



## Annual report and financial statements 2020

## Patrons, trustees and advisors as of November 2020

<b>Patrons</b>	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 William Guthrie The Rt Revd Michael Turnbull CBE The Ven David Woodhouse
<b>Trustee directors</b>	Elizabeth Wilson (Chair) Christopher Daws (Treasurer) John Glenton Trevor Morris Sally Nicholson Anne Parker CBE Philip Raw Rev. Grace Thomas Elizabeth Toher
<b>Executive director and secretary</b>	Miriam Morris
<b>Registered and principal office</b>	Can Mezzanine 49 - 51 East Road London N1 6AH  info@churchhomelesstrust.org.uk www.churchhomelesstrust.org.uk
<b>Company registration</b>	2453957 (England and Wales)
<b>Charity registration number</b>	802801
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London, EC2V 6DL
<b>Solicitors</b>	Stone King LLP Boundary House 91 Charterhouse Street London, EC1M 6HR
<b>Principal bankers</b>	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.

Like many charities, our Annual Report has been delayed by the pandemic. So as we look back on the financial year to which these figures pertain, we do so from a very different viewpoint.

This year was a good one for us, as we were able to establish new initiatives and partnerships. For example an all-year shelter with St Peter's Church Brighton; a Veterans' Artisan Bakery, funded by the Veterans Foundation and Armed Forces Covenant Fund; a music studio funded by the Henry Oldfield Trust; and therapeutic gardening projects in partnership with Thrive and Incredible Edible.

We can see the life-changing difference that these projects are having on the homeless people they serve, and we have included stories from them in this report.

In March of course everything became much more difficult. The trustees and I would like to thank the staff team for adapting so quickly to working from home and keeping the support grants flowing as demand from our partners and the homeless people they serve increased.

We are also very grateful to our supporters who continued to give to us in spite of the economic uncertainty. We are especially thankful to 3i and the John James Bristol Foundation who gave us funds specifically to meet the needs of homeless people who are having to self-isolate. As a result we have been able to increase our funding to help homeless individuals in these especially difficult times.

Liz Wilson  
Chair of the trustees

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## Elisha's Story



**“When we are part of getting someone housed and helping them to get on their feet and ready for work; that’s priceless!”**

Elisha had a long period of being homeless and has lived in most of the hostels in Brighton during her 38 years of drug addiction. She was in and out of prison, detox centres and rehabs trying desperately to change.

Now Elisha works helping homeless people through initiatives run by St Peter’s Church in Brighton. She has been running a year-round homeless shelter, and during lockdown she coordinated services for homeless people in Brighton who were housed as part of the Government’s ‘Everybody In’ initiative.

Church Homeless Trust has been funding her salary to enable Elisha to continue her work. We also helped to fund a food distribution programme in Brighton which delivered hot meals to vulnerable people during lock-down.

# Executive Director's Introduction

This year has been one of building new partnerships, developing new initiatives, and increasing our income from regular givers, trusts, companies, and online. As a result, although we had very little income from legacies in the financial year 2019 - 20, we were able to maintain the level of support grants we gave to homeless people.

Over the winter we partnered with ten church shelters, providing grants to rough sleepers to help them move on to suitable accommodation and work. This was in addition to supporting homeless people in nearly 100 schemes throughout England, managed by our partners Riverside Care and Support.

During lockdown we adapted the support we provide in order to fund food, masks and activities for homeless people who are self-isolating. You can imagine how difficult it is for homeless people to keep themselves safe and well, mentally and physically, and we give more details of how we have been able to help in this report.

Demand for our support has increased steadily since March, and we have heard many stories of people becoming homeless due to the pandemic. As we approach the winter, with more restrictions and redundancies in view, we are preparing for many more heartbreaking stories.

We have increased the amount we are giving away this coming year, thanks to the generosity of our donors.

We know that the grants we give make a life-changing, and perhaps even a life-saving difference. 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 impact of our grants

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



**Staff at homeless services were able to purchase food and essentials for self-isolating homeless people, particularly those vulnerable and shielding due to medical conditions.**

- Jack had recently moved into his own flat alone when lockdown happened, a new phone meant he was able to stay in contact with his young children.
- Hailey fled domestic abuse and could take nothing with her. Your donations meant we could help her purchase new furniture and make her new house a home.
- Rhianne needed ID so that she could begin the process of finding her own flat; now she and her baby are settled in to their own home.
- Gemma's mum was an alcoholic and as her dependency grew, Gemma had to leave. With very little by way of savings, Gemma moved into a cold and dark flat of her own. We gave her a grant to pay for her gas and electricity for the first month.

## 2 Building confidence



- After being made suddenly homeless due to job loss, Mark ended up on the street. When his suitcase broke, he had no way to keep his belongings safe. With our support grant he was able to purchase a new suitcase and keep his precious few possessions safe.
- Martin stopped getting shifts when the pandemic began, and was left unable to pay his rent and ended up on the streets. Our funding meant we could put down a deposit on a new place for him.
- Tyler felt like a burden to his grandfather and left to keep him safe during the pandemic despite having nowhere to go. We gave him a grant to help him to settle in to his new flat.
- Homeless people in a hostel had a chance to go to the cinema, a rare moment of fun for people with very little - they were very grateful for the opportunity.

**Your funding provided for a breakfast club where homeless people could learn how to cook. For many it was a welcome break and an opportunity to have at least one hot meal a day.**

### 3 Developing skills



**Young Parents received training modules on how to care for their young children, including healthy eating, weaning and all aspects of childcare.**

- Getting a good education was vital for asylum seeker Yusuf. We were able to purchase him a bus pass so he could carry on going to college and get his qualifications.
- Keeping fit and healthy was so important to Tom; we were able to get him a gym membership. Being able to exercise has helped him get on top of his depression.
- Greg was isolated and alone in a night shelter during lockdown with no distractions from his mental health issues; our funding meant he could purchase a TV to pass the time.
- A group of homeless people in lockdown together in a shelter were given arts and crafts supplies to allow them to express themselves. We also provided a pool table for the ten young men to pass the time and socialise with one another whilst they were unable to go out.

### 4 Making a home



- Claire suffered abuse at the hands of an older sibling and had to leave home at a young age; our grant enabled her to decorate her new flat and buy kitchen utensils.
- After being effectively homeless since childhood after coming from a broken home, Noel began using alcohol and drugs to cope. Now he's on the path to recovery, and our grant meant that he could buy a cooker and begin to eat regularly and healthily, which is an important part of recovering from substance mis-use.
- When Mark's relationship broke down he was left with nowhere to go and nothing of his own. We helped him setting up in a new home by funding household essentials.

**“Thank you for giving me this grant. It means that my flat is nearly finished and I can concentrate on building my future again. Having somewhere safe and warm to stay in gives me a good feeling.”**

**A small amount of money can make a massive difference**

# Our Supporters

**We are a small independent charity. We receive no funding from the government or from the Church of England, and we have no endowment. We are entirely reliant on the ongoing generosity of our supporters.**

We have hundreds of regular givers, many of whom have been giving to us for decades. These loyal supporters are the bedrock of our work, allowing us to plan and commit to grant giving.

We are also honoured to receive legacies from our supporters and in memoriam gifts. In the past year we have received legacies from Barbara Doris Day and Caroline Jane Gilmour White. We also received gifts in memory of Matthew Doherty and Eleanor Judith Stinson.

Over the past year we have received grants from many trusts and foundations. These grants provide funding for our support grants in specific regions. They also enable us to fund many initiatives across the country, including:

- A music studio and tuition;
- An Artisan Bakery where veterans learn to bake and market their produce;
- Therapeutic gardening initiatives in London, Cambridge and Wakefield; and
- Kitchens, ingredients and classes in buying and cooking healthy food on a low income.



Recently we have been developing relationships with companies, and we are very grateful to all of them for their support (they are listed along with trusts on page 37). We are particularly thankful for the continuing generosity of 3i who have committed to a long-term relationship and substantial annual funding.

We also continue to receive donations from churches. We understand the financial pressures many churches are facing, and that in spite of this many churches are running local initiatives for homeless people. For this reason we have been providing grants to guests in church shelters, in order to help churches with this ministry.



Four years ago we launched World Homeless Week in order to raise awareness of the needs and issues facing homeless people, and to raise funds for our work, and the work of other organisations providing homeless services.

The event has grown over the years, and we are very grateful to all the volunteers from Riverside, our corporate partners and the general public who volunteered to help us collect money at stations.

# Grants given in 2019/20

A breakdown of the grants we have made over the past year:



## Street Buddies

Training and support to enable formerly homeless people to work with rough sleepers.



## Personal Support

534 homeless people received grants for what they needed, including training, travel, clothing, identity papers, toiletries etc.



## Counselling

Nearly 200 one-to-one counselling sessions with qualified professionals.



## Therapeutic Activities

### Creative Arts

More than 300 hours of classes, from painting to making music.



### Health and Fitness

Funding for activities, from football to cycling and gym memberships.



### Healthy Eating

More than 100 healthy breakfasts were prepared and shared by homeless people.



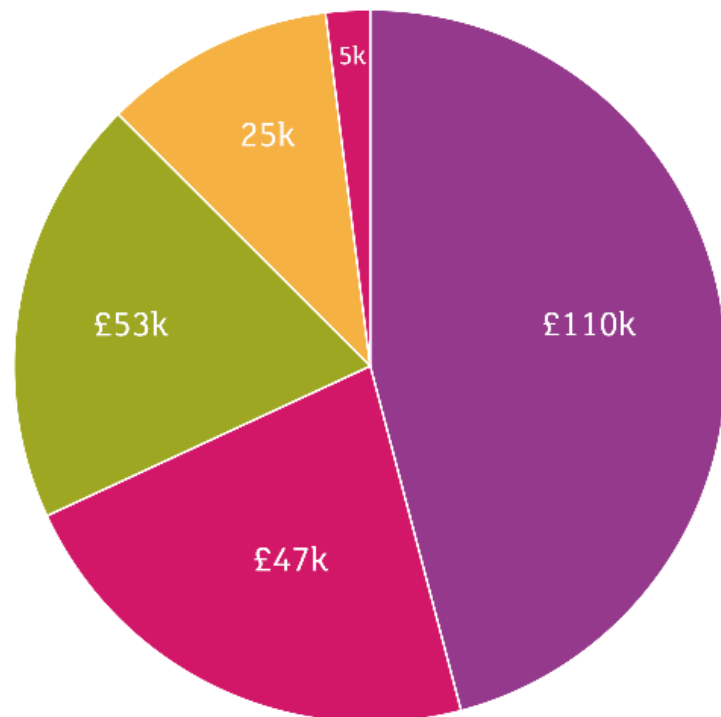
### Gardening

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



### Social Activities

Social activities such as book clubs and coffee mornings, so that homeless people can make friends and relax.



## Resettlement

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



Through our relationship with Riverside Care and Support we are able to reach homeless people in over 100 schemes across England, we also work with church and community shelters, Hope Worldwide and Housing Justice, to ensure that we can reach a wide range of people who need our help.

# Jakob's Story



**“It enabled me to recover my health and get my leg better - I am now able to walk fully and without pain! - and took away the stress of worrying about how I would cope.”**

Jakob lost his job after he became unwell with a chronic disease; unable to pay his rent, he ended up living on the streets. After being homeless for six months and living between night shelters, he developed an infection in his leg that left him hospitalised and in terrible pain. After he was discharged from hospital, he was forced to walk for many miles on his injured leg, leaving him in further pain and hindering his recovery.

Church Homeless Trust paid for him to have bus passes for the duration of his recovery, allowing him to get between shelters and to hospital appointments without having to struggle to walk.

# Support through the pandemic

## Church Homeless Trust has helped hundreds of homeless people through the pandemic.

Many homeless people found themselves increasingly isolated at the start of the outbreak; they are particularly vulnerable to disease, often exposed to the elements and many with pre-existing health conditions.

Under the government's 'Everyone In' scheme many homeless people were moved into hotels and temporary accommodation. They often had very little belongings besides the clothes on their back. Separated from support networks with nothing but four walls to occupy their time, many began suffering from anxiety and depression, along with existing mental health conditions being exacerbated by prolonged isolation.

We've done our best to support everyone who asked for help during these uncertain times, by funding whatever it was they needed in their particular circumstances. Whether it's a television to pass the time alone while self-isolating, or deposits so that they can get into permanent accommodation as quickly as possible, or identification to allow homeless people to apply for Universal Basic Income.

Increasingly we have been providing people with money for food, as many food banks have been closed. We also funded a food distribution service in Brighton.

We are grateful to all the donors who made this possible, in particular 3i and the John James Bristol Foundation.

James lost his job due to there being no work during lockdown. His accommodation was linked to his job and he was forced to leave by an unscrupulous employer.

We provided new shoes, clothes and a phone so that he could stay in contact with his family:

**“It was like being given a second chance as I came to the shelter with nothing.”**



When the pandemic began, we set ourselves a target of raising £10,000 in order to support the needs of homeless people who needed to self-isolate, or who had suddenly been moved into new accommodation with nothing to keep them occupied.

It was an ambitious target, but we have now met it thanks in large part to a brilliant fundraising initiative by our friends over at The Riverside Group.

They raised an incredible £9,000 by walking, running and cycling over 17,000km in June. Over 80 members of staff took part in the 'Stretch For Church Homeless Trust' challenge, with participants being sponsored by friends and family.



# Queen Mary's Garden



**'These carrots man, they've made me happy'**

Church Homeless Trust supports a gardening programme at Queen Mary's hostel. The hostel supports vulnerable women and specialises in mental health recovery, providing accommodation and support for over 40 homeless women.

For the women at Queen Mary's, the garden is a place of refuge from their everyday troubles where they can forget about the stresses of their difficult lives.

Gardening is a naturally creative process and provides an outlet for self-expression; something homeless people often have little access to when they have spent so long focusing on survival alone. The garden also provides a safe and positive environment to share concerns, worries and frustrations.

The satisfaction of a job well done at the end of a session can be very rewarding, and watching something grow that you have nurtured can do wonders for one's mental health. The garden helps to boost confidence and improves self esteem.

# 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 have been two new appointments and one retirement 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	Retired November 2019
Christopher Daws	
John Glenton (Riverside Care and Support nominee)	
Trevor Morris	
Sally Nicholson (Riverside Care and Support nominee)	Appointed September 2019
Anne Parker CBE (Riverside Care and Support nominee)	
Philip Raw	
Rev Grace Thomas	Appointed September 2019
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.

**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 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.

## Governance

**Sally Nicholson** Head of Operations Riverside, Sally has worked in care and supported housing services for 25 years, having extensive experience of managing a range of varied services and working with a diverse range of customers. Sally also has a specialism around developing Extra Care housing, and is the Nominated lead for Care Quality Commission for the Riverside Group.

**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, during which she saw the value of the work of Church Homeless Trust. Anne joined our board when she retired from the Riverside Care and Support board.

**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.

**Rev'd Grace Thomas** is the assistant curate at two churches in Manchester. Prior to ordination Grace worked as a family support worker, a youth and children's coordinator and as a nurse. Her interests centre around care for creation - which includes care for self and wellbeing, care for our neighbour through justice, belonging and inclusion, and care for our planet.

**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 week 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. We also benefit enormously from the support given by our volunteers.

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



## **“I feel I have achieved something for the first time”**

Veterans can suffer terribly once their service ends, whether that be from PTSD, low self-esteem, or trouble adjusting to civilian life.

We fund a memorial garden where veterans can plant and maintain an allotment; they can grow their own fruit and vegetables which are then used in cooking sessions and preparing tasty treats. It helps keep the veterans busy, motivated and gives them a massive sense of achievement when the garden blooms.

The memorial garden is especially vital during the COVID-19 pandemic, where many other services and activities are closed. It's allowed veterans to get out of their flats and into the fresh air, to work as a team and have a laugh and a joke with one another. Socialising and productive leisure time are so crucial for maintaining good mental health and we saw the garden benefiting veterans throughout lockdown.

It was particularly impressive when they put together an amazing project for VE day (pictured above).

# Financial Review 2020

## Results for the year

Total income (including from investments) for the year amounted to £467,830 which was 5.7% down on the previous year (2019 £496,215). This was due to lower income from legacies than in previous years.

Unrestricted income decreased from £367,753 in 2019 to £341,719. Legacy income was £13,125 which is 74.9% down on the previous year (2019 £52,235). Unrestricted donations excluding legacies rose from £303,987 in 2019 to £316,277 in 2020.

Restricted income was £126,111 slightly less than the previous year when £128,462 was raised. However, the previous year's income included £45,645 of restricted legacy income (2020, no restricted legacy received).

Total expenditure for the year amounted to £568,021 (2019 £522,462). During the year, we spent £465,311 on charitable activities (2019 £429,182) and £102,710 on raising funds (2019 £93,280).

In line with our reserves policy (see below), we had budgeted for a deficit on unrestricted funds of £42,003 before investment gains and transfers. We finished the year with a deficit on unrestricted funds of £83,195 (2019 deficit of £42,720) because we maintained our level of grant giving in spite of the reduction in legacy income.

## Reserves policy and financial position

The trustees believe that the charity is a going concern, due to our level of reserves and the continuing and increasing generosity of our supporters during lockdown since the year end.

On 31 March 2020 we held £228,360 of restricted reserves (2019 £245,356). 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 £195,379 (2019 £147,159) are unrestricted for disbursement to meet our charitable aims.

The value of the defined pension scheme liability at 31 March 2020 was £92,000 (2019 £254,000). This welcome reduction in our liability is in the most part due to favourable changes in the actuarial assumptions when estimating our share of the scheme's pension liabilities. 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 stand at a total of £283,939 (2019 £297,665 excluding £100,000 designated funds).

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 £218,212 (2019 £234,000). We are committed to spending the excess on grants over the next two years.

Since the end of the financial year 2019/20 we have received some substantial additional unrestricted donations. The trustee directors have agreed that we will spend more than budgeted this current financial year on support grants to meet the rising demand due to the pandemic.

## 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 3.82% (2019 3.67%) and a capital depreciation of 1.1% (2019 appreciation of 7.89%). At the end of the year, the charity's investments comprised 100% UK common investment funds.

While we saw a decrease in the value of our investments in March when the lockdown began, the value has gradually recovered. However, there is no doubt that the economic outlook is uncertain as the pandemic continues, and it isn't clear what the impact on the value of our investments will be in the medium and long term. We do not rely on investment income as a major source of income, nor do we put our restricted funds at risk.

## Financial review

## Risk management

Church Homeless Trust has a comprehensive register of risks and mitigating actions, which we review at each board meeting.

In March a new and unforeseen risk emerged in the form of the coronavirus pandemic and the trustees took measures to ensure that we could continue to operate while keeping the staff team safe. The board is continuing to monitor the situation and adapt 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.

Risks	Mitigating actions
A sudden and irreversible drop in our income due to the health, social and economic effects of the pandemic.	We ran a very successful COVID emergency fundraising campaign for individuals, trusts and companies, which has increased our income. We continued, and expanded our events fundraising on line. We increased our communications with our regular supporters and major donors during lockdown, to keep them up to date with our work. We have increased our social media presence and relaunched our website.
An increase in demand from homeless people who are self-isolating that we are unable to meet	We have worked with partners to ensure that our funding is being used in the most effective ways at this time. We have secured new funding from trusts and companies to meet this extra demand. As our income has increased we have released more of our unrestricted funds to meet the increase in demand.
The health and wellbeing of our staff team and trustees is adversely affected by the pandemic	We made preparations and started remote working before lockdown began. We have offered mental health and IT support to staff, and the executive director checks in with each team member every week.
The productivity of our staff team and trustees is reduced through remote working	We have continued to process grant applications every week, so there has been no delay in funding. We have purchased new cloudbased software to help us share documents and process invoices. The team meets virtually every week.
An interruption in the services provided by our partners	Many of our partners have increased the services they are providing and we have worked with them to fund the particular support which is needed at this difficult time.
The rapid and irreversible decline in church attendance, and the consequent reduction in income and engagement	We are moving our engagement with churches online, and reaching individuals rather than congregations.

Signed for and on behalf of the trustee directors:

*Liz Wilson*

Elizabeth Wilson  
Chair of the trustee directors  
Date 6 January 2021

# Independent auditor's report 31 March 2020

## 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 2020 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 2020 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 trustee 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](http://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

6 January 2021

## Statement of financial activities Year to 31 March 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
<b>Income from:</b>							
Donations, grants and legacies	1	329,402	126,111	455,513	356,222	128,462	484,684
Investment income and interest receivable	2	12,317	—	12,317	11,531	—	11,531
<b>Total income</b>		<b>341,719</b>	<b>126,111</b>	<b>467,830</b>	<b>367,753</b>	<b>128,462</b>	<b>496,215</b>
<b>Expenditure on:</b>							
Raising funds	3	102,710	—	102,710	93,280	—	93,280
Charitable activities							
Assisting homeless people and those in housing need	4	322,204	143,107	465,311	317,193	111,989	429,182
<b>Total expenditure</b>		<b>424,914</b>	<b>143,107</b>	<b>568,021</b>	<b>410,473</b>	<b>111,989</b>	<b>522,462</b>
<b>Net (expenditure) income before investment (losses) gains and transfers</b>		<b>(83,195)</b>	<b>(16,996)</b>	<b>(100,191)</b>	<b>(42,720)</b>	<b>16,473</b>	<b>(26,247)</b>
Net (losses) gains on investment assets	12	(3,585)	—	(3,585)	23,842	—	23,842
<b>Net (expenditure) income before transfers</b>		<b>(86,780)</b>	<b>(16,996)</b>	<b>(103,776)</b>	<b>(18,878)</b>	<b>16,473</b>	<b>(2,405)</b>
Gross transfers between funds	16	—	—	—	—	—	—
<b>Net (expenditure) income</b>	7	<b>(86,780)</b>	<b>(16,996)</b>	<b>(103,776)</b>	<b>(18,878)</b>	<b>16,473</b>	<b>(2,405)</b>
<b>Other recognised gains (losses)</b>							
Gains on recognition of full share of defined benefit scheme liability	21	—	—	—	20,000	—	20,000
Actuarial gains (losses)	21	135,000	—	135,000	(75,000)	—	(75,000)
<b>Net movement in funds</b>	19	<b>48,220</b>	<b>(16,996)</b>	<b>31,224</b>	<b>(73,878)</b>	<b>16,473</b>	<b>(57,405)</b>
<b>Reconciliation of funds:</b>							
Funds brought forward at 1 April 2019		147,159	245,356	392,515	221,037	228,883	449,920
Funds carried forward at 31 March 2020	20	195,379	228,360	423,739	147,159	245,356	392,515

### Continuing activities

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

# Balance sheet 31 March 2020

	Notes	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Tangible assets	11		3,440		3,494
Investments	12		238,395		325,981
			<b>241,835</b>		<b>329,475</b>
<b>Current assets</b>					
Debtors	13	53,395		108,623	
Short term deposits		5,500		60,000	
Cash at bank and in hand					
. Interest bearing accounts		155,134		168,453	
. Other accounts and cash		95,527		30,894	
		<b>309,556</b>		<b>367,970</b>	
<b>Creditors: amounts falling due within one year</b>	14	<b>(35,652)</b>		<b>(50,930)</b>	
<b>Net current assets</b>			<b>273,904</b>		<b>317,040</b>
<b>Total assets less current liabilities</b>			<b>515,739</b>		<b>646,515</b>
<b>Provision for liabilities</b>	15/21		<b>(92,000)</b>		<b>(254,000)</b>
<b>Total net assets</b>			<b>423,739</b>		<b>392,515</b>
<b>Funds and reserves</b>					
<b>Income funds</b>					
Restricted funds	16		228,360		245,356
Unrestricted funds					
. General fund		287,379		301,159	
. Designated funds	18	-		100,000	
. Pension reserve fund	21	(92,000)		(254,000)	
			<b>195,379</b>		<b>147,159</b>
			<b>423,739</b>		<b>392,515</b>

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

*Liz Wilson*

Elizabeth Wilson  
Chair of the board of trustees  
Date 6 January 2021

# Statement of cash flows Year to 31 March 2020

	Notes	2020 £	2019 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	<b>(97,323)</b>	(83,929)
<b>Cash flows from investing activities:</b>			
Investment income and interest received		<b>12,317</b>	11,530
Proceeds from the sale of listed investments		<b>84,000</b>	–
Purchase of tangible fixed assets		<b>(2,180)</b>	(754)
<b>Net cash provided by investing activities</b>		<b>94,137</b>	10,776
<b>Change in cash and cash equivalents in the year</b>		<b>(3,186)</b>	(73,153)
<b>Cash and cash equivalents at 1 April 2019</b>	B	<b>259,347</b>	332,500
<b>Cash and cash equivalents at 31 March 2020</b>	B	<b>256,161</b>	259,347

## Notes to the statement of cash flows for the year to 31 March 2020

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

	2020 £	2019 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>31,224</b>	(57,405)
<b>Adjustments for:</b>		
Depreciation charge	<b>2,234</b>	1,689
Losses (gains) on investments	<b>3,585</b>	(23,842)
Investment income and interest receivable	<b>(12,317)</b>	(11,531)
Decrease (increase) in debtors	<b>55,229</b>	(30,406)
(Decrease) increase in creditors	<b>(15,278)</b>	13,566
(Decrease) Increase in pension provision	<b>(162,000)</b>	24,000
<b>Net cash used in operating activities</b>	<b>(97,323)</b>	(83,929)

### Analysis of changes in net debt

	2020 £	Cash flow £	2019 £
Short term deposits (less than three months)	<b>5,500</b>	(54,500)	60,000
Cash at bank and in hand:			
Interest bearing accounts	<b>155,134</b>	(13,319)	168,453
Other accounts and cash	<b>95,527</b>	64,633	30,894
<b>Total cash and cash equivalents</b>	<b>256,161</b>	(3,186)	259,347

# Principal accounting policies 31 March 2020

**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 2020 with comparative information provided for the year to 31 March 2019.

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;
- the underlying assumptions used in the actuarial valuation of the pension scheme; and
- estimating future income and expenditure flows for the purpose of assessing going concern (see below).

## **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 at least one year from the date of approval of these financial statements. Since the end of the financial year 2019/20 the charity has received some substantial additional unrestricted donations, and has sufficient unrestricted reserves. The trustee directors therefore believe that the charity is a going concern.

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 2020 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 2021, the most significant areas that affect the carrying value of the assets held by the charity remain the impact of the pandemic on 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 and units in common investment funds 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 are 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 are 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 are 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 represent the charity's share of the Social Housing Pension Scheme's deficit as calculated by the scheme actuary.

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 2020

## 1. Donations, grants and legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Legacies	13,125	—	13,125	52,235	45,645	97,880
Other donations and grants	316,277	126,111	442,388	303,987	82,817	386,804
	<b>329,402</b>	<b>126,111</b>	<b>455,513</b>	<b>356,222</b>	<b>128,462</b>	<b>484,684</b>

## 2. Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Income from listed investments						
. UK listed investments	10,523	—	10,523	10,792	—	10,792
. Bank interest	1,794	—	1,794	739	—	739
	<b>12,317</b>	<b>—</b>	<b>12,317</b>	<b>11,531</b>	<b>—</b>	<b>11,531</b>

## 3. Raising funds

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Staff costs (note 8)	62,591	—	62,591	52,093	—	52,093
Advertising	21,762	—	21,762	23,923	—	23,923
Allocated support costs (note 5)	18,357	—	18,357	17,264	—	17,264
	<b>102,710</b>	<b>—</b>	<b>102,710</b>	<b>93,280</b>	<b>—</b>	<b>93,280</b>

## 4. Assisting homeless people and those in housing need

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Grants payable	86,246	143,107	229,353	100,000	111,989	211,989
Staff costs (note 8)	139,795	—	139,795	136,594	—	136,594
Publicity	34,547	—	34,547	26,408	—	26,408
Allocated support costs (note 5)	61,616	—	61,616	54,191	—	54,191
	<b>322,204</b>	<b>143,107</b>	<b>465,311</b>	<b>317,193</b>	<b>111,989</b>	<b>429,182</b>

## 5. Support costs

Support costs incurred during the year ended 31 March 2020 and the bases of their allocation were as follows:

	Raising funds £	Charitable activities £	Total £	Basis of allocation
Office costs	13,875	41,625	55,500	Pro rata by expenditure
Legal and professional fees	394	1,831	2,225	Pro rata by expenditure
Bank charges and finance costs	1,880	8,746	10,626	Pro rata by expenditure
Governance costs (note 6)	2,208	9,414	11,622	Pro rata by expenditure
	<b>18,357</b>	<b>61,616</b>	<b>79,973</b>	

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
	<b>17,264</b>	<b>54,191</b>	<b>71,455</b>	

## 6. Governance costs

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Auditor's remuneration	8,930	—	8,930	8,560	—	8,560
Other professional costs	2,692	—	2,692	1,430	—	1,430
	<b>11,622</b>	<b>—</b>	<b>11,622</b>	<b>9,990</b>	<b>—</b>	<b>9,990</b>

## 7. Net (expenditure) income

This is stated after charging:

	2020 £	2019 £
Staff costs (note 8)	<b>202,386</b>	188,687
Auditor's remuneration: statutory audit services	<b>8,930</b>	8,560
Depreciation	<b>2,234</b>	1,689

## 8. Staff costs

	2020 £	2019 £
Wages and salaries	174,721	162,601
Social security costs	13,757	13,390
Other pension costs	13,613	12,146
	<b>202,091</b>	188,137
Other staffing costs	295	550
	<b>202,386</b>	188,687

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

	2020 £	2019 £
Raising funds	62,591	52,093
Charitable activities	139,795	136,594
	<b>202,386</b>	188,687

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

	2020	2019
Raising funds	2	1
Charitable activities	3	4
	<b>5</b>	5

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 executive director of the charity. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £55,307 (2019 £57,635).

## 9. Trustee directors' remuneration

None of the trustee directors received any remuneration from the charity during the year (2019 none). Travelling and accommodation expenses amounting to £2,407 (2019 £1,430 ) were reimbursed to five trustee directors during the year (2019 four trustee directors).

As of March 2020 three of the serving trustee directors were nominated by Riverside Care and Support, two of whom are employees 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 £
<b>Cost</b>	
At 1 April 2019	13,161
Additions	2,180
At 31 March 2020	<b>15,341</b>
<b>Depreciation</b>	
At 1 April 2019	9,667
Charge for year	2,234
At 31 March 2020	<b>11,901</b>
<b>Net book values</b>	
At 31 March 2020	<b>3,440</b>
At 31 March 2019	3,494

## 12. Fixed asset investments

	Total £
<b>Listed investments</b>	
Market value at 1 April 2019	<b>325,980</b>
Disposal proceeds	<b>(84,000)</b>
Net losses for the year	<b>(3,585)</b>
Market value at 31 March 2020	<b>238,395</b>
Historical cost at 31 March 2020	<b>211,099</b>

At 31 March 2020 all investments comprised units in the COIF Charities Investment Fund.

## 13. Debtors

	2020 £	2019 £
Income tax recoverable	<b>15,500</b>	21,522
Prepayments and accrued income	<b>35,774</b>	17,497
Legacies receivable	—	67,093
Investment income receivable	<b>2,121</b>	2,511
	<b>53,395</b>	108,623

## 14. Creditors: amounts falling due within one year

	2020 £	2019 £
Expense and other creditors	23,256	17,070
Social security and other taxes	3,607	4,845
Accruals and grants in advance	8,789	29,015
	<b>35,652</b>	<b>50,930</b>

## 15. Provision for liabilities

	2020 £	2019 £
Provision for Social Housing Pension Scheme liabilities (note 21)	<b>92,000</b>	254,000

## 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 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
Support funds (note 17)	155,383	58,693	(109,595)	(367)	<b>104,114</b>
Queen Mary's Garden	4,172	11,000	(13,119)	508	<b>2,561</b>
Cambridge Victoria and Springs Garden	3,095	—	—	(3,095)	—
Wakefield Marie House Garden	385	—	(5,308)	5,000	<b>77</b>
Catterick Veteran Artisan Bakery	—	29,818	(4,910)	—	<b>24,908</b>
Manchester Prison Visitors' Centre	221	—	—	(221)	—
Huddersfield Grow & Cook	2,548	—	(420)	(508)	<b>1,620</b>
London Street Buddies	—	10,000	—	—	<b>10,000</b>
Sittingbourne Fitness For You	1,317	—	—	(1,317)	—
Other restricted funds	78,235	16,600	(9,755)	—	<b>85,080</b>
	<b>245,356</b>	<b>126,111</b>	<b>(143,107)</b>	<b>—</b>	<b>228,360</b>

The transfers between funds represent amounts transferred between closed funds and related funds, and transfers to correct previous misallocations.

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. The amounts payable during the year are shown in note 4 as grants payable.

## 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 2019 £	New designations £	Utilised/ released £	At 31 March 2020 £
Grants fund	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 2019		301,159	100,000	(254,000)	245,356	392,515
Net (expenditure) income per statement of financial activities		(77,780)	—	(9,000)	(16,996)	(103,776)
Designated fund utilised	18	100,000	(100,000)	—	—	—
Defined benefit scheme deficit contribution paid	21	(36,000)	—	36,000	—	—
Actuarial gains (losses)	21	—	—	135,000	—	135,000
Funds carried forward at 31 March 2020		<b>287,379</b>	—	<b>(92,000)</b>	<b>228,360</b>	<b>423,739</b>

## 20. Analysis of net assets between funds

	General fund £	Pension reserve fund £	Restricted funds £	Total 2020 £
Tangible fixed assets	3,440	—	—	<b>3,440</b>
Investments	238,395	—	—	<b>238,395</b>
Net current assets	45,544	—	228,360	<b>273,904</b>
Provision for liabilities	—	(92,000)	—	<b>(92,000)</b>
Total net assets	287,379	(92,000)	228,360	<b>423,739</b>

## 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, sets 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)

	<b>31 March 2020 £'000</b>	31 March 2019 £'000
Fair value of plan assets	<b>948</b>	938
Present value of defined benefit obligation	<b>(1,040)</b>	(1,192)
Deficit in plan	<b>(92)</b>	(254)
Defined benefit liability to be recognised	<b>(92)</b>	(254)

In 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.

### Reconciliation of opening and closing balances of the defined benefit obligation

	<b>Year ended 31 March 2020 £'000</b>
Defined benefit obligation at start of period	<b>1,192</b>
Expenses	<b>3</b>
Interest expense	<b>26</b>
Actuarial gains due to scheme experience	<b>(14)</b>
Actuarial gains due to changes in demographic assumptions	<b>(13)</b>
Actuarial gains due to changes in financial assumptions	<b>(102)</b>
Benefits paid and expenses	<b>(52)</b>
Defined benefit obligation at end of period	<b>1,040</b>

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

	Year ended 31 March 2020 £'000
Fair value of plan assets at start of period	938
Interest income	20
Experience on plan assets (excluding amounts included in interest income) - gain	6
Contribution by the employer	36
Benefits paid and expenses	(52)
Fair value of plan assets at end of period	948

The actual return on the plan assets (including any changes in share of assets) over the period from 31 March 2019 to 31 March 2020 was £26,000 (2019 £31,000).

## Defined benefit costs recognised in the statement of financial activities:

### Included in expenditure on charitable activities

	Year ended 31 March 2020 £'000
Expenses	3
Net interest expense	6
Defined benefit costs recognised in statement of financial activities	9

### Included in other recognised gains (losses)

	Year ended 31 March 2020 £'000
Experience on plan assets (excluding amounts included in net interest costs) - gain	6
Experience gains and losses arising on the plan liabilities - gain	14
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain	13
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain	102
Total actuarial gains and losses - net gain	135

## 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 2019. As of this date the estimated employer debt or Section 75 liability for Church Homeless Trust was £803,215 (30 September 2018 - £778,147).

## Assets

The charity's share of assets held within the Scheme at 31 March 2020 is as follows:

	<b>31 March 2020 £'000</b>	31 March 2019 £'000
Global Equity	139	158
Absolute Return	49	81
Distressed Opportunities	18	17
Credit Relative Value	26	17
Alternative Risk Premia	66	54
Fund of Hedge Funds	1	4
Emerging Markets Debts	29	32
Risk Sharing	32	28
Insurance-Linked Securities	29	27
Property	21	21
Infrastructure	71	49
Private Debt	19	13
Opportunistic Illiquid Credit	23	—
Corporate Bond Fund	54	44
Long Lease Property	16	14
Secured Income	36	34
Liabilities Driven Investment	315	343
Net Current Assets	4	2
<b>Total assets</b>	<b>948</b>	<b>938</b>

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

	<b>31 March 2020 % per annum</b>	31 March 2019 % per annum
Discount Rate	2.44	2.18
Inflation (RPI)	2.74	3.30
Inflation (CPI)	1.74	2.30
Salary Growth	2.74	3.30
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2020 imply the following life expectancies:

	<b>Life expectancy at age 65 (Years)</b>
Male retiring in 2020	21.5
Female retiring in 2020	23.3
Male retiring in 2040	22.9
Female retiring in 2040	24.5

## 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 by Riverside Care and Support, making payments which in aggregate amounted to £211,461 (2019 £185,646). 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 2020 the charity had the following future minimum commitments under non-cancellable operating leases in respect of:

	<b>Office equipment</b>	
	<b>2020</b>	2019
	<b>£</b>	£
Operating lease payments due:		
Within one year	<b>2,202</b>	2,456
Between two and five years	<b>1,439</b>	3,641
	<b>3,641</b>	6,097

# Maria's Story



**“Now I can see a better future.”**

When Maria was evicted from her home without warning, she had nowhere to go and no support system to rely on. She ended up living in a tent with her eldest daughter; exposed to the elements, their things were often ruined by poor weather or even stolen while they slept. It was impossible for them to save up money for a deposit on a home or even many basic necessities.

Everything fell apart one night when their tent was set on fire and they lost their few remaining possessions; Maria was plunged into debt that she couldn't possibly repay when she had to take out a loan for food and basics for herself and her child. Her mental health suffered terribly, and she worried every night.

Now, Maria has been placed into supported housing; she was helped to find furniture and begin rebuilding her life. Thanks to your donations, we could help clear the debt she thought was insurmountable and focus on building a new life for herself and her children.

## Over the past year we have received grants and donations from the following companies and trusts:

3i Group	Hyde Park Place Estate Charity
Abbot - Midlands	Jack Brunton Charitable Trust
Aldershot Church of England Services Trust	John Lewis Partnership - Victoria
Annie Tranmer Charitable Trust	Joseph & Annie Cattle Trust
Armed Forces Covenant Fund Trust	Lalonde Trust
Beatrice Laing Trust	Minos Trust
Bedhampton Charitable Trust	Nathaniel Reyner Trust Fund
Benham Charitable Settlement	Ogilvie Charities
Bennett Family Grantmaking Charity	Sabina Sutherland Charitable Trust
Bernays Charitable Trust	Sir James Reckitt Charity
BGL Group	Strand Parishes Trust
Borrows Charitable Trust	The Ashley Family Foundation
Bramble Charitable Trust	The Invicta Trust
Charles & Elsie Sykes Trust	Thousandth Man - Richard Burns Charitable Trust
Chrimes Family Charitable Trust	Trust
Earmark Trust, The	Travers Smith Foundation
Essex Trust	Usborne Publishing Ltd
F P Finn Charitable Trust	Veterans Foundation
Fulmer Charitable Trust	
Ganzoni Charitable Trust	
Guildford Poyle Charities	
Hamilton Wallace Trust	
Henry Oldfield Trust	
Hull Aid in Sickness Trust	
Hull and East Riding Charitable Trust	

 **THE ARMED FORCES  
COVENANT FUND TRUST**

  
**VETERANS FOUNDATION**



Yusuf\* receiving his new phone.

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