



Annual report and financial statements 2018

Patrons	<p>Bishop of Manchester, The Rt Revd Dr David Walker Sir Martin Berthoud KCVO CM Susie Briscoe David Cade W Peter Cooke CBE Ian Hay Davison CBE Sir Philip Mawer The Rt Revd Michael Turnbull CBE The Ven David Woodhouse</p>
Trustee directors	<p>Elizabeth Wilson (Chair) Mark Bolton Christopher Daws (Treasurer) John Glenton Anne Parker CBE Philip Raw Elizabeth Toher</p>
Executive director and secretary	Miriam Morris
Registered and principal office	<p>Can Mezzanine 49 - 51 East Road London N1 6AH info@churchhomelesstrust.org.uk www.churchhomelesstrust.org.uk</p>
Company registration number	2453957 (England and Wales)
Charity registration number	802801
Auditor	<p>Buzzacott LLP 130 Wood Street London, EC2V 6DL</p>
Solicitors	<p>Stone King LLP Boundary House 91 Charterhouse Street London, EC1M 6HR</p>
Principal bankers	<p>Barclays Bank plc PO Box 294 Peterborough, PE1 1EZ</p>

Welcome from the Chair



Thank you for your interest in Church Homeless Trust.

I took over from Bob Cribb as chair in September 2017. Bob served as a trustee for nine years, and as chair for three years. We are very grateful to him for his commitment and dedication to helping homeless people, in particular ex-service personnel.

You will notice that we have changed our name from Church Housing Trust to Church Homeless Trust. We changed our name to reflect what we do now, rather than what we did in our past. We are very proud of our roots, which go back to 1882, and the incredible work of Church Army Housing on behalf of homeless people. They were at the forefront of homeless services. We continue to support people in many of the hostels set up by Church Army Housing, in particular through our ongoing relationship with Riverside Care and Support.

We are no longer involved in funding the delivery of services. Instead, our focus is on homeless individuals and what they need to rebuild their lives. We concentrate on building their personal strengths and interests, and meeting their particular needs through small, personal grants.

Within this report are examples of how these small grants can change lives. We hope that you find them interesting and inspiring.

Liz Wilson
Chair of the trustees

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Gemma's story



Gemma wants to give something back

Gemma lives at a residential rehabilitation treatment programme for addiction. She is in 'Stage Three' flats, the third and final stage of the hostel's recovery process.

Having been through the treatment programme, Gemma regularly volunteers in Stage One. She wants to give something back to the community and the service that changed her life. She supports those beginning their recovery from addiction, and acts as an example of what can be achieved.

However, to continue her role she needs some ID, which was lost during her time on the street. Thanks to our donors, Church Homeless Trust was able to fund a replacement passport that Gemma can use to apply for volunteering, jobs, and her own home in the future.

Gemma had a successful interview to join another hostel's volunteer programme. She hopes it will lead into a paid trainee position and eventually a full-time, paid role.

Executive director's introduction

Over the past year the media have been full of stories about the lack of affordable housing available to buy or rent, and the growing number of people who are sleeping on the streets.

The primary reason for someone being accepted as homeless by a Local Authority used to be relationship breakdown; it is now the end of a tenancy. Sadly, this shift is not because there are fewer relationship breakdowns between partners and families, but because there has been an enormous increase in the number of people unable to pay their rent, or find alternative accommodation when their tenancy comes to an end.

We have seen a 50% increase in the number of applications we receive for support funds, and last year we gave out 510 resettlement grants compared to 302 the previous year. In order to meet this extra demand we have had to reduce the maximum grant for resettlement from £250 to £200.

Many homeless people turn to their local church for help, and we continue to provide information for churches and other groups on how to help homeless people. This year we established World Homeless Week as a focus for fundraising and awareness activities, and we will build on its success in coming years.

Increasingly it is winter night shelters run by churches and community groups that are keeping rough sleepers alive over the winter months. In recognition of this, we have made our support grants available to guests in church and community shelters.

We hope that you find our annual report interesting and that you will want to support us in the future.

Miriam Morris
Executive Director



Our Mission

Church Homeless Trust helps people who are homeless to rebuild their lives by giving them grants to meet their particular needs. We give grants to homeless people of all ages, nationalities, and faiths.

We do this because we believe that everybody has a unique contribution to make to society, and that we all benefit when everybody is able to participate fully in life.

The journey home

The journey from sleeping rough to finding a home is long and difficult. Each homeless person has individual needs, abilities, and dreams. We fund the specific support that helps them to rebuild their lives and establish a home.

1 A warm welcome



Sleeping rough is demeaning, terrifying and isolating. Our funding helps people to come off the streets and regain their dignity and wellbeing in practical ways:

Welcome packs of toiletries, underwear, socks, and basic foodstuffs are provided for people when they first move into a scheme from the streets.

Identity papers such as replacement birth certificates and driving licences are funded so that people can access health care, benefits, training, and work.

Clothing for individuals who often have nothing more than what they are standing up in when they arrive at a hostel. As little as £50 can provide someone with smart clothing for an interview, a warm winter coat, or specialised uniform for a new job.

Living expenses for migrants who are waiting for their asylum claims to be processed and cannot work or claim benefits. We provide this funding through Housing Justice's Migrants' Destitution Fund.

Travel costs cover bus or train fares to attend appointments, college, volunteering opportunities, and job interviews. We also pay for travel to reconnect with friends and family.

2 Building confidence



Being homeless robs people of their self-esteem and hopes for the future. Our support helps them to gain confidence and build positive relationships:

Therapeutic activities provide positive experiences, new skills, friendships, and a sense of achievement. This year we funded a variety of in-scheme groups such as tai chi, creative writing, gardening, and art classes.

'Grow and Cook' and Gardening projects funded by us employ therapeutic gardeners to help homeless people to develop new skills, relax, and work together.

Fit for Life funding helps people to improve their health and self-worth. We fund activities such as football coaching, gym memberships, cycling, and horse riding.

Arts and crafts funding for creative activities. These groups provide homeless people opportunities to express emotions and try new hobbies.

The 'Changes' music studio in Westminster offers a range of positive, creative activities to former rough sleepers with addictions and other complex needs. Music gives them new ways to express themselves and socialise with one another. We funded the equipment to enable participants to record music sessions and their own podcasts.

3 Developing skills



To break the cycle of homelessness people need to feel that they have something worthwhile to offer. Our funding helps them to develop skills:

Training and education grants help people to fulfil their ambitions or begin a new career. They are used for course fees, uniforms, materials, and equipment. We have funded courses in fields as diverse as herpetology, safeguarding, beauty therapy, catering, the security industry, and horticulture.

Qualifications and accreditation are necessary for certain jobs. We pay for certificates for construction workers, chefs, security industry personnel, and more.

Our digital inclusion fund provides people who have been homeless with the skills they need to use a computer and stay safe online. We also provide funding for tablets and laptops in recognition of the fact that these are an essential part of belonging to society for most people.

Life skills courses such as cooking on a budget and managing your money.

Volunteer expenses. Volunteering is an ideal route back into work, whether with a local organisation or at a hostel. Many homeless people want to give back to their community by providing support to others, so we pay for their travel, clothing, equipment, and subsistence.

4 Making a home



It can take a long time for someone to be able to move into a home of their own. When they are ready, our funding helps them turn a bare flat into a home:

We have provided resettlement grants to 510 people over the past year, compared to 301 the previous year.

People who have been homeless have very few possessions and very little money. When they leave a hostel, it will often be into empty social housing with no flooring, curtains, or white goods. Sleeping on a concrete floor in a bare flat can feel more isolating than being on the streets.

We provide resettlement grants of up to £200 to people when they move into their own home, so that they can buy the white goods, furniture, and furnishings they need. We also work with local furniture re-use charities so that a modest amount of money gets them everything they need.

Due to the acute shortage of social housing, an increasing number of homeless people are moving into privately rented accommodation. This is often unsuitable as it does not have associated support, and is not secure or long-term.

Furthermore, it means that homeless people with very little money have to find enough to cover a month's rent in advance, a rental deposit and agents' fees. Our resettlement grants can be used to go towards these costs.

A small amount of money can make a massive difference

Corporate partners



We greatly value the contributions we receive from company volunteers, who give their time and provide goods and materials. Over the year we received gifts in kind valued at more than £27,000, ranging from furniture and tree-felling to clothing and sanitary wear.

We were also very fortunate to receive volunteering support from teams from various companies including John Lewis (above), Hymans Robertson (below left), and Peel Hunt (below right), who collectively helped transform the London hostels we support, as well as cooking and sharing food with our service users.

Thank you to everyone who gave up their time to come and help, and to the following companies for sending us donations, volunteers, and gifts in kind:

ARM Ltd
Bel-Air Ltd
Centrus Financial Advisors Ltd
Cushworth Education Services Ltd
Daniel Watney LLP
FutureBrand Ltd
GlaxoSmithKline PLC
Gorkana Ltd
Why Property Works Ltd
Hymans Robertson LLP
J K Leadership Development Ltd
John Lewis Partnership PLC
Kinetic WorldWide UK Ltd
Network Rail Ltd
Peel Hunt LLP
Stuart Delivery Ltd



Helping more homeless people

A breakdown of the impact that our support funding had over the year:



Resettlement

510 homeless people were helped to move into their own home.



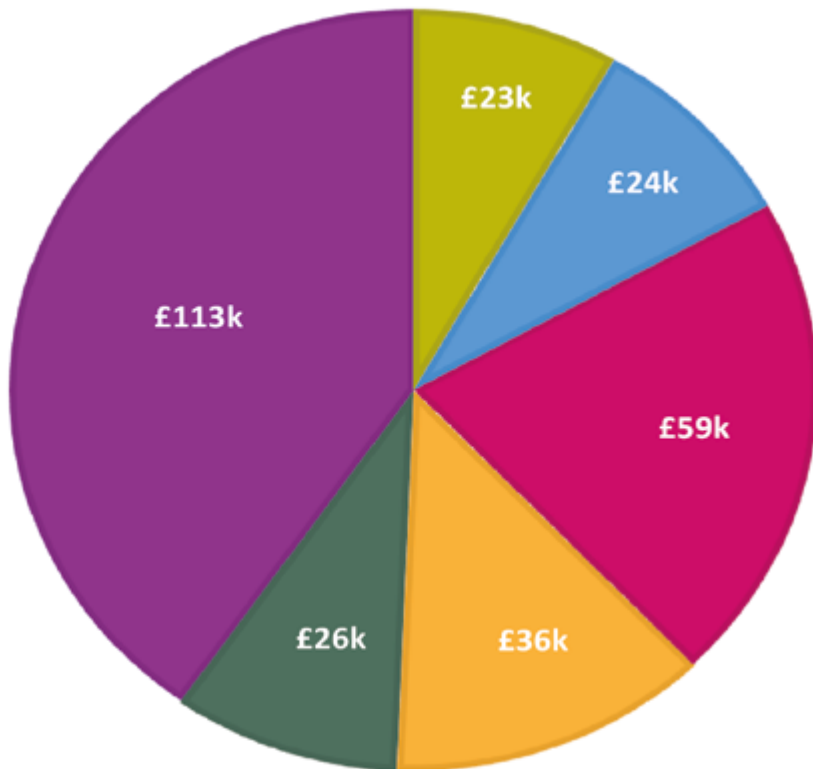
Street Buddies

Two former rough sleepers are now fully-trained outreach support workers.



Volunteering

Homeless people clocked up 2,225 hours of volunteering as we funded their travel and subsistence costs. We also part-funded a volunteer coordinator role.



Therapeutic Activities



Creative Arts

More than 1,500 hours of classes; from creative writing to sound recording.



Health and Fitness

More than 2,700 hours of activities; from football to cycling.



Healthy Eating

More than 1,400 healthy meals were prepared and shared by homeless people.



Gardening

More than 980 hours learning about gardening with therapeutic gardeners up and down the country.



Excursions

More than 700 homeless people had the opportunity to go on an excursion, making friends, and visiting new places.



Christmas

1,700 homeless people received a small gift and enjoyed a Christmas lunch.



Personal Support

779 homeless people received grants for training, travel, clothing, identity papers, toiletries etc.

Anthony's story



"It will be my first real home."

Anthony has a learning difficulty and spent his childhood in the care of multiple different services. His family struggled with relationship breakdowns and needed intensive support. When Anthony turned 18, his father was already living in a homeless hostel.

After leaving the care system, Anthony was soon homeless too, and moved around hostels, B&Bs, and other temporary accommodation.

When he moved into a hostel that Church Homeless Trust works with, he gained some much-needed stability. He grew in confidence, eventually becoming the Resident Representative at the scheme.

He has now been offered a space at a support scheme where he will have his own flat. "It is somewhere I have always wished to live," he explains. "It will be my first real home."

Anthony had almost no possessions to help him settle into the flat. Church Homeless Trust provided him with funding for basic furniture including a bed, wardrobe, and sofa.

He says: "Thank you. I needed furniture and will be able to call the things I buy 'mine.' I really can't wait to move in and have my friends over to visit me. I am really excited."

Our Supporters

Because we receive no statutory funding, we are entirely reliant on the generosity of our supporters.

WORLD HOMELESS WEEK

9-15 October 2017

This year we also received support from over 170 churches and religious orders of all denominations.

In response to supporters frequently asking how and why people become homeless in a country as rich as England, we launched World Homeless Week. The week is based around World Homeless Day on 10 October, in recognition of the global nature of the problem and of those who seek to help. It gives churches and other groups an opportunity to learn more about the issues which lead to homelessness, and how they can help.

Churches are increasingly being asked for help by homeless people. That demand has grown as cuts to statutory services take their toll.

We produced our guide 'How to Help Homeless People', which we sent out to all Church of England benefices, and Christian Unions at Universities. It is also available free of charge to anyone who requests it.

The guide was very popular, and we have updated it in line with new homelessness reduction legislation for the coming year.



We are fortunate to have very loyal supporters, including individuals who have been giving to us regularly for many years.

This year, we sent a supporter survey to our regular givers to find out more about them and why they donate to us. Here are some of the key findings:

Why do people give to us?

The main reasons people gave for supporting us are:

1. Their concern for homeless people,
2. Because of our Christian values,
3. Because we give small, personalised grants.

Which other causes do they support?

Our supporters also give to many other different charities and causes:

- 92% give to their local church
- 84% give to overseas aid
- 84% give to environmental charities

Legacies

We are honoured to have been entrusted with legacies from Olive Mary Benham, Megan Hilda David, Matthew England, R.W. Lane, Mary Margaret Levoi, Anthony Joseph Moorhouse, Emily Florence Eliza O'Brien, Revd Canon Michael Robert Swindlehurst, and Caroline Jane Gilmour White.

We also received gifts in memory of Revd John Yorke Raffles Tucker.

These gifts form a significant part of our income, and enable us to plan and commit to long-term initiatives.

Joe's story



*"It's brought me back,
stronger than before."*

Joe became homeless after leaving the British Army. He returned home to Northern Ireland, but because of his service, was beaten and threatened with his life by local paramilitaries. He fled to England and slept rough for two years, during which time he felt 'lost'.

"After being in the army and feeling like I contributed, I felt worthlessness... a total lack of pride."

Joe remembers spending Christmas Day "in a tent eating processed fast food, or whatever I could get my hands on. Your clothes are damp, it's cold and miserable. You're buying junk, rubbish, just something to fill your stomach."

When he moved into a hostel specifically for homeless ex-Services personnel, he began to feel hope. Thanks to your support, Joe was able to train in voiceover work and now takes on regular, paid projects. He also gained qualifications in fire safety, first aid, and teaching, all with funding from your donations. He has already mentored two younger veterans and wants to pass on his new skills and confidence to others.

It also helped him to overcome some of the trauma of his past. Joe has been able to move into a home of his own with his dog, Guinness.

Governance

Trustee directors

The trustee directors are directors of the charitable company for the purposes of the Companies Act 2006. New trustee directors are appointed by those trustee directors who are already in office at the time with up to one-third being nominated by Riverside Care and Support. At any one time there must be a minimum of three trustee directors and a maximum of 15.

Last year we appointed four new trustee directors in anticipation of the retirement of four board members this year. We are very grateful to the Venerable Dr Colin Hill and Revd Prebendary Graham Earney for their many years of loyal service on our board. We are also grateful to Leann Hearne, the former executive director of Riverside Care and Support, who retired to make way for the new executive director, John Glenton, to join our board. And we give special thanks to Commander Robert Cribb, who was a trustee for nine years, and served as a wise and determined chair for the final three years.

We were sorry also to lose Richard Jacobs, who due to a new job is no longer able to attend board meetings. We are grateful to him for all that he has done to improve our corporate fundraising, and we hope to continue to work with him on new company partnerships in the future.

The trustee directors who served during the year were:

Trustee directors	Appointed/Resigned/Retired
Commander Robert Cribb MBE RN (Retd) (chair)	Retired September 2017
Elizabeth Wilson (chair)	Appointed chair September 2017
Mark Bolton	
Christopher Daws	
Revd Preb Graham Earney	Retired November 2017
John Glenton (Riverside Care and Support nominee)	
Leann Hearne (Riverside Care and Support nominee)	Retired September 2017
The Ven Dr Colin Hill	Retired November 2017
Richard Jacobs	Resigned April 2018
Anne Parker CBE (Riverside Care and Support nominee)	
Philip Raw	Appointed September 2017
Elizabeth Toher	

No trustee director had any beneficial interest in any contract with Church Homeless Trust during the year.

Brief biographical details of each of the trustee directors currently serving are given below:

Elizabeth Wilson is director of The Work Playground, a coaching and leadership development organisation whose aim is to build purposeful leaders and outstanding teams in organisations who want to make a difference. Liz has a background in sales and general management within publishing, retail and distribution and has been a charity trustee and school governor for over 16 years.

Mark Bolton has a colourful history in both fashion and music. Following this rock'n'roll lifestyle he ended up in rehab and moved into supported housing. He first joined Riverside Care & Support's board as an observer in 2011, then became a non-executive director. He has faced homelessness personally, which helped inspire him to join Church Homeless Trust's board in 2016.

Christopher Daws is a chartered accountant and a member of the Chartered Institute of Taxation and the Association of Corporate Treasurers. He was the financial and deputy secretary of the Church Commissioners for England until his retirement at the end of 2006. He has been a trustee of Action for Children, Chairman of the Action for Children Pension Fund, a member of the Board for Actuarial Standards and the independent member of the audit committee of the Charity Commission. He is a trustee of the Share Foundation, CUBC Foundation, and Friends of Malmesbury Abbey.

John Glenton is the executive director of Care and Support at The Riverside Group. John took over as the executive director in April 2016, following three years as director of operations. John shares a long history with Church Homeless Trust as his career working within the homeless sector began in 1987 with Church Housing Association. He has held various front line and management roles over the years covering business development, strategy, and operations.

Anne Parker CBE was director of Social Services for Berkshire before becoming the independent case examiner for the Child Support Agency. After chairing the National Care Standards Commission, she renewed her interest in social housing by joining the board of Riverside Care and Support, where she saw the value of the work of Church Homeless Trust for homeless and vulnerable people.

Philip Raw is a chartered building surveyor. He has worked in housing all his career heading up a national organisation of surveyors and valuers and running his own consultancy in Hampshire until 2016. He has been a board member of a number of housing associations including being vice-chair of the Riverside group and chair of Riverside Care and Support. He also supports a home charity in the south of England and is a church leader.

Elizabeth Toher is a senior programme manager and director with Toher Associates, and has worked across a number of organisations including The Cooperative Bank, Lloyds Banking Group and KPMG. She is experienced in the development and deployment of business information systems, especially in the finance industry.

Statement of trustee directors' responsibilities

The trustee directors (who are also directors of Church Homeless Trust for the purposes of company law) are responsible for preparing the trustee directors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)..

Company law requires the trustee directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustee directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 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 United Kingdom and Republic of Ireland (FRS 102);
- make judgements and 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 charitable company will continue in business.

The trustee directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the trustee directors is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- each trustee director has taken all steps that they ought to have taken as a trustee director in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Structure and management reporting

The overall responsibility for the charity lies with the trustee directors who have delegated the day to day management of the charity to the executive director. The trustee directors meet four times a year to review progress, discuss policy issues and agree strategy. The chair meets with the executive director every month to discuss strategic and operational matters.

A group of trustee directors undertakes an annual appraisal of the executive director, and sets targets for the coming year; the remuneration committee consisting of three trustees sets the pay for all members of staff.

Key management personnel

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustee directors and the executive director of the charity. The remuneration of the executive director is agreed annually by the trustee directors and is benchmarked against the sector.

Management

The executive director, Miriam Morris, is also company secretary. Miriam is supported by a communications manager, trust administrator, supporter relations manager and part-time financial accountant.

Church Homeless Trust is an equal opportunities employer and applies objective criteria to assess merit. We employ the people we consider to be best for the job regardless of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation and disability.

Fundraising and data protection policies

Church Homeless Trust takes great care over our communications with supporters, making sure that the frequency and tone of our communications do not put pressure on supporters, but at the same keep them informed and engaged. We ensure that supporters can change the way we communicate with them at any time.

We are registered with the Fundraising Regulator and adhere to the Code of Fundraising Practice. We manage our own fundraising activities and do not employ the services of any third-party 'professional fundraisers'.

We have processes for responding to complaints regarding our fundraising activities. Over the past year we have received no complaints about our fundraising activities.

We apply best practice to protect supporters' data. We never sell data or swap data with other organisations. We regularly monitor and update our data protection policy to ensure that we are compliant with regulations.

Zahara's story



"It's a beautiful and blessed thing to do."

Church Homeless Trust supports asylum seekers in partnership with Housing Justice. While applying for asylum people are not allowed to work or claim benefits, essentially making them homeless and destitute. Host families provide a room and board, and Church Homeless Trust provides a small grant so that they have money for day to day expenses. One of these asylum seekers is Zahara.

Zahara agreed to an arranged marriage, and left her family and small business in Ethiopia to move to the UK. But her new husband became increasingly violent. He made her move out of their home, and would not let her come back.

She passed her NVQ in social care while living in a women's refuge, but couldn't afford to rent on her own. Her husband would not speak to her.

After several months, her mother became ill, so Zahara travelled back to visit her family. When she tried to re-enter the UK, she was told that her spousal visa had been cancelled. She was sent to an immigrant detention centre and became very ill: not eating, struggling with depression, and taking medication to help her sleep.

She bounced between friends' living rooms and a refugee centre. At one point she ended up sleeping rough around Leicester Square. This was terrifying for her.

Housing Justice found her a place with a host home. Her host became a second mother to her, and she began to have hope for her future. Before this, she had considered suicide and couldn't see a way out.

Zahara now has leave to remain and is enjoying working in hospitality. She is studying to realise her dream of becoming a nurse.

Name changed to protect privacy.

Financial Review 2018

Results for the year

Total income (including from investments) for the year amounted to £486,777 (2017 £662,682). This is a disappointing result, which may be in part due to the fact that we have been the victim of fraud over the past year. More details about the theft are given on page 16, but sadly we will never know how much was taken, who took it, nor will we ever get it back.

Unrestricted income decreased from £510,883 to £337,548 due to a fall in both legacy income and grant and donation income, some of which was the result of fraud. Legacy income was £97,930 in 2018 compared to £212,796 the previous year. Unrestricted donations excluding legacies fell from £317,509 in 2017 to £224,682 in 2018.

Restricted income was £149,229, close to the previous year which was £151,799.

Total expenditure for the year amounted to £656,039 (2017 £599,138). During the year, we spent £534,830 on charitable activities (2017 £489,438) and £121,209 on raising funds (2017 £109,700).

In line with our reserves policy (see below), we had budgeted for a deficit of £175,000 on our unrestricted funds. We finished the year with a deficit of £146,252 (2017 surplus of £63,105).

Reserves policy and financial position

£228,883 (2017 £254,796) of the reserves at 31 March 2018 are restricted in that they arise from specific bequests and grants which have not yet been expended. The trustee directors will disburse such funds in accordance with the conditions of the bequest or grant.

Reserves of £221,037 (2017 £352,725) are unrestricted for disbursement to meet our charitable aims. Following changes to accounting practice (FRS 102) in 2016, we made a provision in that year of £283,000 for our share of the deficit on the pension scheme, which is payable over the period to 2026. As of 31 March 2018 the provision stood at £230,000, which is shown on our balance sheet. This liability does not fall due immediately, and the expectation is that it will be met annually from income earned. Therefore the pension provision is regarded as part of our free reserves, which exclude the net book value of tangible assets and stand at a total of £446,608 (2017 £615,412).

The trustee directors revised the charity's reserves policy in 2016 from a target level of six months' general fund expenditure, excluding grants, to eight months'. This is to make some provision against future pension deficit contributions.

Our unrestricted reserves exceed eight months' expenditure by £213,000. We are committed to spending the excess on grants over the next two years.

Investment performance

Our aim is to maximise the total return (capital appreciation and income combined) within an acceptable level of risk while ensuring that the projected needs for cash can be met. We invest in ethical funds which are in keeping with the values of Church Homeless Trust. We do not put our restricted funds into investments where the capital is at risk.

During the year, the charity's investments performed in line with the world stock markets, achieving an income yield of 3.54% (2017 3.26%) and a capital appreciation of 1.78% (2017 appreciation of 15.17%). At the end of the year, the charity's investments comprised 100% UK common investment funds.

Value for money

In order to get more for our money, we work with In Kind Direct, a charity which diverts new but unwanted goods from landfill and sells them to charities for a greatly reduced price. Over the year we purchased £8,725 worth of goods on their behalf of homeless people for just £1,011 - a saving of £7,714.

We are also working with re-use charities local to the schemes we support, so that we can provide more furniture and white goods with our £200 resettlement grants than if goods were purchased new.

Risk management

Church Homeless Trust has a comprehensive register of risks and mitigating actions, falling under the categories of income, expenditure, staffing and external risks.

The executive director provides the trustee directors with a quarterly report on the risks identified as posing the greatest threats to the charity, and the actions taken to protect against them.

Over the year the greatest risks were identified as:

Risks	Mitigating actions
Income	
Theft of our post and the donations contained therein, including fraudulent cashing of cheques	As incidents came to our attention we reported them to the police, Action Fraud, the banks involved and Royal Mail. We repeatedly informed our donors that there was a problem and started to send receipts for all donations, asking donors to contact us if they did not get a receipt. We encouraged donors to give online or by phone. However, this is not appropriate for many of our donors. We informed the Information Commissioner that our post was being stolen and we reported it to the Charity Commission. We started to collect our post from the sorting office rather than have it delivered, and we believe that this has stopped the theft. We have now moved offices and are under a different sorting office.
Diminishing and ageing supporter base	Ongoing campaigns and initiatives to recruit new donors through companies, churches, events, and online.
Expenditure	
Demand for support funds increases beyond our capacity	We have tightened the criteria for support funds, and reduced the maximum amount given for resettlement grants from £250 to £200.
Our costs increase faster than our income	As our lease came up for renewal we moved to offices which provide shared space for charities, which is cheaper and on a rolling monthly lease. We have also further reduced the costs of our printing and mailings by continually looking for new suppliers.
Staffing	
Staff recruitment and retention	We reviewed all job roles and pay scales in May 2017 and agreed a policy for annual increments.
External	
GDPR preventing us from contacting people or growing our database	We have updated our privacy policy and are continuing to mail people on the basis of legitimate interest. We already have informed consent from all of our email list.
Political and economic uncertainty of Brexit discouraging companies and major donors from giving	Monitor our income and adjust our forecasts and expenditure accordingly.

The trustee directors have assessed the major risks to which the charity is exposed, and believe that they have established effective systems to mitigate those risks.

Signed for and on behalf of the trustee directors:

Liz Wilson **12th September 2018**

Liz Wilson

Approved by the trustee directors

Independent auditor's report 31 March 2018

Independent auditor's report to the members of Church Homeless Trust

Opinion

We have audited the financial statements of Church Homeless Trust (the 'charitable company') for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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 charitable 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustee directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustee directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which 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 trustee directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustee directors were not entitled to take advantage of the small companies' exemptions in preparing the annual report and from the requirement to prepare a strategic report.

Responsibilities of trustee directors

As explained more fully in the trustee directors' responsibilities statement, the trustee 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 trustee 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 trustee directors are responsible for assessing the charitable 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 trustee directors either intend to liquidate the charitable 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Amanda Francis 12th September 2018

Amanda Francis (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Statement of financial activities Year to 31 March 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Unrestricted funds £	Restricted funds £	Total 2017 £
Income from:							
Donations, grants and legacies	1	332,612	149,229	471,841	497,305	151,799	649,104
Investment income and interest receivable	2	14,936	—	14,936	13,578	—	13,578
Total income		337,548	149,229	486,777	510,883	151,799	662,682
Expenditure on:							
Raising funds	3	121,209	—	121,209	109,700	—	109,700
Charitable activities							
Assisting homeless people and those in housing need	4	362,591	172,239	534,830	338,078	151,360	489,438
Total expenditure		483,800	172,239	656,039	447,778	151,360	599,138
Net (expenditure) income before investment gains and transfers							
		(146,252)	(23,010)	(169,262)	63,105	439	63,544
Net gains on investment assets		8,661	—	8,661	51,167	—	51,167
Net (expenditure) income before transfers							
		(137,591)	(23,010)	(160,601)	114,272	439	114,711
Gross transfers between funds	16	2,903	(2,903)	—	—	—	—
Net (expenditure) income	7	(134,688)	(25,913)	(160,601)	114,272	439	114,711
Other recognised gains (losses)							
Actuarial gains (losses)	19	3,000	—	3,000	(8,000)	—	(8,000)
Net movement in funds		(131,688)	(25,913)	(157,601)	106,272	439	106,711
Reconciliation of funds:							
Funds brought forward at 1 April 2017		352,725	254,796	607,521	246,453	254,357	500,810
Funds carried forward at 31 March 2018		221,037	228,883	449,920	352,725	254,796	607,521

Continuing activities

All the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 March 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	11		4,429		1,313
Investments	12		302,139		388,478
			306,568		389,791
Current assets					
Debtors	13	78,216		43,895	
Short term deposits		60,000		135,000	
Cash at bank and in hand					
. Interest bearing accounts		233,002		284,945	
. Other accounts and cash		39,498		38,090	
		410,716		501,930	
Creditors: amounts falling due within one year	14	(37,364)		(20,200)	
Net current assets			373,352		481,730
Total assets less current liabilities			679,920		871,521
Provision for liabilities	15		(230,000)		(264,000)
Total net assets			449,920		607,521
The funds of the charity:					
Funds and reserves					
Income funds					
Restricted funds	16		228,883		254,796
Unrestricted funds					
. General fund		351,037		441,725	
. Designated funds	18	100,000		175,000	
. Pension reserve fund	20	(230,000)		(264,000)	
			221,037		352,725
			449,920		607,521

Approved by the trustee directors of Church Homeless Trust, company registration number 2453957 (England and Wales), and signed on their behalf by:

Liz Wilson 12th September 2018

Liz Wilson

Chair of the board of trustees

Statement of cash flows Year to 31 March 2018

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(229,767)	(15,954)
Cash flows from investing activities:			
Investment income and interest received		14,936	14,298
Proceeds from the sale of listed investments		95,000	—
Purchase of tangible fixed assets		(5,704)	(303)
Net cash provided by investing activities		104,232	13,995
Change in cash and cash equivalents in the year		(125,535)	(1,959)
Cash and cash equivalents at 1 April 2017	B	458,035	459,994
Cash and cash equivalents at 31 March 2018	B	332,500	458,035

Notes to the statement of cash flows for the year to 31 March 2018

A Reconciliation of net movement in funds to net cash used in operating activities

	2018 £	2017 £
Net movement in funds (as per the statement of financial activities)	(157,601)	106,711
Adjustments for:		
Depreciation charge	1,502	1,324
Gains on investments	(8,661)	(51,167)
Investment income and interest receivable	(14,936)	(13,578)
Loss on disposal of tangible fixed assets	1,086	—
Increase in debtors	(34,321)	(33,748)
Increase (decrease) in creditors	17,164	(6,496)
Decrease in pension provision	(34,000)	(19,000)
Net cash used in operating activities	(229,767)	(15,954)

B Analysis of cash and cash equivalents

	2018 £	2017 £
Short term deposits (less than three months)	60,000	135,000
Cash at bank and in hand:		
Interest bearing accounts	233,002	284,945
Other accounts and cash	39,498	38,090
Total cash and cash equivalents	332,500	458,035

Principal accounting policies 31 March 2018

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2018 with comparative information provided for the year to 31 March 2017.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes which follow.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard 102 (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustee directors and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- determining whether legacy income should be accrued for based on the probability of receipt;
- determining the basis for allocating support costs;
- estimating the liability for multi-year grant commitments;
- estimating the useful economic life of tangible fixed assets; and
- the underlying assumptions used in the actuarial valuation of the pension scheme.

Assessment of going concern

The trustee directors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustee directors have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustee directors of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustee directors are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. In reaching this opinion they have assumed that the future pension commitments referred to in note 20 to these financial statements and for which there is a provision on the balance sheet as at 31 March 2018 will be met out of future income as contributions become payable. The most significant areas of judgement that affect items in the financial statements are detailed above.

With regard to the next accounting period, the year ending 31 March 2019, the most significant areas that affect the carrying value of the assets held by the charity remain the impact of the general economic conditions on the charity's ability to attract donations and grants and on its level of investment return (please see the investment policy section of the trustee directors' report for more information).

Income recognition

Income comprises donations and grants, legacies, investment income and interest receivable. In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Income is recognised when the charity has become entitled to the income, it is probable that the income will be received and the amount can be measured reliably.

Entitlement to legacies is recognised when the charity has sufficient evidence that a gift has been left to it and the executor is satisfied that the gift will not be required to satisfy claims on the estate

Where legacies have been notified to the charity or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

In the event that a gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

Expenditure recognition

Expenditure comprises the following:

- a) Raising funds includes the salaries, direct costs and overheads associated with generating voluntary income.
- b) Charitable activities comprises expenditure on the charity's primary charitable purposes, including grants payable.

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to make a payment 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.

Grants payable are recognised when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and satisfied all related conditions. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not recognised but are disclosed as financial commitments in the notes to the financial statements.

All expenditure is stated inclusive of VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel, provision of office services and equipment and a suitable working environment.

Governance costs are the costs associated with the governance of the charity and its assets.

Support costs and governance costs are allocated as described in note 5.

Tangible fixed assets

All computers and all other assets costing more than £1,000 and with an expected life exceeding one year are capitalised.

Tangible fixed assets are stated at cost less depreciation.

Office equipment is depreciated at 25% on the straight line basis in order to write off each asset over its estimated useful life.

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above, one of the financial risks faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Gains and losses on investment assets are calculated as the difference between disposal proceeds or the fair value at the year end and their opening carrying value or purchase value if acquired during the financial year. Investment gains (or losses) are credited (or debited) in the statement of financial activities in the year in which they arise .

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions 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. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustee directors.

The pension reserve fund represents the amount set aside to meet the future pension scheme deficit reduction payments as estimated by the scheme actuary.

The designated funds are monies set aside out of the general fund and designated for specific purposes by the trustee directors.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

Leased assets

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

Pension costs

The charity contributes to a defined benefit pension scheme which is funded by contributions from the employer and the employee. Pension scheme assets are measured using market values. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Any increase in the present value of the liabilities within the charity's defined benefit scheme expected to arise from employee service in the period is allocated to the respective expense category within the statement of financial activities. Actuarial gains and losses are recognised in the statement of financial activities as part of other recognised gains and losses for the period.

Notes to the financial statements 31 March 2018

1. Donations, grants and legacies

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Legacies	97,930	—	97,930	212,796
The Peter Stebbings Memorial Charity Grant	—	—	—	10,000
Other donations and grants	224,682	149,229	373,911	426,308
2018 Total funds	322,612	149,229	471,841	649,104
2017 Total funds	497,305	151,799	649,104	

2. Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Income from listed investments				
. UK listed investments	10,927	—	10,927	12,726
Interest receivable				
. Bank interest	4,009	—	4,009	852
2018 Total funds	14,936	—	14,936	13,578
2017 Total funds	13,578	—	13,578	

3. Raising funds

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Staff costs	75,116	—	75,116	74,147
Advertising	26,263	—	26,263	18,607
Allocated support costs (note 5)	19,830	—	19,830	16,946
2018 Total funds	121,209	—	121,209	109,700
2017 Total funds	109,700	—	109,700	

4. Assisting homeless people and those in housing need

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Grants payable	140,410	172,239	312,649	271,403
Staff costs	122,894	—	122,894	122,077
Publicity	34,971	—	34,971	39,355
Allocated support costs (note 5)	64,316	—	64,316	56,603
2018 Total funds	362,591	172,239	534,830	489,438
2017 Total funds	338,078	151,360	489,438	

A reconciliation of the grants payable and the grants commitments is as follows:

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Grants commitments at 1 April 2017	—	—	—	250
Grants committed during the year	140,410	172,239	312,649	271,403
Total grants commitments	140,410	172,239	312,649	271,653
Grants payable (above)	(140,410)	(172,239)	(312,649)	(271,653)
Grants commitments at 31 March 2018 (note 14)	—	—	—	—

5. Support costs

Support costs incurred during the year ended 31 March 2018 and the bases of their allocation were as follows:

	Raising funds £	Charitable activities £	Total £	Basis of allocation
Office costs	16,629	49,888	66,517	Pro rata by expenditure
Legal and professional fees	22	118	140	Pro rata by expenditure
Bank charges and finance costs	690	3,700	4,390	Pro rata by expenditure
Governance costs (note 6)	2,489	10,610	13,099	Pro rata by expenditure
	19,830	64,316	84,146	

6. Governance costs

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Auditor's remuneration	8,040	—	8,040	8,280
Other professional costs	5,059	—	5,059	2,430
2018 Total funds	13,099	—	13,099	10,710
2017 Total funds	10,710	—	10,710	

7. Net (expenditure) income

This is stated after charging:

	2018 £	2017 £
Staff costs (note 8)	198,010	196,224
Auditor's remuneration		
. Statutory audit services	8,040	8,280
Depreciation	1,502	1,324

8. Staff costs

	2018 £	2017 £
Wages and salaries	168,617	168,233
Social security costs	14,121	13,099
Other pension costs	15,272	14,530
	198,010	195,862
Other staffing costs	—	362
	198,010	196,224

Staff costs (including other related costs) by function were as follows:

	2018 £	2017 £
Raising funds	75,116	74,147
Charitable activities	122,894	122,077
	198,010	196,224

The average number of employees, analysed by function, was as follows:

	2018	2017
Raising funds	2	2
Charitable activities	4	4
	6	6

No employees were paid more than £60,000 during the year (including taxable benefits but excluding employer pension contributions).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustee directors and the director of the charity. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £49,213 (2017 £49,307).

9. Trustee directors' remuneration

None of the trustee directors received any remuneration from the charity during the year (2017 none). Travelling and accommodation expenses amounting to £5,059 (2017 £2,094) were reimbursed to nine trustee directors during the year (2016 four trustee directors).

As of March 2018 two of the serving trustee directors were nominated by Riverside Care and Support., one of whom is an employee of Riverside Care and Support.

10. Taxation

Church Homeless Trust is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

11. Tangible fixed assets

	Office equipment £
Cost	
At 1 April 2017	49,072
Additions	5,704
Disposals	(42,369)
At 31 March 2018	<u>12,407</u>
Depreciation	
At 1 April 2017	47,759
Charge for year	1,502
Disposals	(41,283)
At 31 March 2018	<u>7,978</u>
Net book values	
At 31 March 2018	<u>4,429</u>
At 31 March 2017	<u>1,313</u>

12. Fixed asset investments

	Total £
Listed investments	
Market value at 1 April 2017	388,478
Proceeds of disposals	(95,000)
Gains for the year	8,661
Market value at 31 March 2018	<u>302,139</u>
Historical cost at 31 March 2018	<u>279,516</u>

At 31 March 2018 all investments were held in the COIF Charities Investment Fund.

13. Debtors

	2018 £	2017 £
Income tax recoverable	16,871	5,338
Prepayments and accrued income	58,945	35,557
Investment income receivable	2,400	3,000
	78,216	43,895

14. Creditors: amounts falling due within one year

	2018 £	2017 £
Expense and other creditors	9,275	7,845
Social security and other taxes	3,922	4,287
Accruals and grants in advance	24,167	8,068
	37,364	20,200

15. Provision for liabilities

	2018 £	2017 £
Provision for pension scheme deficit reduction payments (note 20)	230,000	264,000

16. Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes:

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2018 £
Support funds (note 17)	170,723	131,665	(143,366)	651	159,673
Haverhill, Middlesbrough & Reading IT	3,400	—	—	(3,400)	—
Cambridge Victoria and Springs Garden	3,095	—	—	—	3,095
Wakefield Marie House Garden	—	2,064	—	—	2,064
Swindon GROW Project	—	5,000	—	—	5,000
Manchester Prison Visitor's Centre	1,634	—	(1,413)	—	221
Huddersfield Grow & Cook	4,348	—	—	—	4,348
London Street Buddies	28,846	10,000	(23,182)	—	15,664
Sittingbourne Fitness For You	5,095	—	(3,778)	—	1,317
Other restricted funds	37,655	500	(500)	(154)	37,501
	254,796	149,229	(172,239)	(2,903)	228,883

Transfers represent £3,554 of closed funds transferred to their respective support funds and £2,903 being the 15% central costs applied on restricted appeals.

The above restricted funds are funds held to support service users in Riverside Care and Support's schemes across England.

17. Support funds

Support funds are used to enhance the lives of residents in over 100 supported housing schemes throughout England by providing 'added value' activities and equipment for which no other funding is available. During the year, in addition to the amount shown in note 16, £120,167 (2017 £66,509) of support funding came from unrestricted funds in order to meet demand.

18. Designated funds

The unrestricted funds of the charity include the following designated funds which have been set aside out of general funds by the trustee directors for specific purposes:

	At 1 April 2017 £	New Designations £	Utilised/ released £	At 31 March 2018 £
Grants fund	175,000	65,411	(140,411)	100,000

The grants fund represents money set aside for the purpose of grants to homeless people to provide the particular support which they need to rebuild their lives.

19. Analysis of net assets between funds

	General fund £	Designated fund £	Pension reserve fund £	Restricted funds £	Total 2018 £
Tangible fixed assets	4,429	—	—	—	4,429
Investments	302,139	—	—	—	302,139
Net current assets	44,469	100,000	—	228,883	373,352
Provision for liabilities	—	—	(230,000)	—	(230,000)
Total net assets	351,037	100,000	(230,000)	228,883	449,920

20. Pension commitments

Social Housing Pension Scheme: Background and information about the Scheme

Until 31 March 2013, the charity participated in the Defined Benefits Section of the Social Housing Pension Scheme (the Scheme). Church Homeless Trust ceased to have any active members of the defined benefit scheme on 31 March 2013.

The Scheme is a multi-employer Scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The Scheme is classified as a 'last man standing arrangement'. Therefore, the charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the Scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

A full actuarial valuation for the Scheme was carried out with an effective date of 30 September 2014. This actuarial valuation was certified on 23 November 2015 and showed assets of £3,123m, liabilities of £4,446m and a deficit of £1,323m. To eliminate this funding shortfall, the Scheme trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the Scheme as follows based on the Tier to which the participating employer belongs:

Deficit contributions for the scheme as a whole

Tier 1 From 1 April 2016 to 30 September 2020:	£40.6m per annum (payable monthly and increasing by 4.7% each year on 1 April)
Tier 2 From 1 April 2016 to 30 September 2023:	£28.6m per annum (payable monthly and increasing by 4.7% each year on 1 April)
Tier 3 From 1 April 2016 to 30 September 2026:	£32.7m per annum (payable monthly and increasing by 3.0% each year on 1 April)
Tier 4 From 1 April 2016 to 30 September 2026:	£31.7m per annum (payable monthly and increasing by 3.0% each year on 1 April)

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2011; this valuation was certified on 17 December 2012 and showed assets of £2,062m, liabilities of £3,097m and a deficit of £1,035m. To eliminate this funding shortfall, payments consisted of the Tier 1, 2 & 3 deficit contributions.

Where the scheme is in deficit and where the charity has agreed to a deficit funding arrangement, the charity recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision

	31 March 2018 £'000	31 March 2017 £'000	31 March 2016 £'000
Present value of provision	230	264	283

Reconciliation of opening and closing provisions

	31 March 2018 £'000	31 March 2017 £'000
Provision at start of period	264	283
Unwinding of the discount factor	3	5
Deficit contribution paid	(34)	(32)
Re-measurements – impact of any change in assumptions	(3)	8
Provision at end of period	230	264

Income and expenditure impact

	31 March 2018 £'000	31 March 2017 £'000
Interest expense	3	5
Re-measurements – impact of any change in assumptions	(3)	8
Expenditure recognised in statement of financial activities	—	13

Assumptions

	31 March 2018 % per annum	31 March 2017 % per annum	31 March 2016 % per annum
Rate of discount	1.72	1.33	2.06

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

21. Connected entities

Riverside Care and Support has the right to nominate up to one third of the trustee directors of Church Housing Trust.

During the year Church Homeless Trust awarded grants to homeless individuals referred to it by Riverside Care and Support making payments which in aggregate amounted to £311,900 (2017 £269,579). These monies were for the direct benefit of homeless individuals providing funds for purposes for which there is no government funding available.

At 31 March 2018 the charity did not owe service users of Riverside Care and Support any outstanding grants (2017 £nil) (note 14).

22. Members' liability

The charity is constituted as a company limited by guarantee. In the event of the company being wound up, company members are required to contribute an amount not exceeding £1.

23. Operating leases

At 31 March 2018 the charity had the following future minimum commitments under non-cancellable operating leases in respect of:

	Office equipment	
	2018 £	2017 £
Operating lease payments due:		
Within one year	2,456	1,199
Between two and five years	6,097	2,399
	8,553	3,598

Juliet's story



"It has opened up a whole new world to myself and others."

Juliet, featured on the front cover of this report, attended a pilot programme of music lessons at her hostel paid for by Church Homeless Trust. She is now the lead singer of the in-house band, 'Skint but Mint'.

For much of her life she went through a chaos of homelessness and addiction. Although she was off drugs when she moved into the hostel we work with, she said she couldn't face life alone any more, and felt she had nothing to live for.

She had begun to settle at the scheme when she had the chance to join some music sessions. She revealed herself to be a talented singer and regularly practises with Skint but Mint, who have begun to play live shows.

She says: "It has helped me in so many ways I don't believe there's enough space to write it all down. It has changed my view about myself and others in a positive and productive manner."

"My life has gradually become pretty incredible, including being in the band, which has kept me going each week at probably one of the worst times in my life. It has saved my life for certain."

Over the past year we have received grants and donations from the following organisations and trusts



LOTTERY FUNDED

All Saints Parochial Charities
Annie Tranmer Charitable Trust
Arimathea Charitable Trust
Barnabas Charitable Trust
Beatrice Laing Charitable Trust
Bedhampton Charitable Trust
Bennett Family Grantmaking Charity
The Bernays Charitable Trust
Borrows Charitable Trust
The Bothwell Charitable Trust
Bridgewater Charitable Trust
Cranfield Charitable Trust
D C Moncrieff Charitable Trust
D G Marshall of Cambridge Trust
D M Charitable Trust
The Earmark Trust
The Essex Trust
The Fulmer Charitable Trust
Hamilton Wallace Trust
The Hugh Neil Charity
Hull & East Riding Charitable Trust
Hull and Jubilee Aid in Sickness

John James Bristol Foundation
Joseph & Annie Cattle Trust
Joseph Boaz Trust
Liz & Terry Bramall Foundation
The London Community Foundation
The Lynn Foundation
Marsh Christian Trust
The Minos Trust
The Mollie Croysdale Charitable Trust
Mrs Frances Crabtree Charitable Trust
The Nathaniel Reyner Trust Fund
The Nunburnholme Trust
The Paragon Trust
Pilkington Charities Fund
The Proven Family Trust
The Rothley Trust
Sabina Sutherland Charitable Trust
Shaw Lands Trust
Sir Frederick Hiam Charitable Trust
The Sir James Reckitt Charity
The Sir James Roll Charitable Trust
The Sir Jules Thorn Charitable Trust
Skelton Bounty
The Van Neste Foundation
The Whitecourt Charitable Trust
Zurich Community Trust

