

Company No. 3588469

Charity No. 1071686

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

FINANCIAL STATEMENTS

YEAR ENDED 31st December 2017

www.harvestfieldshomes.org.uk

Independent Examiner: Peter Saltiel
Church & Charity Accounts Service

HARVEST FIELDS HOMES
(Limited by Guarantee)

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HARVEST FIELDS HOMES
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COMPANY INFORMATION

Trustees:	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 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

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 2017

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 2017 are set out in the financial statements. Income for the financial year was £159,760 (2016: £163,393) and the expenditure was £77,622 (2016: £83,049).

The trustees are pleased to report that in 2017 it had sufficient funds to make its usual annual designation to its maintenance fund and sinking fund.

The undesignated reserves carried forward are £165,567 after the transfer to and from the other funds which is considered satisfactory. However, the uninvested portion of these is only £8,201 (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.

**HARVEST FIELDS HOMES
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Report of the Trustees (continued)

Trustees

Janet Gilmour held office as a trustee throughout the year. Trustees are appointed by the members who are the trustees. As such, Janet appointed Edward and Susan Robinson on 8th February 2017 and they also held office throughout the year. 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 and Section 1A of the FRS102.

Approved by the trustees on 21st August 2018 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 2017

I report on the accounts of the Trust for the year ended 31st December 2017 which are set out on the following pages.

Respective responsibilities of trustees and examiner

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

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with 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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's unqualified statement


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

- accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- the accounts do not accord with such records:
- where accounts are prepared on an accruals basis, whether they fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS102)
- any matter which the examiner believes should be drawn to the attention of the reader to gain a proper understanding of the accounts.

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

*formerly, 69 Portland Place
Greenhithe, Kent, DA9 9FE*

Dated 25th August 2018



HARVEST FIELDS HOMES
(Limited by Guarantee)

Statement of Financial Activities and
Summary of Income and Expenditure Account

Year Ended 31st December 2017

	Notes	Designated 2017 £	Other Unrestricted 2017 £	Total Unrestricted Funds 2017 £	Total Unrestricted Funds 2016 £
Income:					
Charitable activities: rent receivable	3	-	159,760	159,760	163,392
Interest receivable		-	-	-	1
		<u>-</u>	<u>159,760</u>	<u>159,760</u>	<u>163,393</u>
Expenditure:					
Charitable activities	4	-	77,622	77,622	83,049
		<u>-</u>	<u>77,622</u>	<u>77,622</u>	<u>83,049</u>
Net income for the year		-	82,138	82,138	80,344
Transfers:					
To Maintenance Fund	2 & 11	31,788	(31,788)	-	-
To Sinking Fund	2 & 11	10,968	(10,968)	-	-
		<u>31,788</u>	<u>(31,788)</u>	<u>-</u>	<u>-</u>
Net movement in funds		42,756	39,382	82,138	80,344
Total funds brought forward		527,796	126,185	653,981	573,637
Total funds carried forward		<u>570,552</u>	<u>165,567</u>	<u>736,119</u>	<u>653,981</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 2017

	Notes	2017 £	2016 £
Fixed Assets			
Tangible assets	8	1,297,720	1,324,393
Current Assets			
Debtors	9	4,795	4,543
Cash at bank		8,836	6,786
		13,631	11,329
Creditors: Amounts falling due within one year	10	(5,430)	(10,041)
Net Current Assets		8,201	1,288
Total Assets less Current Liabilities		1,305,921	1,325,681
Creditors: Amounts falling due after more than one year	13	(569,802)	(671,700)
Net Assets		736,119	653,981
Funds:			
Designated – Maintenance Fund	2 & 11	424,192	392,404
Designated – Sinking Fund	2 & 11	146,360	135,392
Total designated funds		570,552	527,796
Other Unrestricted		165,567	126,185
		736,119	653,981

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 2017 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 FRS102.

Approved by the trustees on 21st August 2018 and signed on their behalf.



S J Robinson – Trustee

Company No. 3588469

HARVEST FIELDS HOMES
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Notes to the Financial Statements

Year Ended 31st December 2017

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.

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 2017

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 is derived from the UK.

4. Expenditure on charitable activities

	2017	2016
	£	£
Within expenditure there is charged:		
Interest payable	23,101	28,885
Depreciation of tangible assets	26,673	26,655
Staff costs (note 5)	3,000	3,000
Other property expenses	20,125	19,811
Independent examiner's fee	485	485
	<u> </u>	<u> </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

	2017	2016
	£	£
Salaries	3,000	3,000
	<u> </u>	<u> </u>

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 2017 (2016: Nil).

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Notes to the Financial Statements (cont'd)

Year Ended 31st December 2017

8. Tangible Fixed Assets	Freehold property £	Furniture, carpets etc £	Total £
Cost			
At 31st December 2016	1,617,564	32,836	1,650,400
Additions/disposals in the year	-	-	-
At 31st December 2017	1,617,564	32,836	1,650,400
Depreciation			
At 31st December 2016	295,284	30,723	326,007
Charge for the year	26,096	577	26,673
At 31st December 2017	321,380	31,300	352,680
Net Book Value			
At 31st December 2017	1,296,184	1,536	1,297,720
At 31st December 2016	1,322,280	2,113	1,324,393
9. Debtors	2017 £	2016 £	
Rental debtors	1,568	1,395	
Prepayments	3,227	3,148	
	4,795	4,543	
10. Creditors	2017 £	2016 £	
Creditors falling due within twelve months	5,430	10,041	
	5,430	10,041	

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Notes to the Financial Statements (cont'd)

Year Ended 31st December 2017

11.	Utilisation of Funds	Maintenance Fund	Sinking Fund	Other Unrestricted	Total Funds
		£	£	£	£
	Opening balances	392,404	135,392	126,185	653,981
	Net incoming resources	-	-	82,138	85,100
	Transfers	31,788	10,968	(42,756)	-
	Closing balances	424,192	146,360	165,567	736,119
	Represented by:				
	Tangible fixed assets	993,994	146,360	157,366	1,297,720
	Net current assets/liabilities	-	-	8,201	8,201
	Long term loans	(569,802)	-	-	(569,802)
		424,192	146,360	165,567	736,119

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 £671,700 (2016 £789,816) in the year and at the year end £569,802 (2016 £671,700) 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 (2016 £28,885).

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.