



Alexander Sloan

Accountants and Business Advisers

GOVAN HOME TEAM C.I.C

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Company Registration No. SC558776 (Scotland)

GOVAN HOME TEAM C.I.C

COMPANY INFORMATION

Directors	John Kane Colin Quigley Andrew Masterton Fiona McTaggart John Williams
Company number	SC558776
Registered office	246 Edmiston Drive Glasgow G51 2YU
Auditor	Alexander Sloan 180 St Vincent Street Glasgow G2 5SG
Bankers	Royal Bank of Scotland 788 Govan Road Glasgow G51 2YL
Solicitors	Harper McLeod The Ca'D'Oro 45 Gordon Street Glasgow G1 3PE Brechin Tindal, Oates Solicitors 48 St Vincent Street Glasgow G2 5HS

GOVAN HOME TEAM C.I.C

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GOVAN HOME TEAM C.I.C

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the company is combined facilities and support services.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

John Kane

Colin Quigley

Gary Maguire

(Resigned 4 May 2020)

Andrew Masterton

Fiona McTaggart

Audrey Simpson

(Resigned 26 October 2020)

John Williams

Auditor

Following a competitive tender process, new auditors will be proposed to office for the financial year 2021/22 at the next AGM.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Parent

The company is the 100% owned subsidiary of Govan Housing Association. Scottish Charity Number: SCO09055.

On behalf of the board



John Kane

Director

9 September 2021

GOVAN HOME TEAM C.I.C

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors 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 directors 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 the profit or loss of the company for that period. In preparing these financial statements, the directors 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: and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors 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.

GOVAN HOME TEAM C.I.C

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GOVAN HOME TEAM C.I.C

Qualified opinion

We have audited the financial statements of Govan Home Team C.I.C (the 'company') for the year ended 31 March 2021 which comprise and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effect of the matter described in the basis for qualified opinion section of our report, the financial statements:

give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its loss 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.

Basis for qualified opinion

Due to the restrictions imposed by the UK and Scottish Governments in light of the Covid-19 pandemic the company was unable to carry out a full stock take as at 31 March 2020. As a result the audit evidence available was limited in respect of the value of stock at 31 March 2020. Although we are satisfied that the valuation of stock at 31 March 2021 is not materially misstated, we were unable to obtain sufficient appropriate audit evidence that the movement in stock from that reported at 31 March 2020 to 31 March 2021 (reported through the Profit & Loss Account) was not materially misstated. Consequently, we were unable to determine whether any adjustments to 'cost of sales' in either 2021 or 2020 year ends would have been necessary.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

GOVAN HOME TEAM C.I.C

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF GOVAN HOME TEAM C.I.C

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

GOVAN HOME TEAM C.I.C

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF GOVAN HOME TEAM C.I.C

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our wider knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and taxation legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Audit response to risks identified

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

GOVAN HOME TEAM C.I.C

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF GOVAN HOME TEAM C.I.C

This report is made solely to the 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 company's members those matters we are required to state to them in an auditor's 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Allison Devine

Allison Devine (Senior Statutory Auditor)
For and on behalf of Alexander Sloan

9 September 2021
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Accountants & Business Advisers
Statutory Auditor

180 St Vincent Street
Glasgow
G2 5SG

GOVAN HOME TEAM C.I.C

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Turnover	3	2,195,375	2,218,917
Cost of sales		(2,203,316)	(1,840,892)
Gross (loss)/profit		<u>(7,941)</u>	<u>378,025</u>
Administrative expenses		(464,877)	(429,208)
Other operating income		258,875	1,563
Operating loss	4	<u>(213,943)</u>	<u>(49,620)</u>
Interest payable and similar expenses	7	(9,625)	(9,625)
Loss before taxation		<u>(223,568)</u>	<u>(59,245)</u>
Tax on loss	8	-	-
Loss for the financial year		<u><u>(223,568)</u></u>	<u><u>(59,245)</u></u>

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 11 to 18 form an integral part of these financial statements.

GOVAN HOME TEAM C.I.C

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Loss for the year	(223,568)	(59,245)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(223,568)</u>	<u>(59,245)</u>

The notes on pages 11 to 18 form an integral part of these financial statements.

GOVAN HOME TEAM C.I.C

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	9		283,020		323,789
Current assets					
Stocks	10	140,821		108,056	
Debtors	11	145,750		62,705	
Cash at bank and in hand		676,826		366,113	
		<u>963,397</u>		<u>536,874</u>	
Creditors: amounts falling due within one year	12	<u>(1,315,880)</u>		<u>(419,174)</u>	
Net current (liabilities)/assets			<u>(352,483)</u>		<u>117,700</u>
Total assets less current liabilities			<u>(69,463)</u>		<u>441,489</u>
Creditors: amounts falling due after more than one year					
Other creditors	13	-		275,000	
Deferred income	14	136,198		148,580	
		<u>(136,198)</u>		<u>(423,580)</u>	
Net (liabilities)/assets			<u>(205,661)</u>		<u>17,909</u>
Capital and reserves					
Called up share capital	16		1		1
Profit and loss reserves			<u>(205,662)</u>		<u>17,908</u>
Total equity			<u>(205,661)</u>		<u>17,909</u>

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

The financial statements were approved by the board of directors and authorised for issue on 9 September 2021 and are signed on its behalf by:



John Kane
Director

Company Registration No. SC558776

The notes on pages 11 to 18 form an integral part of these financial statements.

GOVAN HOME TEAM C.I.C

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 2019	1	77,151	77,152
Year ended 31 March 2020: Loss and total comprehensive income for the year	-	(59,245)	(59,245)
Balance at 31 March 2020	<u>1</u>	<u>17,906</u>	<u>17,907</u>
Year ended 31 March 2021: Loss and total comprehensive income for the year	-	(223,568)	(223,568)
Balance at 31 March 2021	<u><u>1</u></u>	<u><u>(205,662)</u></u>	<u><u>(205,661)</u></u>

The notes on pages 11 to 18 form an integral part of these financial statements.

GOVAN HOME TEAM C.I.C

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Govan Home Team C.I.C is a private company limited by shares incorporated in Scotland. The registered office is 246 Edmiston Drive, Glasgow, G51 2YU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In addition, the company has received written confirmation from its parent undertaking that it will continue to provide financial support for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Income from government grants are recognised when the company has unconditional entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	15 years straight line
Office equipment	4 years straight line

GOVAN HOME TEAM C.I.C

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the last-in, first-out (LIFO) method.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

GOVAN HOME TEAM C.I.C

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

GOVAN HOME TEAM C.I.C

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

At the time of approving the financial statements, the company is subject to a number of restrictions and uncertainties arising as a result of the Covid 19 pandemic. The directors have considered the implications of these and, based on their judgement and the actions undertaken by the company to address them they believe that there is no impact on the carrying amount of the company's assets and liabilities.

3 Turnover and other revenue

	2021	2020
	£	£
Turnover analysed by class of business		
Sales of goods and services	2,167,398	2,131,160
Grants receivable	-	43,450
Other revenue	27,977	44,307
	<u>2,195,375</u>	<u>2,218,917</u>

The company received £258,107 in respect of the UK Government's Job Retention Scheme.

4 Operating loss

	2021	2020
	£	£
Operating loss for the year is stated after charging:		
Depreciation of owned tangible fixed assets	45,872	44,596
Operating lease charges	161,876	111,688
	<u>207,748</u>	<u>156,284</u>

GOVAN HOME TEAM C.I.C

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	6,930	7,188
For other services		
Taxation compliance services	594	1,260

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021	2020
	Number	Number
Maintenance & Production, Administration & Support	45	36

Their aggregate remuneration comprised:

	2021	2020
	£	£
Wages and salaries	1,355,586	1,082,619
Social security costs	125,477	87,641
Pension costs	94,506	60,851
	<u>1,575,569</u>	<u>1,231,111</u>

Key Management was provided by the parent Association's staff.

7 Interest payable and similar expenses

	2021	2020
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	9,625	9,625

GOVAN HOME TEAM C.I.C

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the surplus or deficit and the standard rate of tax as follows:

	2021 £	2020 £
Loss before taxation	(223,568)	(59,245)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(42,478)	(11,257)
Use of losses	42,478	11,257
Taxation charge for the year	-	-

9 Tangible fixed assets

	Leasehold improvements £	Office equipment £	Total £
Cost			
At 1 April 2020	371,450	79,332	450,782
Additions	-	5,103	5,103
Disposals	-	(1,451)	(1,451)
At 31 March 2021	371,450	82,984	454,434
Depreciation and impairment			
At 1 April 2020	74,290	52,703	126,993
Depreciation charged in the year	24,763	21,109	45,872
Eliminated in respect of disposals	-	(1,451)	(1,451)
At 31 March 2021	99,053	72,361	171,414
Carrying amount			
At 31 March 2021	272,397	10,623	283,020
At 31 March 2020	297,160	26,629	323,789

10 Stocks

	2021 £	2020 £
Raw materials and consumables	140,821	108,056

GOVAN HOME TEAM C.I.C

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Debtors	2021	2020
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	65,471	-
Prepayments and accrued income	80,279	62,705
	<u>145,750</u>	<u>62,705</u>
	<u><u>145,750</u></u>	<u><u>62,705</u></u>
12 Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	33,239	30,518
Amounts owed to group undertakings	1,197,673	311,284
Taxation and social security	244	34,620
Other creditors	6,898	9,116
Accruals and deferred income	77,826	33,636
	<u>1,315,880</u>	<u>419,174</u>
	<u><u>1,315,880</u></u>	<u><u>419,174</u></u>
13 Other creditors falling due after one year	2021	2020
	£	£
Amounts owed to group undertakings	-	275,000
	<u>-</u>	<u>275,000</u>
	<u><u>-</u></u>	<u><u>275,000</u></u>
14 Deferred income	2021	2020
	£	£
Other deferred income	136,198	148,580
	<u>136,198</u>	<u>148,580</u>
	<u><u>136,198</u></u>	<u><u>148,580</u></u>
Other deferred income relates to a capital grant.		
15 Retirement benefit schemes	2021	2020
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	94,506	60,851
	<u>94,506</u>	<u>60,851</u>
	<u><u>94,506</u></u>	<u><u>60,851</u></u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Outstanding contributions owed to the Scheme at the year end were £11,878 (2020: £8,946)

GOVAN HOME TEAM C.I.C

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Share capital

	2021	2020	2021	2020
Ordinary share capital Issued and fully paid	Number	Number	£	£
Ordinary of £1 each	1	1	1	1

17 Operating lease commitments

Lessee

The lease of the company's premises at 246 Edminston Drive, Glasgow is payable quarterly and the company's parent, Govan Housing Association, is acting as guarantor. At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	48,000	48,000
Between two and five years	144,000	144,000
In over five years	336,000	384,000
Total lessee operating lease commitment	528,000	576,000

18 Related party transactions

Transactions with related parties

The company had related party transactions during the year with its Parent Govan Housing Association, registered address, 35 McKechnie Street, Govan, Glasgow G51 3AQ. Registered Housing Association number HEP87. Per FRS 102, disclosures need not be given of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

19 Ultimate controlling party

The company's immediate parent and ultimate controlling party is Govan Housing Association, incorporated in Scotland.

20 COVID-19

The UK has been impacted throughout the financial year with Covid, which has affected the overall performance and ability of the Home Team to carry out its maintenance contracts on behalf of the Parent Company during 2020/21. The financial plans for 2022 have been prepared anticipating some disruption during the early parts of the new financial year and the Directors remain confident that the company has sufficient financial strength to weather the remaining issues as the UK moves out of lockdown.

The following page does not form part of the statutory accounts

GOVAN HOME TEAM C.I.C

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

		2021		2020
	£	£	£	£
Turnover				
Sales of goods and services		2,167,398		2,131,160
Grants receivable		-		43,450
Other revenue		27,977		44,307
		<hr/>		<hr/>
		2,195,375		2,218,917
Cost of sales				
Raw materials purchases	613,646		614,540	
Wages and salaries	1,164,155		925,584	
Social security costs	111,006		73,206	
Staff training	6,406		7,511	
Staff pension costs defined contribution	81,737		52,138	
Motor running expenses including leases	161,876		111,688	
Insurance	29,909		26,260	
Hire of equipment (not operating lease)	31,808		15,405	
Professional subscriptions	614		-	
Bad and doubtful debts	600		-	
Protective clothing	1,559		14,560	
		<hr/>	<hr/>	
		(2,203,316)		(1,840,892)
Gross (loss)/profit	0.36%	(7,941)	17.04%	378,025
Other operating income				
Rent receivable	768		1,563	
Grant income	258,107		-	
		<hr/>	<hr/>	
		258,875		1,563

GOVAN HOME TEAM C.I.C

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

	£	2021 £	£	2020 £
Administrative expenses				
Wages and salaries	191,431		157,035	
Social security costs	14,471		14,435	
Staff training	1,852		-	
Staff pension costs defined contribution	12,769		8,713	
Management charge	36,769		40,131	
Rent and Rates	82,405		82,982	
Cleaning	691		2,337	
Power, light and heat	12,793		13,739	
Property repairs and maintenance	938		4,171	
Computer running costs	32,765		23,399	
Travelling expenses	-		14	
Postage, courier and delivery charges	461		-	
Professional subscriptions	1,140		1,718	
Legal and professional fees	-		2,400	
Consultancy fees	8,811		8,087	
Non audit remuneration paid to auditors	570		1,260	
Audit fees	11,304		7,188	
Bank charges	191		190	
Printing and stationery	2,206		9,592	
Advertising	1,195		806	
Telecommunications	942		1,044	
Sundry expenses	2,559		5,371	
Protective clothing	2,742		-	
Depreciation	45,872		44,596	
		<u>(464,877)</u>		<u>(429,208)</u>
Operating loss		<u>(213,943)</u>		<u>(49,620)</u>
Interest payable and similar expenses				
Bank interest on loans and overdrafts		(9,625)		(9,625)
Loss before taxation	10.18%	<u>(223,568)</u>	2.67%	<u>(59,245)</u>
