

Company No. 3588469

Charity No. 1071686

**HARVEST FIELDS HOMES
(A Company Limited by Guarantee)**

UNAUDITED FINANCIAL STATEMENTS

YEAR ENDED 31st December 2019

www.harvestfieldshomes.org.uk

**Independent Examiner: Peter Saltiel
Church & Charity Accounts Service**

HARVEST FIELDS HOMES
(A Company Limited by Guarantee)

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HARVEST FIELDS HOMES
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COMPANY INFORMATION

Trustees:	J A Gilmour E J Robinson S J Robinson
Secretary:	S J Robinson
Staff:	P J Gilmour (Housing Manager)
Principal Office & Correspondence Address:	Dale Farm Worcester Lane Sutton Coldfield West Midlands B75 5PR
Bankers:	Barclays Bank Leicester LE87 2BB
Independent Examiner:	Peter Saltiel Church & Charity Accounts Service Planchadeau 23460 Saint-Pierre-Bellevue France
Registered Charity Number:	1071686 (England & Wales)
Company Number:	3588469 (England & Wales)

HARVEST FIELDS HOMES
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Report of the Trustees (including Director's Report) 2019

The Trustees, who are directors of the company for the purposes of company law, present their report and financial statements together with the independent examiner's report for the period ended 31 December 2019.

Object, Activities and Public Benefit

The Objects of the Charity are to advance the Christian faith and, as an expression of Christian witness love and concern, to:

provide accommodation and associated amenities, services, advice or assistance for persons in necessitous circumstances or in charitable need; provide and/or support facilities to improve the conditions of life for the local community, relieve the aged, the poor, the sick and those in conditions of need, hardship and distress; and provide and/or support training and pastoral care.

The trustees have taken account of the Charity Commission's general guidance relating to public benefit when reviewing the Charity's achievements and performance.

To date the Charity has only met housing need. To this end the Charity owns and manages the Rented Social Housing required under the Section 106 Agreement with the City of Birmingham on the housing development at Harvest Fields, Sutton Coldfield. It owns and rents out twenty-four houses to those who, before they moved to Harvest Fields, were considered to be in housing need.

Achievements, Performance and Public Benefit

The trustees consider that the Object has been achieved satisfactorily during the year by providing good quality, affordable accommodation for their tenants. The provision of a home from Harvest Fields Homes has dramatically improved the quality of life for most tenants' families; many of whom came from sub-standard or inappropriate sized properties. In many instances it has also released a property back into the rented housing market. They consider that this has satisfied the public benefit test.

Financial Review & Reserves Policy

The results of the Charity for the year ended 31st December 2019 are set out in the financial statements. Income for the financial year was £164,416 (2018: £163,958) and the expenditure was £101,611 (2018: £76,420).

The undesignated reserves carried forward are £315,910 which is considered satisfactory. However, the uninvested portion of these is only £21,735 (the free reserves). It was always the expectation of the trustees that, having paid interest and other costs, there would be very few free reserves for many years.

Given the financial support available from Quothquan Trust and the designated funds (reserves), this Charity can operate successfully with only small non-designated free reserves.

The trustees actively monitor risks and seek to minimise, manage and/or eliminate them where possible and practicable.

HARVEST FIELDS HOMES
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Report of the Trustees (continued)

Trustees

The trustees, J A Gilmour, E J Robinson and S J Robinson, have held office throughout the year. Trustees are appointed by the members who are the trustees. Details of transactions with connected charities and related parties are set out in note 13.

Responsibilities of the Trustees

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the surplus or deficit of the Charity for that period. In preparing these financial statements, the trustees are required to:-

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

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

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the trustees / Directors on 26th February 2020 and signed by their order.



S J Robinson
Secretary

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES/DIRECTORS/MEMBERS OF HARVEST FIELDS HOMES FOR THE YEAR ENDED 31ST DECEMBER 2019

Charity No: 1071686 Company No: 3588469

I report on the accounts of the Trust for the year ended 31st December 2019 which are set out on pages 5 to 9.

Responsibilities and basis of report

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Peter Saltiel
Church & Charity Accounts Service
Planchadeau
23460 Saint-Pierre-Bellevue
France
formerly, 69 Portland Place
Greenhithe, Kent, DA9 9FE



Dated 29th February 2020

HARVEST FIELDS HOMES
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Statement of Financial Activities and
Summary of Income and Expenditure Account

Year Ended 31st December 2019

	Notes	Designated 2019 £	Other Unrestricted 2019 £	Total Unrestricted Funds 2019 £	Total Unrestricted Funds 2018 £
Income:					
Charitable activities: rent receivable	3	-	164,401	164,401	163,955
Interest receivable		-	15	15	3
		<u>-</u>	<u>164,416</u>	<u>164,416</u>	<u>163,958</u>
Expenditure:					
Charitable activities	4	-	101,611	101,611	76,420
		<u>-</u>	<u>101,611</u>	<u>101,611</u>	<u>76,420</u>
Net income for the year		-	62,805	62,805	87,538
Transfers:					
To Maintenance Fund	2 & 11	-	-	-	-
To Sinking Fund	2 & 11	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		-	62,805	62,805	87,538
Total funds brought forward		570,552	253,105	823,657	736,119
Total funds carried forward		<u>570,552</u>	<u>315,910</u>	<u>886,462</u>	<u>823,657</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
All the above results are derived from continuing activities.
The notes on pages 7 to 10 form part of these financial statements.

HARVEST FIELDS HOMES
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Balance Sheet

At 31st December 2019

	Notes	2019 £	2018 £
Fixed Assets			
Tangible assets	8	1,244,378	1,271,049
Current Assets			
Debtors	9	4,432	3,894
Cash at bank		24,482	17,790
		28,914	21,684
Creditors: Amounts falling due within one year	10	(7,179)	(10,434)
Net Current Assets		21,735	11,250
Total Assets less Current Liabilities		1,266,113	1,282,299
Creditors: Amounts falling due after more than one year	13	(379,651)	(458,642)
Net Assets		886,462	823,657
Funds:			
Designated – Maintenance Fund	2 & 11	424,192	424,192
Designated – Sinking Fund	2 & 11	146,360	146,360
Total designated funds		570,552	570,552
Other Unrestricted		315,910	253,105
		886,462	823,657

The trustees (who are also the directors of the company for the purposes of company law) confirm that for the year ended 31st December 2019.

- the company was entitled to exemption from audit under section 477 of the Companies Act 2006, and
- members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The accounts have been examined by an independent examiner whose report appears on page 4.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The Notes on pages 7 to 10 form an integral part of these accounts.

These accounts, which have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies, were approved by the trustees / Directors on 26th February 2020 and signed on their behalf by:

S J Robinson – Trustee
Company No. 3588469

HARVEST FIELDS HOMES
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Notes to the Financial Statements

Year Ended 31st December 2019

1. Basis of Preparation

Basis of accounting

These financial statements are prepared under the historical cost convention and in accordance with:

- The Charities Act 2011
- The Companies Act 2006
- The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102)
- Accounting & Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS102) (effective January 2015)

The accounts present a true and fair view and no changes in the basis of accounting have been made during the year. There have also been no changes to the previous accounts during the financial year. The charity is a public benefit entity.

Going Concern

The trustees are of a view that there are sufficient reserves to secure the immediate future of the Trust for the next 12 to 18 months and on that basis the charity is a going concern.

2. Accounting Policies - Fund Accounting

Unrestricted Funds

These are donations, rental and other income received or generated for the objects of the charity without specific purpose and are available as general funds. The charity has no restricted funds.

Maintenance Fund

This is a designated part of unrestricted funds and is provided based upon the expected costs for cyclical maintenance for each house size by the number of months occupied.

Sinking Fund

This is another designated part of unrestricted funds and is provided based upon the expected long term replacement costs for each house size by the number of months occupied.

Fixed Assets

Purchased fixed assets are capitalised at the price paid (plus fees etc) even if the open market value could be or was higher at the time of acquisition.

Depreciation

Depreciation is calculated to write off from the date of first occupation the cost of buildings at 2% per annum straight line and carpets and furniture etc at 12½% per annum straight line.

Current Assets

Current assets are cash at bank with immediate access and debtors.

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Notes to the Financial Statements (cont'd)

Year Ended 31st December 2019

2. Accounting Policies (cont'd)

Current Liabilities

Current liabilities are obligations to pay for services within one year.

Judgements and Estimations

The trustees have not made any significant judgements in the process of applying the accounting policies and there are no areas of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

Cash Flow Exemption

The trustees have not produced a statement of cash flows, as the Charity is within the small company and charity thresholds.

3. Income

The income and result for the year are attributed to the principal activity as set out in the report of the trustees. The whole of the income totalling £164,416 (2018: £163,958) was derived from the UK.

4. Expenditure on charitable activities

	2019 £	2018 £
Interest payable	16,009	18,840
Depreciation of tangible assets	26,671	26,671
Staff costs (less £1,300 QH contribution)	1,950	1,700
Property expenses	50,909	23,126
Governance – Independent Examiner	485	485
Governance – Companies House	13	13
Bookkeeping & admin charge from SQCT	5,500	5,500
Bank charges	74	85
	<u>101,611</u>	<u>76,420</u>

5. Trustees

Neither of the trustees has received any remuneration from the Charity for services rendered nor been reimbursed any expenses. Details of transactions with connected charities and related parties are set out in note 13 below.

6. Staff Costs

	2019 £	2018 £
Salaries	<u>3,000</u>	<u>3,000</u>

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Notes to the Financial Statements (cont'd)

Year Ended 31st December 2019

7. Taxation

The company is a registered charity and as all its income will be applied for charitable purposes, no liability to tax arises in respect of the year ended 31st December 2019 (2018: Nil).

8. Tangible Fixed Assets

	Freehold property £	Furniture, carpets etc £	Total £
Cost			
At 31st December 2018	1,617,564	32,836	1,650,400
Additions/disposals in the year	-	-	-
At 31st December 2019	1,617,564	32,836	1,650,400
Depreciation			
At 31st December 2018	347,474	31,877	379,351
Charge for the year	26,094	577	26,671
At 31st December 2019	373,568	32,454	406,022
Net Book Value			
At 31st December 2019	1,243,996	382	1,244,378
At 31st December 2018	1,270,090	959	1,271,049

9. Debtors

	2019 £	2018 £
Rental debtors	2,012	554
Prepayments	2,420	3,340
	4,432	3,894

10. Creditors falling due within twelve months

	2019 £	2018 £
Rents prepaid	1,308	1,647
Accruals	5,871	8,786
	7,179	10,434

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Notes to the Financial Statements (cont'd)

Year Ended 31st December 2019

11. Utilisation of Funds	Maintenance Fund	Sinking Fund	Other Unrestricted	Total Funds
	£	£	£	£
Opening balances	424,192	146,360	253,105	823,657
Net incoming resources	-	-	62,805	62,805
Transfers	-	-	-	-
Closing balances	424,192	146,360	315,910	886,462
Represented by:				
Tangible fixed assets	803,843	146,360	294,175	1,244,378
Net current assets/liabilities	-	-	21,735	21,735
Long term loans	(379,651)	-	-	(379,651)
	424,192	146,360	315,910	886,462

12. Share Capital

The Charity is limited by guarantee and has no share capital. Each member of the Charity has undertaken to contribute a sum, not exceeding £1, if it is wound up whilst that person is a member or within one year after ceasing to be a member.

13. Connected Charities and Associated Party Transactions

Quothquan Trust, which is connected by virtue of common trustees, loaned this Charity a maximum of £458,642 (2018: £569,802) in the year and at the year-end £379,651 (2018: £458,642) was outstanding. This comprises two loans, the interest rate on the older one being 7%pa and the one in 2012 being 3.7%pa - these were considered to be the commercial rate for that purpose at the time the loans were agreed. It charged interest of £16,009 (2018: £18,840).

The Second Quothquan Charitable Trust, which is connected in the same way, provided this Charity with book-keeping and administration services to this Charity for which it paid £5,500 (2018: £5,500).

Under the authority of Clause 4.1 of the Memorandum of Association "to employ staff", not being prevented by Clause 5 thereof and being an adult not sharing a common purse with the trustees, one of the trustees' sons is the part time Housing Manager for this Charity and for Quothquan Homes. This Charity paid him £3,000 (2018: £3,000) salary for these services. Of this, £1,300 (2018: £1,300) was recharged to Quothquan Homes.