

Company registration number: 04190963

Charity registration number: 1088596

Homemaker Southwest

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Homemaker Southwest

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Homemaker Southwest

Reference and Administrative Details

Trustees	Dr R C Cresswell, M.B.E.
	Ms S Morrison
	Ms J Froom
	Mr R W Ball
	Ms N J Hall
	Ms A L Swayne
Senior Management / Leadership Team	Andrea Carlisle, Director
	Vanessa Handley, Director of Development
	Sarah Fayter, Office Manager
Charity Registration Number	1088596
Company Registration Number	04190963
Registered Office	The charity is incorporated in England and Wales.
	2 Southernhay West
	Exeter
	EX1 1JG
Auditors	Four Fifty Partnership
	Chartered Accountants & Registered Auditor
	34 Boulevard
	Weston-super-Mare
	Somerset
	BS23 1NF

Homemaker Southwest

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2022.

Objectives and activities

Objects and aims

The objects of the charity as set out in the Memorandum and Articles of Association are:

- i) "To promote the benefit of the inhabitants of the counties of Gloucestershire, Somerset, Wiltshire, Hampshire, Dorset, Devon and Cornwall and without distinction of sex or political, religious or other opinions to provide facilities in the interests of social welfare with the object of improving the conditions of life for the said inhabitants."
- ii) "To relieve persons resident in the designated area who; a) are in conditions of need, hardship and distress, or b) are homeless or threatened with homelessness."

Our mission is to enable people, especially those who are vulnerable, to set up, maintain and sustain their homes, and thus prevent homelessness. We believe that everyone has the right to a safe, secure and affordable home; and that everyone has the right to be treated with respect, whatever their circumstances. We aim to promote social inclusion.

We fulfil our mission in a variety of ways, including;

- the assessment of what someone needs to maintain their home
- provision of advice and support according to individual circumstances, which may include making sure they get all the benefits to which they are entitled
- help with budgeting, paying bills, sorting out rent arrears, and dealing with debts
- accompanying clients to court hearings regarding rent arrears
- assistance with moving into a property.

We continue to see a strong demand for our services due to the increased needs resulting from rising energy prices and the more general 'cost of living crisis'.

Hard work and diligence by our Management Team ensured that our annual income has been maintained, albeit from a more diverse range of sources. This ensured another year of stability for our experienced staff team. It is remarkable that despite the pressures and uncertainties caused by the Coronavirus Pandemic and the more recent international economic instability, Homemaker has continued to provide an excellent service to our clients and commissioners. The adaptability and dedication of our staff is highly commendable.

Homemaker Southwest

Trustees' Report

Public benefit

The Charity's principal activities and main beneficiaries are set out in this report, highlighting the activities undertaken to further our charitable purposes for public benefit. The Charity does not charge its clients for accessing its services, which are funded either by grants and/or Service Level Agreements with commissioners. This allows services to be free at the point of delivery, helping us to access clients in hard-to-reach groups who might not engage if they could not afford to pay.

Homemaker Southwest operates for the public benefit, and particularly in the following areas:

- preventing and relieving poverty
- relieving those in need, by reason of ill-health, disability, financial disadvantage or other disadvantage
- preventing homelessness and promoting independence for disadvantaged people.

During the period 1 April 2021 to 31 March 2022, the Homemaker staff team:

- opened 1,874 new case files
- secured £5.25 million in financial gains for clients, helping them to keep their homes and maintain their lives
- prevented 35 cases of homelessness.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

The Charity makes use of the services of volunteers and the Trustees appreciate and value their contribution.

There is currently one volunteer who supports the team and assists with benefits and appeals.

Homemaker Southwest

Trustees' Report

Financial review

The Trustees have reviewed the financial position of the Charity and are agreed that it is currently viable and trades lawfully. It has a number of policies which help to ensure that the financial position is kept under continuous review; these include monthly reports from the management team to the Board concerning cash flow and income/expenditure statements. These documents are reviewed by the Treasurer who makes spot checks for accuracy.

As part of its financial horizon scanning, the Board looks at the security of income going forward and the proportion of contracts which are secure for the current and future years. We are confident that income is secure for 2022/23, and will cover current expenditure.

Throughout the year, there has been uncertainty over the continuation of our largest contract, Money and Pensions Service funding in Plymouth; at £204K per annum, this is 53% of our total funding. This funding is currently ongoing, and the contract has been extended until the end of January 2023. An announcement has been made regarding a further extension until March 2025, but we await written confirmation. With regard to the remainder of our contracts, we are confident that most will be confirmed for 2023/24; this is a similar position to previous years.

Following the Coronavirus pandemic, the majority of staff have continued to work from home throughout the year, offering a telephone service; although we have slowly started seeing clients face-to-face where this is necessary. Whilst this has increased some costs due to home working allowances, this has been more than offset by a reduction in travelling expenses.

Policy on reserves

In accordance with the Charity Commission's guidance on reserves, the Board has considered and agreed to a reserves strategy of creating a contingent reserve equivalent to a minimum of three months' running expenses plus potential redundancy costs. This would enable the Charity to continue its activities for a limited period in the event of a significant drop in funding. The reserve (Note 18) has been increased by £35,000 this year and currently stands at £140,500, just short of the £143,100 required to fully meet the reserves strategy objective.

Homemaker Southwest

Trustees' Report

Principal funding sources

Homemaker has a range of funding sources; most of them in 2021/22 were either from statutory bodies such as local authorities and the Money Advice Service, or from Registered Social Landlords. Homemaker's 3-year partnership with Exeter CAB, to provide debt work in Exeter, continued into its third year. We also received an additional £5K from Sanctuary Trust to work with residents of Barne Barton in Plymouth and £1K from Arnold Clark Automotive.

The largest expenditure is on salaries for staff who help us to deliver our charitable aims in the homes and communities of our clients in the South West.

Investment policy and objectives

The main account is with the Co-operative Bank as they have lower costs and a better interface for charities. Reserves have been lodged in a Nationwide Building Society Savings Account and a Charity Bank 100 Day Notice Account. It is our aim that no one account contains more than £85K.

Going concern

The trustees have prepared the financial statements on a going concern basis as, in their opinion, the Charity is able to meet its obligations as they fall due. This opinion is based on forecasting for the 12 months from signing these financial statements.

The Charity has come through the COVID-19 pandemic in a relatively strong position, and continues to see a strong demand for its services due to the increased needs resulting from the 'cost of living crisis'. The Trustees are confident that they will be able to obtain future funding from a wide range of sources to be able to continue this valuable work.

As such, the Trustees are of the opinion that it is wholly appropriate to prepare the accounts on a going concern basis.

Structure, governance and management

Nature of governing document

The charity is a private company limited by guarantee (number 04190963) and was incorporated on 30 March 2001. It was registered with the Charity Commission (Registration Number 1088596) on 26 September 2001. The company was established under a Memorandum of Association which describes the objects and powers of the charitable company, and it is governed under its Articles of Association.

Homemaker Southwest

Trustees' Report

Recruitment and appointment of trustees

New trustees are appointed by the Board, after consideration of applications from volunteers. Trustee numbers can vary from a minimum of five to a maximum of twelve. During 2021/22, membership of the Board remained stable with a total of six members. Recruitment of additional Board members is still seen as a priority.

Induction and training of trustees

New Trustees are inducted by the Chair and Executive Directors. Training for Trustees is arranged as deemed necessary. The Trustees meet regularly, usually 5 meetings per year; more frequent meetings are held when circumstances demand e.g. during the Coronavirus pandemic. They are responsible for setting policies, managing financial affairs, and determining the Charity's strategic direction.

Organisational structure

The Director, the Director of Development and the Office Manager form the Leadership Team which runs the Organisation on a day to day basis. All the case workers report to the Director of Development. The Director of Development, the Office Manager and the MAS Administrator report to the Director.

Important non-adjusting events after the financial period

Although there has been an announcement regarding future funding of our service in Plymouth up to 2025, we do not have written confirmation of funding from Money and Pensions Service beyond the end of January 2023. This funding represents 53% of the Charity's total income.

This has been treated as a non-adjusting event after the reporting period.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Homemaker Southwest

Trustees' Report

The annual report was approved by the trustees of the charity on6/12/22..... and signed on its behalf by:

..........

Dr R C Cresswell, M.B.E.
Trustee

Homemaker Southwest

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Homemaker Southwest 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

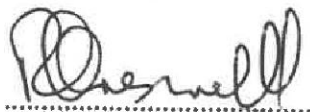
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources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

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

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

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

Approved by the trustees of the charity on 6/12/22 and signed on its behalf by:



Dr R C Cresswell, M.B.E.

Trustee

Homemaker Southwest

Independent Auditor's Report to the Members of Homemaker Southwest

Opinion

We have audited the financial statements of Homemaker Southwest (the 'charity') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Homemaker Southwest

Independent Auditor's Report to the Members of Homemaker Southwest

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

Homemaker Southwest

Independent Auditor's Report to the Members of Homemaker Southwest

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 8), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Homemaker Southwest

Independent Auditor's Report to the Members of Homemaker Southwest

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Homemaker Southwest

Independent Auditor's Report to the Members of Homemaker Southwest

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Charity through discussions with Trustees and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity, including the Companies Act 2006, Charities Act 2011, Charities SORP (2015 FRS102), employment law and health and safety regulations;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Homemaker Southwest

Independent Auditor's Report to the Members of Homemaker Southwest

Four Fifty Partnership Limited

Joy Boswell FCCA FCA (Senior Statutory Auditor)

For and on behalf of Four Fifty Partnership, Statutory Auditor

34 Boulevard

Weston-super-Mare

Somerset

BS23 1NF

Date: *14 December 2022*

Homemaker Southwest

Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted £	Total 2022 £
Income and Endowments from:				
Charitable activities	3	178,772	207,633	386,405
Investment income	4	216	-	216
Other income		33,352	-	33,352
Total Income		<u>212,340</u>	<u>207,633</u>	<u>419,973</u>
Expenditure on:				
Charitable activities	5	<u>(182,290)</u>	<u>(181,658)</u>	<u>(363,948)</u>
Total Expenditure		<u>(182,290)</u>	<u>(181,658)</u>	<u>(363,948)</u>
Net income		<u>30,050</u>	<u>25,975</u>	<u>56,025</u>
Net movement in funds		30,050	25,975	56,025
Reconciliation of funds				
Total funds brought forward		<u>153,561</u>	<u>26,289</u>	<u>179,850</u>
Total funds carried forward	18	<u><u>183,611</u></u>	<u><u>52,264</u></u>	<u><u>235,875</u></u>

The notes on pages 18 to 33 form an integral part of these financial statements.

Homemaker Southwest

Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted £	Total 2021 £
Income and Endowments from:				
Charitable activities	3	209,266	201,833	411,099
Investment income	4	221	-	221
Other income		21,919	-	21,919
Total Income		<u>231,406</u>	<u>201,833</u>	<u>433,239</u>
Expenditure on:				
Charitable activities	5	(171,678)	(196,920)	(368,598)
Total Expenditure		<u>(171,678)</u>	<u>(196,920)</u>	<u>(368,598)</u>
Net income		59,728	4,913	64,641
Transfers between funds		(2,999)	2,999	-
Net movement in funds		56,729	7,912	64,641
Reconciliation of funds				
Total funds brought forward		<u>96,832</u>	<u>18,377</u>	<u>115,209</u>
Total funds carried forward	18	<u>153,561</u>	<u>26,289</u>	<u>179,850</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 18.

The notes on pages 18 to 33 form an integral part of these financial statements.


Homemaker Southwest

(Registration number: 04190963)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Current assets			
Debtors	12	20,030	15,162
Cash at bank and in hand	13	270,385	198,820
		290,415	213,982
Creditors: Amounts falling due within one year	14	(54,540)	(34,132)
Net assets		235,875	179,850
Funds of the charity:			
Restricted		52,264	26,289
Unrestricted funds		183,611	153,561
Total funds	18	235,875	179,850

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 15 to 33 were approved by the trustees, and authorised for issue on and signed on their behalf by:


.....
Ms J Froom
Trustee

The notes on pages 18 to 33 form an integral part of these financial statements.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

2 Southernhay West

Exeter

EX1 1JG

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Homemaker Southwest 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 notes.

The presentation currency of the financial statements is the Pound Sterling (£).

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

Going concern

The trustees have prepared the financial statements on a going concern basis as, in their opinion, the Charity is able to meet its obligations as they fall due. This opinion is based on forecasting for the 12 months from signing these financial statements.

A year into the COVID-19 pandemic, the Charity has continued to see a strong demand for its services due to the increased needs resulting from the long-term downturn in the economy, the impact of welfare reform changes, and the effects of the continuing Coronavirus pandemic. The Trustees are confident that they will be able to obtain future funding from a wide range of sources to be able to continue this valuable work.

The Trustees have a number of measures in place to create a COVID safe working environment including home working and on-line video meetings; the costs of homeworking allowances have continued to be more than offset by savings in travel expenses.

As such, the Trustees are of the opinion that it is wholly appropriate to prepare the accounts on a going concern basis.

Exemption from preparing a cash flow statement

The charity is exempt from preparing a cash flow statement in accordance with Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Investment income includes bank interest received which is recognised once the charity receives entitlement to it.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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

Grant expenditure

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specific service or output.

Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

Provision for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Government grants

Government grants are recognised in accordance with the accrual model set out in FRS 102.

The Charity has taken advantage of the Coronavirus Job Retention Scheme (CJRS). Income from this is recognised when the cost was incurred.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and machinery etc	33% on cost and 15% reducing balance

Trade debtors

Trade debtors are amounts due from funding providers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity. The unrestricted funds operated by the charity is as follows:

Contingency reserve

The contingency reserve has been created in line with the charity's policy to generate sufficient reserves to cover three months running costs combined with staff redundancy costs.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose. The different restricted funds operated by the charity are as follows:

Probation rent spend

These funds are provided annually by Devon and Cornwall Probation Area specifically to use as rent deposits for ex-offenders seeking new accommodation.

Specific Client Support

These are grants received from charitable foundations and other sources to help individual clients with particular expenses in times of severe hardship.

Sanctuary

These funds are for the purpose of resettlement and tenancy support for Sanctuary tenants.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

Citizens Advice Face 2 Face

This service is funded from Citizens Advice Bureau to deliver the Money Advice Service in the Plymouth area.

Henry Smith Charity

This grant has been provided to cover three years salary and costs of providing a Money Advice Caseworker in Exeter.

Trevi Sparks

This grant has been provided for the Sunflower Money project which will start on 4th April 2022, running until 31 March 2023.

Pensions and other post retirement obligations

Pension costs are incurred by way of employer's defined contributions to employees' personal pension schemes. The contribution rates are 3%, 6% or 8% of gross salary and costs are wholly charged to the SOFA in the year in which they are incurred. Details of the costs and any outstanding amounts are shown in the notes to the accounts.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Volunteers

The value of services provided by volunteers is not incorporated into these financial statements.

Further detail of the contribution made by volunteers can be found in the trustee's annual report.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

3 Income from charitable activities

	Unrestricted funds £	Restricted £	Total 2022 £	Total 2021 £
Registered Providers	23,029	9,500	32,529	19,299
Devon Local Authorities	95,882	-	95,882	118,997
Henry Smith Charity	-	-	-	8,750
Other sources	59,861	-	59,861	75,064
Face 2 Face	-	198,133	198,133	187,583
CJRS grants	-	-	-	1,406
	<u>178,772</u>	<u>207,633</u>	<u>386,405</u>	<u>411,099</u>

4 Investment income

	Unrestricted funds £	Total funds £
Interest receivable and similar income; Interest receivable on bank deposits	216	216
Total for 2022	<u>216</u>	<u>216</u>
Total for 2021	<u>221</u>	<u>221</u>

5 Expenditure on charitable activities

	Note	Unrestricted funds £	Restricted funds £	Total funds £
Staff costs		123,397	151,610	275,007
Allocated support costs	6	53,290	22,858	76,148
Other support costs	6	5,603	7,190	12,793
Total for 2022		<u>182,290</u>	<u>181,658</u>	<u>363,948</u>
Total for 2021		<u>171,678</u>	<u>196,920</u>	<u>368,598</u>

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

In addition to the expenditure analysed above, there are also governance costs of £12,793 (2021 - £10,197) which relate directly to charitable activities. See note 6 for further details.

6 Analysis of governance and support costs

Other support costs

	Unrestricted funds £	Restricted £	Total 2022 £	Total 2021 £
Audit fees				
Audit of the financial statements	660	660	1,320	1,320
Other fees paid to auditors	990	990	1,980	1,981
Legal fees	3,942	3,945	7,887	6,703
Marketing and publicity	11	1,595	1,606	193
	<u>5,603</u>	<u>7,190</u>	<u>12,793</u>	<u>10,197</u>

7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Audit fees	<u>1,320</u>	<u>1,320</u>

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

9 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	248,357	264,748
Social security costs	15,285	17,029
Pension costs	11,365	12,080
	<u>275,007</u>	<u>293,857</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Employees	<u>14</u>	<u>14</u>

No employee received emoluments of more than £60,000 during the year.

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

11 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2021	2,298	2,298
At 31 March 2022	2,298	2,298
Depreciation		
At 1 April 2021	2,298	2,298
At 31 March 2022	2,298	2,298
Net book value		
At 31 March 2022	-	-
At 31 March 2021	-	-

12 Debtors

	2022 £	2021 £
Trade debtors	3,570	7,368
Prepayments	7,013	7,584
Accrued income	9,237	-
Other debtors	210	210
	<u>20,030</u>	<u>15,162</u>

13 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	30	30
Cash at bank	270,355	198,790
	<u>270,385</u>	<u>198,820</u>

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	3,702	2,044
Other taxation and social security	5,586	5,743
Other creditors	17,284	4,235
Accruals and deferred income	27,968	22,110
	<u>54,540</u>	<u>34,132</u>

15 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Land and buildings		
Within one year	6,004	6,004
Between one and five years	500	6,500
	<u>6,504</u>	<u>12,504</u>
Other		
Within one year	468	468
Between one and five years	234	702
	<u>702</u>	<u>1,170</u>

16 Commitments

Pension commitments

The charity operates a defined contribution pension scheme. The pension charge for the period represents contributions payable by the charity to the scheme and amounted to £11,365 (2021: £12,080). As at the balance sheet date pension contributions payable of £199 (2021: £942) are included within other creditors.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

17 Contingent liabilities

Homemaker Southwest participates in the Pensions Trust's Growth Plan (the Plan) which is a multi-employer pension plan. The plan is funded and is not contracted out of the State scheme.

If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustees must prepare a recovery plan setting out steps to make up the shortfall.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustees of the plan and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so the liability arises to employers from membership of any Series except Series 4. The debt becomes due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

The Growth Plan is a "last man standing" multi-employer scheme. This means that if a withdrawing employer is unable to pay its debt on withdrawal, the liability is shared amongst the remaining employers. The participating employers are therefore, jointly and severally liable for the deficit in the Growth Plan.

Homemaker Southwest has been notified by the Pensions Trust of the estimated employer debt withdrawal from the Plan based on the financial position of the Plan as at 30 September 2021 (most recent valuation available). As at that date the estimated employer debt for Homemaker Southwest was £14,718 (2020: £21,235).

To avoid the potential debt crystallising Homemaker Southwest continue to contribute to the Series 4 scheme provided by the Pensions Trust.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

18 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds					
<i>Unrestricted funds</i>					
Unrestricted income fund	48,061	212,340	(182,290)	(35,000)	43,111
Contingency reserve	105,500	-	-	35,000	140,500
	<u>153,561</u>	<u>212,340</u>	<u>(182,290)</u>	<u>-</u>	<u>183,611</u>
Restricted funds					
Specific client support	2,507	-	-	-	2,507
Citizens Advice Face 2 Face	23,782	198,133	(174,297)	-	47,618
Sanctuary	-	9,500	(7,361)	-	2,139
Total restricted funds	<u>26,289</u>	<u>207,633</u>	<u>(181,658)</u>	<u>-</u>	<u>52,264</u>
Total funds	<u>179,850</u>	<u>419,973</u>	<u>(363,948)</u>	<u>-</u>	<u>235,875</u>
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
<i>Unrestricted funds</i>					
Unrestricted income fund	11,332	231,407	(171,679)	(22,999)	48,061
Contingency reserve	85,500	-	-	20,000	105,500
	<u>96,832</u>	<u>231,407</u>	<u>(171,679)</u>	<u>(2,999)</u>	<u>153,561</u>

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Restricted					
Specific client support	2,507	-	-	-	2,507
Citizens Advice Face 2 Face	15,870	187,583	(179,671)	-	23,782
Henry Smith Charity	-	8,750	(9,733)	983	-
Sanctuary	-	5,500	(7,516)	2,016	-
Total restricted funds	<u>18,377</u>	<u>201,833</u>	<u>(196,920)</u>	<u>2,999</u>	<u>26,289</u>
Total funds	<u>115,209</u>	<u>433,240</u>	<u>(368,599)</u>	<u>-</u>	<u>179,850</u>

19 Analysis of net funds

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	<u>198,820</u>	<u>71,565</u>	<u>270,385</u>
Net debt	<u>198,820</u>	<u>71,565</u>	<u>270,385</u>

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	<u>133,476</u>	<u>65,344</u>	<u>198,820</u>
Net debt	<u>133,476</u>	<u>65,344</u>	<u>198,820</u>

20 Non-adjusting events after the financial period

Although there has been an announcement regarding future funding of our service in Plymouth up to 2025, we do not have written confirmation of funding from Money and Pensions Service beyond the end of January 2023. This funding represents 53% of the Charity's total income.

This has been treated as a non-adjusting event after the reporting period.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2022

21 Analysis of net assets between funds

	Unrestricted funds £	Restricted £	Total funds at 31 March 2021 £
Current assets	205,865	84,550	290,415
Current liabilities	<u>(22,254)</u>	<u>(32,286)</u>	<u>(54,540)</u>
Total net assets	<u>183,611</u>	<u>52,264</u>	<u>235,875</u>

	Unrestricted funds £	Restricted funds £	Total funds at 31 March 2021 £
Current assets	180,166	33,816	213,982
Current liabilities	<u>(26,605)</u>	<u>(7,527)</u>	<u>(34,132)</u>
Total net assets	<u>153,561</u>	<u>26,289</u>	<u>179,850</u>