

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 2024

LUTON FRIENDSHIP HOMECARERS
(A Company Limited by Guarantee)

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LUTON FRIENDSHIP HOMECARERS
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES WHO SERVED
DURING THE YEAR AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees who served during the year	Pastor Itamar James (appointed 22 February 2024) Pastor Bernie Holford (resigned 25 April 2024) Wesley Warren Gary Gunter Nigel McNeil Tapiwa Mandeya Max McKenzie-Cook Stephen Griffiths Gloria Kupe
Company registered number	3973439
Charity registered number	1081256
Registered office	92 Hastings Street Luton Bedfordshire LU1 5BH
Accountants	Colledge Redfern Chartered Certified Accountants Glantaf Office Llanfallteg Whitland Carmarthenshire SA34 0UT

LUTON FRIENDSHIP HOMECARERS
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the financial statements of the company for the 1 April 2023 to 31 March 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

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, including the guidance 'Public benefit: running a charity (PB2)'.

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 charity dedicated to our service users.

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

LUTON FRIENDSHIP HOMECARERS
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities (continued)

b. Strategies for achieving objectives

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

c. Activities undertaken to achieve 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. Social investment policies

The social investment policy of the charity is to re-invest 50% of its annual cash surplus into its employees (ex-gratia payment, Christmas bonus / lunch and other social events) and tithe paid to the Luton Central Seventh Day Adventist Church. Tithe is normally accrued and paid out in accordance with a business case supporting a worthy cause.

e. Grant-making policies

The charity was created to service the elderly and vulnerable members of society within our community. 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities (continued)

f. Volunteers

The charity is always responsive to volunteers and would welcome such deed, however, there has been no notable volunteers of service during the year.

g. Main activities undertaken to further the company's purposes for the 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.

Achievements and performance

a. Main achievements of the company

The main achievement of the charity during the year has been:

1. To maintain a positive cash surplus on the year's performance
2. Expand on its service user base by obtaining Luton Borough Council (LBC) "Spot Contract"
3. Maintain a high level of Quality of Service
4. Obtaining UK Immigration Registration as a Licensed Sponsor for recruiting from overseas
5. Recruitment of 16 carers from abroad

These are further detailed lower down in this report.

b. Key performance indicators

The four (4) Key Performance Indicators which the charity is focussed on are:

1. Quality
2. People (Employees and Service Users)
3. Revenue and Growth
4. Cost vs Expenditure

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

c. Review of activities

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

- i) Revise the way we remunerate our staff and carers. This has led to increased salary/hourly pay rates and holiday pay.
- ii) Reviewing and ensuring that travelling time is incorporated into carers' pay and that deduction from pay does not bring pay down below the level of the National Minimum Wage
- iii) Drive up our revenue by, where possible, taking on larger Service Delivery work packages i.e. end of life residential care; and where possible moving towards the Private market.

All the above were underpinned with a good solid financial performance despite us experiencing a decline in revenue and corresponding surplus. Friendship Homecarers continues to build its reputation through the quality of its service. The loss of our Approved Provider Listing (APL) with LBC is beginning to impact our (Q4) revenue and will further manifest itself in the coming year (2024-25)..

The main achievements of the charity during the year were as follows:

1. To maintain a positive cash surplus on the year's performance
2. Expand on its service user base by obtaining Luton Borough Council (LBC) Contract for "Supported Living for People with Learning Disability and Autism"
3. Maintaining a high level of Quality of Service and under pinning this with the recruitment of a Quality Compliance Manager (Part-time)
4. Maintaining our UK Immigration Registration status as a Licensed Sponsor for recruiting from overseas
5. Consolidate and integrate the 16 carers recruited from abroad

These are further detailed below:

a1) Maintaining a positive cash surplus on the year's performance

This has been a very good year for LFH where we have seen our revenue restored to 2021-22 levels, but as expected we have also seen a corresponding increase in our expenditure which has stifle the level of surplus for the corresponding period.

Drawing comparisons to 2022-23 performance we have seen a 15.55% increase in revenue whilst expenditure has also increased by 18.86%. This has been largely driven by wage increase for all staff and increased staff benefits i.e. repayments for DBS, Uniforms, On-line training.

Putting all of this into perspective, it should be considered a good "stand alone" performance over the period, attained without any external financial support.

Throughout the year we saw a small decrease in our Service User base from an average of 50 to a new average of 46, closing the year with a decrease down to 38. This decline in the number of SU work packages is directly attributed to us losing our APL status with LBC. Our management team are taking the necessary steps to reverse the situation, largely through increased advertisement, dropping of flyers / leaflets, more use of social media platforms.

	2023-24	2022-23	2021-22	Increase / Decrease	% Growth
Revenue	£806,360	£697,857	£806,992	£108,503	15.55%
Expenditure	£797,666	£671,085	£768,977	£126,581	18.86%
Surplus	£8,694	£26,772	£38,015	-\$18,028	-67.34%

Notwithstanding all the above, this has been a good performance given the challenges we faced throughout the year which can be characterised as follows:

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

1) A further increase in expenditure from 13.52% during the previous year to 18.86% for this year is not all surprising given the steep increase in National Living Wage (NLW).

The increase of 18.86% is in line with expectation given the prevailing inflation rate, rising costs. Further evidenced by managements' effort in keeping cost down, namely in the area of drop-off and pick-up and the transportation of non-driver carers.

2) Implementation of uplift in National Living Wage up 9.45% (to £10.42/hr) whilst the LBC Direct Payment rate went up by only 6.18% (£19.24/hr).

In line with government guidelines LFH had no option other than to increase the minimum wage paid to Carers as outlined above in (2). We certainly do not begrudge the increase but wished we could have gone further.

3) A hostile competitive environment persists; with more than 50 domiciliary care companies in the Luton catchment area.

The NMLW went up by 100p as of 1st April 2023 from £9.42/hr to £10.42/hr, a 9.45% increase. There was also an increase in Luton Borough Council (LBC) Direct Payment (DP) hourly rate from £18.12 to £19.24 (6.18% increase); this has been a very welcomed increase and but somewhat short of the mark in terms of percentage increase.

4) Functioning for a large part of the year with limited staff has been an issue due to poor retention rate and lack of Care Sector resources.

The market place in and around Luton continues to be very crowded with numerous start up undercutting to gain market share. At any one time there are approximately 50 competitors jostling for position.

5) There has been an impact in that the upskilling rate of the recent recruits have been slow but they are now beginning to perform at a more acceptable level.

Whilst during the early part of the year we suffered from lack of available resources in the care sector and the retention of such staff, we now have in place the full complement of staff to delivery our services. The positive thing is that our overseas recruits have settle in well, despite us losing 2 who have returned home for personal reasons, and are skilled up to the required level.

The above are attributing factors which have directly impacted our bottom line for the said period.

In summary, this continues to indicate that the Charity has being able to keep its cost base down. The loss of our APL status with LBC has started to affect the number of care packages coming into the company, whilst the full effect of this is yet to materialise. Stabilising the finances of the Charity has been one of the main focus of the Management Team 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 and retain steady number of privately funded service users.

Accruals: After making allowance for our Tithe of 10% to the Luton Seventh-Day Adventist Church and putting aside 46.00% of our headline surplus for retirement, staff gratuities and bonus, we are able to declare a surplus of £8,694 after accruals.

a1) The Charity has been able to expand on its service user base by obtaining Luton Borough Council (LBC) contract, on their Approved Provider List for Lot/s 1 & 2, for Supported Living for People with Learning Disabilities and Autism in February 2023. To date we have received one work package from this venture.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

Unfortunately, we were unsuccessful in our bid for the LBC contract (APL) for Home Care Services for Adults Within Luton (Domiciliary Care). The effect of this loss has resulted in the migration (31 March) of 9 of Service Users representing a 29% decrease in revenue of which the effect will be felt in 2024-25.

a2) Maintain a high level of Quality of Service

The Care Quality Commission (CQC) have developed a new monitoring approach by building on what they know works well. Each month they review the information they have on most of the services that they regulate. This approach helps them to prioritise their activity and target inspection activity where they have concerns. We recently received an email from CQC stating "We have not found evidence that we need to carry out an inspection or reassess our rating at this stage. This could change at any time if we receive new information. We will continue to monitor data about this service".

a3) Service Users' Standard & Quality of Care

We also been conducting our own Care Service Survey which showed that more than 90% of our Service Users were experiencing "Good Service" whilst >90% stated that the Service they received made an improvement to their quality of life.

a4) Company Vehicles

The Charity have long been experiencing difficulty in getting non-driving carers around to perform their duties. LFH have been utilising private contractors to chauffeur the carers around but this has proved to be very costly and as such financially not viable. There has been a marked shift away from the use of contractors chauffeuring carer in that carers are making better use of public transport, namely buses, to get their first call and making their way home after their last call. Carer drivers are being more cooperative in taking their colleagues around in between calls.

In summary, this has been a really very outstanding performance by the Charity as it continues to consolidate its place in the market through building of its reputation for delivering excellent value for money services and having ensured we have the right people in place to do so.

d. Factors relevant to achieve objectives

The factors bearing down on our ability to achieve our objectives were as follows:

- The prevailing market place, namely very high level of competition, due to crowded market place
- Availability & retention of resources, namely carers
- Ability to attract new service users
- Rising cost and decreasing margins

e. Fundraising activities and income generation

No specific fund raising activities have been undertaken by the charity. The charity's principal funding is through the activities of the organisation and this is support by ongoing advertisement and marketing.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

f. Investment policy and performance

By the very nature of the charity's business there has been no formulated material investment policy. Having said that, the charity has acquired and invested in the freehold of its headquarter building, namely 92 Hastings Street. This has increased in value in excess of 100% since acquisition in November 2015.

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. Reserves policy

The charity's reserve policy is to maintain enough cash to pay two months debts including, salaries, utilities, supplies and other monthly expenditures.

c. Material investments policy

By the very nature of the charity's business there has been no formulated material investment policy. Having said that, the charity has acquired and Invested in the freehold of its headquarter building, namely 92 Hastings Street. If in future, developments require similar investments, then the trustees would deliberate and decide as appropriate

d. Principal risks and uncertainties

The principal risks faced by the charity is twofold:

- a) Our ability to recruit and retain key personnel's, in particular carers, to deliver quality services to our service users
- b) Our ability to attract new service users at the right time, thus maintain a steady stream of income/revenue

e. Financial risk management objectives and policies

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 such risks.

f. Principal funding

The principal funding of the charity is gained from the business it conducts delivering care to our Service Users in and around the community.

LUTON FRIENDSHIP HOMECARERS
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

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.

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 a high standard of quality; and the need to meet the local diverse ethnic mix.

The last AGM was held on the 28 October 2023 and the next one is scheduled for 26 October 2024.

b. Methods 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 Memorandum of Association.

c. Organisational structure and decision-making policies

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, and if needed, to the board of Trustees.

d. Policies adopted for the induction and training of Trustees

The charity's recruitment of Trustees is undertaken, mainly through recommendations and "word of mouth". Candidates are assessed and if deemed suitable are followed upon with interview, references and DBS check. The successful applicant(s) is then taken on after the receipt of suitable references and DBS clearance followed by induction through half-day session during which training requirements is also assessed. Agreed training will be undertaken subject to mutual agreement on date and time.

e. Pay policy for key management personnel

The Charity's pay policy for key management personnel 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/private sector.

f. Related party relationships

The charity is non-aligned and does not have any affiliation to any one party.

LUTON FRIENDSHIP HOMECARERS
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods

The following continue to be key high-level priorities set for the next period ending March 2025:

- Broaden the charity's services portfolio to include but not limited to:
 - a) the delivery of services for living-in careservices to adults and palliative care
 - b) supported people living in the community with learning disabilities and autism
- Continue review of charity's governing documents
- Seek new opportunities for growth
- Continuing to implement best practice in accordance with 'General Data Protection Regulation (GDPR) (EU) 2016/679
- c) The management team are currently exploring entering into Joint Venture (JV) with the South England Conference of the Seventh-day Adventist Church (SEC) to establish a Residential Care Home.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company 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 . 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 company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 19 September 2024 and signed on their behalf by:



.....
Pastor Itamar James
(Chair of Trustees)

LUTON FRIENDSHIP HOMECARERS
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Independent Examiner's Report to the Trustees of Luton Friendship Homecarers ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2024.

Responsibilities and Basis of Report

As the Trustees of the company (and its directors 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 under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts 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

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees 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 company and the company's Trustees as a body, for my work or for this report.

Signed:

David Colledge

Colledge Redfern
Chartered Certified Accountants

Dated: 19 September 2024

FCCA

LUTON FRIENDSHIP HOMECARERS
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Charitable activities	3	799,973	799,973	696,823
Investments	4	6,387	6,387	1,033
Total income		806,360	806,360	697,856
Expenditure on:				
Charitable activities	5	797,666	797,666	670,941
Other expenditure	6	-	-	143
Total expenditure		797,666	797,666	671,084
Net movement in funds		8,694	8,694	26,772
Reconciliation of funds:				
Total funds brought forward		600,004	600,004	573,232
Net movement in funds		8,694	8,694	26,772
Total funds carried forward		608,698	608,698	600,004

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 21 form part of these financial statements.

LUTON FRIENDSHIP HOMECARERS
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REGISTERED NUMBER: 3973439

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	9	151,528	154,071
		<u>151,528</u>	<u>154,071</u>
Current assets			
Debtors	10	89,527	70,984
Cash at bank and in hand		411,799	421,253
		<u>501,326</u>	<u>492,237</u>
Creditors: amounts falling due within one year	11	(44,157)	(46,304)
Net current assets		<u>457,169</u>	<u>445,933</u>
Total assets less current liabilities		<u>608,697</u>	<u>600,004</u>
Net assets excluding pension asset		<u>608,697</u>	<u>600,004</u>
Total net assets		<u><u>608,697</u></u>	<u><u>600,004</u></u>
Charity funds			
Restricted funds		-	-
Unrestricted funds		608,697	600,004
Total funds		<u><u>608,697</u></u>	<u><u>600,004</u></u>

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BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

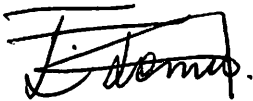
The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 19 September 2024 and signed on their behalf by:



Pastor Itamar James
(Chair of Trustees)

The notes on pages 15 to 21 form part of these financial statements.

LUTON FRIENDSHIP HOMECARERS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. General information

Luton Friendship Homecarers is registered as a charitable company limited by guarantee, registration number 3973439. The registered address is 92 Hastings Street, Luton, Bedfordshire, LU1 5BH.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), 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.

2.2 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.

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

2.3 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.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 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 institution with whom the funds are deposited.

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FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Plant and machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Office equipment	- 25% reducing balance
Computer equipment	- 25% reducing balance

2.6 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.

2.7 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.

2.8 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 in the Statement of Financial Activities as a finance cost.

2.9 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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2. Accounting policies (continued)

2.10 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Income from charitable activities - Care for elderly and housebound	799,973	799,973	696,823

4. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Interest received	6,387	6,387	1,033

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
Staff salaries	618,291	618,291	488,045
Other staff costs	37,268	37,268	63,816
Employer's NI and pension contributions	59,336	59,336	40,131
Care cover and contractor fees	61,516	61,516	47,481
Office supplies and services	15,302	15,302	18,051
Insurance	4,343	4,343	5,545
Depreciation	943	943	1,019
Accountancy and auditing	3,037	3,037	3,537
Premises expenses	(2,370)	(2,370)	3,316
	<u>797,666</u>	<u>797,666</u>	<u>670,941</u>
<i>Total 2023</i>	<u>670,941</u>	<u>670,941</u>	

6. Other expenditure

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations payable to other charities	-	-	143
	<u>-</u>	<u>-</u>	<u>143</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

7. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Staff salaries	618,291	-	618,291	488,044
Other staff costs	37,268	-	37,268	63,816
Employer's NI and pension contributions	59,336	-	59,336	40,131
Care cover and contractor fees	61,516	-	61,516	47,480
Office supplies and services	-	15,302	15,302	18,052
Insurance	4,343	-	4,343	5,545
Depreciation	-	943	943	1,019
Accountancy and auditing	-	3,037	3,037	3,537
Premises expenses	-	(2,370)	(2,370)	3,317
	<u>780,754</u>	<u>16,912</u>	<u>797,666</u>	<u>670,941</u>
<i>Total 2023</i>	<u>645,018</u>	<u>25,923</u>	<u>670,941</u>	

8. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from the company. It was agreed at a board meeting, at which he was not present, that Mr McNeil would be paid remuneration for his services. The value of Trustees' remuneration and other benefits was as follows:

	2024 £	2023 £
Nigel McNeil	26,816	27,319

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

9. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2023	150,000	21,288	4,700	175,988
Disposals	-	-	(2,700)	(2,700)
At 31 March 2024	<u>150,000</u>	<u>21,288</u>	<u>2,000</u>	<u>173,288</u>
Depreciation				
At 1 April 2023	-	20,977	940	21,917
Charge for the year	-	63	320	383
On disposals	-	-	(540)	(540)
At 31 March 2024	<u>-</u>	<u>21,040</u>	<u>720</u>	<u>21,760</u>
Net book value				
At 31 March 2024	<u>150,000</u>	<u>248</u>	<u>1,280</u>	<u>151,528</u>
At 31 March 2023	<u>150,000</u>	<u>311</u>	<u>3,760</u>	<u>154,071</u>

Based on advice from local Estate Agents, the Trustees have formed the opinion that the freehold property at 92 Hastings Street has a market value of £375,000.

10. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	84,698	62,552
Other debtors	90	4,480
Prepayments and accrued income	4,739	3,952
	<u>89,527</u>	<u>70,984</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

11. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	2,820	8,638
Other taxation and social security	15,216	7,608
Other creditors	-	1,685
Accruals and deferred income	26,121	28,373
	44,157	46,304

12. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Designated funds	37,697	-	-	1,610	39,307
General funds	562,307	806,359	(797,666)	(1,610)	569,390
	600,004	806,359	(797,666)	-	608,697

Summary of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Designated funds	33,590	-	-	4,107	37,697
General funds	539,643	697,857	(671,085)	(4,107)	562,308
	573,233	697,857	(671,085)	-	600,005

13. Related party transactions

The company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the company at 31 March 2024.