

Company registration number: 04190963

Charity registration number: 1088596

Homemaker Southwest

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 March 2019



Homemaker Southwest

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Homemaker Southwest

Reference and Administrative Details

Trustees

A J C Griffin
Ms H Stanley
Dr R C Cresswell, M.B.E.
Ms S Morrison
Ms J Froom
Mr R W Ball

Senior Management Team

Andrea Carlisle, Director
Vanessa Handley, Director of Development
Sarah Fayter, Office Manager

The charity is incorporated in England and Wales.

Company Registration Number 04190963

Charity Registration Number 1088596

Auditors

Four Fifty Partnership
Chartered Accountants & Registered Auditor
34 Boulevard
Weston-super-Mare
North Somerset
BS23 1NF



Homemaker Southwest

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2019.

Objectives and activities

Objects and aims

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

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

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

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

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

We continue to see a change in what commissioners require from us. This is largely linked to the reduced funds they have for services such as ours, and to the increased needs resulting from the long-term downturn in the economy, together with the impact of welfare reform changes.

Last year (2017/18), hard work and diligence by our Management Team ensured that our annual income was largely maintained, enabling our staffing levels to remain stable. Continued hard work in 2018/19, once again sustained funding levels, albeit from a more diverse range of sources. This ensured another year of stability for our experienced staff team.

Homemaker Southwest

Trustees' Report

Public benefit

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

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

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

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

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

Financial review

Principal funding sources

Homemaker has a range of funding sources; most of them in 2018/19 were from either statutory bodies, such as local authorities and The Money Advice Service, or from Registered Social Landlords. During the year, Homemaker won new contracts with Teignbridge, South Hams and West Devon District Councils. The largest expenditure is on salaries for staff who help us to deliver our charitable aims in the homes and communities of our clients in the South West. We continued to make applications for Charitable Trust funding: several of which were successful, most notably, £15,000 from Garfield Weston.

Homemaker Southwest

Trustees' Report

Investment policy and objectives

The main account is with the Co-operative Bank as they have lower costs and a better interface for charities. Reserves have been lodged in a HSBC savings account so as to ensure that no one account contains more than £75,000. The Board is conscious that investment income is severely limited during the period of historically low interest rates and as such have closed the CAF Gold account. They are still looking for better options.

Policy on reserves

The Board agreed, in principle, to a reserves strategy of creating a contingent reserve equivalent to a minimum of three months' running expenses plus potential redundancy costs. This would enable the charity to continue its activities for a limited period in the event of a significant drop in funding. The reserve (note 17) currently stands at £75,500 (£15,000 up on last year) but would require £136,088 to meet this objective.

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

Pensions

The potential liability for the Pension Trust final salary scheme (Series 3) was estimated as £32,500 on the basis of the 2015 Valuation (the next valuation is due in 2018) and no payments are now made to Series 3. Payments are now made to Series 4, which is not a defined benefit scheme and has no potential liabilities for the charity. During the year, the Trustees reviewed the options for meeting our auto-enrolment obligations and selected The People's Pension as provider making a 3% auto-enrolment employer contribution.

Structure, governance and management

Nature of governing document

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

Homemaker Southwest

Trustees' Report

Recruitment and appointment of trustees

New trustees are appointed by the Board, after consideration of applications from volunteers. One third of trustees must retire at each annual general meeting, all are eligible for re-election. Trustee numbers can vary from a minimum of five to a maximum of twelve. During 2018/19, there were no changes to the Board of six members.

Induction and training of trustees

New Trustees are inducted by the Chair and Executive Directors. Training for Trustees is arranged as deemed necessary. The Trustees meet regularly; usually 5 meetings per year. They are responsible for setting policies, managing financial affairs, and determining the Charity's strategic direction.

Organisational structure

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

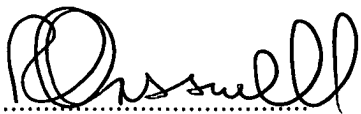
Disclosure of information to auditor

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

Small companies provision statement

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

The annual report was approved by the trustees of the charity on 14.12.19 and signed on its behalf by:



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

Homemaker Southwest

Statement of Trustees' Responsibilities

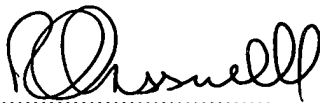
The trustees (who are also the directors of Homemaker Southwest for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable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

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

- select suitable accounting policies and 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Approved by the trustees of the charity on4.12.19..... and signed on its behalf by:



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

Homemaker Southwest

Independent Auditor's Report to the Members of Homemaker Southwest

Opinion

We have audited the financial statements of Homemaker Southwest (the 'charity') for the year ended 31 March 2019, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2019 and of its results 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.

Homemaker Southwest

Independent Auditor's Report to the Members of Homemaker Southwest

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 charity'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.

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

Homemaker Southwest

Independent Auditor's Report to the Members of Homemaker Southwest

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 6), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Homemaker Southwest

Independent Auditor's Report to the Members of Homemaker Southwest

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

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

Homemaker Southwest

Independent Auditor's Report to the Members of Homemaker Southwest

Four Fifty Partnership Limited

Joy Boswell, FCCA FCA (Senior Statutory Auditor)

For and on behalf of Four Fifty Partnership, Statutory Auditor

34 Boulevard
Weston-super-Mare
North Somerset
BS23 1NF

Date: *13 December 2019*

Homemaker Southwest

Statement of Financial Activities for the Year Ended 31 March 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Charitable activities	3	151,540	196,030	347,570
Investment income	4	52	-	52
Other income		14,184	-	14,184
Total Income		<u>165,776</u>	<u>196,030</u>	<u>361,806</u>
Expenditure on:				
Charitable activities	5	<u>(131,916)</u>	<u>(205,168)</u>	<u>(337,084)</u>
Total Expenditure		<u>(131,916)</u>	<u>(205,168)</u>	<u>(337,084)</u>
Net income/(expenditure)		33,860	(9,138)	24,722
Transfers between funds		<u>(8,489)</u>	<u>8,489</u>	<u>-</u>
Net movement in funds		25,371	(649)	24,722
Reconciliation of funds				
Total funds brought forward		<u>60,822</u>	<u>19,187</u>	<u>80,009</u>
Total funds carried forward	17	<u><u>86,193</u></u>	<u><u>18,538</u></u>	<u><u>104,731</u></u>

Homemaker Southwest

Statement of Financial Activities for the Year Ended 31 March 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2018 £
Income and Endowments from:				
Charitable activities	3	97,420	187,732	285,152
Investment income	4	18	-	18
Other income		<u>11,132</u>	<u>10,000</u>	<u>21,132</u>
Total Income		<u>108,570</u>	<u>197,732</u>	<u>306,302</u>
Expenditure on:				
Charitable activities	5	<u>(123,846)</u>	<u>(189,227)</u>	<u>(313,073)</u>
Total Expenditure		<u>(123,846)</u>	<u>(189,227)</u>	<u>(313,073)</u>
Net (expenditure)/income		(15,276)	8,505	(6,771)
Transfers between funds		<u>(984)</u>	<u>984</u>	<u>-</u>
Net movement in funds		(16,260)	9,489	(6,771)
Reconciliation of funds				
Total funds brought forward		<u>77,082</u>	<u>9,698</u>	<u>86,780</u>
Total funds carried forward	17	<u><u>60,822</u></u>	<u><u>19,187</u></u>	<u><u>80,009</u></u>

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

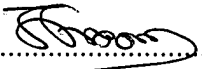
The funds breakdown for 2018 is shown in note 17.

Homemaker Southwest

(Registration number: 04190963)
Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	12	530	1,148
Current assets			
Debtors	13	11,770	8,754
Cash at bank and in hand		123,197	97,146
		134,967	105,900
Creditors: Amounts falling due within one year	14	(30,766)	(27,039)
Net current assets		104,201	78,861
Net assets		104,731	80,009
Funds of the charity:			
Restricted funds		18,538	19,187
Unrestricted funds		86,193	60,822
Total funds	17	104,731	80,009

The financial statements on pages 12 to 30 were approved by the trustees, and authorised for issue on 4/12/2019 and signed on their behalf by:


.....
Ms J Froom
Trustee

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

1 Charity status

The charity is limited by share capital, incorporated in England and Wales.

The address of its registered office is:

2nd Floor
2 Southernhay West
Exeter
EX1 1JG

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

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

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

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

Income and endowments

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

Grants receivable

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

Investment income

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

Expenditure

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

Charitable activities

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

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

Grant expenditure

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

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

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

Support costs

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

Taxation

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

Tangible fixed assets

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

Depreciation and amortisation

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

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

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

Trade debtors

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

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

Cash and cash equivalents

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

Trade creditors

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

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

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

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

Contingency reserve

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

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

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

Probation rent spend

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

Specific Client Support

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

Citizens Advice Face 2 Face

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

Henry Smith Charity

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

Pensions and other post retirement obligations

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

Financial instruments

Classification

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

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

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

Recognition and measurement

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

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

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

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

Volunteers

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

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

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

3 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Registered Providers	24,375	5,000	29,375	19,838
Devon Local Authorities	101,901	-	101,901	82,582
Henry Smith Charity	-	35,000	35,000	26,250
Other sources	25,264	-	25,264	-
Face 2 Face	-	156,030	156,030	156,482
	<u>151,540</u>	<u>196,030</u>	<u>347,570</u>	<u>285,152</u>

4 Investment income

	Unrestricted funds £	Total 2019 £	Total 2018 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>52</u>	<u>52</u>	<u>18</u>

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

5 Expenditure on charitable activities

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Depreciation, amortisation and other similar costs		574	44	618	537
Staff costs		82,727	168,353	251,080	235,463
Allocated support costs		44,055	31,160	75,215	65,738
Other support costs	6	4,560	5,611	10,171	11,335
		<u>131,916</u>	<u>205,168</u>	<u>337,084</u>	<u>313,073</u>

6 Analysis of governance and support costs

Other support costs

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Audit fees				
Audit of the financial statements	589	707	1,296	1,295
Other fees paid to auditors	894	1,063	1,957	1,958
Legal fees	3,021	3,841	6,862	8,082
Marketing and publicity	56	-	56	-
	<u>4,560</u>	<u>5,611</u>	<u>10,171</u>	<u>11,335</u>

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

7 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2019 £	2018 £
Depreciation of fixed assets	<u>618</u>	<u>537</u>

8 Trustees remuneration and expenses

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

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

9 Staff costs

The aggregate payroll costs were as follows:

	2019 £	2018 £
Staff costs during the year were:		
Wages and salaries	227,938	213,535
Social security costs	14,849	13,717
Pension costs	<u>8,293</u>	<u>8,211</u>
	<u>251,080</u>	<u>235,463</u>

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

	2019 No	2018 No
Employees	<u>13</u>	<u>12</u>

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

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

10 Auditors' remuneration

	2019 £	2018 £
Audit of the financial statements	<u>1,296</u>	<u>1,295</u>
Other fees to auditors		
All other non-audit services	<u>1,957</u>	<u>1,958</u>

11 Taxation

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

12 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2018	<u>8,215</u>	<u>8,215</u>
At 31 March 2019	<u>8,215</u>	<u>8,215</u>
Depreciation		
At 1 April 2018	7,067	7,067
Charge for the year	<u>618</u>	<u>618</u>
At 31 March 2019	<u>7,685</u>	<u>7,685</u>
Net book value		
At 31 March 2019	<u>530</u>	<u>530</u>
At 31 March 2018	<u>1,148</u>	<u>1,148</u>

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

13 Debtors

	2019	2018
	£	£
Trade debtors	6,175	1,506
Prepayments	4,968	6,663
Accrued income	400	375
Other debtors	227	210
	<u>11,770</u>	<u>8,754</u>

14 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	3,233	3,468
Other taxation and social security	6,077	4,726
Other creditors	1,684	749
Accruals	19,772	18,096
	<u>30,766</u>	<u>27,039</u>

15 Commitments

Pension commitments

The charity operates a defined contribution pension scheme. The pension charge for the period represents contributions payable by the charity to the scheme and amounted to £8,294 (2018: £8,211). As at the balance sheet date pension contributions payable of £754 (2018: £529) are included within other creditors.

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

16 Contingent liabilities

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

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

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

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

Homemaker Southwest has been notified by the Pensions Trust of the estimated employer debt withdrawal from the Plan based on the financial position of the Plan as at 30 September 2018 (most recent valuation available). As at that date the estimated employer debt for Homemaker Southwest was £22,126 (2017:£24,869).

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

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

17 Funds

	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2019 £
Unrestricted funds					
<i>Unrestricted funds</i>					
Unrestricted income fund	322	165,776	(131,916)	(23,489)	10,693
Contingency reserve	60,500	-	-	15,000	75,500
	<u>60,822</u>	<u>165,776</u>	<u>(131,916)</u>	<u>(8,489)</u>	<u>86,193</u>
Restricted funds					
Specific client support	2,507	-	-	-	2,507
Citizens Advice Face 2 Face	16,680	156,030	(156,679)	-	16,031
Henry Smith Charity	-	35,000	(42,359)	7,359	-
Sanctuary	-	5,000	(6,130)	1,130	-
Total restricted funds	<u>19,187</u>	<u>196,030</u>	<u>(205,168)</u>	<u>8,489</u>	<u>18,538</u>
Total funds	<u>80,009</u>	<u>361,806</u>	<u>(337,084)</u>	<u>-</u>	<u>104,731</u>
	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2018 £
Unrestricted funds					
<i>Unrestricted funds</i>					
Unrestricted income fund	3,582	108,570	(123,846)	12,016	322
Contingency reserve	73,500	-	-	(13,000)	60,500
	<u>77,082</u>	<u>108,570</u>	<u>(123,846)</u>	<u>(984)</u>	<u>60,822</u>

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2018 £
Restricted funds					
Probation rent spend	2,106	-	-	(2,106)	-
Specific client support	5,200	-	(2,693)	-	2,507
Citizens Advice Face 2 Face	2,392	166,482	(152,194)	-	16,680
Henry Smith Charity	-	26,250	(29,340)	3,090	-
Sanctuary	-	5,000	(5,000)	-	-
Total restricted funds	<u>9,698</u>	<u>197,732</u>	<u>(189,227)</u>	<u>984</u>	<u>19,187</u>
Total funds	<u>86,780</u>	<u>306,302</u>	<u>(313,073)</u>	<u>-</u>	<u>80,009</u>

18 Analysis of net assets between funds

	Unrestricted funds Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	530	-	530
Current assets	107,443	27,524	134,967
Current liabilities	<u>(21,780)</u>	<u>(8,986)</u>	<u>(30,766)</u>
Total net assets	<u>86,193</u>	<u>18,538</u>	<u>104,731</u>

Homemaker Southwest

Notes to the Financial Statements for the Year Ended 31 March 2019

19 Analysis of net funds

	At 1 April 2018 £	Cash flow £	At 31 March 2019 £
Cash at bank and in hand	97,146	26,051	123,197
Net debt	97,146	26,051	123,197
	At 1 April 2017 £	Cash flow £	At 31 March 2018 £
Cash at bank and in hand	109,640	(12,494)	97,146
Net debt	109,640	(12,494)	97,146