

**Company No. 3588469**

**Charity No. 1071686**

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

**FINANCIAL STATEMENTS**

**YEAR ENDED 31st December 2016**

**[www.harvestfieldshomes.org.uk](http://www.harvestfieldshomes.org.uk)**

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

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

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**Year Ended 31st December 2016**

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

**COMPANY INFORMATION**

**Trustees:** A L Gilmour (until 22<sup>nd</sup> December 2016)  
J A Gilmour  
E J Robinson (appointed 8th February 2017)  
S J Robinson (appointed 8th February 2017)

**Secretary:** S J Robinson

**Staff:** P J Gilmour (Housing Manager)

**Registered Office:** Dale Farm  
Worcester Lane  
Sutton Coldfield  
West Midlands  
B75 5PR

**Bankers:** HSBC Bank Plc  
67 The Parade  
Sutton Coldfield  
West Midlands  
B72 1PU

**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 (Limited by Guarantee)**

### **Report of the Trustees**

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The trustees present their report and the financial statements for the year ended 31st December 2016.

#### **Object, Activities and Public Benefit**

The Object of the Charity as set out in the Memorandum of Association may be summarised as 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.

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**

The results of the Charity for the year ended 31st December 2016 are set out in the financial statements.

The trustees are pleased to report that in 2016 it had sufficient funds to make its usual annual designation to its maintenance fund and sinking fund.

The undesignated reserves carried forward are £126,185 after the transfer to and from the other funds which is considered satisfactory. However, the uninvested portion of these is only £1,288 (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 and/or eliminate them where possible and practicable.

#### **Trustees**

Trustees are appointed by the members who are the trustees. Details of transactions with connected charities and related parties are set out in note 11.

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

**Report of the Trustees (continued)**

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**Trustees (continued)**

Janet Gilmour held office as a trustee throughout the year and to the date of this report. Sadly, Archie Gilmour, who served as a trustee since the Charity's creation, died on the 22nd December 2016 following a very short illness.

Ed & Susan Robinson had been shadowing the trustees throughout 2016 with the view that they would become trustees in the future. Janet Gilmour therefore appointed Ed & Susan Robinson as trustees following Archie's death.

**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 and Section 1A of the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015).

**Audit Exemption**

The Charity is exempt from the requirements to have its financial statements audited but, as its income is above £25,000, it does have them independently examined.

Approved by the trustees on 13th September 2017 and signed by their order.

**S J Robinson**  
Secretary



## **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF HARVEST FIELDS HOMES FOR THE YEAR ENDED 31ST DECEMBER 2015**

I report on the financial statements of the charity for the year ended 31 December 2016, which are set out on pages 5 to 9.

### **Respective responsibilities of trustees and examiner**

The trustees (who are treated as the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

This report, including my statement, has been prepared for and only for the charity's members (who at this time are the same as the trustees) as a body. My work has been undertaken so that I might state to the charity's members those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for my examination work, for this report, or for the statements I have made.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Peter Saltiel  
Church & Charity Accounts Service  
Planchadeau  
23460 Saint-Pierre-Bellevue  
France



13<sup>th</sup> September 2017

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

**Statement of Financial Activities and**  
**Summary of Income and Expenditure Account**

**Year Ended 31st December 2016**

	Notes	Designated 2016 £	Other Unrestricted 2016 £	Total Unrestricted Funds 2016 £	Total Unrestricted Funds 2015 £
<b>Income:</b>					
Charitable activities: rent receivable	2	-	163,392	163,392	164,169
Interest receivable		-	1	1	-
		<u>-</u>	<u>163,393</u>	<u>163,393</u>	<u>164,169</u>
<b>Expenditure:</b>					
Charitable activities	3	-	83,049	83,049	112,846
		<u>-</u>	<u>83,049</u>	<u>83,049</u>	<u>112,846</u>
<b>Net income for the year</b>		-	80,344	80,344	51,323
<b>Transfers:</b>					
To Maintenance Fund	1 & 9	31,788	(31,788)	-	-
To Sinking Fund	1 & 9	10,968	(10,968)	-	-
		<u>42,756</u>	<u>37,588</u>	<u>80,344</u>	<u>51,323</u>
<b>Net movement in funds</b>		42,756	37,588	80,344	51,323
Total funds brought forward		<u>485,040</u>	<u>88,597</u>	<u>573,637</u>	<u>522,314</u>
Total funds carried forward		<u>527,796</u>	<u>126,185</u>	<u>653,981</u>	<u>573,637</u>

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

**Balance Sheet**

**At 31st December 2016**

	Notes	2016 £	2015 £
<b>Fixed Assets</b>			
Tangible assets	7	<u>1,324,393</u>	<u>1,352,291</u>
<b>Current Assets</b>			
Debtors	8	4,543	6,772
Cash at bank		<u>6,786</u>	<u>15,098</u>
		<b>11,329</b>	<b>21,870</b>
<b>Creditors: Amounts falling due within one year</b>		<b>(10,041)</b>	<b>(10,708)</b>
<b>Net Current Assets</b>		<b>1,288</b>	<b>11,162</b>
<b>Total Assets less Current Liabilities</b>		<b>1,325,681</b>	<b>1,363,453</b>
<b>Creditors: Amounts falling due after more than one year</b>	11	<b>(671,700)</b>	<b>(789,816)</b>
<b>Net Assets</b>		<b>653,981</b>	<b>573,637</b>
<b>Funds:</b>			
Designated – Maintenance Fund	1 & 9	392,404	360,616
Designated – Sinking Fund	1 & 9	<u>135,392</u>	<u>124,424</u>
<b>Total designated funds</b>		<b>527,796</b>	<b>485,040</b>
<b>Other Unrestricted</b>		<b>126,185</b>	<b>88,597</b>
		<b>653,981</b>	<b>573,637</b>

The trustees consider that the Charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. The trustees acknowledge their responsibilities for ensuring that the Charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the Charity as at 31 December 2016 and of its income and expenditure for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Act relating to the financial statements as so far as applicable to the Charity.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with Section 1A of the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015).

**Approved by the trustees on 13<sup>th</sup> September 2017 and signed on their behalf.**



**S J Robinson – Trustee**

**Company No. 3588469**



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

**Notes to the Financial Statements**

**Year Ended 31st December 2016**

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**1. Accounting Policies**

**Basis of accounting**

These financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice for Charities (SORP (FRS 102)), the Companies Act 2006 and applicable accounting standards, including Financial Reporting Standard (FRS) 102. Transition to FRS 102 took place on 1st January 2016. There were no material adjustments as a result of this transition.

**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.

**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.

**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.

**2. 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 is derived from the UK.

**3. Expenditure on charitable activities**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Within expenditure there is charged:		
Interest payable	<b>28,885</b>	35,991
Depreciation of tangible assets	<b>26,655</b>	26,648
Staff costs (note 5)	<b>3,000</b>	3,000
Other property expenses	<b>19,811</b>	42,511
Independent examiner's fee	<b>485</b>	483
	<b>=====</b>	<b>=====</b>

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

**Notes to the Financial Statements**

**Year Ended 31st December 2016**

**4. 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 11 below.

**5. Staff Costs**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Salaries	<b>3,000</b>	<b>3,000</b>

No employee was paid more than £60,000 per annum.

**6. 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 2016 (2015: Nil).

**7. Tangible Fixed Assets**

	<b>Freehold property £</b>	<b>Furniture, carpets etc £</b>	<b>Total £</b>
<b>Cost</b>			
At 31st December 2015	1,618,807	32,836	1,651,643
Additions/disposals in the year	(1,243)	-	(1,243)
At 31st December 2016	<u>1,617,564</u>	<u>32,836</u>	<u>1,650,400</u>
<b>Depreciation</b>			
At 31st December 2015	269,206	30,146	299,352
Charge for the year	26,078	577	26,655
At 31st December 2016	<u>295,284</u>	<u>30,723</u>	<u>326,007</u>
<b>Net Book Value</b>			
At 31st December 2016	<u><u>1,322,280</u></u>	<u><u>2,113</u></u>	<u><u>1,324,393</u></u>
At 31st December 2015	<u><u>1,349,601</u></u>	<u><u>2,690</u></u>	<u><u>1,352,291</u></u>

**8. Debtors**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Rental debtors	<b>1,395</b>	<b>3,733</b>
Prepayments	<b>3,148</b>	<b>3,039</b>
	<u><u>4,543</u></u>	<u><u>6,772</u></u>

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

**Notes to the Financial Statements**

**Year Ended 31st December 2016**

9. Utilisation of Funds	Maintenance Fund £	Sinking Fund £	Other Unrestricted £	Total Funds £
Opening balances	360,616	124,424	88,597	573,637
Net incoming resources before transfers	-	-	80,344	80,344
Transfers	31,788	10,968	(42,756)	-
	<u>392,404</u>	<u>135,392</u>	<u>126,185</u>	<u>653,981</u>
Closing balances	<u>392,404</u>	<u>135,392</u>	<u>126,185</u>	<u>653,981</u>
Represented by:				
Tangible fixed assets	1,064,104	135,392	124,897	1,324,393
Net current assets/liabilities	-	-	1,288	1,288
Long term loans	(671,700)	-	-	(671,700)
	<u>392,404</u>	<u>135,392</u>	<u>126,185</u>	<u>653,981</u>

**10. 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.

**11. Connected Charities and Associated Party Transactions**

Quothquan Trust, which is connected by virtue of common trustees, loaned this Charity a maximum of £789,816 (2015 £863,825) in the year and at the year end £671,700 (2015 £789,816) 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 £28,885 (2015 £35,991).

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.

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 salary for these services. Of this, £1,300 was recharged to Quothquan Homes.