



**Annual report and
financial statements 2019**

Patrons, trustees and advisors as of 18th September 2019

Patrons	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
Trustee directors	Elizabeth Wilson (Chair) Mark Bolton Christopher Daws (Treasurer) John Glenton Trevor Morris Anne Parker CBE Philip Raw Elizabeth Toher
Executive director and secretary	Miriam Morris
Registered and principal office	Can Mezzanine 49 - 51 East Road London N1 6AH info@churchhomelesstrust.org.uk www.churchhomelesstrust.org.uk
Company registration number	2453957 (England and Wales)
Charity registration number	802801
Auditor	Buzzacott LLP 130 Wood Street London, EC2V 6DL
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London, EC1M 6HR
Principal bankers	Barclays Bank plc PO Box 294 Peterborough, PE1 1EZ

Welcome from the Chair



Thank you for your interest and continued support of Church Homeless Trust.

The statistics around homelessness can be really depressing: research shows at least 300,000 people are homeless; they are sleeping on the streets, in cars, buses, or squats, on friends' sofas, or in temporary accommodation.

At least 100,000 of them are children.

We are aware it can all seem too difficult to do anything about, yet I have been Impressed by the difference a small amount of money and the knowledge that someone cares can make to a homeless person.

I met Chris who is rebuilding his life and important estranged relationships after being homeless for several years. He needed a train ticket to visit his mum, whom he had not seen for many years. It is this, and similar small, personal grants that make a massive difference – to the individual and to their belief in a future.

It is these individual stories which give me hope. Homeless people will work so diligently to rebuild their lives, even though they have been through so much and have so little.

We help your money reach the right people at the right time.

Thank you for all that you do to make this possible. There are more inspiring stories within this report of how small grants can bring around huge change.

Liz Wilson
Chair of the trustees

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Norah & Gemma's story



"I've been on the streets more than once.... when I became pregnant I didn't know what I was going to do."

When Norah was kicked out by her dad, she went to stay with her step-dad. When he kicked her out too, she was forced to sleep rough. She lost all hope for her future.

It was only when she became pregnant that she realised she couldn't stay on the street.

When Norah arrived at a service we support, she was so anxious she wouldn't come out of her room. By taking part in training and activities funded by Church Homeless Trust, she built her confidence and learned how to look after herself and her daughter. She has even become the tenant representative, helping other young, homeless mothers.

Norah is now ready to move into a home of her own, helped by one of our grants.

Executive director's introduction

The past year has been both exciting and challenging; exciting as new partners and opportunities have arisen, and challenging as demand for our support continues to grow.

Over the winter we partnered with 10 church shelters in order to help rough sleepers move on to suitable accommodation and work. This is in addition to supporting homeless people in nearly 100 schemes managed by our partners Riverside Care and Support.

We were very pleased to begin a new relationship with the leading international investor, 3i, which has committed to making a generous annual donation.

We moved to new offices shared with many other charities. This has reduced our costs and provided new opportunities for collaboration.

We are grateful that our income is on target, in spite of a challenging fundraising environment. But this will not keep up with increasing demand for our support grants.

According to research by Shelter, one in 200 people in the UK is now homeless, and this is reflected in the applications for support that we receive every week.

We have given out more personal support funds, including 596 resettlement grants (compared to 510 in 2018 and 302 in 2017). In order to manage this increase, we sadly had to stop our Christmas grants and focus on the particular needs of individual homeless people.

We know that the grants we give make a life-changing difference, and we thank all of our supporters for making this possible.

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 family and friends.

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 'Beat Project' in Sittingbourne 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.

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 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 596 people over the past year, compared to 510 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.

We are also helping to pay rent arrears as these can prevent people from being given accommodation.

A small amount of money can make a massive difference

Working with church night shelters

The charity Crisis estimates that over Christmas 2018 more than 24,000 people were sleeping rough.

Rough sleeping is just the tip of the iceberg. There are also nearly 300,000 people in temporary accommodation. This means that one in every 200 people in Britain is officially homeless. This is not even the whole picture, as it does not include people who are sofa-surfing or sleeping in cars.

According to the Church of England, 2,347 parishes were running or supporting night shelters for homeless people over the winter of 2017/18. There are many other denominations and faith groups also providing emergency shelter through the coldest months of the year. Each of these shelters involves the work of hundreds of volunteers.

These shelters provide homeless people with hot meals and a warm, safe bed. They also help them to find support, work, and accommodation.

This year, Church Homeless Trust partnered with church shelters to provide grants for their guests to buy what they need in order to get a job, or move into a home of their own.

In 2018/19 we gave a total of £24,825 to homeless people who were being supported by church-based organisations. In total our grants helped 194 people.

We distributed these grants through ten church and community shelters, Hope Worldwide and the Migrants' Destitution Fund which is coordinated by Housing Justice.

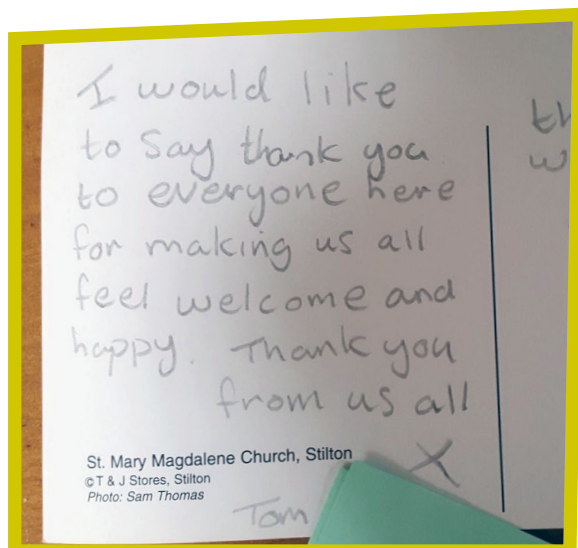
This included 66 resettlement grants, totalling £8,201. The average amount for a resettlement grant was £162, against a maximum allowable of £200.



We also gave 65 personal support grants through shelters, totalling £5,542. The average amount for a personal support grant was £85, again against a maximum allowable of £200.

In addition to this we funded an expressive arts project for 12 participants; health and fitness activities for 28 people; and expenses for 22 peer mentors/outreach workers.

We worked with winter night shelters in:
Camden, London
Nottingham
Bishops Stortford
Suffolk
Leicester
Peterborough
Basingstoke
Hastings
Thanet
Leeds



Helping more homeless people

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



Resettlement

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



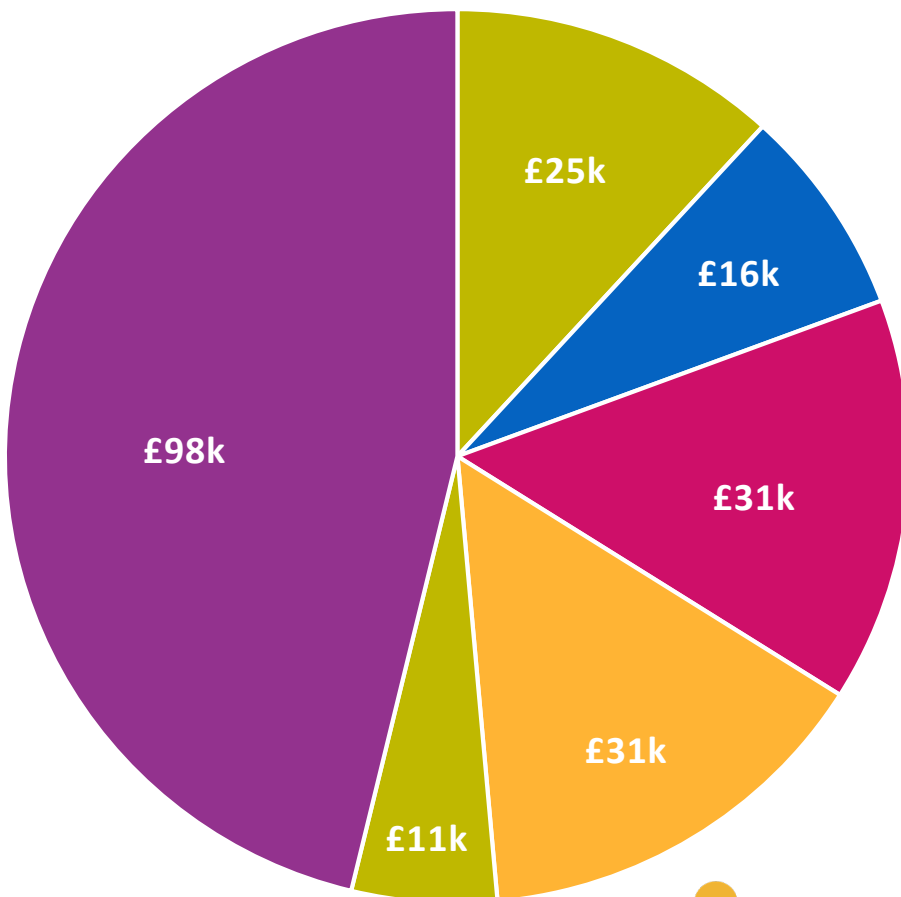
Street Buddies

Three former rough sleepers are now fully trained support workers.



Volunteering and outreach

Homeless people clocked up 4,732 hours of volunteering as peer-mentors and outreach workers helping other homeless people, or in voluntary placements as valuable work experience. We funded their travel and subsistence costs.



Therapeutic Activities



Creative Arts

More than 1,980 hours of classes; from creative writing to sound recording.



Health and Fitness

More than 2,850 hours of activities; from football to cycling.



Healthy Eating

More than 1,000 healthy meals were prepared and shared by homeless people.



Gardening

Nearly 1,000 hours learning about gardening with therapeutic gardeners up and down the country.



Social Activities

More than 685 hours of social activities such as book clubs and coffee mornings, so that homeless people can make friends and relax.



Digital Inclusion

We bought 52 devices to enable homeless people to get on line, and provided them with IT training and support.



Personal Support

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

Paul's story



"I see my family again, and the relationships are getting better every day.."

Paul has never had a home of his own. He was homeless on and off for 20 years in a cycle of substance misuse, mental health issues, and offending.

He slept rough, especially tough while in a wheelchair, and used drugs and alcohol to cope with his fear and loneliness. This compounded his mental health issues, and he tried to kill himself several times.

Eventually, he found help at a local church, who gave him food and bedding, and encouraged him to begin working with the council to find housing.

When he found a suitable home, Church Homeless Trust supported him with a grant for essential household items.

Paul now loves cooking in his new home and has even enrolled on a cookery course. He has also rediscovered an old hobby, boxing, which will help both his physical and mental health, and support his recovery from addiction.

He has been able to build new relationships away from the streets, and get back in touch with his family, who he will be proud to have visit his flat. He said: "Thank you for helping me to build my home into my palace."

Our Supporters

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



We are very grateful for the support we receive from companies, in various ways, including financial support, gifts in kind, volunteering and participating in sponsorship events to help raise much-needed funds.



The investment company 3i is supporting us through staff fundraising and a generous donation that has already made huge difference in our work. And our partnership with investment company Centrus continues to flourish.

We are also grateful to the following companies for their contributions over the year: BGL Group, Guy Holloway Architects, Sanofi UK, Shelton Fleming Group (pictured above) and Travers Smith.

We rely on donations from hundreds of individuals, many of whom give regularly through standing orders or payroll giving. We are very grateful to them all.

We also receive support from trusts and foundations, all of whom are mentioned on the inside back cover. And we receive donations from churches of all denominations.

In recognition of all that churches and communities are doing to support homeless people, we have created World Homeless Week. The week is based around World Homeless Day on 10 October, in recognition of the global nature of the problem. It gives churches and other groups an opportunity to learn more about the issues which lead to homelessness, and how they can help.

Once again we produced our guide 'How to Help Homeless People', which we sent out to all Church of England benefices. It is also available free of charge to anyone who requests it.

**WORLD
HOMELESS
WEEK**

7-14 October 2018

Legacies

We are honoured to have been entrusted with legacies from James Powell Eastwood, Kathleen Ruth Bryant, John David Wright, Barbara Doris Day, Peter Readings and Norman David Bird.

We also received gifts in memory of Matthew Doherty (*pictured*), R Blankley, Miss E Woodman, and Gloria and Dawn Roberts.

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



Addisu's story



"A huge help in day-to-day living."

Addisu moved to the UK from Eritrea and was placed into asylum support accommodation. His claim was rejected, so he sofa-surfed with friends while reapplying to the Home Office for leave to remain.

He has since been trying to claim asylum for more than three years. He was referred to a church shelter in the winter of 2019, and stayed for a couple of weeks.

From there, he was finally able to move into a host home while his new claim was being processed. In the meantime he is not allowed to work or claim any support beyond a £35 a week government stipend.

Church Homeless Trust was able to give him a subsistence grant. This paid for a bus pass so that he could attend English classes, get to appointments with his solicitor, and travel to visit and look after his young son. It also meant he could buy basic food, clothes, and toiletries while staying with his host.

A church shelter volunteer said that the grant was "a huge help in managing day-to-day living."

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.

There has been one new appointment and no resignations or retirements from the board of trustees this year. The trustee directors who served during the year were:

Trustee directors	Appointed/Resigned/Retired
Elizabeth Wilson (chair)	
Mark Bolton	
Christopher Daws	
John Glenton (Riverside Care and Support nominee)	
Trevor Morris	Appointed November 2018
Anne Parker CBE (Riverside Care and Support nominee)	
Philip Raw	
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 leads Liz Wilson Consultancy: a coaching and leadership development organisation whose aim is to build purposeful leaders and outstanding teams in organisations who want to make a difference. She also works with young people, helping them build resilience and achieve strong positive mental health. She has been a charity Trustee and school governor for over 20 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 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. John is currently the chair of the National Housing Federation Homelessness Steering Group, the group aims to bring housing associations together to share best practice and lobby the Government to help end homelessness.

Trevor Morris is a former Area Manager at Riverside Care and Support who retired in May 2018. Prior to working at Riverside he served in the Armed Forces. Trevor is passionate about helping homeless veterans with their housing needs. While at Riverside he co-founded the Single Persons Accommodation Centre for the Ex Services (SPACES). Trevor became central in the development of a further five services for homeless veterans across the country and, at the time of his retirement, these services had helped 16,000 veterans.

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. He is currently chair of First Ark housing group based in Liverpool.

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, fundraising executive, 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.

Support for veterans



Creative therapies can help veterans with anger issues, addiction, or other turmoil. They help people to release negative emotions and take their minds off their issues.

Church Homeless Trust funded new tools, supplies, and safety equipment so that residents of a veterans' scheme could take part in woodworking sessions led by the Veterans Woodcraft Organisation.

Since then, the scheme has seen an inspiring boost in resident veterans' confidence, attitude, and ability to tackle problems.

At first, the veterans were anxious and struggling to mix with others. Within minutes of their lesson starting they began to relax, concentrate on the task at hand, and forget about their other issues.

They focused on what they were producing. If struggling with an intricate detail, they were encouraged to stop, have a coffee, and when ready, start again. The group was able to make bowls, pens, and cups as Christmas presents for family and friends.

One man designed and carved a bespoke urn for his mother's ashes. The guilt of not being able to afford a suitable container had been weighing on him. Making the urn greatly helped his mental health.

They returned to the scheme with smiles, excited to show off what they had achieved. Their confidence and self-belief was evident.

Financial Review 2019

Results for the year

Total income (including from investments) for the year amounted to £496,215 which was 2% up on the previous year (2018 £486,777).

Unrestricted income increased from £337,548 in 2018 to £367,753. Legacy income was £97,880 which is almost exactly the same as the previous year (2018 £97,930). Unrestricted donations excluding legacies rose from £224,682 in 2018 to £303,989 in 2019.

Restricted income was £128,462, less than the previous year when £149,229 was raised.

Total expenditure for the year amounted to £522,462 (2018 £656,039). During the year, we spent £429,182 on charitable activities (2018 £534,830) and £93,280 on raising funds (2018 £121,209).

In line with our reserves policy (see below), we had budgeted for a deficit of £62,719 on our unrestricted funds before investment gains and transfers. We finished the year with a deficit of £66,727 (2018 deficit of £146,252).

Reserves policy and financial position

On 31 March 2019 we held £245,356 of restricted reserves (2018 £228,883). These reserves 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 £147,159 (2018 £221,037) are unrestricted for disbursement to meet our charitable aims. Unrestricted funds include designated funds of £100,000 (2018 £100,000) being monies set aside to provide for future grants to homeless people.

During the year to March 2019, sufficient information became available to allow the actuary to the Social Housing Pension Scheme (the Scheme) to calculate the share of the Scheme's deficit applicable to each of the participating employers. Consequently we have recognised our share of the deficit on our balance sheet whereas previously we could only recognise a liability for the agreed discounted future deficit reduction payments. The impact of this was to reduce the liability shown on our balance sheet at 31 March 2018 from £230,000 to £210,000. The value of the defined pension scheme liability at 31st March 2019 is £254,000.

This liability for our share of the deficit 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 the designated funds, and stand at a total of £297,665 (2018 £346,608).

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 of £234,000 (2018 £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 3.67% (2018 3.54%) and a capital appreciation of 7.89% (2018 appreciation of 1.78%). 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 £5,867 (2018 £8,725) worth of goods on behalf of homeless people for just £822 (2018 £1,011) - a saving of £5,045 (2018 £7,714).

Financial review

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.

In the previous year we had been the victim of fraud, with our post being stolen, and cheques sent by donors fraudulently cashed. We are confident that we have solved this problem through collecting our post from our PO Box and changing our address.

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
Public trust in charities is diminishing across the sector.	Publicise the support funds we give and the impact they make on a weekly basis Emphasise that we are a small charity with no government funding or large salaries
Current economic conditions are reducing the amount of funding from all income streams across the sector for small charities.	Communicate more personally with our donors in order to get more income from our existing donors Create new opportunities and reasons to give Monitor cost to income ratios Assess viability of different income streams
Diminishing and ageing supporter base	Campaigns and initiatives to recruit new donors through companies, churches, events, and online.
Demand for support funds increases beyond our capacity	Tighten the criteria for support funds Stop giving grants for Christmas
Staff recruitment and retention	Review all job roles and pay scales in May 2017 and agreed a policy for annual increments
GDPR preventing us from contacting people or growing our database	Update 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
Website security breached	Install all necessary security software Engage specialist IT security support Regularly remove personal data from the website

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

Liz Wilson
Approved by the trustee directors
18 September 2019

Independent auditor's report 31 March 2019

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 2019 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 2019 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

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

18 September 2019

Statement of financial activities Year to 31 March 2019

Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Unrestricted funds £	Restricted funds £	Total 2018 £	
Income from:							
Donations, grants and legacies	1	356,222	128,462	484,684	322,612	149,229	471,841
Investment income and interest receivable	2	11,531	—	11,531	14,936	—	14,936
Total income		367,753	128,462	496,215	337,548	149,229	486,777
Expenditure on:							
Raising funds	3	93,280	—	93,280	121,209	—	121,209
Charitable activities							
Assisting homeless people and those in housing need	4	317,193	111,989	429,182	362,591	172,239	534,830
Total expenditure		410,473	111,989	522,462	483,800	172,239	656,039
Net (expenditure) income before investment gains and transfers		(42,720)	16,473	(26,247)	(146,252)	(23,010)	(169,262)
Net gains on investment assets	12	23,842	—	23,842	8,661	—	8,661
Net (expenditure) income before transfers		(18,878)	16,473	(2,405)	(137,591)	(23,010)	(160,601)
Gross transfers between funds	16	—	—	—	2,903	(2,903)	—
Net (expenditure) income	7	(18,878)	16,473	(2,405)	(134,688)	(25,913)	(160,601)
Other recognised gains (losses)							
Gains on recognition of full share of defined benefit scheme liability	21	20,000	—	20,000	—	—	—
Actuarial (losses) gains	21	(75,000)	—	(75,000)	3,000	—	3,000
Net movement in funds	19	(73,878)	16,473	(57,405)	(131,688)	(25,913)	(157,601)
Reconciliation of funds:							
Funds brought forward at 1 April 2018		221,037	228,883	449,920	352,725	254,796	607,521
Funds carried forward at 31 March 2019	20	147,159	245,356	392,515	221,037	228,883	449,920

Continuing activities

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

Balance sheet 31 March 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	11		3,494		4,429
Investments	12		325,981		302,139
			329,475		306,568
Current assets					
Debtors	13	108,623		78,216	
Short term deposits		60,000		60,000	
Cash at bank and in hand					
. Interest bearing accounts		168,453		233,002	
. Other accounts and cash		30,894		39,498	
		367,970		410,716	
Creditors: amounts falling due within one year	14	(50,930)		(37,364)	
Net current assets			317,040		373,352
Total assets less current liabilities			646,515		679,920
Provision for liabilities	15, 21		(254,000)		(230,000)
Total net assets			392,515		449,920
Funds and reserves					
Income funds					
Restricted funds	16		245,356		228,883
Unrestricted funds					
. General fund		301,159		351,037	
. Designated funds	18	100,000		100,000	
. Pension reserve fund	21	(254,000)		(230,000)	
			147,159		221,037
			392,515		449,920

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

Liz Wilson

Liz Wilson
Chair of the board of trustees
18 September 2019

Statement of cash flows Year to 31 March 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(83,929)	(229,767)
Cash flows from investing activities:			
Investment income and interest received		11,530	14,936
Proceeds from the sale of listed investments		–	95,000
Purchase of tangible fixed assets		(754)	(5,704)
Net cash provided by investing activities		33,776	104,232
Change in cash and cash equivalents in the year		(73,153)	(125,535)
Cash and cash equivalents at 1 April 2018	B	332,500	458,035
Cash and cash equivalents at 31 March 2019	B	259,347	332,500

Notes to the statement of cash flows for the year to 31 March 2019

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

	2019 £	2018 £
Net movement in funds (as per the statement of financial activities)	(57,405)	(157,601)
Adjustments for:		
Depreciation charge	1,689	1,502
Gains on investments	(23,842)	(8,661)
Investment income and interest receivable	(11,531)	(14,936)
Loss on disposal of tangible fixed assets	–	1,086
Increase in debtors	(30,406)	(34,321)
Increase in creditors	13,566	17,164
Increase (decrease) in pension provision	24,000	(34,000)
Net cash used in operating activities	(83,929)	(229,767)

B Analysis of cash and cash equivalents

	2019 £	2019 £
Short term deposits (less than three months)	60,000	60,000
Cash at bank and in hand:		
Interest bearing accounts	168,453	233,002
Other accounts and cash	30,894	39,498
Total cash and cash equivalents	259,347	332,500

Principal accounting policies 31 March 2019

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 2019 with comparative information provided for the year to 31 March 2018.

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 21 to these financial statements and for which there is a provision on the balance sheet as at 31 March 2019 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 2020, 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 2019

1. Donations, grants and legacies

	Unrestricted funds £	Restricted funds £	Total 2019 £	Unrestricted funds £	Restricted funds £	Total 2018 £
Legacies	52,235	45,645	97,880	97,930	—	97,930
Other donations and grants	303,987	82,817	386,804	224,682	149,229	373,911
	356,222	128,462	484,684	322,612	149,229	471,841

2. Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	Total 2019 £	Unrestricted funds £	Restricted funds £	Total 2018 £
Income from listed investments						
. UK listed investments	10,792	—	10,792	10,927	—	10,927
. Bank interest	739	—	739	4,009	—	4,009
	11,531	—	11,531	14,936	—	14,936

3. Raising funds

	Unrestricted funds £	Restricted funds £	Total 2019 £	Unrestricted funds £	Restricted funds £	Total 2018 £
Staff costs (note 8)	52,093	—	52,093	75,116	—	75,116
Advertising	23,923	—	23,923	26,263	—	26,263
Allocated support costs (note 5)	17,264	—	17,264	19,830	—	19,830
	93,280	—	93,280	121,209	—	121,209

4. Assisting homeless people and those in housing need

	Unrestricted funds £	Restricted funds £	Total 2019 £	Unrestricted funds £	Restricted funds £	Total 2018 £
Grants payable	100,000	111,989	211,989	140,410	172,239	312,649
Staff costs (note 8)	136,594	—	136,594	122,894	—	122,894
Publicity	26,408	—	26,408	34,971	—	34,971
Allocated support costs (note 5)	54,191	—	54,191	64,316	—	64,316
	317,193	111,989	429,182	362,591	172,239	534,830

5. Support costs

Support costs incurred during the year ended 31 March 2019 and the bases of their allocation were as follows:

	Raising funds £	Charitable activities £	Total £	Basis of allocation
Office costs	11,703	35,110	46,813	Pro rata by expenditure
Legal and professional fees	1,694	5,081	6,775	Pro rata by expenditure
Bank charges and finance costs	1,969	5,908	7,877	Pro rata by expenditure
Governance costs (note 6)	1,898	8,092	9,990	Pro rata by expenditure
	17,264	54,191	71,455	

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 2019 £	Unrestricted funds £	Restricted funds £	Total 2018 £
Auditor's remuneration	8,560	—	8,560	8,040	—	8,040
Other professional costs	1,430	—	1,430	5,059	—	5,059
	9,990	—	9,990	13,099	—	13,099

7. Net (expenditure) income

This is stated after charging:

	2019 £	2018 £
Staff costs (note 8)	188,687	198,010
Auditor's remuneration: statutory audit services	8,560	8,040
Depreciation	1,689	1,502

8. Staff costs

	2019 £	2018 £
Wages and salaries	162,601	168,617
Social security costs	13,390	14,121
Other pension costs	12,146	15,272
	188,137	198,010
Other staffing costs	550	—
	188,687	198,010

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

	2019 £	2018 £
Raising funds	52,093	75,116
Charitable activities	136,594	122,894
	188,687	198,010

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

	2019	2018
Raising funds	1	2
Charitable activities	4	4
	5	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 £57,635 (2018 £49,213).

9. Trustee directors' remuneration

None of the trustee directors received any remuneration from the charity during the year (2018 none). Travelling and accommodation expenses amounting to £1,430 (2018 £5,059) were reimbursed to four trustee directors during the year (2018 nine trustee directors).

As of March 2019 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 2018	12,407
Additions	754
At 31 March 2019	<u>13,161</u>
Depreciation	
At 1 April 2018	7,978
Charge for year	1,689
At 31 March 2019	<u>9,667</u>
Net book values	
At 31 March 2019	<u>3,494</u>
At 31 March 2018	<u>4,429</u>

12. Fixed asset investments

	Total £
Listed investments	
Market value at 1 April 2018	302,139
Gains for the year	23,842
Market value at 31 March 2019	<u>325,981</u>
Historical cost at 31 March 2019	<u>279,516</u>

At 31 March 2019 all investments were held in the COIF Charities Investment Fund.

13. Debtors

	2019 £	2018 £
Income tax recoverable	21,522	16,871
Prepayments and accrued income	17,497	31,519
Legacies receivable	67,093	19,426
Investment income receivable	2,511	2,400
	<u>108,623</u>	<u>78,216</u>

14. Creditors: amounts falling due within one year

	2019 £	2018 £
Expense and other creditors	17,070	9,275
Social security and other taxes	4,845	3,922
Accruals and grants in advance	29,015	24,167
	50,930	37,364

15. Provision for liabilities

	2019 £	2018 £
Provision for Social Housing Pension Scheme liabilities (note 21)	254,000	230,000

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 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
Support funds (note 17)	159,673	70,246	(73,536)	(1,000)	155,383
Queen Mary's Garden	—	5,000	(828)	—	4,172
Cambridge Victoria and Springs Garden	3,095	—	—	—	3,095
Wakefield Marie House Garden	2,064	971	(3,650)	1,000	385
Swindon GROW Project	5,000	—	—	(5,000)	—
Manchester Prison Visitors' Centre	221	—	—	—	221
Huddersfield Grow & Cook	4,348	—	(1,800)	—	2,548
London Street Buddies	15,665	—	(25,165)	9,500	—
Sittingbourne Fitness For You	1,317	5,000	(5,000)	—	1,317
Other restricted funds	37,500	47,245	(2,010)	(4,500)	78,235
	228,883	128,462	(111,989)	—	245,356

The transfer between funds represents £9,500 of closed funds transferred to related funds and £1,000 previously misallocated transferred from their respective support fund.

The above restricted funds are funds held to support service users in specific schemes or regions 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, £100,000 (2018 £120,167) of support funding came from designated funds (note 18) 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 2018 £	New designations £	Utilised/ released £	At 31 March 2019 £
Grants fund	100,000	100,000	(100,000)	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. Movements in funds

	Note	General fund £	Designated fund £	Pension reserve fund £	Restricted funds £	Total £
Funds brought forward at 1 April 2018		351,037	100,000	(230,000)	228,883	449,920
Net (expenditure) income per SoFA		(12,878)	—	(6,000)	16,473	(2,405)
Designated fund utilised	18	100,000	(100,000)	—	—	—
New Designation	18	(100,000)	100,000	—	—	—
Gains on recognition of full share of defined benefit scheme liability	21	—	—	20,000	—	20,000
Defined benefit scheme deficit contribution paid	21	(37,000)	—	37,000	—	—
Actuarial gains (losses)	21	—	—	(75,000)	—	(75,000)
Funds carried forward at 31 March 2019		301,159	100,000	(254,000)	245,356	392,515

20. Analysis of net assets between funds

	General fund £	Designated fund £	Pension reserve fund £	Restricted funds £	Total 2019 £
Tangible fixed assets	3,494	—	—	—	3,494
Investments	325,981	—	—	—	325,981
Net current assets	(28,316)	100,000	—	245,356	317,040
Provision for liabilities	—	—	(254,000)	—	(254,000)
Total net assets	301,159	100,000	(254,000)	245,356	392,515

21. 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.

Present values of defined benefit obligation, fair value of assets and defined benefit assets (liability)

	31 March 2019 £'000	31 March 2018 £'000
Fair value of plan assets	938	922
Present value of defined benefit obligation	(1,192)	(1,132)
Deficit in plan	(254)	(210)
Defined benefit liability to be recognised	(254)	(210)

During the year to March 2019, sufficient information became available to allow the actuary to the Social Housing Pension Scheme (the Scheme) to calculate the share of the Scheme's deficit applicable to each of the participating employers. To facilitate this change it has been necessary to recognise £20,000 gains on our income statement as of the adjustment of the prior year's deficit of £230,000 to the above restated deficit of £210,000.

Reconciliation of opening and closing balances of the defined benefit obligation

	Year ended 31 March 2019 £'000
Defined benefit obligation at start of period	1,132
Expenses	2
Interest expense	27
Actuarial losses due to scheme experience	22
Actuarial losses due to changes in demographic assumptions	4
Actuarial losses due to changes in financial assumptions	57
Benefits paid and expenses	(52)
Defined benefit obligation at end of period	1,192

Reconciliation of opening and closing balances of the fair value of plan assets

	Year ended 31 March 2019 £'000
Fair value of plan assets at start of period	922
Interest income	23
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	8
Contribution by the employer	37
Benefits paid and expenses	(52)
Fair value of plan assets at end of period	938

The actual return on the plan assets (including any changes in share of assets) over the year ended 31 March 2019 was £31,000.

Defined benefit costs recognised in the statement of financial activities:**Included in expenditure on charitable activities**

	Year ended 31 March 2019 £'000
Expenses	2
Net interest expense	4
Defined benefit costs recognised in statement of financial activities	6

Included in other recognised gains (losses)

	Year ended 31 March 2019 £'000
Experience on plan assets (excluding amounts included in net interest costs) - gain	8
Experience gains and losses arising on the plan liabilities - loss	(22)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - loss	(4)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - loss	(57)
Total actuarial gains and losses - net loss	(75)

Defined benefit deficit recovery plan

Under the recovery plan, effective from 1 April 2019, the deficit contributions that are required from Church Homeless Trust are £33,410 a year until September 2026.

These payments will increase annually by 2% from 1 April 2020 and on each 1 April thereafter.

Estimated debt on withdrawal from the defined benefit scheme

As a result of pension scheme legislation, there is a potential debt (section 75 liability) on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities of the Scheme (calculated on a buyout basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any unpaid liabilities in respect of previously participating defaulting employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Church Homeless Trust has been notified by the Pensions Trust of its estimated employer debt on withdrawal from the Scheme based on the financial position of the Scheme as at 30 September 2018. As of this date the estimated employer debt or Section 75 liability for Church Homeless Trust was £778,147 (30 September 2017 - £840,731).

Assets

The charity's share of assets held within the Scheme at 31 March 2019 is as follows:

	31 March 2019 £'000	31 March 2018 £'000
Global Equity	158	182
Absolute Return	81	113
Distressed Opportunities	17	9
Credit Relative Value	17	—
Alternative Risk Premia	54	35
Fund of Hedge Funds	4	30
Emerging Markets Debts	32	37
Risk Sharing	28	9
Insurance-Linked Securities	27	24
Property	21	42
Infrastructure	49	24
Private Debt	13	8
Corporate Bond Fund	44	38
Long Lease Property	14	—
Secured Income	34	34
Liabilities Driven Investment	343	336
Net Current Assets	2	1
Total assets	938	922

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Key Assumptions

	31 March 2019 % per annum	31 March 2018 % per annum
Discount Rate	2.18	2.48
Inflation (RPI)	3.30	3.19
Inflation (CPI)	2.30	2.19
Salary Growth	3.30	3.19
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2019 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2019	21.8
Female retiring in 2019	23.5
Male retiring in 2039	23.2
Female retiring in 2039	24.7

22. Connected entities

Riverside Care and Support has the right to nominate up to one third of the trustee directors of Church Homeless 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 £185,646 (2018 £311,900). These monies were for the direct benefit of homeless individuals providing funds for purposes for which there is no government funding available.

23. 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.

24. Operating leases

At 31 March 2019 the charity had the following future minimum commitments under non-cancellable operating leases in respect of:

	Office equipment	
	2019	2018
	£	£
Operating lease payments due:		
Within one year	2,456	2,456
Between two and five years	3,641	6,097
	6,097	8,553

Ray's story



"I feel like I have a new lease of life. My new place feels like home."

When he came out of prison, Ray was determined to start his life again, but he needed support.

"After being in prison I came out to nothing. My family had turned their backs on me, and I felt like I had lost everything.

"I survived by sofa surfing. I also slept in a car, which was freezing. I don't think I have ever been so cold in all of my life. I was homeless for a few months, but it felt like forever. It was a terrible experience."

Ray arrived at a homeless service with nothing, but was able to get the support he needed to make a fresh start.

He was ready to move into his own home, but it was unfurnished. Ray was not able to save much, and the flat was completely bare.

Church Homeless Trust gave him a grant so that he could afford basic items to help him settle in. He was able to cover his first week's rent and buy plates, bedding, and a toaster.

Most important to him is having a comfortable place that his 13-year-old daughter can visit.

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



LOTTERY FUNDED

3i

Arimathea Charitable Trust

Beatrice Laing Trust

Bedhampton Charitable Trust

Benham Charitable Settlement

BGL Group

Bothwell Charitable Trust

Bramble Charitable Trust

Bridgewater Charitable Trust

Catherine Cookson Charitable Trust

Centrus

Chrimes Family Charitable Trust

Community Foundation for Surrey

D M Charitable Trust

Denton Charitable Trust

Eleanor Rathbone Charitable Trust

Essex Trust

Frank Litchfield Charitable Trust

Fulmer Charitable Trust

Ganzoni Charitable Trust

George A Moore Foundation

Guildford Poyle Charities

Guy Hollaway

Hull and East Riding Charitable Trust

Hyde Park Place Estate Charity

Inner Wheel of Wakefield Benevolent Fund

Jack Brunton Charitable Trust

John James Bristol Foundation

Joseph & Mary Hiley Trust

Lalonde Trust

Lynn Foundation

Macedonian Charitable Trust

Marsh Christian Trust

Minos Trust

N Smith Charitable Settlement

Oldfield Charitable Trust

Pilkington Charities Fund

Proven Family Trust

Rothley Trust

Sanofi UK

Shelton Fleming Group

Sir James Reckitt Charity

Sir James Roll Charitable Trust

Strand Parishes Trust

Travers Smith

Vardy Foundation

