

Company Registration No. 04956068 (England and Wales)
Charity Registered No. 1114995

HOMEFIELD COLLEGE LIMITED
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

CONTENTS

	Page
Legal and administrative information	1
Report of the Trustees	2
Independent auditor's report	9
Statement of financial activities	12
Balance sheet	13
Statement of cash flows	14
Notes to the financial statements	15

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

LEGAL AND ADMINISTRATIVE INFORMATION

Directors & Trustees:	Mr D Cooper Ms S Dornyei Mr D Howard Ms E Hunt Ms J Jarman Ms R Lowe Ms J Parr Mr J Perry Ms S Pesic-Smith Ms C Stevens Ms J Ward Mr A Warren Ms I Wilson	(resigned 26 September 2019) (appointed 1 February 2020) (appointed 1 February 2020) (Chair) (resigned 20 November 2019)
Senior Management:	Ms T Forman Ms V Myko Ms S Freeman Ms C Ibbotson Ms S Pickering Mr S Whiting Mr P Fletton	(Principal) (Head of Specialist Support & Pastoral Services) (Head of Care & Support – resigned 21 February 2020) (Head of Curriculum & Quality – appointed 20 April 2020) (Head of Human Resources) (Head of Finance & Business Services – resigned 28 February 2020) (Head of Finance & Business Services – appointed 9 March 2020)
Registered Office:	217 Loughborough Road Mountsorrel Loughborough Leicestershire LE12 7AR	
Registered Company Number:	04956068 (England and Wales)	
Registered Charity Number:	1114995	
Auditor:	The Rowleys Partnership Ltd Charnwood House Harcourt Way Meridian Business Park Leicester LE19 1WP	
Bankers:	NatWest Bank Plc Market Place Loughborough Leicestershire LE11 3EA	
Solicitors:	Shakespeare Martineau 2 Colton Square Leicester LE1 1QH	

The company is a registered Charity limited by guarantee.

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

The Trustees, who are also the directors of Homefield College Limited for the purposes of company law, present their report and the audited financial statements for the year ended 31 July 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

The Trustees have had regard to the Charity Commission's guidance on public benefit. The mission statement for the Charity is that it aims to give learners and long term residents as many opportunities as possible to become independent according to their own individual skills and potential.

Beneficiaries of the Charity are people aged 16+ who live in the UK, and have complex needs, including those with Autistic Spectrum Conditions and communication and learning difficulties. Places are offered following a detailed assessment and induction procedure designed to identify those the College can have the maximum positive impact on, during their time attending the College. The College receives funding which is based on the outcome of the assessment process. Funding is received from the Education and Skills Funding Agency (ESFA) and/or Local Authorities.

Structure, Governance and Management

Homefield College Limited is a company limited by guarantee. Each of the Trustees is also a member and agrees to contribute £10 in the event of the Charity being wound up. The Charity is governed by its Memorandum and Articles of Association dated 17 December 2003, as amended by special resolution dated 12 June 2006. It is a registered Charity with the Charity Commission.

The Principal reports directly to the Trustee Board. There is an agreed decision-making scheme with delegated powers outlined in respect of appointments and financial matters to the Principal (executive for the whole organisation).

The Charity has eleven Trustees who meet as a Board at least four times a year. Each Trustee is also a member of at least one of the following subcommittees: Teaching, Learning & Assessment; Life Long Learning, Living and Inclusion; and Finance and General Purposes. Each subcommittee meets at least four times a year. Trustees are allocated to the subcommittee which can best utilise their skills and knowledge. All Trustees complete an induction programme, and participate in internal and external training programmes which are specific to Trustees. In addition they can and do join staff on College training days.

Risk Management

The College maintains a risk register. The register is routinely reviewed and amended to mitigate risk to Learners, Residents and the Staff. The organisation has an extensive register of personal and environmental risk assessments for the students and residents, including comprehensive COVID risk assessments introduced in the year in response to the pandemic. This mitigates the risk for them in the course of their regular activities – developmental, educational and recreational.

The Senior Management Team seek to reduce the financial risk to the organisation by:

- maintaining the reputation of the College through the quality of its provision
- active intelligence gathering initiatives
- lobbying of funding bodies and
- the application for external grant funding.

In addition, members of the Finance and General Purposes committee receive management accounts on a monthly basis.

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020 (continued)

Key management personnel remuneration

All Trustees give their time freely.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings and the level of responsibility required. In view of the charitable nature of the company the remuneration benchmark is determined through comparative research into similar local salaries with the living wage as the minimum hourly rate.

Objects of the Charity

The Company's objects are to advance the education and training and to relieve the needs of individuals with learning difficulties, communication difficulties, epilepsy and students on the autistic spectrum in particular but not exclusively by the provision of a college.

Objectives and activities

The College was set up in 1987, became a registered Charity in June 2006 and operates in Sileby, Mountsorrel and Loughborough. The College provides high quality practical experiences for people with learning difficulties to develop their:

- daily living skills,
- skills to live with other people and
- skills to be more active in the community
- transferable and specific work/employment skills

In 2019-20, the College provided practical experiences for beneficiaries as set out below:

- 12 long term residents, funded by Local Authority Social Services
- 10 people living in their own homes, although this provision ceased in June 2020
- 4 residential learners on 2-3 year courses funded by the Education & Skills Funding Agency (ESFA) and the learner's local authority
- 87 day learners on 2-3 year courses funded by the ESFA and the learner's local authority
- 15 day services users funded by the local authority and/or their own personal budgets

The funding the College receives is related not just to the number of people it caters for but also the amount of individualised support a person requires.

The programme for each beneficiary is individualised to reflect person centred planning and for ESFA funded learners may consist of units, which are externally accredited.

To deliver high quality practical experiences, the College consists of a main campus, eight 3/4 bedroom houses and one 6 bedroom house. Each room/area of all the properties is fully and innovatively used to develop a comprehensive range of daily living skills and skills to live with other people.

To enable the learners to be more active in the community, their programmes are, where possible, delivered in community settings such as public transport, bars and restaurants, barbers/hairdressers, libraries, public parks, leisure and outdoor pursuit centres, community centres, and the premises of other providers of education and training. Long-term residents, those supported in their own homes and those who access day services are also actively encouraged to take part in such community based activities.

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020 (continued)

Objectives and activities (continued)

In addition the College has invested time and money to develop realistic work based environments within the general community. Examples include:-

A shop on the main street of a nearby village called Barrow of Treats which provides a high quality high street outlet offering realistic work placements for beneficiaries covering skills associated with the catering and hospitality industry and delivering a much needed service in the village. This service has been welcomed by the local people, parish council and businesses.

A shop space in the same village as Barrow of Treats which enabled the enterprise to branch more successfully into selling such things as wedding favours and party bags via the internet. This has also increased the number of student placements that Barrow of Treats can accommodate from 6 per day to 8 per day.

In partnership with funding from the Karten Trust, the College refurbished, equipped and leases a site on a busy High Street location in the nearby town of Loughborough which operates as an enterprise providing work experience for up to eight students and residents at a time. It is comprised of three parts, an internet café, a print shop and an e-retail enterprise.

In April 2020 the College secured a ten year lease on a community café in the village of Mountsorrel and began refurbishing it for use in the 2020-21 year in a way similar to the Barrow of Treats enterprise.

The College is proactively involved in modelling the impact of funding changes on the physical and human resources which the College requires to meet a need which continues to be more local to the College. The College is investing additional time to continue to build proactive links with County Councils of Leicestershire and Warwickshire and Leicester City Council, and is continuing to take forward potential partnership working with other local and regional educational and training organisations.

Achievements and performance

The College was subject to a short inspection by Ofsted in June 2017. Ofsted concluded that Homefield continues to be a good provider and their inspection findings included:

"Homefield students live and learn in the community. They participate in an innovative, personalised and community-based curriculum, which meets their diverse needs very well and prepares them for their next step, adulthood and independence".

"staff assess students' starting points well using a very comprehensive system of assessment. They use this detailed information to inform and set appropriately challenging targets for each student, and to provide all staff with details regarding students' learning and support needs."

"students make good or better progress from their starting points; many know how much progress they have made since joining the college. They can describe their improved knowledge of healthy eating, and how they have developed further their skills for work, for example skills in customer service, following instructions, using systematic routines and working with others".

"staff promote and develop students' English and mathematical skills well in learning settings; they use relevant topics to develop students' skills at the appropriate level."

"staff provide students with appropriately challenging verbal and non-verbal communication targets in learning sessions. They ask clear questions and allow students sufficient time to process their thoughts, before they respond verbally or by using communication technology. As a result, students develop their communication skills well."

Achievements and performance (continued)

"trustees have a diverse range of skills and knowledge in education and commerce; they have relevant experience in safeguarding and educating young people with high needs. Trustees are committed to providing students with high quality provision. They have a comprehensive understanding of the strengths and weaknesses of the college, as a result of their participation in a wide range of activities with staff, students, and parents and carers. These activities include learning walks, observations of learning sessions, attendance at sub-committees and the training of staff."

"trustees now have full access to a new 'data dashboard', which they use well to monitor a range of measures which show some elements of students' progress and outcomes; as a result, trustees provide managers with a high level of challenge. However, trustees do not receive sufficient data to enable them to monitor and hold managers to account for the rate of overall progress made by students."

"staff received regular training and supervision to help them to meet people's needs effectively."

"people received the support they needed to stay healthy and to access healthcare services."

"each person had an up to date support plan that was centred on them as an individual. This provided staff guidance on how to meet people's support needs and their likes, dislikes and preferences. These were reviewed regularly."

"people were encouraged to participate in activities, pursue their interests and to maintain relationships with people that mattered to them."

"people were supported in line with the Mental Capacity Act (MCA) 2005 and the Deprivation of Liberty Safeguards (DoLS). The provider and staff understood their responsibilities under the MCA."

"staff were caring and treated people with dignity and respect. They ensured people's privacy was maintained."

"people were supported to have choice and control of their lives."

"people had access to a complaint's procedure and felt confident to raise any concerns."

During 2019-20 Homefield College faced significant challenges through the COVID pandemic but has ensured that the progression and support of students continued in an effective manner. The College was proactive in providing a service to the students that was very well received by students, parents and carers alike. By the end of the academic year every current and prospective student had had the opportunity to attend a transition day in preparation for the new academic year. All students were contacted on a regular basis and supported in learning virtually or through other means. Over a third of the student population were able to safely attend on site to benefit from continued teaching and learning. Students managed to achieve nine functional skills qualifications through this challenging period.

The College received excellent feedback from parents and carers during the year. Examples are as follows:

- 'Communications are good and over lockdown, fantastic'.
- 'All said that they had seen really good progress.'
- 'Homefield gives her scope to do things for herself. They give her little things to do then reassure her she's ok and that gives her confidence to keep trying - but they give her the choice. They tailor her curriculum to her needs. If it doesn't work or she's not interested, then they change it. They push students at their own pace'
- 'The College has their service users at its heart - they want the best for their students and they care about them'

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020 (continued)

Achievements and performance (continued)

- 'There's so much support. When your child goes to Homefield, as a parent, you don't have to be anxious, because you know they'll be safe. The staff go above and beyond'
- 'Homefield do their best to include your child – there's no 'no' because of the disability – they try to find a way.'
- 'They tailor the package to your child, even if they want something that no one else is doing, they'll try and do it. They go out of the way to make it right for your child.'

Financial review

At the balance sheet date the net assets of the charity totalled £2,277,609 (2019 - £2,246,346). The total income resources for the year were £4,451,245 (2019 - £4,487,961). The total resources expended for the year were £4,419,982 (2019 - £4,500,529) resulting in a net surplus of £31,263 (2019 - deficit of £12,568).

Expenditure during the financial year 2019-20 has been used to:

- a) ensure that it will retain the good rating from both Ofsted and the Care Quality Commission.
- b) ensure the College is proactive in adapting to its ever changing external funding context.

Activities funded included:

- i. Investing as required to adapt its provision to ensure delivery can continue in a post-Covid context, facilitating and ensuring social distancing.
- ii. employing external experts in relation to education and training to review the teaching, learning and assessment associated with literacy, numeracy and communication.
- iii. the continued investment in staff training to ensure continuation of high quality provision.
- iv. the continued refurbishment of all properties.

In 2019-20 the College planned to:

- a) carry out further refurbishments of its estate to ensure it meets the needs of its students and residents.
- b) clearly articulate what an outstanding Homefield would look like for all stakeholders including Ofsted and the Care Quality Commission and implement the changes required to ensure Homefield is viewed as outstanding by its stakeholders.
- c) have open and transparent dialogue with commissioners to ensure that Homefield remains involved in delivering services for students from a wide range of cognitive abilities.
- d) Ensure the range of its provision was viable and withdrew from Supported Living provision as a result in June 2020.
- e) Invest in the development of improved IT systems, including those for Students, Finance and Human Resources.

Future plans

The Trustees and the College management continue to proactively amend provision and the resources required, both physical and human, in the light of the Covid pandemic and other external drivers. The funding environment is challenging but the College has the necessary skills, expertise and reputation at all levels to carry forward the College's mission in partnership with its stakeholders.

The College will maintain present partnerships and will continue to build proactive partnerships with local, regional and national funding bodies.

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020 (continued)

In 2020-21 the College plans to:

- a) review its property needs with a view to rationalising the number of properties it currently occupies, both owned and leased.
- b) continue to strive towards being viewed as outstanding by all its stakeholders including Ofsted and the Care Quality Commission.
- c) continue its dialogue with commissioners to ensure that Homefield remains involved in delivering services for students from a wide range of cognitive abilities.

The Trustees have given consideration to the Charity Commission's guidance on public benefit when establishing the aims and activities of the College.

Investment powers and policy

There is no formal investment policy as the College holds no investments, however the Trustees aim to make money held in the College bank accounts earn as much interest as possible.

Fundraising policy

The College does not fundraise externally and seeks to continue its work via careful stewardship of its existing resources.

Reserves policy

The Trustees have considered the level of reserves held by the Charity. Following a risk assessment linked to the development of a policy it has been agreed that the College adopts a reserves policy that free reserves (as defined below) should represent 15%-20% of budgeted expenditure. The position at the date of these accounts was that free reserves totalled £763,289 (2019: £678,002) which represented 17% (2019: 15%) of actual expenditure in the year. Free reserves are defined as total unrestricted funds less the value of unrestricted fixed assets. This will be built up to the desired level in stages consistent with the Charity's overall financial position and its need to maintain and develop its charitable activities.

Trustees and Trustees' interests

The Trustees of the Charity, all of whom have been Trustees for the whole of the period, unless otherwise indicated, are listed below:-

Mr D Cooper	(resigned 26 September 2019)
Ms S Dornyei	
Mr D Howard	
Ms E Hunt	(appointed 1 February 2020)
Ms J Jarman	(appointed 1 February 2020)
Ms R Lowe	
Ms J Parr	(Chair)
Mr J Perry	(resigned 26 September 2019)
Ms S Pesic-Smith	
Ms C Stevens	
Ms J Ward	
Mr A Warren	
Ms I Wilson	

No Trustee had any financial interest in contracts with the Charity during the year.

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020 (continued)

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the 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 then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Auditors

A resolution to re-appoint The Rowleys Partnership Ltd as auditors will be proposed at the Annual General Meeting.

The report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities and in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board



**J Parr
Trustee**



**D Howard
Trustee**

217 Loughborough Road
Mountsorrel
Loughborough
Leicestershire
LE12 7AR

Date: 25 November 2020

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF HOMEFIELD COLLEGE LIMITED

Opinion

We have audited the financial statements of Homefield College Ltd (the 'charitable company') for the year ended 31 July 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the statement of Cash Flows 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2020, 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

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under that act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOMEFIELD COLLEGE LIMITED
(continued)**

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOMEFIELD COLLEGE LIMITED
(continued)**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

The Rowleys Partnership Ltd.

The Rowleys Partnership Limited

**Statutory Auditors
Chartered Accountants**

Charnwood House
Harcourt Way
Meridian Business Park
Leicester
LE19 1WP

Date: *5 January 2021*

The Rowleys Partnership Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2020
(incorporating the Income and Expenditure account)

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income and endowments from					
Donations and legacies	5.a	-	-	-	3,570
Charitable activities	5.b	4,447,418	-	4,447,418	4,481,790
Investments	5.c	3,827	-	3,827	2,601
Total income and endowments		4,451,245	-	4,451,245	4,487,961
Expenditure on					
Charitable activities	6	4,419,982	-	4,419,982	4,500,529
Total expenditure	6	4,419,982	-	4,419,982	4,500,529
Net income/(expenditure)		31,263	-	31,263	(12,568)
Total funds brought forward		2,246,346	-	2,246,346	2,258,914
Total funds carried forward		2,227,609	-	2,277,609	2,246,346

The statement of financial activities includes all gains and losses in the year. All income and expenditure derive from continuing activities.

The notes on pages 15 to 23 form part of these financial statements.

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

**BALANCE SHEET
AS AT 31 JULY 2020**

	Notes	2020	2019
		£	£
Fixed Assets			
Tangible fixed assets	8	1,514,320	1,568,344
Current Assets			
Stock	9	6,963	2,663
Debtors	10	132,434	159,013
Cash at bank and in hand	11	1,765,400	1,650,071
		<u>1,904,797</u>	<u>1,811,747</u>
Creditors: amounts falling due within one year	12	(471,041)	(425,398)
		<u>1,433,756</u>	<u>1,386,349</u>
Net current assets			
		<u>1,433,756</u>	<u>1,386,349</u>
Total assets less current liabilities		<u>2,948,076</u>	<u>2,954,693</u>
Creditors: amounts falling due after more than one year	13	(670,467)	(708,347)
		<u>2,277,609</u>	<u>2,246,346</u>
Net assets		<u>2,277,609</u>	<u>2,246,346</u>
Funds			
Unrestricted funds	18	2,277,609	2,246,346
		<u>2,277,609</u>	<u>2,246,346</u>
Total funds		<u>2,277,609</u>	<u>2,246,346</u>

For the year ending 31 July 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Board of Trustees on xx November 2020 and were signed on its behalf by:

J Parr

J Parr
Trustee

D Howard

D Howard
Trustee

Company Registration No. 04956068

The notes on pages 15 to 23 form part of these financial statements.

HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2020

	2020 £	2019 £
Cash flows from operating activities		
Profit / (Loss) for the financial year	31,263	(12,568)
Adjustment for:		
Depreciation of tangible assets	77,062	75,200
Assets now expensed	-	49,941
Loss on disposal of tangible assets	-	1,386
Interest paid	21,464	24,555
Interest received	(2,827)	(2,601)
Decrease/(increase) in debtors	39,838	13,372
(Increase) in stock	(4,300)	(23)
Increase/(Decrease) in creditors	33,155	(31,594)
Net cash generated from operations	194,655	117,668
Cash flows from investing activities		
Purchase of tangible assets	(23,038)	(28,984)
Proceeds from sale of tangible assets	-	-
Interest received	3,827	2,601
Net cash used in investing activities	(19,211)	(26,383)
Cash flows from financing activities		
Repayment of bank loans	(38,651)	(36,760)
Interest paid	(21,464)	(24,555)
Net cash (used in)/from financing activities	(60,115)	(61,315)
Net increase/(decrease) in cash and cash equivalents	115,329	29,970
Cash and cash equivalents at beginning of year	1,650,071	1,620,101
Cash and cash equivalents at end of year	1,765,400	1,650,071

The notes on pages 15 to 23 form part of these financial statements.

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

1. Company Status

The company was registered as a Charity on 29 June 2006. Its legal entity is a company limited by guarantee and does not have a share capital. Each member of the company guarantees to undertake to contribute up to a maximum of £10 towards payment of the debts and liabilities of the company in the event of the company being wound up whilst he or she is a member or within one year after he or she ceases to be a member. The charitable company is incorporated in England.

2. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charitable company's accounting policies (see note 3).

Fund accounting

Unrestricted funds are general funds that are available for use at the Trustees' discretion in furtherance of the charitable company's objectives. Designated funds are unrestricted funds earmarked by the Trustees for a specific purpose. Restricted funds are those which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the College for specific purposes.

Going concern

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

Income recognition

All income is included in the Statement of Financial Activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Grants, where entitlement is not conditional on the delivery of a specific performance by the charitable company, are recognised when the charitable company becomes unconditionally entitled to the grant.

Gifts in kind

Any gifts in kind have been included within the financial statements at a valuation as estimated by the Trustees.

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020**

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources.

Irrecoverable VAT is charged against the category of resource expended for which it was incurred.

Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised and stated at cost less depreciation. Depreciation is provided on a straight line basis so as to write off tangible fixed assets over their estimated useful lives at the following annual rates:

Freehold property	-	2% on a straight line basis
Long leasehold property	-	2% on a straight line basis
Improvements to leasehold properties	-	Over the remaining term of the lease
Fixtures, fittings and equipment	-	20% on a straight line basis
Motor vehicles	-	25% on a straight line basis

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Statement of financial activities.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in previous years. A reversal of an impairment loss is recognised immediately in the Statement of financial activities.

Stock

Stock has been valued at the lower of cost and net realisable value. Cost is determined on the first in first out basis.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of financial activities.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020**

Financial instruments

The charitable company only has financial assets and financial liabilities 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 the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

Retirement benefits

The charitable company operates defined contribution pension schemes on behalf of its staff. Contributions are charged to the Statement of financial activities as they become payable in accordance with the rules of the schemes.

Operating Leases

Payments made under operating leases are charged to the profit and loss account in the period in which they are incurred.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Many of the amounts included in the financial statements involved the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience but actual results may differ from the amounts included in the financial statements. The key areas in the financial statements where these judgements and accounting estimates have been summarised below:

- Depreciation rates are based on estimates of the useful lives and residual values of the assets involved.

4. Net (expenditure)/income

The net (expenditure)/income is stated after charging:

	2020	2019
	£	£
Depreciation of fixed assets	77,062	75,200
Fees payable to the Charity's auditor for the audit of the Charity's annual financial statements	13,200	10,500
Loss on disposal of fixed assets	-	1,386
	<hr/>	<hr/>

HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

5. Income

a. Income from donations

	2020	2019
	£	£
Community donations	-	3,570
	<u>-</u>	<u>3,570</u>

Of total income from donations £Nil (2019: £3,570) was unrestricted and £Nil (2019: £Nil) was restricted.

b. Income from charitable activities

	2020	2019
	£	£
LA student fees	3,475,664	3,613,390
DSS student contributions	17,873	17,124
EFA student contributions	901,686	785,055
Barrow of Treats Coffee Shop	13,144	35,819
Print Shop/Ebay activities	2,675	11,586
Other income	12,967	17,622
Grant income	23,409	1,194
Profit on disposal of tangible fixed assets	-	-
	<u>4,447,418</u>	<u>4,481,790</u>

Of total income from charitable activities £4,447,418 (2019: £4,480,596) was unrestricted and £Nil (2019: £1,194) was restricted.

c. Investment income

All investment income arises from money held in interest bearing deposit accounts.

Of total income from investments £3,827 (2019: £2,601) was unrestricted and £Nil (2019: £Nil) was restricted.

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020**

6. Expenditure on charitable activities

	Staff costs £	Other costs £	Depreciation £	Total 2020 £	Total 2019 £
Education and training	2,632,147	650,383	12,723	3,295,253	3,350,825
Premises	-	495,661	37,056	532,717	450,058
Insurances	-	45,718	-	45,718	40,984
Bank charges and interest	-	21,463	-	21,463	27,194
Coffee shop costs	108,939	10,287	-	119,226	114,163
Print Shop/Ebay costs	79,386	3,605	-	82,991	86,724
Other administration costs	-	282,130	27,283	309,413	418,481
Governance	-	13,200	-	13,200	12,100
Total expenditure	2,820,472	1,522,447	77,062	4,419,981	4,500,529

Of total expenditure on charitable activities £4,419,981 (2019: £4,499,335) was unrestricted and £Nil (2019: £1,194) was restricted.

7. Staff numbers and costs

The average number of persons (including part time employees) employed by the charitable company during the year, was 130 (2019: 128).

The aggregate payroll costs of these persons were as follows:

	2020 £	2019 £
Wages and salaries	2,466,030	2,334,976
Social security costs	190,439	177,256
Pension costs	48,415	40,805
Agency staff	94,178	160,582
Termination payments	21,410	33,203
	2,820,472	2,746,822

The number of higher paid employees was:

	No.	No.
£60,001 - £70,000	1	1

Defined contribution pension contributions in the sum of £3,170 (2019: £1,166) were made in respect of the employee earning in excess of £60,000.

None of the Trustees (or any persons connected to them) received any remuneration or benefits from the charitable company during the year, or the previous year. None of the Trustees (or any persons connected to them) received any reimbursed expenses from the charitable company during the year (2019: £nil).

The non-Trustee key management personnel comprise the members of the senior management team, detailed in the Trustees' Report on page 1, who collectively manage the college and its operations on a day-to-day basis. The total employee benefits received by the key management personnel during the year was £239,987 (2019: £207,033).

HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

8. Tangible fixed assets

	Freehold Property £	Long Leasehold Property £	Leasehold Property Improvements £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost						
At beginning of year	1,474,934	214,230	71,034	85,077	143,804	1,989,079
Additions	-	-	18,538	-	4,500	23,038
Disposals	-	-	-	-	-	-
At end of year	1,474,934	214,230	89,572	85,077	148,304	2,012,117
Depreciation						
At beginning of year	153,696	56,476	65,947	35,185	109,431	420,735
Charge for the year	29,498	4,491	3,067	20,629	19,377	77,062
Disposals	-	-	-	-	-	-
At end of year	183,194	60,967	69,014	55,814	128,808	497,797
Net book value At 31 July 2020	1,291,740	153,263	20,558	29,263	19,496	1,514,320
At 31 July 2019	1,321,238	157,754	5,087	49,892	34,373	1,568,344

9. Stock	2020 £	2019 £
Coffee shop stock & PPE	6,963	2,663

Coffee shop stock purchases recognised in expenditure during the year as an expense was £8,599 (2019: £24,016).

10. Debtors	2020 £	2019 £
Trade debtors	101,005	29,893
Prepayments and accrued income	31,429	129,120
	132,434	159,013

HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

11. Cash and cash equivalents	2020	2019
	£	£
Cash at bank and in hand	1,765,400	1,650,071

12. Creditors: amounts falling due within one year	2020	2019
	£	£
Bank loans and overdrafts	40,151	40,922
Trade creditors	21,704	148,631
Taxation and social security	55,977	47,885
Other creditors	12,527	80,871
Accruals	303,289	29,256
Deferred income	37,393	77,833
	471,041	425,398

Deferred income represents income received in advance for social care services provided by the College in the next financial year.

13. Creditors: amounts falling due after more than one year	2020	2019
	£	£
Bank loans	670,467	708,347
Analysis of loans		
Repayable within one year	40,151	40,922
Repayable between two and five years	164,934	175,572
Repayable in more than five years	505,533	532,775
	710,618	749,269
Included in liabilities falling due within one year	(40,151)	(40,922)
	670,467	708,347

The bank loans are secured on 44 Cossington Road, Sileby and its associated assets, and on 217 Loughborough Road, Mountsorrel and its associated assets. The bank also holds a debenture over all assets of the company.

The loan for 44 Cossington Road, Sileby is repaid monthly and will be repaid in full on 8 July 2030. Interest is charged at 3.18% per annum over the Base Rate.

The loan for 217 Loughborough Road, Mountsorrel is repaid monthly and will be repaid in full on 16 January 2024. Interest is charged at 2% per annum over the Base Rate

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020**

14. Financial instruments

	2020 £	2019 £
Financial assets measured at amortised cost	1,897,834	1,809,084
Financial liabilities measured at amortised cost	1,141,508	1,133,745

Financial assets measured at amortised cost comprise trade debtors, prepayments and accrued income and cash at bank and in hand.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, accruals, deferred income and other creditors.

15. Pension costs

The company operates defined contribution pension schemes. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the schemes. Total contributions paid for the year ended 31 July 2020 were £48,415 (2019: £40,805).

16. Financial commitments

As at 31 July 2020, the company had future commitments under non-cancellable operating leases as follows:

	2020 £	2019 £
Expiry date:		
Within one year	55,412	52,867
Between two and five years	66,639	172,169
Over five years	120,833	-

17. Unrestricted funds

	At 1 August 2019 £	Income £	Expenditure £	Transfers £	At 31 July 2020 £
Designated Fund					
Property strategy	-	-	-	-	-
General funds					
Fixed assets	1,568,344	-	(77,062)	23,038	1,514,320
Free reserves	678,002	4,451,245	(4,342,920)	(23,038)	763,289
	2,246,346	4,451,245	(4,419,982)	-	2,277,609

The Property Strategy fund was set up to provide funds for the development of a new College campus and residential accommodation.

The transfers to unrestricted funds represent the contribution to fixed assets acquired out of restricted funds where the asset is held for general use and not a restricted purpose.

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020**

17. Unrestricted funds - continued

Comparative unrestricted funds

	At 1 August 2018 £	Income £	Expenditure £	Transfers £	At 31 July 2019 £
Designated Fund					
Property strategy	50,000	-	(57,899)	7,899	-
General funds					
Fixed assets	1,665,887	-	(75,200)	(22,343)	1,568,344
Free reserves	543,027	4,486,767	(4,366,236)	14,444	678,002
	<u>2,258,914</u>	<u>4,486,767</u>	<u>(4,499,335)</u>	<u>-</u>	<u>2,246,346</u>

18. Restricted funds

Comparative restricted funds

	At 1 August 2018 £	Income £	Expenditure £	Transfers to Unrestricted £	At 31 July 2019 £
Trinity College – Arts Grant	-	1,194	(1,194)	-	-
	<u>-</u>	<u>1,194</u>	<u>(1,194)</u>	<u>-</u>	<u>-</u>

19. Related party transactions

The college has accreditation with The National Autistic Society, of which Mrs C Stevens (trustee) is Chief Executive. During the year, accreditation fees of £2,247 (2019: £2,800) were paid to The National Autistic Society.

**HOMEFIELD COLLEGE LIMITED
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020**

20. Amounts disbursed as agent

Discretionary Support Funds	2020 £	2019 £
At beginning of year	6,249	6,881
Amounts received	12,503	6,510
Amounts disbursed	(5,460)	(7,142)
	<hr/>	<hr/>
At end of year	13,292	6,249
	<hr/>	<hr/>

Discretionary Support Funds are available solely to student, the College acting as paying agent. In these circumstances, the support funds and related disbursements are excluded from the Statement of Financial Activities. The amounts unspent are included in creditors at the year end.