

**Charity registration number 701912**

**Company registration number 02236170 (England and Wales)**

**HALAS HOMES**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

# HALAS HOMES

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

Mr A Billingham  
Mrs N Billingham (Chairperson)  
Mrs S Hampton  
Mr S Scriven  
Mr J Brettle  
Ms Y Davies  
Ms G Leno

### Charity number

701912

### Company number

02236170

### Registered office

Halas Home  
Wassell Road  
Halesowen  
West Midlands  
United Kingdom  
B63 4JX

### Auditor

BK Plus Audit Limited  
Azzurri House  
Walsall Business Park  
Walsall Road  
Walsall  
WS9 0RB

### Bankers

Lloyds Bank Plc  
153 High Street  
Rowley Regis  
West Midlands  
B65 0EB

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# HALAS HOMES

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# HALAS HOMES

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

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The trustees present their annual report and financial statements for the year ended 30 September 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the 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).

#### **Objectives and activities**

Our main activities and who we try to help and described below. All our charitable activities focus on the promotion and support for people with learning disabilities and are undertaken to further our charitable purposes for public benefit.

We have referred to the guidance contained in the charity's commissions general guidance on public benefit when reviewing our aim and objectives and in planning our future activities.

The objectives are to promote and support the care of people with learning disabilities; to increase public knowledge of the problems faces by people with learning disabilities and their families, creating a sympathetic climate of public opinion to encourage acceptance in the community; to be available to give advice to people with learning disabilities and their families within the area of the charity, and to carry on and promote the establishment of residential homes, supported living homes and day care opportunities.

Activity undertaken in relation to these objectives include the provision of residential care for 30 residents in Halas Homes, assessing their changing needs and care as required, meeting all requirements of the regulatory body (CQC), and providing social housing locally, for rent by people with a learning disability whose support needs are also provided by Halas Support Service.

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

#### **Achievements and performance**

The Covid pandemic continued to be significant, challenging, and changeable throughout the business year affecting operating procedures whilst still ensuring adherence to strict Government guidance to protect vulnerable service users and staff.

Prudent and precise management of grants ensured efficiency and consistency of various Projects and running of the organisation.

Outside clients continued to resume their Day Centre activities on site with staff supporting individuals to perform a Christmas concert B: Music (Symphony Hall) incorporating COVID restrictions and guidelines. The Day Centre continued to attract and retain clients.

As guidelines allowed the Day Centre was re-opened merging community and residential clients allowing full integration and normal operating procedures to commence as pre covid.

The Platinum Jubilee created an opportunity for the Residential Home to celebrate and re-connect with relatives, friends and family ensuing the first event since the outbreak of the pandemic taking place.

Links with the local community continued to expand and work programmes began on Halesowen Bid with collaborations with students from Halesowen College.

Coffee cups continued to meet its performance targets for the employed project whilst continuing to support the local community with food and friendship. Staff and volunteers were invited to participate and be awarded Freedom of the Borough for services recognised during covid.

# **HALAS HOMES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** **FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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### **Financial review**

The trustees review of the financial position of the charity indicates a sound financial position. In deciding on the investment funds a cautious approach is adopted having taken into account social, environmental and ethical considerations.

The charity's reserves policy is:

- a) To continue to provide a secure environment for the residents.
- b) To assist the development of supported living with the provision of appropriate accommodation and support.
- c) The reserves at 30 September were £2,218,930.
- d) In the opinion of the Trustees this level of reserves is needed to ensure the continuing care and support of its residents in the coming years. This policy will be regularly reviewed.

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

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

### **Structure, governance and management**

The charity is a company limited by guarantee and the governing document is the Articles and Memorandum 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:

Mr A Billingham  
Mrs N Billingham (Chairperson)  
Mrs S Hampton  
Mr S Scriven  
Mr J Brettle  
Ms Y Davies  
Ms G Leno

The recruitment and appointment of new trustees, when applicable, follows the established procedures as for a new employees.

The trustees, with Mrs N Billingham as Chairperson manage the charity, Mrs A Sayer, the CEO, has day-to-day control of the management of the charity.

Trustees are not remunerated, and are responsible for setting the remuneration of key management personal.

### **Funds held as Custodian Trustee**

Funds belonging to residents are maintained in a separate bank accounts and regularly reconciled.

### **Auditor**

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

# HALAS HOMES

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 30 SEPTEMBER 2022*

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



Mrs N Billingham (Chairperson)  
**Trustee**

6 June 2023

# **HALAS HOMES**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES** **FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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The trustees, who are also the directors of Halas Homes 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.

# HALAS HOMES

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HALAS HOMES

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### Opinion

We have audited the financial statements of Halas Homes (the 'charity') for the year ended 30 September 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 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 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.



# HALAS HOMES

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HALAS HOMES

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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.

From the preliminary of the audit, we ensure our understanding of the entity is up to date. This includes, but is not limited to, current knowledge of their activities, the business and control environments, and their compliance with the applicable legal and regulatory frameworks. This information supports our risk identification and the subsequent design of audit procedures to mitigate those risks; ensuring that the audit evidence obtained is sufficient and appropriate to support our opinion.

In response to the risks identified, specific to this entity, we designed procedures which included, but were not limited to:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance, if available;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of business.

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

# **HALAS HOMES**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HALAS HOMES**

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### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Christopher Hession C.A. (Senior Statutory Auditor)**  
**For and on behalf of BK Plus Audit Limited**

6 June 2023

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.

# HALAS HOMES

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 30 SEPTEMBER 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	3	25,846	83,315	109,161	38,378	240,151	278,529
Charitable activities	4	1,654,796	-	1,654,796	1,613,611	-	1,613,611
Investments	5	30	-	30	620	-	620
<b>Total income</b>		<b>1,680,672</b>	<b>83,315</b>	<b>1,763,987</b>	<b>1,652,609</b>	<b>240,151</b>	<b>1,892,760</b>
<b>Expenditure on:</b>							
Charitable activities	6	1,700,377	130,507	1,830,884	1,724,658	211,457	1,936,115
<b>Net outgoing resources before transfers</b>		<b>(19,705)</b>	<b>(47,192)</b>	<b>(66,897)</b>	<b>(72,049)</b>	<b>28,694</b>	<b>(43,355)</b>
Gross transfers between funds		(25,875)	25,875	-	23,839	(23,839)	-
<b>Net outgoing resources</b>		<b>(45,580)</b>	<b>(21,317)</b>	<b>(66,897)</b>	<b>(48,210)</b>	<b>4,855</b>	<b>(43,355)</b>
<b>Other recognised gains and losses</b>							
Revaluation of tangible fixed assets	11	275,613	-	275,613	-	-	-
<b>Net movement in funds</b>		<b>230,033</b>	<b>(21,317)</b>	<b>208,716</b>	<b>(48,210)</b>	<b>4,855</b>	<b>(43,355)</b>
Fund balances at 1 October 2021		1,975,399	34,815	2,010,214	2,023,609	29,960	2,053,569
<b>Fund balances at 30 September 2022</b>		<b>2,205,432</b>	<b>13,498</b>	<b>2,218,930</b>	<b>1,975,399</b>	<b>34,815</b>	<b>2,010,214</b>

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

All income and expenditure derive from continuing activities.

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

# HALAS HOMES

## BALANCE SHEET

AS AT 30 SEPTEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12		2,071,076		1,811,659
<b>Current assets</b>					
Stocks	13	596		596	
Debtors	14	29,403		150,251	
Cash at bank and in hand		391,230		298,970	
		421,229		449,817	
<b>Creditors: amounts falling due within one year</b>	15	(273,375)		(251,262)	
Net current assets			147,854		198,555
<b>Total assets less current liabilities</b>			2,218,930		2,010,214
<b>Income funds</b>					
Restricted funds	16		13,498		34,815
<u>Unrestricted funds</u>					
Designated funds	17	89,068		38,351	
General unrestricted funds		1,840,751		1,937,048	
Revaluation reserve		275,613		-	
			2,205,432		1,975,399
			2,218,930		2,010,214

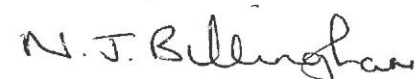
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

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 6 June 2023



Mrs N Billingham (Chairperson)  
Trustee

Company registration number 02236170

# HALAS HOMES

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	21		92,230		786
<b>Investing activities</b>					
Investment income received		30		620	
<b>Net cash generated from investing activities</b>			30		620
<b>Financing activities</b>					
Payment of obligations under finance leases		-		(469)	
<b>Net cash used in financing activities</b>			-		(469)
<b>Net increase in cash and cash equivalents</b>			92,260		937
Cash and cash equivalents at beginning of year			298,970		298,033
<b>Cash and cash equivalents at end of year</b>			391,230		298,970

# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

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### 1 Accounting policies

#### Charity information

Halas Homes is a private company limited by guarantee incorporated in England and Wales. The registered office is , Halas Home, Wassell Road, Halesowen, West Midlands, B63 4JX, United Kingdom.

#### 1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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.

Gifts in kind donated for distributions are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party bearing the cost.

# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 1 Accounting policies

(Continued)

The charity receives government grants in respect of care provided to residents. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

No amount is included in the financial statements for volunteer time in line with the SORP.

#### 1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Premises overheads have been allocated on a floor area basis and other overheads have been allocated on the basis of the head count.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

#### 1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Fixtures and fittings	12.5% to 25% straight line
Motor vehicles	25% straight line

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 net income/(expenditure) for the year.

No depreciation is provided on freehold property as in the opinion of the trustees there has been an increase in the value between the date of purchase and the balance sheet date.

It is the charity's policy to maintain its property to a high standard through a continuing programme of refurbishment and maintenance and consequently the useful economic life of the property and its residual value is such that any depreciation would be immaterial. In accordance with FRS102 the trustees carry out a review for impairment when events or changes in circumstances indicate that the carrying amount of the fixed assets may not be recoverable. In the opinion of the trustees the residual value of the buildings will at least equal their book value. No provision has therefore been made, contrary to FRS102.



# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### 1 Accounting policies

(Continued)

FRS102 requires that each class of tangible fixed asset is either revalued regularly or not at all. The policy that has been adopted is not to revalue in the future.

The cost of minor additions or those costing below £500 are not capitalised.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell.

#### 1.9 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.

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.



# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

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### 1 Accounting policies

(Continued)

#### 1.11 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.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 Government grants

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

As a result of the COVID-19 pandemic the charity has made applications to the HMRC Coronavirus Job Retention Scheme (CJRS) and has received support for employees who have been furloughed. The income from CJRS has been recognised on a straight line basis over the furlough period for each relevant employee.

The charity has received other COVID-19 related grants and they have been recognised for the period to which they relate.

#### 1.14 Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	24,597	-	24,597	29,490	-	29,490
Grant income	1,249	83,315	84,564	8,888	240,151	249,039
	25,846	83,315	109,161	38,378	240,151	278,529

During the previous year the charity received increased government grants, most of which were to support the charity through the Covid-19 pandemic.

# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

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### 4 Charitable activities

	2022 £	2021 £
Incoming resources from charitable activities	1,654,796	1,613,611

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Interest receivable	30	620

# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 6 Charitable activities

	2022 £	2021 £
Staff costs	1,483,087	1,554,814
Depreciation and impairment	16,196	16,587
Food, toiletries and cleaning	93,095	104,565
Welfare expenditure	9,836	10,839
Cleaning and miscellaneous expenses	10,059	19,791
Residents expenses	5,572	9,310
Day centre activities	10,379	1,068
Property and equipment maintenance	28,908	28,367
Grant expenditure	27,906	49,231
	<u>1,685,038</u>	<u>1,794,572</u>
Share of support costs (see note 7)	123,984	114,654
Share of governance costs (see note 7)	21,862	26,889
	<u>1,830,884</u>	<u>1,936,115</u>
<b>Analysis by fund</b>		
Unrestricted funds	1,700,377	1,724,658
Restricted funds	130,507	211,457
	<u>1,830,884</u>	<u>1,936,115</u>

Grant expenditure relates to resources expended, from restricted funds, for activities and project for the charities beneficiaries.

# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Rent	10,432	-	10,432	6,500	-	6,500
Rates	7,897	-	7,897	8,521	-	8,521
Heat and light	34,449	-	34,449	33,856	-	33,856
Telephone, postage and stationary	11,252	-	11,252	15,172	-	15,172
Insurance	25,863	4,439	30,302	15,427	4,166	19,593
Admin costs	34,091	-	34,091	35,178	-	35,178
Audit fees	-	10,000	10,000	-	22,723	22,723
Legal and professional	-	7,423	7,423	-	-	-
	<u>123,984</u>	<u>21,862</u>	<u>145,846</u>	<u>114,654</u>	<u>26,889</u>	<u>141,543</u>
Analysed between Charitable activities	<u>123,984</u>	<u>21,862</u>	<u>145,846</u>	<u>114,654</u>	<u>26,889</u>	<u>141,543</u>

Governance costs includes payments to the auditors of £7,000 (2021- £13,800) for audit fees and accountancy fees of £3,000 (2021- £8,923).

### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees' indemnity insurance of £5,192 was paid during the year (2021 - £4,166).

#### Key management personnel remuneration

The total amount of employee benefits received by key management personnel is £68,983 (2021 - £66,187).

The charity considers its key management personnel are those persons having authority and responsibility to vote for significant decisions of the charity.

### 9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Supervisory and domestic staff	66	70
Management and administration	15	16
Total	<u>81</u>	<u>86</u>

# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 9 Employees (Continued)

Employment costs	2022 £	2021 £
Wages and salaries	1,354,273	1,432,879
Social security costs	104,904	101,840
Other pension costs	23,910	20,095
	<u>1,483,087</u>	<u>1,554,814</u>

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

	2022 Number	2021 Number
£60,001 to £70,000	<u>1</u>	<u>1</u>

### 10 Taxation

As a charity, Halas Homes is exempt from tax on income and gains in accordance with sections 466 to 493 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that the income and gains are applied to its charitable objects. No tax charges have therefore arisen in the charity.

### 11 Revaluation of fixed assets

	Unrestricted funds	Total
	2022 £	2021 £
Revaluation of tangible fixed assets	<u>(275,613)</u>	<u>-</u>

During the financial year the trustees revalued the freehold property by £275,613 this was based on local knowledge of property prices.

# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 12 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 October 2021	1,758,275	217,135	109,954	2,085,364
Revaluation	275,613	-	-	275,613
At 30 September 2022	2,033,888	217,135	109,954	2,360,977
<b>Depreciation and impairment</b>				
At 1 October 2021	-	168,563	105,141	273,704
Depreciation charged in the year	-	11,384	4,813	16,197
At 30 September 2022	-	179,947	109,954	289,901
<b>Carrying amount</b>				
At 30 September 2022	2,033,888	37,188	-	2,071,076
At 30 September 2021	1,758,275	48,571	4,813	1,811,659

Land and buildings with a carrying amount of £2,033,888 were revalued at 30 September 2022 by the trustees,

This valuation was based on the local knowledge of property prices in the surrounding area.

At 30 September 2022, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £1,758,275 (2021 - £-).

The revaluation surplus is disclosed in note 11.

### 13 Stocks

	2022 £	2021 £
Raw materials and consumables	596	596

### 14 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	22,287	124,789
Other debtors	1,536	15,868
Prepayments and accrued income	5,580	9,594
	29,403	150,251

# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

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

	2022 £	2021 £
Other taxation and social security	35,525	31,861
Trade creditors	2,762	11,282
Other creditors	189,209	134,739
Accruals and deferred income	45,879	73,380
	<u>273,375</u>	<u>251,262</u>



# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 16 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 October 2020	Movement in funds			Transfers 1 October 2021	Balance at 1 October 2021	Movement in funds			Transfers	Balance at 30 September 2022
		Incoming resources	Resources expended	£			Incoming resources	Resources expended	£		
The arts fund	900	-	-	-	-	900	-	(900)	-	-	-
The lifestyle fund	191	-	-	-	-	191	-	(191)	-	-	-
Forbes (Community Engagement)	850	25,000	(26,455)	605	-	-	25,000	(22,427)	-	-	2,573
Money Management	4,800	-	-	-	-	4,800	-	(4,800)	-	-	-
Lottery IT	8,843	-	-	-	-	8,843	-	(8,843)	-	-	-
Coffee Cups refurbishment	3,499	-	-	-	-	3,499	-	(3,499)	-	-	-
Lottery tea time treats	9,850	34,152	(27,420)	-	-	16,582	-	(5,657)	-	-	10,925
COVID infection grant	1,027	-	(1,491)	464	-	-	-	-	-	-	-
COVID SSP infection control	-	21,671	(21,671)	-	-	-	-	-	-	-	-
COVID discretionary grant	-	10,000	(10,967)	967	-	-	10,000	(10,000)	-	-	-
COVID rapid testing fund	-	23,836	(23,836)	-	-	-	6,997	(6,997)	-	-	-
COVID IPC grant	-	12,296	(12,296)	-	-	-	9,847	(9,847)	-	-	-
COVID cultural recovery fund	-	14,416	(14,416)	-	-	-	-	(25,875)	25,875	-	-
COVID community fund	-	98,780	(72,905)	(25,875)	-	-	10,000	(10,000)	-	-	-
COVID vaccine fund	-	-	-	-	-	-	692	(692)	-	-	-
COVID workforce retention grant	-	-	-	-	-	-	20,779	(20,779)	-	-	-
	29,960	240,151	(211,457)	(23,839)	34,815	83,315	(130,507)	25,875	13,498		

## HALAS HOMES

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 16 Restricted funds

(Continued)

The arts fund - grants received, specifically to be used on performing arts.

The lifestyle fund - to be used in connection with the Health and Wellbeing of residents.

The Forbes (Community Engagement) fund - This project was set up to help people with learning disabilities into employment.

Big Lottery IT fund - This fund is to run a series of workshops/lessons on various aspects of IT, to help people learn new online skills.

Coffee Cups refurbishment fund - This was set up to raise funds for the Coffee Cups refurbishment.  
Lottery tea time treats - Due to COVID-19 lockdown restrictions coffee cups shop had to close. This project allowed people with learning disabilities to continue to engage with the local community and deliver fresh food and conversation to the vulnerable and lonely residents who were severely impacted by the pandemic.

Money Management fund - This project was set up to try and increase financial awareness to people with learning disabilities and encourage them to see the value of money.

COVID grants - funds received are to be used to help control the spread of COVID-19 within the care home, including support towards payroll costs for staff who are isolating.

The cultural recovery grant - this is to support the performing arts activities and aid recovery after lockdown restrictions.

# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 17 Designated funds

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

	Movement in funds			Movement in funds			
	Balance at 1 October 2020	Incoming resources	Resources expended	Balance at 1 October 2021	Incoming resources	Resources expended	Balance at 30 September 2022
	£	£	£	£	£	£	£
Supported living custodian fund	21,952	249,358	(270,661)	649	190,609	(143,000)	48,258
Residents custodian fund	34,580	176,766	(173,644)	37,702	85,472	(82,364)	40,810
	<u>56,532</u>	<u>426,124</u>	<u>(444,305)</u>	<u>38,351</u>	<u>276,081</u>	<u>(225,364)</u>	<u>89,068</u>

### 18 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 30 September 2022 are represented by:						
Tangible assets	2,071,076	-	2,071,076	1,808,160	3,499	1,811,659
Current assets/(liabilities)	<u>134,356</u>	<u>13,498</u>	<u>147,854</u>	<u>167,239</u>	<u>31,316</u>	<u>198,555</u>
	<u>2,205,432</u>	<u>13,498</u>	<u>2,218,930</u>	<u>1,975,399</u>	<u>34,815</u>	<u>2,010,214</u>

### 19 Operating lease commitments

#### Lessor

At the reporting end date the charity had outstanding commitments for future minimum lease payments under no-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	3,022	2,225
Between two and five years	<u>2,409</u>	<u>3,588</u>
	<u>5,431</u>	<u>5,813</u>

### 20 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

# HALAS HOMES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

21	Cash generated from operations	2022 £	2021 £
	Surplus/(deficit) for the year	(66,897)	(43,355)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(30)	(620)
	Depreciation and impairment of tangible fixed assets	16,196	16,587
	Movements in working capital:		
	Decrease in debtors	120,848	27,013
	Increase in creditors	22,113	1,161
	<b>Cash generated from operations</b>	<b>92,230</b>	<b>786</b>
22	<b>Analysis of changes in net funds</b>		
	The charity had no debt during the year.		