

**Charity registration number 512619**

**Company registration number 01630317 (England and Wales)**

**HOUSE OF LIGHT TRUST LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

# HOUSE OF LIGHT TRUST LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	W Bell S Macredie C Charnley J Vout J Millea
<b>Secretary</b>	J Millea
<b>Charity number</b>	512619
<b>Company number</b>	01630317
<b>Registered office</b>	The Cornerstone 115 Doncaster Road Rotherham S65 2BN
<b>Auditor</b>	Hart Shaw LLP Europa Link Sheffield Business Park Sheffield S9 1XU

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# HOUSE OF LIGHT TRUST LIMITED

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# HOUSE OF LIGHT TRUST LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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The trustees present their annual report and financial statements for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in January 2015.

### Objectives and activities

The charity's aims and objectives are to provide homes in the community where people with learning disabilities, which may include mild physical impairment, are encouraged and assisted to live their lives to the full. Residents live in either a large home accommodating eight adults, or in one of two smaller homes, housing a further seven adults in total. The residents participate in the running of the homes, according to ability, but all take pride in helping and planning their own lives. Residents own individual choices regarding all aspects of daily living are encouraged including clothing, outings, holidays, room furnishings etc. The staff assist and support as appropriate. A key ethos of the trust is to promote a community environment within its homes.

The Trust provides a safe, secure and caring environment for very vulnerable adults within a unique community ethos.

It's principal source of funding is Rotherham Borough Council (RMBC) which pays weekly fees for residents that it places with the trust. The occupants of the large home continue to be regarded as residents, with the Trust receiving funding for a full residential care package. The occupants of the two smaller homes are now regarded as tenants, with the Trust receiving funding for social care and support, the tenants paying for their own living costs out of their personal income and benefit.

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

The charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

### Achievements and performance

The Trust aims to operate at full occupancy.

The Care Quality Commission continues to be satisfied with the standard of care provided in all of the trust's homes, as demonstrated by the outcomes of ongoing assessments and inspections. The trust was judged to be assessment compliant by Rotherham Metropolitan Borough Council, with very positive feedback during the assessment process, maintaining the very high regard the local authority holds of the Trust.

The Trust has successfully implemented a range of new and strict working practices to control the risk of COVID -19 infection within the three homes. These include the sourcing and use of personal protective equipment (PPE), infection control measures and testing for residents/tenants and staff. Maintaining communication with the families and friends of residents/tenants has also been a challenge well met.

The Trust has successfully moved from residential care to supported living in each of the two smaller homes.

# HOUSE OF LIGHT TRUST LIMITED

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

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### Financial review

The trustees are satisfied with the financial management over the financial year.

It continues to be the policy of the charity that unrestricted funds that have not been designated for a specific use should be maintained at a level to ensure that, in the event of a drop in occupancy and the associated reduction in income, it will be able to continue current activities whilst consideration is given to ways in which additional funding might be raised. Moving forward reserves will be monitored and replaced as appropriate.

The financial results are set out on page 8. The charity has made a surplus in the year of £35,274 (2021 - £21,711) and as at 31 March 2022 the charity held restricted reserves of £12,800 (2021 - £13,400) and total reserves of £351,261 (2021 - £315,987).

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Factors affecting the Trust's performance are as follows:

- Loss of income due to low capacity. The Trust carries a financial reserve to cover short to medium term loss of income and would take action to reduce staff costs should this become a longer term issue. The trustees are confident that RMBC is always likely to look to fill any vacant places, as the Trust offers better value for money than other suppliers in Rotherham.
- The overall financial challenge faced by RMBC has led to pressure to reduce fees. The Trust has already successfully engaged with RMBC to mitigate the potential impact of previous plans to reduce fees and is confident that it can demonstrate, through needs based analysis, the level of required support for each resident, linked to clear components of cost.
- Both RMBC and CQC inspections could pose a risk to the ability of the Trust to operate and have residents placed with it. Well established policies and procedures are in place which provides assurance to the trustees that this risk has been effectively mitigated.

The trust will aim to maintain full occupancy and its programme of planned maintenance of the buildings and contents will continue.

The Trust will monitor and evaluate the effects, both positive and negative, of implementing supported living on all stakeholders of the trust. This will help to inform future considerations regarding any potential change to supported living for the residents of the large home, a decision which would have implications for the property.

The Trust will carry out a review of its governance processes, in particular the role of directors in providing more formalised support and challenge to the Chief Executive and the management team. This will help to define the role ready for the recruitment of additional directors with specific expertise.

### Structure, governance and management

The charity is a company limited by guarantee without share capital and is a registered charity. The charity is governed by its Memorandum and Articles of Association.

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

W Bell  
S Macredie  
C Charnley  
J Vout  
J Millea

None of the trustees have any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

# HOUSE OF LIGHT TRUST LIMITED

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

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There is a Board of trustees, who meet regularly, and a standing finance sub committee, with other sub committees and House Support groups meeting as required by the Board.

All sub committees report back to the full Board who have the power to make final decisions.

The Chief Executive Officer is the overall manager of the trust and the registered manager of the Cornerstone, assisted in the latter by an operational manager. The two small homes share one separate registered manager who also has operational management responsibility for the small homes. Deputies are in place to assist each operational manager.

Where new trustees are appointed they receive an induction which includes the aims and objectives of the trust and the responsibilities of trustees.

Trustees are encouraged to keep up to date on changes to their responsibilities.

### **Asset cover for funds**

Note 14 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

### **Disabled persons**

The charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

### **Statement of trustees' responsibilities**

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

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

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

### **Auditor**

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

# HOUSE OF LIGHT TRUST LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

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### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

**J Millea**

Trustee

Dated: 28 November 2022

# HOUSE OF LIGHT TRUST LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF HOUSE OF LIGHT TRUST LIMITED

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#### Opinion

We have audited the financial statements of House of Light Trust Limited (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 19 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.

#### Conclusions relating to going concern

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

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

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

#### Other information

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

We have nothing to report in this regard.

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

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

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



# HOUSE OF LIGHT TRUST LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF HOUSE OF LIGHT TRUST LIMITED

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#### **Responsibilities of trustees**

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

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

At the planning stage we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience. The significant laws and regulations directly affecting the financial statements where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements included; The Charities Act and related regulations, Care Quality Commission, The Statement of Recommended Practice (SORP), The Companies Act 2006 as well as other operational laws and regulations. Owing to the size, nature and complexity of the organisation and the applicable laws and regulations to which it must adhere, the risk of material misstatement was deemed to be low, therefore the procedures performed by the audit team were limited to:

- Discussions with the Trustees and those charged with governance regarding where they considered the entity to be susceptible to fraud along with investigations of any knowledge of actual, suspected or alleged fraud prior to commencing the fieldwork.
- Considering the controls in place to mitigate the risk of irregularities, including fraud.
- Communicating identified laws and regulations to the audit team.
- Ensuring the audit team had recent, relevant experience and were aware of the significant laws and regulations relating to the entity and its sector along with the competence to identify instances of non-compliance.
- Reviewing minutes of meetings of charged with governance.

We have assessed the overall susceptibility of the financial statements to material misstatement due to fraud as low because the nature of the business does not particularly lend itself to fraud.

In response to the risks our approach included but was not limited to:

- Reviewing financial statement disclosures and agreeing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing analytical procedures to identify any unusual or unexpected relationships.
- Reviewing minutes of meetings of those charged with governance.
- Discussions with those charged with Governance regarding any instances of non-compliance with laws and regulations or any actual or potential litigation and claims.
- Reviewing legal and professional costs for any indication of non-compliance with laws and regulations.

# HOUSE OF LIGHT TRUST LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF HOUSE OF LIGHT TRUST LIMITED

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Management override may cause there to be a material misstatement within the financial statements and may present itself in a number of ways, for example:

- Override of internal controls (e.g. segregation of duties);
- Entering into transactions outside the normal course of the charity, especially with related parties;
- Fraudulent income recognition, including income being recorded in the wrong period and fund;
- Presenting bias in accounting judgements and estimates.

In relation to how the risk of management override of controls was addressed, our approach included but was not limited to:

- Assessing whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias
- Investigating rationale of significant or unusual transactions and agreeing to underlying records
- Obtaining and reviewing Type 2 reports from Service organisations
- Reviewing related parties and transactions with them to ensure these were not outside the normal course of business
- Enquiring with management as to whether they had any knowledge of any actual or suspected fraud
- Reviewing of all material journal entries made throughout the year as well as those made to prepare the financial statements
- Increased substantive testing across all material income streams.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly followed auditing standards. There is a higher risk of irregularities relating to fraud being undetected as these may involve the override of internal controls, collusion, deliberate omissions and/or misrepresentations.

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

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Natalie Bracey (Senior Statutory Auditor)**  
**for and on behalf of Hart Shaw LLP**

5 December 2022

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

Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

Hart Shaw LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# HOUSE OF LIGHT TRUST LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2022**

		Unrestricted funds 2022	Restricted funds 2022	Total 2022	Unrestricted funds 2021	Restricted funds 2021	Total 2021
	Notes	£	£	£	£	£	£
<b>Income from:</b>							
Donations and legacies	2	6,223	-	6,223	24,023	-	24,023
Charitable activities	3	664,305	37,003	701,308	664,259	-	664,259
Investments	4	14	-	14	42	-	42
<b>Total income</b>		<u>670,542</u>	<u>37,003</u>	<u>707,545</u>	<u>688,324</u>	<u>-</u>	<u>688,324</u>
<b>Expenditure on:</b>							
Charitable activities	5	<u>635,268</u>	<u>37,003</u>	<u>672,271</u>	<u>666,613</u>	<u>-</u>	<u>666,613</u>
<b>Net incoming resources before transfers</b>		35,274	-	35,274	21,711	-	21,711
Gross transfers between funds		<u>600</u>	<u>(600)</u>	<u>-</u>	<u>600</u>	<u>(600)</u>	<u>-</u>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		35,874	(600)	35,274	22,311	(600)	21,711
Fund balances at 1 April 2021		<u>302,587</u>	<u>13,400</u>	<u>315,987</u>	<u>280,276</u>	<u>14,000</u>	<u>294,276</u>
<b>Fund balances at 31 March 2022</b>		<u><u>338,461</u></u>	<u><u>12,800</u></u>	<u><u>351,261</u></u>	<u><u>302,587</u></u>	<u><u>13,400</u></u>	<u><u>315,987</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

All income and expenditure in the prior year related to unrestricted funds.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# HOUSE OF LIGHT TRUST LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2022

		2022		2021 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		186,996		181,798
<b>Current assets</b>					
Debtors	10	28,308		26,349	
Cash at bank and in hand		157,838		128,851	
		<u>186,146</u>		<u>155,200</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(21,881)</u>		<u>(21,011)</u>	
Net current assets			164,265		134,189
<b>Total assets less current liabilities</b>			<u>351,261</u>		<u>315,987</u>
<b>Income funds</b>					
Restricted funds	13		12,800		13,400
Unrestricted funds			338,461		302,587
			<u>351,261</u>		<u>315,987</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

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

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

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

The financial statements were approved by the Trustees on 28 November 2022

J Millea  
Trustee

Company Registration No. 01630317

# HOUSE OF LIGHT TRUST LIMITED

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 MARCH 2022**

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	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	17		43,493		25,467
<b>Investing activities</b>					
Purchase of tangible fixed assets		(14,520)		-	
Investment income received		14		42	
		<hr/>		<hr/>	
<b>Net cash (used in)/generated from investing activities</b>			(14,506)		42
<b>Net cash used in financing activities</b>			-		-
			<hr/>		<hr/>
<b>Net increase in cash and cash equivalents</b>			28,987		25,509
Cash and cash equivalents at beginning of year			128,851		103,342
			<hr/>		<hr/>
<b>Cash and cash equivalents at end of year</b>			157,838		128,851
			<hr/> <hr/>		<hr/> <hr/>

# HOUSE OF LIGHT TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### Charity information

House of Light Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Cornerstone, 115 Doncaster Road, Rotherham, S65 2BN.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

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

#### 1.2 Going concern

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

#### 1.3 Charitable funds

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

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

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

#### 1.4 Income

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

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

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

# HOUSE OF LIGHT TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Resources expended are accounted for on the accruals basis. All costs incurred are of a direct charitable nature, other than audit and accountancy related costs which are treated as Governance costs.

#### 1.6 Tangible fixed assets

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	2% straight line
Fixtures, fittings & equipment	15% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Employee benefits

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

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

#### 1.9 Retirement benefits

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

# HOUSE OF LIGHT TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Donations and gifts	6,223	24,023

### 3 Charitable activities

	2022 £	2021 £
Sales within charitable activities	701,308	664,259
Analysis by fund		
Unrestricted funds	664,305	
Restricted funds	37,003	
	701,308	
For the year ended 31 March 2021		
Unrestricted funds		664,259

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Interest receivable	14	42



# HOUSE OF LIGHT TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 5 Charitable activities

	2022 £	2021 £
Staff costs	541,850	538,569
Depreciation and impairment	9,322	10,411
Other costs	117,889	114,133
	<u>669,061</u>	<u>663,113</u>
Share of governance costs (see note 6)	3,210	3,500
	<u>672,271</u>	<u>666,613</u>

### 6 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Other costs	-	3,210	3,210	3,500
	<u>-</u>	<u>3,210</u>	<u>3,210</u>	<u>3,500</u>
Analysed between				
Charitable activities	-	3,210	3,210	3,500
	<u>-</u>	<u>3,210</u>	<u>3,210</u>	<u>3,500</u>

Activities undertaken directly include payments to the auditors of £3,210 (2021 - £3,500) for audit fees, which can be found in Governance costs and £840 (2021 - £2,760) for other services, which can be found within other costs for charitable activities.

### 7 Trustees

None of the trustees (or any persons connected with them) were remunerated or reimbursed for expenses during the year.

### 8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Carers	24	24
Trustees	5	5
	<u>29</u>	<u>29</u>
Total	<u>29</u>	<u>29</u>

# HOUSE OF LIGHT TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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8	Employees	(Continued)	
	Employment costs	2022 £	2021 £
	Wages and salaries	493,873	489,688
	Social security costs	34,742	34,832
	Other pension costs	13,235	14,049
		<u>541,850</u>	<u>538,569</u>

There were no employees whose annual remuneration was more than £60,000.

# HOUSE OF LIGHT TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 9 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2021	345,279	96,903	31,789	473,971
Additions	-	14,520	-	14,520
Disposals	-	(11,070)	-	(11,070)
At 31 March 2022	345,279	100,353	31,789	477,421
<b>Depreciation and impairment</b>				
At 1 April 2021	168,114	93,026	31,033	292,173
Depreciation charged in the year	6,898	2,235	189	9,322
Eliminated in respect of disposals	-	(11,070)	-	(11,070)
At 31 March 2022	175,012	84,191	31,222	290,425
<b>Carrying amount</b>				
At 31 March 2022	170,267	16,162	567	186,996
At 31 March 2021	177,165	3,877	756	181,798

All fixed assets are used for direct charitable purposes.

### 10 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	20,036	18,816
Prepayments and accrued income	8,272	7,533
	28,308	26,349

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

	2022 £	2021 £
Other taxation and social security	11,533	7,257
Other creditors	4,239	4,020
Accruals and deferred income	6,109	9,734
	21,881	21,011

# HOUSE OF LIGHT TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 12 Retirement benefit schemes

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

The charge to profit or loss in respect of defined contribution schemes was £13,235 (2021 - £14,049).

### 13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020 £	Resources expended £	Balance at 1 April 2021 £	Movement in funds		Balance at 31 March 2022 £
				Incoming resources £	Resources expended £	
RMBC Grant	14,000	(600)	13,400	-	(600)	12,800
Coronavirus Grants	-	-	-	37,003	(37,003)	-
	<u>14,000</u>	<u>(600)</u>	<u>13,400</u>	<u>37,003</u>	<u>(37,603)</u>	<u>12,800</u>

The RMBC Grant was received to help purchase 54 Doncaster Road. Transfers out relate to depreciation on this property.

The Coronavirus Grants were received from the council in relation to Covid Vaccinations, and additional Covid costs which spending had to be reported to the council. However, these have been fully spent during the year.

### 14 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	174,196	12,800	186,996	168,398	13,400	181,798
Current assets/(liabilities)	164,265	-	164,265	134,189	-	134,189
	<u>338,461</u>	<u>12,800</u>	<u>351,261</u>	<u>302,587</u>	<u>13,400</u>	<u>315,987</u>

### 15 Operating lease commitments

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

	2022 £	2021 £
Within one year	2,764	804
Between two and five years	7,924	1,541
	<u>10,688</u>	<u>2,345</u>

# HOUSE OF LIGHT TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 15 Operating lease commitments (Continued)

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### 16 Related party transactions

#### Remuneration of key management personnel

The total amount of employee benefits received by key management personnel is £117,440 (2021 - £109,933).

No guarantees have been given or received.

17 Cash generated from operations	2022 £	2021 £
Surplus for the year	35,274	21,711
Adjustments for:		
Investment income recognised in statement of financial activities	(14)	(42)
Depreciation and impairment of tangible fixed assets	9,322	10,411
Movements in working capital:		
(Increase) in debtors	(1,959)	(9,328)
Increase in creditors	870	2,715
<b>Cash generated from operations</b>	<b>43,493</b>	<b>25,467</b>

### 18 Analysis of changes in net funds

The charity had no debt during the year.

### 19 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to assist with the preparation of the financial statements.