements and performance (continued)

c. Review of activities

Two of the Charity's major successes during the past 12 months have been to:

- i) Revise the way we remunerate our staff and carers. This has led to increased salary/hourly pay rates and holiday pay.
- ii) Reviewing and ensuring that travelling time is incorporated into carers' pay and that deduction from pay does not bring pay down below the level of the National Minimum Wage
- iii) Drive up our revenue by, where possible, taking on larger Service Delivery work packages i.e. end of life residential care; and where possible moving towards the Private market.

All the above were underpinned with a good solid financial performance despite us experiencing a decline in revenue and corresponding surplus. Friendship Homecarers continues to build its reputation through the quality of its service and as result of LBC's Providers Assessment & Market Management of Services (PAMMS) audit, value for money and have invested a significant amount of resources during Q4 addressing further improvement relating to quality.

The main achievements of the charity during the year were as follows:

1) Maintaining a positive cash surplus on the year's performance

Unfortunately this has been another year which has seen a further reduction in revenue by 13.52%, compared to 12.2% decrease on the previous year. We are still reeling from the effect of losing 3 major Care Packages during midterm in 2021-22. This was reflected in a further decrease of 13% in our cost base during the year, compared to 10.94% in the previous year. This has significantly impacted on our surplus which when compared to the previous year has been reduced by 29.58%, a slight increase from 28.1% on the previous year. Putting this into perspective, it should be considered a good "stand alone" performance over the period, attained without the financial support allocated by Luton Borough Council in the form of COVID-19 grants, Infection Control Funding and Retention Bonus during the previous year.

Throughout the year we saw a small increase in our Service User base from an average of 50 to an average of 52, closing the year with an increase of 50. This is a stable position from our end of year figure of 50 for the previous year. We have again seen an increase in the number of calls relative to contact care hours.

	2022-23	2021-22	Increase / Decrease	% Growth
Revenue	£697,857	£806,992	£-99,653	-12.87%
Expenditure	£671,085	£768,977	£-99,654	-12.87%
Surplus	£26,772	£38,015	£-11,243	-29.58%

Notwithstanding all the above, this has been a good performance given the challenges we faced throughout the year which can be characterised as follows:

- 1) A further decrease in expenditure from 12.19% during the previous year to 12.87% for this year is not all surprising given this is achieved without any financial input from LBC by means of grants.
- 2) Implementation of uplift in National Living Wage of 6.85% for 2022-23 cushioned somewhat with the LBC increase in DP rate.
- 3) Contrasted with a Direct Payment uplift by Luton Borough Council of only 10.89%, a very welcomed increase, making up for the 1.62% increase during the previous year.
- 4) A hostile competitive environment persists; with more than 48 domiciliary care companies in the Luton catchment area.
- 5) Functioning for a large part of the year with limited staff has been an issue due to poor retention Rate and lack of Care Sector resources.
- 6) There has been an impact in that the upskilling rate of the recent recruits have been slow but they are now beginning to perform at a more acceptable level.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

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

Achievements and performance (continued)

1. The decrease of 13.52% is in line with expectation given the prevailing inflation rate, rising costs all and underpinned by the PAMMS audit. Further evidenced by managements' effort in keeping cost down, namely in the area of drop-off and pick-up and the transportation of non-driver carers.
2. In line with government guidelines LFH had no option other than to increase the minimum wage paid to Carers as outlined above in (2). We certainly do not begrudge the increase but wished we could have gone further.
3. The NMLW went up by 51p as of 1st April 2022 from £8.91/hr to £9.42/hr, a 6.58% increase. There was also an increase in Luton Borough Council (LBC) Direct Payment (DP) hourly rate from £16.34 to £18.12 (10.89% increase); this has been a very welcomed increase and somewhat makes up for the minimal increase during the previous years and has been the 2nd increased by LBC in 3 years.
- 4) The market place in and around Luton continues to be very crowded with numerous start up undercutting to gain market share. At any one time there are approximately 48 competitors jostling for position.
- 5) During the year we have suffered from lack of available resources in the care sector and the retention of such staff. There is a scarcity of local talent due mainly to the crowded market place and our operating environment. The positive thing is that we are pursuing a policy of recruiting from Overseas and have been successful in obtaining UK Immigration Registration as a Licensed Sponsor for recruiting from overseas which we have made good use of recruiting some 14 individuals using the Certificate of Sponsorship (CoS) for Skilled Workers process.

The above are attributing factors which have directly impacted our bottom line for the said period.

In summary, this continues to indicate that the Charity has being able to keep its cost base down whilst delivering larger care packages at higher margins which further enhance the increasing stability of its income stream. Stabilising the finances of the Charity has been a focus of the Management Team through driving down cost and improving margins through its pricing. In this period we have seen a number of indicators that suggests that the Charity is in a strong position to grow and continue to provide a good quality service to the vulnerable members of the community in Luton. This is evidenced by our ability to continue to attract a steady number of privately funded service users.

Accruals: After making allowance for our Tithe of 10% to the Luton Seventh-Day Adventist Church and putting aside 33.3% of our headline surplus for retirement, staff gratuities and bonus, we are able to declare a surplus of £26,772 after accruals.

a2) The Charity has been able to expand on its service user base by obtaining Luton Borough Council (LBC) contract, on their Approved Provider List for Lot/s 1 & 2, for Supported Living for People with Learning Disabilities and Autism in February 2023. To date we have received one work package from this venture.

LFH was also invited to bid for a LBC contract (APL) for Home Care Services for Adults Within Luton (Domiciliary Care). The bid was completed in February 2023 and we are eagerly awaiting outcome which is scheduled for August -September 2023 with contract start date 1 October 2023.

a3) Maintain a high level of Quality of Service

The Care Quality Commission (CQC) have developed a new monitoring approach by building on what they know works well. Each month they review the information they have on most of the services that they regulate. This approach helps them to prioritise their activity and target inspection activity where they have concerns. We recently received an email from CQC stating "We have not found evidence that we need to carry out an inspection or reassess our rating at this stage. This could change at any time if we receive new information. We will continue to monitor data about this service".

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

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

Achievements and performance (continued)

LBC Providers Assessment & Market Management of Services (PAMMs)

During March LBC conducted a PAMMS audit on our Services measure 68 parameters. Thirty (30) were judged to be "Good"; Thirty Two (32) "Needing Improvement" and Six (6) "Poor". Disappointingly, the overall outcome was judged to be "Poor". LFH have been working strenuously with LBC to address the areas of deficiencies, by way of an agreed Service Improvement Plan (SiP) and this work is still on-going.

Service Users' Standard & Quality of Care

We also been conducting our own Care Service Survey which showed that 93% of our Service Users were experiencing "Good Service" whilst 92% stated that the Service they received made an improvement to their quality of life.

Carer's Survey

It was very satisfying to note that 90% of carers believed they receive enough training to do their job effectively. A rather disappointment 77.5% of employees felt that LFH were assisting them to fulfil their career goals. This is currently being addressed by re-introducing inhouse NVQ training programme into the workplace.

The response rate were somewhat on the low side for both Service Users and Carers and were 72% and 33% respectively.

a4) Obtaining UK Immigration Registration as a Licensed Sponsor for overseas recruitment As of December 2021 UK Immigration has added Standard Occupational Classification (SOC) code 6145/6245 to the list of eligible occupations on the Shortage Occupation List (SOL) covering roles such as care assistants, careworkers, carers, home care assistants, home carers and support workers in nursing homes. I am pleased to report that LFH have been granted such a licence and during the year, have recruited 16 Carers through this route. There has been 4 x 5 year Certificate of Sponsorship (COS), and 12 x 3 year CoS granted at a total cost to the business of £24,990. This will allow us to put in place a strong team of Senior Carers and Care Assistants on which to build for future years.

a5) Company Vehicles

The Charity have long been experiencing difficulty in getting non-driving carers around to perform their duties. LFH have been utilising private contractors to chauffeur the carers around but this has proved to be very costly and as such financially not viable. To this end LFH have purchased 2 cars during the past year to ease the burden of transportation and this is proving to be a good solution as the pay back, through contributions from the carers using the vehicles, is approximately 12 months.

In summary, this has been a really very outstanding performance by the Charity as it continues to consolidate its place in the market through building of its reputation for delivering excellent value for money services and ensuring we have the right people in place to do so.

d. Factors relevant to achieve objectives

The factors bearing down on our ability to achieve our objectives were as follows:

- The prevailing market place, namely very high level of competition, due to crowded market place
- Availability & retention of resources, namely carers
- Ability to attract new service users
- Rising cost and decreasing margins
- PAMMs audit/embargo

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

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

Achievements and performance (continued)

e. Fundraising activities and income generation

No specific fund raising activities have been undertaken by the charity. The charity's principal funding is through the activities of the organisation and this is support by ongoing advertisement and marketing.

Any donations received will not accrue any entitlement to the decision-making authority of the charity. External funding will not divert the charity from its agreed aims and objectives. Any donations will normally be acknowledged in public reports and accounts.

The charity also recognises that there are other methods of raising funds, which have not yet been fully explored, these include social events and sponsors.

f. Investment policy and performance

By the very nature of the charity's business there has been no formulated material investment policy. Having said that, the charity has acquired and invested in the freehold of its headquarter building, namely 92 Hastings Street. This has increased in value by approximately 50% since acquisition in November 2015.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company 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.

b. Reserves policy

The charity's reserve policy is to maintain enough cash to pay two months debts including, salaries, utilities, supplies and other monthly expenditures.

c. Material investments policy

By the very nature of the charity's business there has been no formulated material investment policy. Having said that, the charity has acquired and Invested in the freehold of its headquarter building, namely 92 Hastings Street. If in future, developments require similar investments, then the trustees would deliberate and decide as appropriate

d. Principal risks and uncertainties

The principal risks faced by the charity is twofold:

- a) Our ability to recruit and retain key personnel's, in particular carers, to deliver quality services to our service users
- b) Our ability to attract new service users at the right time, thus maintain a steady stream of income/revenue

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

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

e. Financial risk management objectives and policies

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to such risks.

f. Principal funding

The principal funding of the charity is gained from the business it conducts delivering care to our Service Users in and around the community.

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 14 April 2000.

The company is constituted under a Memorandum of Association dated 14 April 2000 and is a registered charity number 1081256.

The principal object of the company is to contribute positively to its local community by offering a home care service which is driven by a high standard of quality; and the need to meet the local diverse ethnic mix.

The last AGM was held on the 14 July 2022 and the next one is scheduled for Autumn 2023

b. Methods of appointment or election of Trustees

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

c. Organisational structure and decision-making policies

The management committee meet quarterly with the Trustees to monitor, develop and promote the activities and objectives of the charity. Ad hoc meetings are called as and when the need arises.

The Business Manager and Care Manager oversee the day to day running of the charity. Decisions are made in accordance with the charity's policies, procedures and code of conduct. If the Business Manager does not possess the authority to approve certain decisions, then recommendations are made to the management committee, and if needed, to the board of Trustees.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

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

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

The charity's recruitment of Trustees is undertaken, mainly through recommendations and "word of mouth". Candidates are assessed and if deemed suitable are followed upon with interview, references and DBS check. The successful applicant(s) is then taken on after the receipt of suitable references and DBS clearance followed by induction through half-day session during which training requirements is also assessed. Agreed training will be undertaken subject to mutual agreement on date and time.

e. Pay policy for key management personnel

The Charity's pay policy for key management personnel is to endeavour to remunerate in line with market trend whilst being cognizant of our charitable status in that we may never attain compatibility with the public/private sector.

f. Related party relationships

The charity is non-aligned and does not have any affiliation to any one party.

Plans for future periods

The following continue to be key high-level priorities set for the next period ending March 2023:

- Broaden the charity's services portfolio to include but not limited to:
 - a) the delivery of services for living-in careservices to adults and palliative care
 - b) supported people living in the community with learning disabilities and autism
- Continue review of charity's governing documents
- Seek new opportunities for growth
- Continuing to implement best practice in accordance with General Data Protection Regulation (GDPR) (EU) 2016/679
- c) The management team are currently exploring entering into Joint Venture (JV) with the South England Conference of the Seventh-day Adventist Church (SEC) to establish a Residential Care Home.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

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

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Approved by order of the members of the board of Trustees on 16 October 2023 and signed on their behalf by:



.....
Bernie Holford

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Independent Examiner's Report to the Trustees of Luton Friendship Homecarers ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2023.

Responsibilities and Basis of Report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Signed:

David Colledge

Colledge Redfern
Chartered Certified Accountants

Dated: 16 October 2023

FCCA

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Charitable activities	3	696,824	696,824	806,776
Investments	4	1,033	1,033	216
Total income		<u>697,857</u>	<u>697,857</u>	<u>806,992</u>
Expenditure on:				
Charitable activities	5	670,942	670,942	768,527
Other expenditure	6	143	143	450
Total expenditure		<u>671,085</u>	<u>671,085</u>	<u>768,977</u>
Net movement in funds		<u>26,772</u>	<u>26,772</u>	<u>38,015</u>
Reconciliation of funds:				
Total funds brought forward		573,232	573,232	535,217
Net movement in funds		26,772	26,772	38,015
Total funds carried forward		<u>600,004</u>	<u>600,004</u>	<u>573,232</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 22 form part of these financial statements.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 3973439

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	9	154,072	150,390
		<u>154,072</u>	<u>150,390</u>
Current assets			
Debtors	10	70,984	72,635
Cash at bank and in hand		421,253	419,871
		<u>492,237</u>	<u>492,506</u>
Creditors: amounts falling due within one year	11	(46,304)	(69,663)
Net current assets		<u>445,933</u>	<u>422,843</u>
Total assets less current liabilities		<u>600,005</u>	<u>573,233</u>
Net assets excluding pension asset		<u>600,005</u>	<u>573,233</u>
Total net assets		<u>600,005</u>	<u>573,233</u>
Charity funds			
Restricted funds		-	-
Unrestricted funds		600,005	573,233
Total funds		<u>600,005</u>	<u>573,233</u>

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 3973439

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

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

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

The financial statements were approved and authorised for issue by the Trustees on 16 October 2023 and signed on their behalf by:



Bernie Holford

The notes on pages 16 to 22 form part of these financial statements.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Luton Friendship Homecarers is registered as a charitable company limited by guarantee, registration number 3973439. The registered address is 92 Hastings Street, Luton, Bedfordshire, LU1 5BH.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Luton Friendship Homecarers meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Plant and machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Office equipment	- 25% reducing balance
Computer equipment	- 25% reducing balance

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.9 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

3. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Income from charitable activities - Care for elderly and housebound	696,824	696,824	806,776

4. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Investment income	1,033	1,033	216

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Total 2023 £	<i>Total 2022 £</i>
Staff salaries	488,046	488,046	606,877
Other staff costs	63,817	63,817	53,679
Employer's NI and pension contributions	40,131	40,131	50,693
Care cover and contractor fees	47,481	47,481	28,811
Office supplies and services	18,050	18,050	14,823
Insurance	5,545	5,545	5,919
Depreciation	1,019	1,019	98
Accountancy and auditing	3,537	3,537	3,370
Premises expenses	3,316	3,316	4,257
	<u>670,942</u>	<u>670,942</u>	<u>768,527</u>
<i>Total 2022</i>	<u>768,527</u>	<u>768,527</u>	

6. Other expenditure

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Other resources expended 1	143	143	450
	<u>143</u>	<u>143</u>	<u>450</u>

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Staff salaries	488,045	-	488,045	606,877
Other staff costs	63,817	-	63,817	53,679
Employer's NI and pension contributions	40,131	-	40,131	50,693
Care cover and contractor fees	47,480	-	47,480	28,811
Office supplies and services	-	18,050	18,050	14,823
Insurance	5,545	-	5,545	5,920
Depreciation	-	1,019	1,019	98
Accountancy and auditing	-	3,537	3,537	3,370
Premises expenses	-	3,317	3,317	4,256
	<u>645,018</u>	<u>25,923</u>	<u>670,942</u>	<u>768,527</u>
<i>Total 2022</i>	<u>745,979</u>	<u>22,548</u>	<u>768,527</u>	

8. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from the company. It was agreed at a board meeting, at which he was not present, that Mr McNeil would be paid remuneration for his services. The value of Trustees' remuneration and other benefits was as follows:

	2023 £	2022 £
Nigel McNeil	27,319	23,916

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2022	150,000	21,288	-	171,288
Additions	-	-	4,700	4,700
At 31 March 2023	150,000	21,288	4,700	175,988
Depreciation				
At 1 April 2022	-	20,898	-	20,898
Charge for the year	-	79	940	1,019
Other unallocated	-	(1)	-	(1)
At 31 March 2023	-	20,976	940	21,916
Net book value				
At 31 March 2023	150,000	312	3,760	154,072
At 31 March 2022	150,000	390	-	150,390

Based on advice from local Estate Agents, the Trustees have formed the opinion that the freehold property at 92 Hastings Street has a market value of £375,000.

10. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	62,552	68,229
Other debtors	4,480	-
Prepayments and accrued income	3,952	4,406
	70,984	72,635

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	8,638	4,532
Other taxation and social security	7,608	11,925
Other creditors	1,685	28,321
Accruals and deferred income	28,373	24,885
	<u>46,304</u>	<u>69,663</u>

12. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Designated funds	33,590	-	-	4,107	37,697
General funds	539,643	697,857	(671,085)	(4,107)	562,308
	<u>573,233</u>	<u>697,857</u>	<u>(671,085)</u>	<u>-</u>	<u>600,005</u>

Summary of funds - prior year

13. Related party transactions

The company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the company at 31 March 2023.

Accounts

Registered number: 3973439

Charity number: 1081256

LUTON FRIENDSHIP HOMECARERS

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees who served during the year and Advisers	1
Trustees' Report	2 - 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet	13 - 14
Statement of Cash Flows	15
Notes to the Financial Statements	16 - 24

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES WHO SERVED
DURING THE YEAR AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees who served during the year	Bernie Holford Gary Gunter Wesley Warren Joriville Fetalino Nigel McNeil Tapiwa Mandeya Max McKenzie-Cook Gloria Kupe Stephen Griffiths
Company registered number	3973439
Charity registered number	1081256
Registered office	92 Hastings Street Luton Bedfordshire LU1 5BH
Company secretary	Bernie Holford
Accountants	Colledge Redfern Chartered Certified Accountants Glantaf Office Llanfallteg Whitland Carmarthenshire SA34 0UT

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the financial statements of the company for the 1 April 2021 to 31 March 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The charity's objectives and principles continue to be that of:

- Providing a high-quality home care and personal service to the elderly and housebound
- Offering a sensitive service that is tailored to the specific cultural needs of all the various ethnic/cultural groups seeking support and care
- Working with other voluntary organisations to promote the needs of the elderly and housebound within the community and to other statutory agencies
- Being an advocate in providing a link to enable service users to access other essential services
- Seeking to broaden the remit of the charity to include working with children within their home environment

Charity's Credo

Our Purpose

- To build a charity dedicated to our service users.

Our parameter:

We focus our efforts exclusively on:

- What we are passionate about
- What we can become best at
- What drives our economic stability?

Our principles:

- We are above all the agents of our service users
- Our people are our greatest asset. We should select them attentively and invest in them passionately
- We are unrelenting in the pursuit of excellence
- Pursuing our ambition to be the best healthcare provider is a never-ending process
- "Good enough" never is!

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

b. Strategies for achieving objectives

- To provide a service of choice
- Provision of a service to the community where professionalism and quality are paramount
- Ensure our staff feel valued and provide the appropriate training and development opportunities such that high standards are achieved and sustained.
- Strive for and develop through continuous improvement.

c. Activities undertaken to achieve objectives

Home care is defined as domiciliary services which assist the service user to function as independently as possible and/or continue to live in their own home. Services include routine household tasks within or outside the home, personal care of the client or respite care in support of the client's regular carers. The charity believes that everyone has a right to remain in their own home, regardless of age, illness or infirmity for as long as they can. As a home care provider we will always respect the rights of the service user to confidentiality and privacy. We offer a sensitive care service tailored to meet the service users' specific requirements.

Our service delivery includes but is not limited to:

Personal Care Services

- Assisting in getting in and out of bed
- Assistance with dressing
- Personal hygiene
- Preparing and aiding the service user to eat their meals
- Continence management
- Moving and handling
- Carry out activities under the direction of a nurse, occupational therapist or physiotherapist
- Administration of medication
- Prepare meals (nutritional advice, special diets)
- Other forms of support/care to meet service user's needs as agreed in the care plan

Non-Personal Care Services

- House cleaning and washing up
- Laundry and ironing
- Shopping
- Collecting pensions, benefits, prescriptions

d. Social investment policies

The social investment policy of the charity is to re-invest 50% of its annual cash surplus into its employees (ex-gratia payment, Christmas bonus / lunch and other social events) and tithe paid to the Luton Central Seventh Day Adventist Church. Tithe is normally accrued and paid out in accordance with a business case supporting a worthy cause.

e. Grant-making policies

The charity was created to service the elderly and vulnerable members of society within our community. In the course of satisfying the objectives of the charity and where resources allow, the charity may contribute to local charitable groups/organisations and individuals referred by local government bodies. Applications must be received in writing and are considered by the management committee.

Locally, the charity continues to offer support through the local authority to those requiring emergency short term assistance in the community.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

f. Volunteers

The charity is always responsive to volunteers and would welcome such deed, however, there has been no notable volunteers of service during the year.

g. Main activities undertaken to further the company's purposes for the public benefit

From time to time the charity may contribute to other charities which share its ethos. In making such contributions there is no expectation for the charity to accrue any financial gains.

Achievements and performance

a. Main achievements of the company

The main achievement of the charity during the year has been:

1. To maintain a positive cash surplus on the year's performance
 2. Expand on its service user base by obtaining Luton Borough Council (LBC) "Spot Contract"
 3. Maintain a high level of Quality of Service
 4. Obtaining UK Immigration Registration as a Licensed Sponsor for recruiting from overseas
- These are further detailed lower down in this report.

b. Key performance indicators

The four (4) Key Performance Indicators which the charity is focussed on are:

1. Quality
2. People (Employees and Service Users)
3. Revenue and Growth
4. Cost vs Expenditure

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

c. Review of activities

Three of the Charity's major successes during the past 12 months have been to:

- i) revise the way we remunerate our staff and carers. This has led to increased salary/hourly pay rates and holiday pay.
- ii) Reviewing and ensuring that travelling time is incorporated into carers' pay and that any deduction from pay does not bring pay down below the level of the National Minimum Wage.
- iii) Drive up our revenue by, where possible, taking on larger Service Delivery work packages i.e. end of life residential care; and where possible moving towards the Private market.

All the above were underpinned with a solid financial performance in that we have experienced significant increases in terms of revenue and surplus. Luton Friendship Homecarers continues to build its reputation through the quality of its service and value for money.

The main achievements of the charity during the year were as follows:

i) Maintaining a positive cash surplus on the year's performance

Unfortunately this has been another year which has seen a further reduction in revenue by 12.19%, compared to 3.63% decrease on the previous year. This was driven mainly by the loss of 3 major Care Packages during midterm. This was reflected in a 9.13% decrease in our cost base during the period partly due to this decrease and tighter general management control. This has significantly impacted on our surplus which, when compared to the previous year, has been reduced by 14.23% down from +246% on the previous year. This has been further underpinned by financial support from Luton Borough Council in the form of COVID-19 grants such as Infection Control Funding and Retention Bonus. Such grants have ensured staff got full pay whilst isolating from the virus and attending vaccination clinics.

Throughout the year we saw a small increase in our Service User base from an average of 47 to an average of 50, closing the year with 50. This is up slightly from our end of year figure of 49 for the previous year. We have seen an increase in the number of calls relative to contact care hours which is attributed to the loss of major care packages during year. Notwithstanding this, we strive to do more for our Service Users, through delivering more contact care hours which drives revenue.

Performance before Accruals for Tithe, Retirement, Staff Gratuities and Bonus

	2021-22	2020-21	2019-20	2018-19	2017-18	Increase / Decrease	% Growth
Revenue	£806,991	£919,070	£953,679	£974,792	£1,002,202	-£112,079	-12.19%
Expenditure	£774,224	£852,042	£934,312	£961,239	£950,271	-£77,818	-9.13%
Surplus	£57,488	£67,028	£19,367	£13,353	£64,858	-£9,540	-14.23%

Performance after Accruals for Tithe, Retirement, Staff Gratuities and Bonus

	2021-22	2020-21	2019-20	2018-19	2017-18	Increase / Decrease	% Growth
Revenue	£806,991	£919,070	£953,679	£974,792	£1,002,202	-£112,079	-12.19%
Surplus	£32,767	£48,485	£19,367	£6,776	£50,589	-£15,718	-32.42%

Notwithstanding all the above, this has been an outstanding performance given the challenges we faced throughout the year which can be characterised as follows:

- 1) A further decrease in expenditure from 3.63% during the previous year to 9.13% for this year
- 2) Implementation of uplift in National Minimum Living Wage (NMLW) of 2.06% for 2021-22
- 3) Contrasted with a Direct Payment uplift by Luton Borough Council of only 1.62% but less than the increase in the NMLW.
- 4) A hostile competitive environment; with more than 48 domiciliary care companies in the Luton catchment area.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

5) LFH benefitted from LA /Government grants / initiatives.

6) Functioning for a large part of the year with limited staff has been an issue due to poor retention rate and lack of Care Sector resources.

1. The decrease of 9.13% is in line with expectation given the prevailing inflation rate and underpinned by the continuing supply of free PPE. Further evidenced by managements' effort in keeping cost down, namely in the area of drop-off and pick-up and the transportation of non-driver carers.

2. In line with government guidelines LFH had no option other than to increase the minimum wage paid to Carers as outlined above in (2). We certainly do not begrudge the increase but wished we could have gone further. Notwithstanding this staff benefitted from receiving full pay during isolation from COVID-19 and other generous one-off bonuses throughout the year.

3. The NMLW went up by 18p as of 1st April 2021 from £8.73/hr to £8.91/hr, a 2.06% increase. There was also an increase in Luton Borough Council (LBC) Direct Payment (DP) hourly rate from £16.08 to £16.34 (1.62% increase); this been somewhat below the NMW increase and it being the first such increase from LBC in 2 years.

4) The market place in and around Luton is very crowded with numerous start ups undercutting to gain market share. At any one time there are approximately 48 competitors jostling for position.

5) Throughout the year LFH benefitted from the generous grants received from Luton Borough Council to the tune of £38,753 which all went to the benefit of the staff. Without these grants we would have more than likely be posting a loss and carers would have experienced financial hardship during the pandemic.

6) During the year we have suffered from lack of available resources in the care sector and the retention of such staff. There is a scarcity of local talent due mainly due to the crowded market place and our operating environment. The positive thing is that we are pursuing a policy of recruiting from Overseas and have been successful in obtaining UK Immigration Registration as a Licensed Sponsor for recruiting from overseas.

The above are attributing factors which have directly impacted our bottom line for the said period.

In summary, this continues to indicate that the Charity has being able to keep its cost base down whilst delivering larger care packages at higher margins which further enhance the increasing stability of its income stream. Stabilising the finances of the Charity has been a focus of the Management Team through driving down cost and improving margins through its pricing. In this period we have seen a number of indicators that suggests that the Charity is in a strong position to grow and continue to provide a good quality service to the vulnerable members of the community in Luton. This is evidenced by our ability to continue to attract a steady number of privately funded service users.

Accruals: After making allowance for our Tithe of 10% to the Luton Central Seventh-day Adventist Church and putting aside 33% of our headline surplus for retirement, staff gratuities and bonus, we are able to declare a surplus of £32,767 after accruals.

ii) Expand on its service user base by obtaining Luton Borough Council (LBC) "Spot Contract"

In July 2021, LFH were formally invited by LBC to part-take in an assessment process for the potential award of a Spot Contract for Commissioned Care. I am pleased to report that in August we were formally notified that we were successful having undergone very close scrutiny in a number of Key Performance Indicators areas. This has been providing us with a number of Care Packages since, however, we have not always been able to take up these packages due to lack of suitable resources to deliver the desired outcome.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

iii) Maintain a high level of Quality of Service

The Care Quality Commission (CQC) have developed a new monitoring approach by building on what they know works well. Each month they review the information they have on most of the services that they regulate. This approach helps them to prioritise their activity and target inspection activity where they have concerns. We have been notified on 2 separate occasions that there are no concerns that would require further investigation.

Standard & Quality of Care

We also been conducting our own Care Service Survey which showed that 90% of our Service Users were experiencing **Very Good** care whilst the other 10% rated their care as **Good**.

Carer's Survey

It was very satisfying to note that 90% of carers believed they receive enough training to do their job effectively. It was rather disappointing that only 77.5% of employees felt that LFH were assisting them to fulfil their career goals. This is currently being addressed by re-introducing inhouse NVQ training programme into the workplace.

The response rates were somewhat on the low side for both Service Users and Carers and were 20% and 33% respectively.

iv) Obtaining UK Immigration Registration as a Licensed Sponsor for overseas recruitment

As of December 2021 UK Immigration has added Standard Occupational Classification (SOC) code 6145 to the list of eligible occupations on the Shortage Occupation List (SOL) covering roles such as care assistants, care workers, carers, home care assistants, home carers and support workers in nursing homes. I am pleased to report that LFH have been granted such a licence and is actively looking to recruit 5 Senior Carers for 2022-23. This will allow us to put in place a strong team of Senior Carers on which to build for future years. This will be following up with the recruitment of reliable skilled Care Assistants at a later date. It is anticipated that the 5 Senior Carers will arrive in or around August 2022.

In summary, this has been a really very outstanding performance by the Charity as it continues to consolidate its place in the market through the building of its reputation for delivering excellent value for money services and ensuring we have the right people in place to do so.

d. Factors relevant to achieve objectives

The factors bearing down on our ability to achieve our objectives were as follows:

- The prevailing market place, namely very high level of competition, due to crowded market place
- Availability & retention of resources, namely carers
- Ability to attract new service users
- Rising cost and decreasing margins

e. Fundraising activities and income generation

No specific fund raising activities have been undertaken by the charity. The charity's principal funding is through the activities of the organisation and this is support by ongoing advertisement and marketing. Any donations received will not accrue any entitlement to the decision-making authority of the charity. External funding will not divert the charity from its agreed aims and objectives. Any donations will normally be acknowledged in public reports and accounts.

The charity also recognises that there are other methods of raising funds, which have not yet been fully explored, these include social events and sponsors.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

f. Investment policy and performance

By the very nature of the charity's business there has been no formulated material investment policy. Having said that, the charity has acquired and invested in the freehold of its headquarter building, namely 92 Hastings Street. This has increased in value by approximately 50% since acquisition in November 2015.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company 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.

b. Reserves policy

The charity's reserve policy is to maintain enough cash to pay two months debts including, salaries, utilities, supplies and other monthly expenditures.

c. Material investments policy

By the very nature of the charity's business there has been no formulated material investment policy. Having said that, the charity has acquired and Invested in the freehold of its headquarter building, namely 92 Hastings Street. If in future, developments require similar investments, then the trustees would deliberate and decide as appropriate

d. Principal risks and uncertainties

The principal risks faced by the charity is twofold:

- a) Our ability to recruit and retain key personnel's, in particular carers, to deliver quality services to our service users
- b) Our ability to attract new service users at the right time, thus maintain a steady stream of income/revenue

e. Financial risk management objectives and policies

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to such risks.

f. Principal funding

The principal funding of the charity is gained from the business it conducts delivering care to our Service Users in and around the community.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 14 April 2000.

The company is constituted under a Memorandum of Association dated 14 April 2000 and is a registered charity number 1081256.

The principal object of the company is to contribute positively to its local community by offering a home care service which is driven by a high standard of quality; and the need to meet the local diverse ethnic mix.

Whilst there have been no changes in the objectives since the last annual report, the charity is current reviewing and updating the Memorandum of Association and Articles of Association (currently based on the Companies Act 1985) to bring them in line with the most up-to-date documentations.

b. Methods of appointment or election of Trustees

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

c. Organisational structure and decision-making policies

The management committee meet quarterly with the Trustees to monitor, develop and promote the activities and objectives of the charity. Ad hoc meetings are called as and when the need arises.

The Business Manager and Care Manager oversee the day to day running of the charity. Decisions are made in accordance with the charity's policies, procedures and code of conduct. If the Business Manager does not possess the authority to approve certain decisions, then recommendations are made to the management committee, and if needed, to the board of Trustees.

d. Policies adopted for the induction and training of Trustees

The charity's recruitment of Trustees is undertaken, mainly through recommendations and "word of mouth".

Candidates are assessed and if deemed suitable are followed upon with interview, references and DBS check.

The successful applicant(s) is then taken on after the receipt of suitable references and DBS clearance followed by induction through half-day session during which training requirements is also assessed. Agreed training will be undertaken subject to mutual agreement on date and time.

e. Pay policy for key management personnel

The Charity's pay policy for key management personnel is to endeavour to remunerate in line with market trend whilst being cognizant of our charitable status in that we may never attain compatibility with the public/private sector.

f. Related party relationships

The charity is non-aligned and does not have any affiliation to any one party.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods

The following continue to be key high-level priorities set for the next period ending March 2022:

- Broaden the charity's services portfolio to include the delivery of services for living-in care services to adults and palliative care.
- Continue review of charity's governing documents
- Seek new opportunities for growth
- Continuing to implement best practice in accordance with ' General Data Protection Regulation (GDPR) (EU) 2016/679

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Approved by order of the members of the board of Trustees on 29 June 2022 and signed on their behalf by:



.....
Bernie Holford

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Independent Examiner's Report to the Trustees of Luton Friendship Homecarers ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2022.

Responsibilities and Basis of Report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Signed:

David Colledge

Colledge Redfern
Chartered Certified Accountants

Dated: 29 June 2022

FCCA

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Charitable activities	3	806,775	806,775	918,889
Investments	4	216	216	88
Total income		806,991	806,991	918,977
Expenditure on:				
Charitable activities	5	768,525	768,525	865,276
Other expenditure	6	5,699	5,699	7,215
Total expenditure		774,224	774,224	872,491
Net income		32,767	32,767	46,486
Transfers between funds	12	5,249	5,249	28,341
Net movement in funds		38,016	38,016	74,827
Reconciliation of funds:				
Total funds brought forward		535,217	535,217	460,390
Net movement in funds		38,016	38,016	74,827
Total funds carried forward		573,233	573,233	535,217

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 24 form part of these financial statements.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 3973439

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9	150,390	150,489
		<u>150,390</u>	<u>150,489</u>
Current assets			
Debtors	10	72,635	144,488
Cash at bank and in hand		419,871	313,975
		<u>492,506</u>	<u>458,463</u>
Creditors: amounts falling due within one year	11	(69,661)	(73,734)
Net current assets		<u>422,845</u>	<u>384,729</u>
Total assets less current liabilities		<u>573,235</u>	<u>535,218</u>
Net assets excluding pension asset		<u>573,235</u>	<u>535,218</u>
Total net assets		<u><u>573,235</u></u>	<u><u>535,218</u></u>
Charity funds			
Restricted funds	12	-	-
Unrestricted funds	12	573,235	535,218
Total funds		<u><u>573,235</u></u>	<u><u>535,218</u></u>

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 3973439

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

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

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

The financial statements were approved and authorised for issue by the Trustees on 29 June 2022 and signed on their behalf by:


Bernie Holford

The notes on pages 16 to 24 form part of these financial statements.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	106,483	38,794
Cash flows from investing activities		
Net cash provided by investing activities	-	-
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	106,483	38,794
Cash and cash equivalents at the beginning of the year	313,975	275,181
Cash and cash equivalents at the end of the year	420,458	313,975

The notes on pages 16 to 24 form part of these financial statements

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General Information

Luton Friendship Homecarers is registered as a charitable company limited by guarantee, registration number 3973439. The registered address is 92 Hastings Street, Luton, Bedfordshire, LU1 5BH.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Luton Friendship Homecarers meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Plant and machinery	- 20% straight line
Fixtures and fittings	- 5% straight line
Office equipment	- 25% straight line
Computer equipment	- 20% straight line

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.9 Financial Instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

3. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Income from charitable activities - Care for elderly and housebound	806,775	806,775	918,889

4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment income	216	216	88

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Staff salaries	606,877	606,877	694,024
Other staff costs	53,678	53,678	74,357
Employer's NI and pension contributions	50,693	50,693	63,963
Care cover and contractor fees	28,810	28,810	11,102
Office supplies and services	14,824	14,824	11,624
Insurance	5,919	5,919	3,598
Depreciation	98	98	123
Bad debts	-	-	517
Accountancy and auditing	3,370	3,370	2,461
Premises expenses	4,256	4,256	3,507
	<u>768,525</u>	<u>768,525</u>	<u>865,276</u>
<i>Total 2021</i>	<u>865,276</u>	<u>865,276</u>	

6. Other expenditure

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations payable to other charities	5,699	5,699	7,215

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Staff salaries	606,877	-	606,877	694,024
Other staff costs	53,678	-	53,678	74,357
Employer's NI and pension contributions	50,693	-	50,693	63,963
Care cover and contractor fees	28,810	-	28,810	11,102
Office supplies and services	-	14,824	14,824	11,624
Insurance	5,920	-	5,920	3,598
Depreciation	-	98	98	123
Bad debts	-	-	-	517
Accountancy and auditing	-	3,370	3,370	2,461
Premises expenses	-	4,255	4,255	3,507
	<u>745,978</u>	<u>22,547</u>	<u>768,525</u>	<u>865,276</u>
<i>Total 2021</i>	<u>847,561</u>	<u>17,715</u>	<u>865,276</u>	

8. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from the company. It was agreed at a board meeting, at which he was not present, that Mr McNeil would be paid remuneration for his services. The value of Trustees' remuneration and other benefits was as follows:

	2022 £	2021 £
Nigel McNeil	23,916	24,453

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Tangible fixed assets

	Freehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 April 2021	150,000	21,288	171,288
At 31 March 2022	150,000	21,288	171,288
Depreciation			
At 1 April 2021	-	20,799	20,799
Charge for the year	-	98	98
Other unallocated	-	1	1
At 31 March 2022	-	20,898	20,898
Net book value			
At 31 March 2022	150,000	390	150,390
At 31 March 2021	150,000	489	150,489

Based on advice from local Estate Agents, the Trustees have formed the opinion that the freehold property at 92 Hastings Street has a market value of £375,000.

10. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	68,229	133,679
Other debtors	-	6,622
Prepayments and accrued income	4,406	4,187
	72,635	144,488

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	4,531	5,271
Other taxation and social security	11,924	13,315
Other creditors	28,321	35,004
Accruals and deferred income	24,885	20,144
	<u>69,661</u>	<u>73,734</u>

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds - Luton SDA Church					
Designated Funds - all funds	28,341	-	-	5,249	33,590
General funds					
General Funds - all funds	506,877	806,992	(774,224)	-	539,645
Total Unrestricted funds	535,218	806,992	(774,224)	5,249	573,235

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers In/out £	Balance at 31 March 2022 £
Designated funds	28,341	-	-	5,249	33,590
General funds	506,877	806,992	(774,224)	-	539,645
	<u>535,218</u>	<u>806,992</u>	<u>(774,224)</u>	<u>5,249</u>	<u>573,235</u>

14. Related party transactions

The company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the company at 31 March 2022.

Accounts

Registered number: 3973439
Charity number: 1081256

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees who served during the year and Advisers	1
Trustees' Report	2 - 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet	13 - 14
Statement of Cash Flows	15
Notes to the Financial Statements	16 - 22

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES WHO SERVED
DURING THE YEAR AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees who served during the year	Bernie Holford Gary Gunter Joyce McLeary Joriville Fetalino Nigel McNeil
Company registered number	3973439
Charity registered number	1081256
Registered office	92 Hastings Street Luton Bedfordshire LU1 5BH
Company secretary	Joyce McLeary
Accountants	Colledge Redfern Chartered Certified Accountants Glantaf Office Llanfalteg Whitland Carmarthenshire SA34 0UT

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the financial statements of the company for the 1 April 2020 to 31 March 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The charity's objectives and principles continue to be that of:

- Providing a high-quality home care and personal service to the elderly and housebound
- Offering a sensitive service that is tailored to the specific cultural needs of all the various ethnic/cultural groups seeking support and care
- Working with other voluntary organisations to promote the needs of the elderly and housebound within the community and to other statutory agencies
- Being an advocate in providing a link to enable service users to access other essential services
- Seeking to broaden the remit of the charity to include working with children within their home environment

Charity's Credo

Our Purpose

- To build a charity dedicated to our service users.

Our parameter:

We focus our efforts exclusively on:

- What we are passionate about
- What we can become best at
- What drives our economic stability?

Our principles:

- We are above all the agents of our service users
- Our people are our greatest asset. We should select them attentively and invest in them passionately
- We are unrelenting in the pursuit of excellence
- Pursuing our ambition to be the best healthcare provider is a never-ending process
- "Good enough" never is!

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

b. Strategies for achieving objectives

- To provide a service of choice
- Provision of a service to the community where professionalism and quality are paramount
- Ensure our staff feel valued and provide the appropriate training and development opportunities such that high standards are achieved and sustained.
- Strive for and develop through continuous improvement.

c. Activities undertaken to achieve objectives

Home care is defined as domiciliary services which assist the service user to function as independently as possible and/or continue to live in their own home. Services include routine household tasks within or outside the home, personal care of the client or respite care in support of the client's regular carers. The charity believes that everyone has a right to remain in their own home, regardless of age, illness or infirmity for as long as they can. As a home care provider we will always respect the rights of the service user to confidentiality and privacy. We offer a sensitive care service tailored to meet the service users' specific requirements.

Our service delivery includes but is not limited to:

Personal Care Services

- Assisting in getting in and out of bed
- Assistance with dressing
- Personal hygiene
- Preparing and aiding the service user to eat their meals
- Continence management
- Moving and handling
- Carry out activities under the direction of a nurse, occupational therapist or physiotherapist
- Administration of medication
- Prepare meals (nutritional advice, special diets)
- Other forms of support/care to meet service user's needs as agreed in the care plan

Non-Personal Care Services

- House cleaning and washing up
- Laundry and ironing
- Shopping
- Collecting pensions, benefits, prescriptions

d. Social investment policies

The social investment policy of the charity is to re-invest 50% of its annual cash surplus into its employees (ex-gratia payment, Christmas bonus / lunch and other social events) and tithe paid to the Luton Central Seventh Day Adventist Church. Tithe is normally accrued and paid out in accordance with a business case supporting a worthy cause.

e. Grant-making policies

The charity was created to service the elderly and vulnerable members of society within our community. In the course of satisfying the objectives of the charity and where resources allow, the charity may contribute to local charitable groups/organisations and individuals referred by local government bodies. Applications must be received in writing and are considered by the management committee.

Locally, the charity continues to offer support through the local authority to those requiring emergency short term assistance in the community.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

f. Volunteers

The charity is always responsive to volunteers and would welcome such deed, however, there has been no notable volunteers of service during the year.

g. Main activities undertaken to further the company's purposes for the public benefit

From time to time the charity may contribute to other charities which share its ethos. In making such contributions there is no expectation for the charity to accrue any financial gains.

Achievements and performance

a. Main achievements of the company

The main achievement of the charity during the year has been:

- To maintain a positive cash surplus on the year's performance
- Expand on its service user base
- Maintain a high level of Quality of Service
- Recruiting and retention of key personnel

These are further detailed lower down in this report.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

b. Key performance indicators

The 3 Key Performance Indicators which the charity is focused on are:

1. Revenue and Growth
2. Cost vs Expenditure
3. Quality

Care Quality Commission (CQC) Inspection

The CQC visited us in January 2021 during which they conducted a thorough review of our business. Following on from our disappointment when the last visited in 2019, we are ecstatic to have received 4 additional ticks for the areas when they previously us to be lacking. This is attributed to hard work and determination to regain our "5 Ticks" by the management team on a whole. This achievement is more remarkable, as during the previous 9 months which coincided with the COVID-19 lockdown, and leading up to the inspection; we had to function without with our Care Manager, Care Co-ordinator and one other senior carer (all on furlough, with the Care Co-ordinator resigning in June 2020). In October 2020 we recruited a new Care Manager who contributed to driving us over the line in time for our inspection in January 2021.

Ratings:

Is the service safe? - Good

Is the service effective? - Good

Is the service responsive? - Good

Is the service well-led? - Good

CQC undertook this focused inspection to check we had followed up on our action plan and to confirm we now meet the legal requirements. This report only covers their findings in relation to the Key Questions: Is the service Safe, Effective, Responsive and Well-led questions, which contain those requirements.

We continue to ensure that the lessons learnt from previous inspections are maintained through continuous improvement and pay particular attention to our documentation.

Quality of Service (QoS) Survey Results

We have changed our approach to measuring our QoS by integrating our Survey Questionnaire with that of our regular Quality Monitoring which is carried every 6 months. This will save time and effort and deliver us an ongoing level of assessment every 6 months without the need to specifically go back to the Service Users asking them what appears to be the same questions.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

c. Review of activities

Two of the Charity's major successes during the past 12 months have been to:

- i) revise the way we remunerate our staff and carers. This has led to increased hourly and holiday pay.
- ii) drive up our revenue by, where possible, taking on larger Service Delivery work packages i.e., end of life residential care.

Both the above were underpinned with a solid financial performance in that we have experienced significant increases in terms of revenue and surplus. Friendship Homecarers continues to build its reputation through the quality of its service and value for money.

Finance

During this period, the Charity saw a small downturn of 3.63% in its revenue base, to just under a million pound sterling and a much larger reduction in expenditure of 8.81%. This has led to a very solid performance for the year resulting in an increase in surplus of some 241% when compared to the previous year. This is largely attributed to the fact that we functioned for a large part of the year without a care co-ordinator and benefitted substantially from the Government Furlough Scheme. Throughout the year we saw a decline in our Service User base from an average of 60 to an average of 47, closing the year with a low of 42. This is down from our end of year figure of 54 for the previous year. Yet we continue to do more for our Service Users, through delivering more contact hours which drives revenue.

Performance before Accruals for Tithe, Staff Gratuities and Bonus

	2020-21	2019-20	2018 -19	2017 -18	Increase / Decrease	% Growth
Revenue	918,888	953,679	974,792	1,002,202	-34,791	-3.65%
Expenditure	852,042	934,312	961,239	950,271	-82,270	-8.81%
Surplus	66,934	27,948	13,353	64,858	38,986	239.49%

Performance after Accruals for Tithe, Staff Gratuities and Bonus

	2020-21	2019-20	2018 -19	2017 -18	Increase / Decrease	% Growth
Revenue	918,888	953,679	974,792	1,002,202	-34,791	-3.65%
Surplus	46,485	19,367	6,776	50,589	27,118	240.51%

Revenue has decreased by 3.65%, compared to 2.21% decrease on the previous year. We also saw an even larger decrease in our cost base during the period which can be attributed tighter general management control. This has significantly impacted on our surplus which has jumped 240% up on the previous year from an increase of 45.04%. Notwithstanding all the above, this has been an outstanding performance given the challenges we faced throughout the year which can be characterised as follows:

- 1) A decrease in expenditure from 2.17% the previous year to only -8.81% for this year
- 2) Implementation of uplift in National Living Wage of 5.12% for 2020-21
- 3) Contrasted with a Direct Payment uplift by Luton Borough Council of only 0.0%
- 4) A hostile competitive environment; 46 domiciliary care companies in the Luton catchment area
- 5) LFH benefitted from LA /Government grants / initiatives to the tune of £60,689
- 6) Functioning for a large part of the year with limited staff

1. The decrease of -8.81% in expenditure is far less that the annual inflation increase for 2020-21 and is evidence of the effort made in keeping our cost down throughout the year but is characterised by the cost of staffing resource throughout the year.

2. The National Minimum Wage (NMW) went up by 52p as of 1st April 2020 from £8.21/hr to £8.73/hr, There was no increase in Luton Borough Council (LBC) Direct Payment (DP) hourly rate for this year.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

3. In line with government guidelines Friendship Care had no option other than to increase the minimum wage paid to Carers as outlined above in (2).

4) The market place in and around Luton is very crowded with numerous start up undercutting to gain market share. At any one time there are approximately 46 competitors jostling for position.

5) Throughout the year LFH benefitted from the Government furlough scheme and generous grants received Luton Borough Council. Without these grants we would have more than likely be posting a loss.

6) We have been operating with a Care Co-ordinator since June 2020 and have found it challenging to fill the post. There is a scarcity of local talent due mainly to the crowded market place and our operating environment.

The above are attributing factors which have directly impacted our bottom line for the said period.

This continues to indicate that the Charity has being able to keep its cost base down whilst delivering larger care packages at higher margins which further enhance the increasing stability of its income stream. Stabilising the finances of the Charity has been a focus of the Management through driving down cost and improving margins through its pricing. In this period we have seen a number of indicators that suggests that the Charity is in a strong position to grow and continue to provide a good quality service to the vulnerable members of the community in Luton. This is evidenced by our ability to continue to attract a steady number of privately funded service users.

Accruals: After making allowance for our Tithe of 10% to the Luton Seventh-Day Adventist Church and putting aside 20.508% of our headline surplus we are able to declare a surplus of £46,485 after accruals.

In summary, this has been a really very outstanding performance by the Charity as it continues to consolidate its place in the market through building of its reputation for delivering excellent value for money services and ensuring we have the right people in place to do so.

d. Factors relevant to achieve objectives

The factors bearing down on our ability to achieve our objectives were as follows:

- The prevailing market place, namely very high level of competition, due to crowded market place
- Availability & retention of resources, namely carers
- Ability to attract new service users
- Rising cost and decreasing margins

e. Fundraising activities and income generation

No specific fund raising activities have been undertaken by the charity. The charity's principal funding is through the activities of the organisation and this is support by ongoing advertisement and marketing.

Any donations received will not accrue any entitlement to the decision-making authority of the charity. External funding will not divert the charity from its agreed aims and objectives. Any donations will normally be acknowledged in public reports and accounts.

The charity also recognises that there are other methods of raising funds, which have not yet been fully explored, these include social events and sponsors.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

f. Investment policy and performance

By the very nature of the charity's business there has been no formulated material investment policy. Having said that, the charity has acquired and invested in the freehold of its headquarter building, namely 92 Hastings Street. This has increased in value by approximately 50% since acquisition in November 2015.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company 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.

b. Reserves policy

The charity's reserve policy is to maintain enough cash to pay two months debts including, salaries, utilities, supplies and other monthly expenditures.

c. Material investments policy

By the very nature of the charity's business there has been no formulated material investment policy. Having said that, the charity has acquired and invested in the freehold of its headquarter building, namely 92 Hastings Street. If in future, developments require similar investments, then the trustees would deliberate and decide as appropriate

d. Principal risks and uncertainties

The principal risks faced by the charity is twofold:

- a) Our ability to recruit and retain key personnel's, in particular carers, to deliver quality services to our service users
- b) Our ability to attract new service users at the right time, thus maintain a steady stream of income/revenue

e. Financial risk management objectives and policies

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to such risks.

f. Principal funding

The principal funding of the charity is gained from the business it conducts delivering care to our Service Users in and around the community.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 14 April 2000.

The company is constituted under a Memorandum of Association dated 14 April 2000 and is a registered charity number 1081256.

The principal object of the company is to contribute positively to its local community by offering a home care service which is driven by a high standard of quality; and the need to meet the local diverse ethnic mix.

Whilst there have been no changes in the objectives since the last annual report, the charity is current reviewing and updating the Memorandum of Association and Articles of Association (currently based on the Companies Act 1985) to bring them in line with the most up-to-date documentations.

b. Methods of appointment or election of Trustees

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

c. Organisational structure and decision-making policies

The management committee meet quarterly with the Trustees to monitor, develop and promote the activities and objectives of the charity. Ad hoc meetings are called as and when the need arises.

The Business Manager and Care Manager oversee the day to day running of the charity. Decisions are made in accordance with the charity's policies, procedures and code of conduct. If the Business Manager does not possess the authority to approve certain decisions, then recommendations are made to the management committee, and if needed, to the board of Trustees.

d. Policies adopted for the Induction and training of Trustees

The charity's recruitment of Trustees is undertaken, mainly through recommendations and "word of mouth". Candidates are assessed and if deemed suitable are followed upon with interview, references and DBS check. The successful applicant(s) is then taken on after the receipt of suitable references and DBS clearance followed by induction through half-day session during which training requirements is also assessed. Agreed training will be undertaken subject to mutual agreement on date and time.

e. Pay policy for key management personnel

The Charity's pay policy for key management personnel is to endeavour to remunerate in line with market trend whilst being cognizant of our charitable status in that we may never attain compatibility with the public/private sector.

f. Related party relationships

The charity is non-aligned and does not have any affiliation to any one party.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Plans for future periods

The following continue to be key high-level priorities set for the next period ending March 2022:

- Broaden the charity's services portfolio to include the delivery of services for living-in care services to adults and palliative care.
- Continue review of charity's governing documents
- Seek new opportunities for growth
- Continuing to implement best practice in accordance with ' General Data Protection Regulation (GDPR) (EU) 2016/679

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Approved by order of the members of the board of Trustees on 26 October 2021 and signed on their behalf by:



5.11.2021

.....
Bernie Holford
(Chair of Trustees)

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Independent Examiner's Report to the Trustees of Luton Friendship Homecarers ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2021.

Responsibilities and Basis of Report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

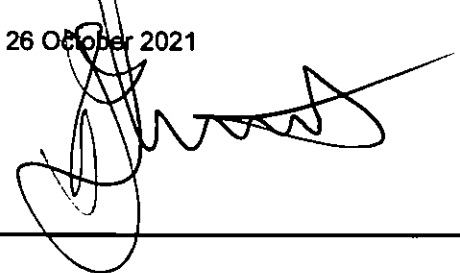
Signed:

David Colledge

Colledge Redfern
Chartered Certified Accountants

Dated: 26 October 2021

FCCA



LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Charitable activities	3	918,888	918,888	953,455
Investments	4	88	88	224
Total income		918,976	918,976	953,679
Expenditure on:				
Charitable activities	5	865,276	865,276	932,418
Other expenditure	6	7,215	7,215	1,896
Total expenditure		872,491	872,491	934,314
Net movement in funds		46,485	46,485	19,365
Reconciliation of funds:				
Total funds brought forward		460,390	460,390	441,025
Net movement in funds		46,485	46,485	19,365
Total funds carried forward		506,875	506,875	460,390

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 22 form part of these financial statements.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 3973439

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	9	150,490	150,613
		<u>150,490</u>	<u>150,613</u>
Current assets			
Debtors	10	144,486	148,096
Cash at bank and in hand		313,975	275,181
		<u>458,461</u>	<u>423,277</u>
Creditors: amounts falling due within one year	11	(102,076)	(113,500)
Net current assets		<u>356,385</u>	<u>309,777</u>
Total assets less current liabilities		<u>506,875</u>	<u>460,390</u>
Net assets excluding pension asset		<u>506,875</u>	<u>460,390</u>
Total net assets		<u><u>506,875</u></u>	<u><u>460,390</u></u>
Charity funds			
Restricted funds		-	-
Unrestricted funds		506,875	460,390
Total funds		<u><u>506,875</u></u>	<u><u>460,390</u></u>

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

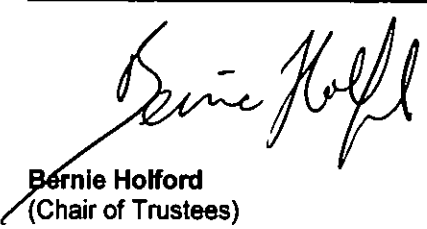
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 26 October 2021 and signed on their behalf by:

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 3973439

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021


Bernie Holford
(Chair of Trustees)

5.11.2021

The notes on pages 16 to 22 form part of these financial statements.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Cash flows from operating activities		
Net cash used in operating activities	38,794	60,351
Cash flows from Investing activities		
Net cash provided by investing activities	-	-
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	38,794	60,351
Cash and cash equivalents at the beginning of the year	275,181	214,830
Cash and cash equivalents at the end of the year	313,975	275,181

The notes on pages 16 to 22 form part of these financial statements

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Luton Friendship Homecarers is registered as a charitable company limited by guarantee, registration number 3973439. The registered address is 92 Hastings Street, Luton, Bedfordshire, LU1 5BH.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Luton Friendship Homecarers meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Plant and machinery	- 20% straight line
Fixtures and fittings	- 5% straight line
Office equipment	- 25% straight line
Computer equipment	- 20% straight line

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.9 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

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

3. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Income from charitable activities - Care for elderly and housebound	918,888	918,888

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Income from charitable activities - Care for elderly and housebound	953,455	953,455

4. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Investment income	88	88

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment income	224	224

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Investment income (continued)

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £
Care for elderly and housebound	<u>865,276</u>	<u>865,276</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Care for elderly and housebound	<u>932,418</u>	<u>932,418</u>

6. Other expenditure

	Unrestricted funds 2021 £	Total funds 2021 £
Donations payable to other charities	<u>7,215</u>	<u>7,215</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations payable to other charities	<u>1,896</u>	<u>1,896</u>

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

7. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Care for elderly and housebound	847,561	17,715	865,276

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Care for elderly and housebound	913,573	18,845	932,418

8. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from the company. It was agreed at a board meeting, at which he was not present, that Mr McNeil would be paid remuneration for his services. The value of Trustees' remuneration and other benefits was as follows:

	2021 £	2020 £
Nigel McNeil	24,453	23,562

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

9. Tangible fixed assets

	Freehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 April 2020	150,000	21,288	171,288
At 31 March 2021	150,000	21,288	171,288

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Tangible fixed assets (continued)

	Freehold property £	Plant and machinery £	Total £
Depreciation			
At 1 April 2020	-	20,675	20,675
Charge for the year	-	123	123
At 31 March 2021	-	20,798	20,798
Net book value			
At 31 March 2021	150,000	490	150,490
At 31 March 2020	150,000	613	150,613

10. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	133,678	142,296
Other debtors	6,621	3,847
Prepayments and accrued income	4,187	1,953
	144,486	148,096

11. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	5,271	3,062
Other taxation and social security	13,315	21,300
Other creditors	35,005	55,757
Accruals and deferred income	48,485	33,381
	102,076	113,500

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Related party transactions

The company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the company at 31 March 2021.