

Registered number: 3973439  
Charity number: 1081256

---

**LUTON FRIENDSHIP HOMECARERS**  
(A Company Limited by Guarantee)

---

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

---

**CONTENTS**

---

	Page
<b>Reference and Administrative Details of the Charity, its Trustees and Advisers</b>	<b>1</b>
<b>Trustees' Report</b>	<b>2 - 8</b>
<b>Independent Auditors' Report</b>	<b>9 - 10</b>
<b>Statement of Financial Activities</b>	<b>11</b>
<b>Balance Sheet</b>	<b>12</b>
<b>Notes to the Financial Statements</b>	<b>13 - 20</b>

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2017**

---

**Trustees who server during the year**

Gary Gunter (appointed 3 August 2000)  
Joyce McLeary (appointed 3 August 2000)  
Joriville Fetalino

**Company registered number**

3973439

**Charity registered number**

1081256

**Registered office**

92 Hastings Street, Luton, Bedfordshire, LU1 5BH

**Company secretary**

Joyce McLeary

**Independent auditors**

Colledge Redfern, Glantaf Office, Llanfallteg, Whitland, Carmarthenshire, SA34 0UT

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2017**

---

The Trustees present their annual report together with the audited financial statements of for the 1 April 2016 to 31 March 2017.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**Objectives and Activities**

**a. POLICIES AND OBJECTIVES**

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit.

The charity's objectives and principles continue to be that of:

- Providing a high quality home care and personal service to the elderly and housebound
- Offering a sensitive service that is tailored to the specific cultural needs of all the various ethnic/cultural groups seeking support and care.
- Working with other voluntary organisations to promote the needs of the elderly and housebound within the community and to other statutory agencies.
- Being an advocate in providing a link to enable service users to access other essential services.
- Seeking to broaden the remit of the charity to include working with children within their home environment

**Charity's Credo**

Our purpose:

- To build a company dedicated to our clients.

Our parameter: We focus our efforts exclusively on:

- What we are passionate about.
- What we can become best at.
- What drives our economic stability.

Our principles:

- We are above all the agents of our clients.
- Our people are our greatest asset. We should select them attentively and invest in them passionately.
- We are unrelenting in pursuit of excellence.
- Pursuing our ambition to be the best healthcare provider is a never-ending process.
- "Good enough" never is.

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

---

**b. STRATEGIES FOR ACHIEVING OBJECTIVES**

- To provide a service of choice
- Provision of a service to the community where professionalism and quality is paramount
- Ensure our staff feel valued and provide the appropriate training and development opportunities such that high standards are achieved and sustained.

**c. ACTIVITIES FOR ACHIEVING OBJECTIVES**

Home care is defined as domiciliary services which assist the service user to function as independently as possible and/or continue to live in their own home. Services include routine household tasks within or outside the home, personal care of the client or respite care in support of the client's regular carers. The charity believes that everyone has a right to remain in their own home, regardless of age, illness or infirmity for as long as they can. As a home care provider we will always respect the rights of the service user to confidentiality and privacy. We offer a sensitive care service tailored to meet the service users specific requirements. Our service delivery includes but is not limited to:

**Personal Care Services**

- Assisting in getting in and out of bed
- Assistance with dressing
- Personal hygiene
- Preparing and aiding the service user to eat their meals
- Continence management
- Moving and handling
- Carry out activities under the direction of a nurse, occupational therapist or physiotherapist
- Administration of medication
- Prepare meals (nutritional advice, special diets)
- Other forms of support/care to meet service user's needs as agreed in the care plan

**Non-Personal Care Services**

- House cleaning and washing up
- Laundry and ironing
- Shopping
- Collecting pensions, benefits, prescriptions

**d. GRANT MAKING POLICIES**

The charity was created to service the elderly and vulnerable members of society. In the course of satisfying the objectives of the charity and where resources allow, the charity may contribute to local charitable groups/organisations and individuals referred by local government bodies. Applications must be received in writing and are considered by the management committee.

Locally, the charity continues to offer support through the local authority to those requiring emergency short-term assistance in the community.

**e. MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT**

From time to time the charity may contribute to other charities which share its ethos. In making such contributions there is no expectation for the charity to accrue any financial gains.

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

---

**Achievements and performance**

**a. KEY FINANCIAL PERFORMANCE INDICATORS**

The 3 Key Performance Indicators which the charity is focussed on are:

- Revenue
- Cost
- Surplus

**b. REVIEW OF ACTIVITIES**

Two of the Charity's major successes during the past 12 months have been to:

- a) revise the way we remunerate our staff and carers. This has led to increased hourly and holiday pay.
- b) drive up our revenue by, where possible, as a result of taking on larger Service Delivery work packages i.e. end of life residential care.

Both the above were underpinned with a solid financial performance in that we have experienced significant increases in terms of revenue and surplus. Friendship Home Carers continues to build its reputation through the quality of its service and value for money.

**Finance**

During this period, the Charity saw a significant growth in its revenue base, with an increase in its average number of service users (SU) base up from 76 to 83.

	2016-17	2015-16	Increase /Surplus	% Growth
Revenue	971,040	818,165	152,875	19%
Surplus	72,923	59,869	13,054	22%

Revenue has increased by 19%, compared to 6% increase last year; and we have seen a healthy 22% increase in our surplus. This further reflects an increase of 0.69% in our margins up from 7.3% to 7.99%. Notwithstanding this excellent increase in our surplus, the charity has met some challenges in terms of expenditure which can be attributed to three (3) main drivers:

- 1) A steep rise in expenditure from 2.2% the previous year to 17% for this year
  - 2) Increase pay rates to Carers and
  - 3) How holiday pay is being calculated
1. The steep rise in expenditure is attributed to a number of events:
    - a. The dual running of CM2000 and the new Access Electronic Monitoring System
    - b. Unforeseen capital expenditure, namely photo copier repair and replacement
    - c. Increase in travel cost attributed to new Access paying out to previously non-claimants
  2. The National Minimum Wage (NMW) went up by 50p as of 1st April 2016 from £6.70/hr to £7.20/hr whilst Luton Borough Council increased their Direct Payment (DP) hourly rate by 45p/hr. This coupled with our increased pay rate and some additional unexpected capital cost are attributing factors.
  3. We have adjusted and reconciled the way we pay our Carers in relation to holiday pay. The method used to calculate such payments are now clearly aligned to Government guidelines.

Items (2) & (3) are attributing factors impacting on our bottom line for the said period.

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

---

This continues to indicate that the Charity has been able to keep its cost base down whilst delivering larger care packages at higher margins which further enhance the increasing stability of its income stream. Stabilising the finances of the Charity has been a focus of the Management through driving down cost and improving margins through its pricing. In this period we have seen a number of indicators that suggests that the Charity is in a strong position to grow and continue to provide a good quality service to the vulnerable members of the community in Luton. This is evidenced by our ability to continue to attract a steady number of privately funded SU who values our Service in terms of quality and value for money. This is evidenced with us seeing an increase in Private revenue by 46% whilst the DP revenue increased by 7%.

**Care Quality Commission (CQC) Inspection**

The CQC last visited us on the 30th March 2016 to carry out their annual inspection / audit for which we received an overall GOOD rating.

We are anticipating another assessment during the next 16 months as this is at a minimum a bi-annual task.

**Quality of Service (QoS) Survey Results**

Unfortunately, the Service Users (SU) and their Next-of-Kin (NoK) were not surveyed in 2016, hence, no new results to report on.

In summary, the Charity continues to consolidate its place in the market through building of its reputation for delivering excellent value for money services and ensuring we have the right people in place to do so.

**Financial review**

**a. GOING CONCERN**

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

**b. PRINCIPAL FUNDING**

The charity's principal funding is through the activities of the organisation. Any donations received will not accrue any entitlement to the decision-making authority of the charity. External funding will not divert the charity from its agreed aims and objectives. Any donations will normally be acknowledged in public reports and accounts.

The charity also recognises that there are other methods of raising funds, which have not yet been fully explored, these include social events and sponsors.

**c. MATERIAL INVESTMENTS POLICY**

By the very nature of the charity's business there have been no material investments. If in future, developments require such investments, the trustees would formulate such a policy.

**Structure, governance and management**

**a. CONSTITUTION**

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 14 April 2000 .

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

---

The company is constituted under a Memorandum of Association dated 14 April 2000 and is a registered charity number 1081256.

The principal object of the company is to contribute positively to its local community by offering a home care service which is driven by high standard of quality; and the need to meet the environs diverse ethnic mix.

There have been no changes in the objectives since the last annual report.

**b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

**c. PAY POLICY FOR SENIOR STAFF**

The Charity's pay policy for senior staff is to endeavour to remunerate in line with market trend whilst being cognizant of our charitable status in that we may never attain compatibility with the public sector.

**d. ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The management committee meet quarterly with the Trustees to monitor, develop and promote the activities and objectives of the charity. Ad hoc meetings are called as and when the need arises.

The Business Manager and Care Manager oversee the day to day running of the charity. Decisions are made in accordance with the charity's policies, procedures and code of conduct. If the Business Manager does not possess the authority to approve certain decisions, then recommendations are made to the management committee.

**e. RISK MANAGEMENT**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.



---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

---

**Plans for future periods**

**a. FUTURE DEVELOPMENTS**

The following continue to be key high-level priorities set for the next period ending March 2016:

- Broaden the charity's services portfolio to include the delivery of services to children and living-in care services to adults
- Continue review of charity's governing documents
- Seek new opportunities for growth

**TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also directors of LUTON FRIENDSHIP HOME CARERS for the purposes 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. 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 judgments 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 charitable company will continue in operation.

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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

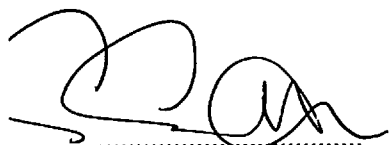
---

any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

The auditors are deemed to be reappointed under section 487(2) of the Companies Act 2006

This report was approved by the Trustees on 2 November 2017 and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'Gary Gunter', written over a dotted line.

**Gary Gunter, Chairman**

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LUTON FRIENDSHIP HOMECARERS**

---

We have audited the financial statements of Luton Friendship Homecarers for the year ended 31 March 2017 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, 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 charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

- In common with many other businesses of this size and nature, the company uses our firm to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, 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.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LUTON FRIENDSHIP HOMECARERS**

---

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 those financial statements and such reports have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

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; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.



David J Colledge (Senior Statutory Auditor)

for and on behalf of

**Colledge Redfern Chartered Certified Accountants and Statutory Auditors**

Glantaf Office  
Llanfallteg  
Whitland  
Carmarthenshire  
SA34 0UT  
2 November 2017

**LUTON FRIENDSHIP HOMECARERS**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2017**

	<b>Note</b>	<b>Unrestricted funds 2017 £</b>	<b>Total funds 2017 £</b>	<b>Total funds 2016 £</b>
<b>INCOME FROM:</b>				
Charitable activities	2	971,040	971,040	827,249
Investments	3	20	20	96
<b>TOTAL INCOME</b>		<b>971,060</b>	<b>971,060</b>	<b>827,345</b>
<b>EXPENDITURE ON:</b>				
Charitable activities	6	916,367	916,367	788,762
<b>TOTAL EXPENDITURE</b>	7	<b>916,367</b>	<b>916,367</b>	<b>788,762</b>
<b>NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>54,693</b>	<b>54,693</b>	<b>38,583</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>54,693</b>	<b>54,693</b>	<b>38,583</b>
<b>RECONCILIATION OF FUNDS:</b>				
Total funds brought forward		320,847	320,847	282,264
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>375,540</b>	<b>375,540</b>	<b>320,847</b>

All activities relate to continuing operations.


The notes on pages 13 to 20 form part of these financial statements.

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 3973439**

**BALANCE SHEET**  
**AS AT 31 MARCH 2017**

	Note	£	2017 £	£	2016 £
<b>FIXED ASSETS</b>					
Tangible assets	10		151,455		150,000
<b>CURRENT ASSETS</b>					
Debtors	11	101,648		216,264	
Cash at bank and in hand		237,103		57,199	
		<u>338,751</u>		<u>273,463</u>	
<b>CREDITORS: amounts falling due within one year</b>	12	<u>(114,666)</u>		<u>(102,616)</u>	
<b>NET CURRENT ASSETS</b>			<u>224,085</u>		<u>170,847</u>
<b>NET ASSETS</b>			<u><u>375,540</u></u>		<u><u>320,847</u></u>
<b>CHARITY FUNDS</b>					
Unrestricted funds	13		<u>375,540</u>		<u>320,847</u>
<b>TOTAL FUNDS</b>			<u><u>375,540</u></u>		<u><u>320,847</u></u>

The financial statements were approved by the Trustees on 2 November 2017 and signed on their behalf, by:

  
 .....  
 Gary Gunter, Chairman

The notes on pages 13 to 20 form part of these financial statements.

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

---

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

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) and the Companies Act 2006

Luton Friendship Homecarers 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.

**1.2 Reconciliation with previous Generally Accepted Accounting Practice**

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

**1.3 Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page . In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**1.4 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

---

**1. ACCOUNTING POLICIES (continued)**

**1.5 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.



---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

---

**1. ACCOUNTING POLICIES (continued)**

**1.6 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**1.7 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	-	20% straight line
Fixtures & fittings	-	5% straight line
Office equipment	-	25% straight line
Computer equipment	-	20% straight line

**1.8 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

**1.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

---

**1. ACCOUNTING POLICIES (continued)**

**1.10 Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**2. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted funds 2017 £</b>	<i>Total funds 2016 £</i>
Care for elderly and housebound	<b>971,040</b>	<i>827,249</i>

**3. INVESTMENT INCOME**

	<b>Unrestricted funds 2017 £</b>	<i>Total funds 2016 £</i>
Interest	<b>20</b>	<i>96</i>

**LUTON FRIENDSHIP HOMECARERS**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

**4. DIRECT COSTS**

	Care for elderly and £	Total 2017 £	Total 2016 £
Wages & salaries	719,219	719,219	620,070
NI & pension	57,487	57,487	41,962
Other staff costs	58,345	58,345	56,190
Care cover & contract fees	23,136	23,136	13,337
Legal & professional fees	21,712	21,712	24,520
Insurance	2,364	2,364	2,314
Provision for unpaid care charges	368	368	-
	<u>882,631</u>	<u>882,631</u>	<u>758,393</u>

**5. SUPPORT COSTS**

	Care for elderly and £	Total 2017 £	Total 2016 £
Other staff costs	384	384	-
Office premises	7,310	7,310	9,026
Office supplies & services	15,095	15,095	12,997
Depreciation	132	132	-
	<u>22,921</u>	<u>22,921</u>	<u>22,023</u>

**6. GOVERNANCE COSTS**

	Unrestricted funds 2017 £	Total funds 2016 £
Auditors' remuneration	<u>2,448</u>	<u>2,500</u>

---

**LUTON FRIENDSHIP HOMECARERS**  
(A Company Limited by Guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

---

**7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	<b>Other costs 2017 £</b>	<i>Total 2016 £</i>
Care for elderly and housebound	905,552	780,416
Donations to other charities	8,367	5,846
<b>Charitable activities</b>	<u>913,919</u>	<u>786,262</u>
<b>Expenditure on governance</b>	<u>2,448</u>	<u>2,500</u>
	<u><u>916,367</u></u>	<u><u>788,762</u></u>

**8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	<b>2017 £</b>	<i>2016 £</i>
Depreciation of tangible fixed assets:		
- owned by the charity	132	-
Auditors' remuneration - audit	<u>2,448</u>	<u>2,500</u>

During the year, no Trustees received any remuneration (2016 - £NIL).

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2016 - £NIL).

**9. AUDITORS' REMUNERATION**

The Auditor's remuneration amounts to an Audit fee of £2,448 (2016 - £2,500)

**LUTON FRIENDSHIP HOMECARERS**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

**10. TANGIBLE FIXED ASSETS**

	Land and buildings £	Other fixed assets £	Total £
<b>Cost</b>			
At 1 April 2016	150,000	19,701	169,701
Additions	-	1,587	1,587
At 31 March 2017	<u>150,000</u>	<u>21,288</u>	<u>171,288</u>
<b>Depreciation</b>			
At 1 April 2016	-	19,701	19,701
Charge for the year	-	132	132
At 31 March 2017	<u>-</u>	<u>19,833</u>	<u>19,833</u>
<b>Net book value</b>			
At 31 March 2017	<u>150,000</u>	<u>1,455</u>	<u>151,455</u>
At 31 March 2016	<u>150,000</u>	<u>-</u>	<u>150,000</u>

**11. DEBTORS**

	2017 £	2016 £
Debtors	99,872	214,599
Prepayments	1,776	1,665
	<u>101,648</u>	<u>216,264</u>

**12. CREDITORS: Amounts falling due within one year**

	2017 £	2016 £
Creditors	4,292	11,040
Other taxation and social security	15,574	23,170
Other creditors	53,046	35,372
Accruals	41,754	33,034
	<u>114,666</u>	<u>102,616</u>

---

**LUTON FRIENDSHIP HOMECARERS**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

---

**13. SUMMARY OF FUNDS**

	<b>Brought Forward £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Carried Forward £</b>
General funds	<b>320,847</b>	<b>971,060</b>	<b>(916,367)</b>	<b>375,540</b>