

Charity Registration No. 702230

Company Registration No. 02422130 (England and Wales)

**ACTION HOMELESS (LEICESTER) LTD
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ACTION HOMELESS (LEICESTER) LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A Harrop	
	R Roberts	
	C Malcherczyk	
	S De Looze	(Appointed 1 December 2017)
	C Hurst	(Appointed 1 December 2017)
	N Winks (Chair)	(Appointed 7 February 2018)
	D Ireland	(Appointed 9 April 2018)
Secretary	R Mawdsley	
Charity number	702230	
Company number	02422130	
Principal address	Ridgeway House Little Hill Newton Lane Wigston LE18 3SE	
Registered office	Ridgeway House Little Hill Newton Lane Wigston LE18 3SE	
Auditor	Mayfield & Co. 2 Merus Court Meridian Business Park Leicester LE19 1RJ	
Bankers	HSBC 2-6 Gallowtree Gate Leicester LE1 1DA	
Solicitors	Howes Percival LLP 3 The Osiers Business Centre Leicester LE19 1DX	

ACTION HOMELESS (LEICESTER) LTD

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ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

The trustees present their report and financial statements for the year ended 31 March 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

Action Homeless has referred to the Charity Commission's guidance on public benefit when reviewing its aims and objectives and in planning its future activities. In particular, the Board of Trustees has considered how the charity's activities have and will continue to deliver the aims and objectives they have set. The vision, values and objectives of Action Homeless as agreed by the Board of Trustees are as follows.

Vision

Within ten years, Action Homeless will be one of the UK's leading organisations in the prevention and eradication of homelessness.

Objectives

- Develop quality services that prevent people from becoming homeless before they reach crisis point.
- Ensure people are provided with homes and have the skills, confidence and means to successfully maintain them.
- Influence policy and practice to create improvements in homeless services and ensure a voice for homeless people.

Become an enterprising and sustainable organisation with the resources and capabilities needed to deliver our vision and objectives.

Values

- Everyone has the right to live as independently as possible and we will do everything we can to ensure people affected by homelessness achieve and maintain independent living.
- Those affected by homelessness have the potential to transform their lives through support and education to enable them to achieve their aspirations.
- People at risk of homelessness have the right to expect timely and clear information and support to ensure that they do not become homeless.
- Everyone affected by homelessness has the right to expect good standards of accommodation and we will work to ensure that our housing is of good quality.
- Everyone using our services has the right to have their say in how these services are run and we will work to ensure that they have a voice in the running and development of the charity's activities.
- Our colleagues are the key to our success and we will work to create a culture which values and supports the people that work with and for us.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

The Operating Environment

Action Homeless continues to strive to meet the needs of its local community, providing public benefit across Leicester and Leicestershire.

There remains an acute shortage of affordable housing locally, with house prices and rents being some of the fastest rising in the country. The Government's continued welfare reform agenda and low wages means that more people than ever are finding it difficult to find, or keep a home and are approaching Action Homeless for help.

There has also been a substantial rise on the number sleeping on the street of Leicestershire and Action Homeless continues to prioritize its activity to meet these needs of these individuals.

This year we accommodated 408 individuals against the previous year's total of 502. This reduced number is reflective of Action Homeless' strategic objective of offering individuals longer term housing to break the cycle of homelessness. Unfortunately, in doing so we limit the number of vacancies in the properties we manage. As a result we were unable to offer accommodation to 522 who came to us for support in the past year. Action Homeless is acutely aware that there is a profound housing crisis and it is unable to meet needs of all the homeless people in Leicestershire.

We are also seeing a change in the demographic of those we are housing and although white males, aged 18-35, remain the predominate group, increasingly females are making up more of the community at 26.5% of those housed. This reflects the increasing need but also that Action Homeless is continuing to develop new housing to meet women's specific needs.

The majority of those we house are presenting with increasingly complex needs with 44% being long term sick. Supporting them remains a significant challenge with 80% of our work with clients this year involving partnerships with mental and substance misuse support agencies.

Activities

Our key projects and achievement's during the year were as follows;

Preventing Homelessness

A key objective for Action Homeless is to provide public benefit through prevention of the cycle of homelessness and this year we continued to develop projects that can do this.

Funded for two year by BBC Children in Need, Building Blocks is an Action Homeless project for very young children affected by homelessness. It offers play groups, family trips and parenting support for families with children aged 0-4 years who have been affected by homelessness or unsettled housing situations. Since the project began in March 2016, it has helped 170 children aged 0-4 years. The funding for this project ended in March 2018, however we were able to secure funding from Children in Need to continue the project, although at a reduced level, for another 3 years.

Food Stop; Action Homeless' Emergency Food Provision provided under Leicester City Council's Welfare Provision Scheme continues to see ever increasing demand. The service delivers a five-day per week food bank, supporting over 2500 people per annum.

The service allows us to engage with those at risk of losing their homes in the community before it becomes too late to prevent them from becoming homeless. Though this initiative we have championed the City becoming part of Feeding Britain, a national network of cities aiming to tackle food poverty. It aims to gather learning from each locality and use this to influence national policy reform. As part of this initiative we have been actively involved in tackling "holiday hunger" for children in summer and received a grant from Brakes "Fun and More" Project to deliver food to those in most need.

We also provided an emergency phone line which took over 2000 calls offering specialist housing advice to local people at risk of homelessness.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Responding to Homelessness

For those who do reach crisis point, we offer a range of support and accommodation.

Through the services commissioned by Leicester City Council, we provide support to some of those who have been rough sleeping. From Mayfield House, The Hollies and Jarvis House we provide emergency accommodation to approximately 45 men and women at any one time. This service provided support to 185 individuals through the year.

Bridge House is our specialist project for women and children fleeing domestic violence. It accommodated 14 families last year, providing them with specialist support and counselling to help them move on with their lives.

This year we also led the Leicester Homeless Partnership to become one of the nominated European cities under World Habitat's European Ending Street Homelessness campaign. This culminated in a week long audit of homeless services in November to ascertain the number of individuals sleeping on Leicester's streets and included the largest ever Street Count undertaken locally with the support of the community volunteers including students from DeMontfort University. The campaign champions the principles of Housing First and Action Homeless believes that chronic homeless can only be solved by offering individual a safe and secure home. The audit identified 42 unique individuals who were sleeping rough and working with other partners, we have been supporting these individuals off the street and into a home.

Homeless Transitions project; Action Homeless has been working in partnership with agencies across Leicestershire, including all local councils, to deliver the Homeless Transitions Project. The initiative is funded by the Ministry of Housing, Communities and Local Government's Single Homeless Grant and is led by Bridge East Midlands. Action Homeless has provided 3 emergency beds to accommodate people who are most of risk of rough sleeping including those leaving prison and hospital who do not have a safe home to go to. This year we accommodated 137 individuals as part of the scheme.

In addition, Action Homeless has received funding from this project to support the development of a Rough Sleepers Information System for the locality. Its aim is to identify every rough sleeper in the City and County to enable all agencies working with the individual to help them off the streets. It is intended that the system will be operating by Autumn 2018.

Providing Homes

Giving people the opportunity to leave homelessness behind has continued to be a key focus for Action Homeless. It operates a range of accommodation that is tailored to meet the needs of each individual and provide them with the help that they need to move on in their lives.

Our Accommodation Assist service provides good-quality accommodation to people in a housing crisis. Ranging from self-contained flats to shared houses, the project offers intensive housing management to tenants with few or no support needs. The project currently offers 46 units of accommodation and we housed 186 people last year. This service is in high demand as the availability of affordable and accessible housing for single people continues to reduce.

Accommodation Plus: Our efforts to tackle the lack of affordable housing in Leicester has led to us developing a Housing First initiative. This is a pioneering project, which renovates properties in Leicester and transforms them into suitable accommodation for individuals and families with experience of homelessness. Accommodation Plus gives 44 tenants a permanent home that meets their needs. Tenants are allocated a dedicated member of staff who helps them to maintain their tenancies and supports them to live independently.

New Accommodation

Sourcing and providing more homes continues to be the key objective for the Charity and this year we developed an additional 10 units of accommodation with support from the Nationwide Foundation and lending from Charity Bank.

Included in these units is the development of a new scheme funded by Leicestershire's NHS Partnership Trust. The service provides 5 beds for people leaving acute mental health hospital and facilitates them to make the transition from hospital to living independently in the community. Previously, due to the lack of suitable accommodation, these individuals would have either had to stay in hospital longer or be discharged to unsuitable temporary accommodation.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

With the support of Charity Bank Action Homeless was able to purchase Mayfield House from its proprietors East Midlands Homes. Action Homeless have managed the 30 bed hostel for EMH for over 40 years and we are extremely grateful to them for giving us the opportunity to secure its future as a project for homeless people. The scheme will form the foundation for Action Homeless' ambition to establish Housing First in the city and we have plans to refurbish the building over the coming year.

Promoting Health and wellbeing

Our Engage suite facilitates a range of activities such as cook and eat sessions, tenancy training and a gardening club to help residents gain the skills and confidence required to live independently. A drop in session also gives residents access to support when-ever they require it.

The Light Project is run in conjunction with the University of Leicester's Medical School and provides health promotion support to Action Homeless residents. Students run specialist sessions to help improve the mental and physical wellbeing of clients. In addition, we have hosted highly successful smoking cessation and first aid courses.

Education and Training

Action Trust is a social enterprise providing professional cleaning and gardening services. The social enterprise offers supervised training and work placements to people who have experienced homelessness and are long term unemployed. Action Trust currently employs 5 individuals whilst also offering 6 -12 week work placements to our residents, giving them the skills and independence to move into future employment and break the cycle of homelessness. Thanks to continued support from the Pret Foundation Trust, Action Trust has acquired a new van allowing the social enterprise to offer even more placements.

Moneywise is a project that works across Leicester and Leicestershire to support unemployed individuals with money handling, budgeting and digital confidence. The programme worked to prepare these individuals for work through training and education and has supported 65 people in its final year. Thanks to a funding award from the European Social Fund and the Big Lottery, Moneywise Plus has been launched and will expand upon the previous Moneywise project.

Support from the Community

Action Homeless, once again this year, has been fortunate to benefit from the support of a number of passionate and committed volunteers who have played a significant role in enabling the charity to provide chances for change for homeless people. We are grateful to all of the dedicated volunteers, both those who volunteer on a regular basis and those who contributed to one off special events, who have given up their time to support our work.

Thanks to the generosity of supporters, our Winter Appeal raised over £32,491 in cash as well as goods worth an estimated £10,000. These donations combined enabled us to facilitate a Christmas events programme that saw 83 volunteers giving up a combined 237 hours of their time, to support our client's at the most vulnerable time of the year.

There were £23,326 received in other cash donations throughout the year and we are thankful to the many generous individuals, community groups and schools who donated, fundraised or collected sponsorship. We would like to say a special thank you to the Rotary Club of Oadby who selected Action Homeless as the President's Charity of the Year and a local business man who donated £10,000 following a visit to the Food Stop and our accommodation service. In addition we'd like to thank the pupils of St Thomas More Primary School who raised over £5000 at their sleep out event.

Action Homeless has also been fortunate to have received support from a number of trusts and foundations. In particular we would like to thank The Nationwide Foundation, The Pret Foundation Trust, The Caterpillar Foundation and Thomas Stanley Shipman Charitable Trust.

Action Homeless continues to invest in building its profile and therefore local communities and business support of the work of Action Homeless continues to grow. We were delighted to have the support of a number of local organisations this year including Pick Everard, Phoenix Cinema, Howes Percival, Upton Steel, Anderson's, Tokio Marine and Church Pharmacy.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

This year has also seen the continued support of students and staff from both De Montfort University and the University of Leicester who have contributed their time and efforts through volunteering schemes and fundraising events to enrich the lives of our clients.

Delivering our Strategic Objectives

Action Homeless came to the end of its current 5 year Strategy Plan in March 2018 and the organisation has been successful in achieving the objectives set in 2013.

We have realised our ambition to reduce our reliance on statutory income, with less than 8% of our income now coming from Local Authority contracts whilst increasing our total turnover to £2,342,896, an increase of 30% in five years.

During the life of the plan our fundraising income through general donations and new project funding has totalled £1.8 million, over five times as much as in the previous five years.

Action Homeless has increased the number of units it manages in order to provide accommodation to homeless people during the life of the plan to 170, over double of that it provided 5 years ago. Action Homeless now owns 8 properties and manages a further 31. The purchase and these new and existing properties means that we can help more individuals, but also secure homes for homeless people for the foreseeable future. The purchase of these new properties has also enhanced Action Homeless' financial security, contributing to increasing our assets to over £1.8 million.

Action Homeless has also continued to develop its other key resource, its work force and was reaccredited with the Investors in People award this year. This reflects the investment in our HR strategy to ensure that we have the skills and human resources in place to deliver our objectives. In the last review Investor in People review 94% of our colleagues agreed that Action Homeless embraces change to ensure that it has a sustainable future.

Plans for the future

Action Homeless has been able to capitalise on the opportunities afforded to it through the availability of grants and loan finance to increase its property portfolio.

Over the next 5 years our plan is to continue to build on this experience to increase the number and range of accommodation it provides to homeless people.

There has been significant uncertainty over the past 3 years with regards to the future funding of supported housing that provides the core income for Action Homeless to develop and manage its accommodation. However, the announcement that the government has decided to retain the current system has removed a significant risk for Action Homeless and will enable us to continue to develop new schemes.

Over the past 5 year Action homeless has endeavoured to be a key partner in tackling Homelessness in the City and County. In the coming year it will seek to support the City Council's new Homelessness Strategy and look to continue to deliver services in partnership with the Council to tackle rough sleeping in the City.

Having grown and developed its services in the County, Action Homeless aims to build on this work to address rough sleeping in the boroughs and districts of Leicestershire.

We have also been included as a delivery partner in the Government's Rough Sleeping Task Force for the City and are working with partners to achieve their objective of reducing rough sleeping by half over the coming three years.

Action Homeless is also supporting the development of a Homeless Charter for the City and County, the aim being to provide a framework for improvement in the ways that different groups and organisations support people who are homeless or sleeping rough and develop a more coordinated approach.

Action Homeless' next 5-year strategy will steer the Charity to continue to be the leading organisation tackling homeless in Leicestershire and achieve its ambition to end chronic homelessness by 2023.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Achievements and performance

Key achievements

Providing quality services that support people who are homeless

- This year we accommodated 408 individuals who were homeless.
- Through the Homeless Leicester Partnership and the No Second Night Out Leicestershire housed 137 individuals off the streets and into temporary accommodation.
- Provided an emergency phone line which took over 2000 calls offering specialist housing advice to local people at risk of homelessness.
- Provided budgetary and money management advice to 65 people through Moneywise Plus, a partnership project seeking to improve financial and digital confidence.
- Delivered specialist play activities to 85 children affected by homelessness through Building Blocks, a Children in Need funded initiative to break the cycle of homelessness for our youngest clients.
- Through the Action Homeless Food Stop in partnership with Leicester City Council provided emergency food and engaged with 2500 people who may be at risk of homelessness.
- Delivered 2000 lunches to children in the Summer Holiday who are in poverty and at risk of homelessness.
- Created 5 new units of accommodation for those leaving hospital with no home to go to.
- Led the Leicester Homeless Partnership to become one of the nominated European cities under World Habitat's European Ending Street Homelessness campaign.

Financial review

Summary

The results for the year show total income amounting to £2,342,895. Of this amount, £239,379 was in the form of restricted income. Total expenditure in the year amounted to £2,116,273. The surplus income was predominantly made up from better than budget voids and bad debt and ensuring tight fiscal controls. These funds have been reinvested into the Charity to further support the strategic objectives of creating 100 new homes. The reserves carried forward were £1,804,167 of which £303,235 were restricted funds. These reserves will be used over a number of years and matched against depreciated amounts. Good corporate governance dictates that the charity maintains sufficient unrestricted reserves to meet unexpected events, irregular cash-flow and contingencies.

Due to the expansion of our Housing First Homes programme, which is a means to ending rather than managing homelessness the accounts show growth in the revenue of housing management. The income from this programme has been designated to continue the development of this initiative in the coming financial year. The expansion of the programme was thanks to the Nationwide Foundation, a grant of £35,000 received from them in 2017 supported the Charity to secure Loan finance that develops further our property portfolio.

Principal Funding Sources

The charity's principal funding comes through rental income, contracts and grants. The charity also continued to be funded by Leicestershire Boroughs to support a No Second Night Out response for rough sleepers in the county. In addition, Reaching People provided a grant for the continuation of Moneywise+, a project to improve financial confidence. Children in Need also provided funds to support our work with supporting homeless children through the Building Bridges project. Action Homeless is also grateful to the many individuals and companies who provided financial support and gifts in kind to the charity during the course of the year.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Investment Policy

The charity continues to review its Investment Policy to reflect the fact that its level of reserves has come into line with the Reserves Policy. The Charity uses interest bearing accounts to maximise the interest on money on deposit. The Charity has also invested some of its reserves with investment manager Raymond James in order to maximise the returns from its reserves. The Charity has also used some of its free reserves to purchase the freehold on a total of seven residential properties which provide both accommodation for clients and a monetary return in the form of rental income. A balance has been struck between the requirements to maximise interest and the cash-flow needs of the charity.

Reserves Policy

The Board of Trustees has given careful consideration to the requirement for Action Homeless to maintain an appropriate level of free reserves, being those funds not invested in fixed assets, designated for specific purposes or otherwise committed. The Trustees have taken into account the level of free reserves required to cover the following risks: loss of income as a result of reductions in contracts or services, failure to equip and maintain buildings to a satisfactory standard, failure to achieve agreed and necessary fundraising targets and the consequences of an event having a major negative reputational impact on the work of the charity.

Based on this assessment, the Board of Trustees consider that the level of free reserves currently held, whilst adequate enough to cover the current assessment of potential costs, would ideally be greater and the Trustees would like an increased level of free reserves in order to ascertain a greater margin of safety.

During the year the trustees transferred £116,900 to the designated funds (see below) and £12,045 to cover a shortfall on some restricted funding. This leaves free unrestricted reserves to carry forward of £656,032.

The remaining funds (representing the balance between the level of reserves required by Trustees and the actual level of free reserves) have been specifically identified by Trustees to support the realisation of the charity's strategic objectives.

Designated funds

As discussed previously within unrestricted reserves the Trustees transferred £116,900 to the designated funds to cover the following specific future events which is part of the charity's strategic planning.

An amount of £105,300 specifically designated and ring fenced as a contribution towards providing further accommodation for the homeless, which has been identified and will come to fruition within the next 12 months.

A further amount of £11,600 to cover future costs to meet contractual dilapidation agreements between the charitable company and existing lessors.

Funds held as custodian trustee

Action Homeless does not hold any funds as custodian trustee, all funds are for the benefit of the Charity.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Risk Management

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trustees recognise the importance of risk management within the framework of governance and internal control. A risk register has been compiled to assess strategic, operational and financial risk. Risk management processes are in place providing a high level of reassurance. The risk management process applies to all aspects of work undertaken by Action Homeless. Risk assessments and risk management are an integral part of the daily duties of front line staff and managers.

In March 2013 the Board of Trustees agreed a new high level strategic plan covering the period 2013-2018. It sets out our vision as an ambitious and forward thinking charity and explains how we will meet our strategic objectives. It also lays the foundations for realising our ambition of becoming one of the UK's leading organisations in the prevention and eradication of homelessness.

Our work will continue to focus on four key strategic goals:

- Developing quality services that prevent people from becoming homeless before they reach crisis point
- Ensuring people are provided with homes and have the skills, confidence and means to successfully maintain them
- Influencing policy and practice to create improvements in homeless services and ensure a voice for homeless people
- Becoming an enterprising and sustainable organisation with the resources and capabilities needed to deliver our objectives

We will judge how well we are performing against these goals by:

- The number of people sleeping rough – our aspiration will be zero.
- The number of affordable tenancies we create for people in housing need – our target will be 100 new lettable units in the life of this plan.
- The number of repeat homelessness cases amongst people living in and moving on from our accommodation – our aspiration will be zero
- The success of our advice services in preventing people from becoming homeless – our aspiration will be to prevent homelessness for everyone who comes to us for advice.
- The progress we make in reducing the charity's reliance on local authority funding – our target will be for 80% of the charity's funding to come from sources other than local authority contracts by 2018.

The Action Homeless Strategic Plan is available at www.actionhomeless.org.uk

This plan will be reviewed in the coming year as local and national government are currently reviewing how services for homeless people are commissioned and this will inevitably impact on Action Homeless, clients, staff and the organisation as a whole.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 12 September 1989 and registered as a charity on 17 November 1989.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

A Harrop	
R Roberts	
C Malcherczyk	
A Payton	(Resigned 12 July 2018)
T Archer	(Resigned 20 November 2017)
L Choudhury	(Resigned 14 May 2018)
Z Hassam	(Resigned 14 May 2018)
S De Looze	(Appointed 1 December 2017)
C Hurst	(Appointed 1 December 2017)
N Winks (Chair)	(Appointed 7 February 2018)
D Ireland	(Appointed 9 April 2018)

Recruitment and Appointment of Trustees

The directors of the company are charity trustees for the purposes of charity law and under the company's articles are known as members of the Board of Trustees. Under the requirements of the Memorandum and Articles of Association, members of the Board of Trustees are elected annually at the Annual General Meeting.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational Structure

The Board of Trustees meets six times in a year and is responsible for the governance framework and the strategic direction and policy of the charity. The Board currently has 7 members drawn from a variety of professional backgrounds relevant to the work of the charity. Three sub committees of the Board of Trustees each meet up to three times a year to review specific areas of the charity's operations and to make recommendations to the Board in relation to their areas of concern. The sub committees are as follows: Finance and General Purposes Committee, Quality and Performance Committee and the Housing and Development Committee. The Chief Executive and Executive Management Team are responsible for the day to day running of the charity and for the realisation of the strategy agreed by the Board.

The highest paid officer is paid between £60,000 and £65,000 and this is 3.5 times more than the lowest paid officer.

Public Benefit

The Board of Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Statement of trustees responsibilities

The trustees, who are also the directors of Action Homeless (Leicester) Ltd for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Mayfield & Co. be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees report was approved by the Board of Trustees.



N Winks (Chair)

Trustee

Dated: 29 November 2018

ACTION HOMELESS (LEICESTER) LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ACTION HOMELESS (LEICESTER) LTD

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, 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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity'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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

ACTION HOMELESS (LEICESTER) LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ACTION HOMELESS (LEICESTER) LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 trustees 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 trustees are responsible for assessing the charity'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 trustees 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



MR David Mayfield FCA (Senior Statutory Auditor)
for and on behalf of Mayfield & Co.

29 November 2018

Chartered Accountants
Statutory Auditor

2 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

ACTION HOMELESS (LEICESTER) LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2018

		Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2018 £	Total 2017 £
	Notes					
Income from:						
Donations and legacies	3	55,817	-	239,379	295,196	369,606
Charitable activities	4	2,022,088	-	-	2,022,088	1,926,395
Raising funds	5	24,477	-	-	24,477	25,961
Investments	6	1,134	-	-	1,134	1,157
Total income		2,103,516	-	239,379	2,342,895	2,323,119
Expenditure on:						
Raising funds	7	20,264	-	-	20,264	18,127
Charitable activities	8	1,833,961	-	262,048	2,096,009	2,020,547
Total expenditure		1,854,225	-	262,048	2,116,273	2,038,674
Net gains on investments	12	5,539	-	-	5,539	16,148
Net incoming/(outgoing) resources before transfers		254,830	-	(22,669)	232,161	300,593
Gross transfers between funds		(128,945)	116,900	12,045	-	-
Net movement in funds		125,885	116,900	(10,624)	232,161	300,593
Fund balances at 1 April 2017		530,147	728,000	313,859	1,572,006	1,271,413
Fund balances at 31 March 2018		656,032	844,900	303,235	1,804,167	1,572,006

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ACTION HOMELESS (LEICESTER) LTD

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	15	1,718,813		1,208,884	
Investments	16	203,938		198,399	
		<u>1,922,751</u>		<u>1,407,283</u>	
Current assets					
Debtors	18	142,103		92,906	
Cash at bank and in hand		609,193		465,090	
		<u>751,296</u>		<u>557,996</u>	
Creditors: amounts falling due within one year	21	<u>(187,802)</u>		<u>(188,552)</u>	
Net current assets			563,494		369,444
Total assets less current liabilities			2,486,245		1,776,727
Creditors: amounts falling due after more than one year	22		(682,078)		(204,721)
Net assets			<u>1,804,167</u>		<u>1,572,006</u>
Income funds					
Restricted funds	26	303,235		313,859	
<u>Unrestricted funds</u>					
Designated funds	27	844,900		728,000	
General unrestricted funds		<u>656,032</u>		<u>530,147</u>	
			1,500,932		1,258,147
			<u>1,804,167</u>		<u>1,572,006</u>

ACTION HOMELESS (LEICESTER) LTD

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2018

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2018, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

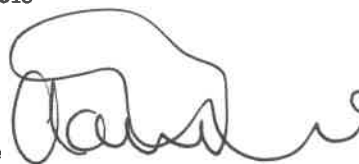
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Trustees on 29 November 2018

R Roberts
Trustee



C Hurst
Trustee



Company Registration No. 02422130

ACTION HOMELESS (LEICESTER) LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	31		258,923		436,682
Investing activities					
Purchase of tangible fixed assets		(636,754)		(764,126)	
Interest received		1,134		1,157	
Net cash used in investing activities			(635,620)		(762,969)
Financing activities					
Repayment of bank loans		524,497		200,000	
Payment of obligations under finance leases		(3,697)		8,932	
Net cash generated from financing activities			520,800		208,932
Net increase/(decrease) in cash and cash equivalents			144,103		(117,355)
Cash and cash equivalents at beginning of year			465,090		582,445
Cash and cash equivalents at end of year			609,193		465,090

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity information

Action Homeless (Leicester) Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Ridgeway House, Little Hill, Newton Lane, Wigston, LE18 3SE.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

Action Homeless (Leicester) Ltd meets the definition of a public benefit entity under FRS 102.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are to be used for specific purpose as laid down by the donor. Grants received by the charity by way of management agreements with Local Authorities and Housing Associations are restricted to particular schemes but not to specific items of expenditure. The Charity treats expenditure from these restricted funds as being the earliest expenditure at each scheme, in the year.

Unrestricted funds are donations and other incoming resources, including charges for accommodation, receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT which cannot be recovered.

Expenditure in the operation of the charity's central services system and central office is apportioned between support costs, fund-raising and publicity and governance of the charity based on actual costs incurred where these can be ascertained. Other costs, such as salaries and overhead costs are apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity:

Scheme support costs	78%
Fund-raising and publicity	4%
Management and administration of the charity	18%

1.6 Tangible fixed assets

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other recognised gains and losses and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in net income/(expenditure) or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

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

Freehold Property	4% straight line
Scheme Fixtures & Fittings	50% straight line
Motor vehicles	25% straight line
Central Office Equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

1.11 Employee benefits

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

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

1.12 Retirement benefits

The pension costs charged in the financial statements represents the contribution payable by the company during the year.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.14 Renewals

This was an amount agreed by Housing Benefit to specifically purchase and update furniture at each of the projects.

2 Critical accounting estimates and judgements

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

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

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Donations and legacies

	Unrestricted funds general	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Donations and gifts	55,817	-	55,817	36,080
Grants receivable	-	239,379	239,379	333,526
	<u>55,817</u>	<u>239,379</u>	<u>295,196</u>	<u>369,606</u>
For the year ended 31 March 2017	<u>36,080</u>	<u>333,526</u>		<u>369,606</u>
Donations and gifts				
Donations and gifts	55,817	-	55,817	36,080
	<u>55,817</u>	<u>-</u>	<u>55,817</u>	<u>36,080</u>
Grants receivable for core activities				
NSNO County	-	30,605	30,605	66,995
Reaching People Moneywise Plus/LHA ASRA	-	24,233	24,233	11,596
Other grants	-	26,793	26,793	25,304
Big Potential	-	-	-	25,850
Children In Need/Building Blocks	-	35,268	35,268	35,403
NHS & IAG	-	22,044	22,044	1,500
1961 Foundation	-	-	-	4,755
LCC Foodbank	-	55,436	55,436	45,385
Nationwide Renovation Grant	-	35,000	35,000	96,738
University of Leicester	-	10,000	10,000	20,000
	<u>-</u>	<u>239,379</u>	<u>239,379</u>	<u>333,526</u>

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

4 Charitable activities

	Housing schemes	Housing and resettlement schemes (LCC Support Contract)	Total 2018	Total 2017
	£	£	£	£
Other income	1,839,568	182,520	2,022,088	1,926,395

Included within income relating to Housing Schemes are the following:

Board and lodging and rent receipts	£202,129
Housing benefits receipts	£1,673,041
Bad debts recovered/(written off)	(£35,602)
Total	£1,839,568

All incoming resources from charitable activities are in respect of rent receivable and income support from Housing Benefit and Supporting People in respect of our clientele who represent some of the most vulnerable of our society.

5 Raising funds

	2018	2017
	£	£
Fundraising events	24,477	25,961

6 Investments

	2018	2017
	£	£
Interest receivable	1,134	1,157

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

7 Raising funds

	2018	2017
	£	£
<u>Costs of raising funds</u>		
Premises costs	792	1,149
Stationery and publications	898	1,055
Training and communications	1,169	601
Audit and professional fees	879	777
Meetings and staff development	-	293
Recruitment	594	98
Staff costs	15,932	14,154
Costs of raising funds	20,264	18,127
	20,264	18,127

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

8 Charitable activities

	Housing Schemes £	LCC SP Contract £	Charitable activities £	Total 2018 £	Total 2017 £
Staff costs	530,885	124,886	156,796	812,567	793,506
Depreciation and impairment	64,032	-	62,793	126,825	156,541
Premises costs	310,837	2,791	6,332	319,960	278,199
Management charge	226,000	2,967	-	228,967	231,389
Charitable expenditure	12,117	-	627	12,744	4,637
Catering costs	29,650	590	7,166	37,406	59,230
Communications	18,331	2,777	625	21,733	14,959
Stationery, publications and publicity	3,122	1,632	3,413	8,167	6,039
IT costs	6,153	1,376	3,094	10,623	18,998
TV rental and licenses	4,122	-	-	4,122	3,189
Bank charges and fees	19,458	-	-	19,458	260
Renewals (Misc)	22,570	488	9,364	32,422	39,753
Motor and travel	6,209	630	4,090	10,929	8,809
Welfare	2,456	309	4,986	7,751	2,966
Vehicle costs	264	-	-	264	695
Training, meetings and staff development	-	-	2,762	2,762	2,271
	<u>1,256,206</u>	<u>138,446</u>	<u>262,048</u>	<u>1,656,700</u>	<u>1,621,441</u>
Share of support costs (see note 9)	356,265	-	-	356,265	322,872
Share of governance costs (see note 9)	83,044	-	-	83,044	76,234
	<u>1,695,515</u>	<u>138,446</u>	<u>262,048</u>	<u>2,096,009</u>	<u>2,020,547</u>
Analysis by fund					
Unrestricted funds - general	1,695,515	138,446	-	1,833,961	
Restricted funds	-	-	262,048	262,048	
	<u>1,695,515</u>	<u>138,446</u>	<u>262,048</u>	<u>2,096,009</u>	
For the year ended 31 March 2017					
Unrestricted funds - general	1,456,362	183,669	-		1,640,031
Restricted funds	-	-	380,516		380,516
	<u>1,456,362</u>	<u>183,669</u>	<u>380,516</u>		<u>2,020,547</u>

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

9 Support costs

	Support costs	Governance costs	2018	2017	Basis of allocation
	£	£	£	£	
Staff costs	270,847	31,864	302,711	268,922	
Premises costs	25,647	-	25,647	21,520	
Communications	8,567	-	8,567	2,754	
Stationery, publications and publicity	1,496	-	1,496	1,760	
IT costs	5,377	-	5,377	11,809	
Training	5,483	-	5,483	3,933	
Travel and vehicle costs	3,370	-	3,370	3,987	
Audit and professional fees	21,994	-	21,994	20,647	
Meetings and staff	-	-	-	4,691	
Recruitment	10,090	-	10,090	1,658	
Vehicle costs	3,394	-	3,394	9,499	
Audit fees	-	5,674	5,674	4,506	Governance
Premises costs	-	26,566	26,566	8,886	Governance
Communications	-	1,122	1,122	361	Governance
Stationery and publications	-	3,591	3,591	4,222	Governance
IT costs	-	5,377	5,377	12,711	Governance
Other governance costs (includes Training, Travel, Meeting staff, Recruitment, Bank charges and Miscellaneous expenses)	-	8,850	8,850	17,240	Governance
	<u>356,265</u>	<u>83,044</u>	<u>439,309</u>	<u>399,106</u>	
Analysed between					
Charitable activities	<u>356,265</u>	<u>83,044</u>	<u>439,309</u>	<u>399,106</u>	

Governance costs includes payments to the auditors of £5,674 (2017- £4,506) for audit fees.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but some of them were reimbursed a total of £159 travelling expenses (2017- £514).

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

11 Employees

Number of employees

The average monthly number employees during the year was:

	2018 Number	2017 Number
Chief Executive	1	1
Housing Schemes	36	43
Resettlement	1	1
Development	2	2
Administration and Support	6	5
	<u>46</u>	<u>52</u>

Employment costs

	2018 £	2017 £
Wages and salaries	1,022,219	972,902
Social security costs	83,639	79,487
Other pension costs	25,352	24,193
	<u>1,131,210</u>	<u>1,076,582</u>

There were no employees whose annual remuneration was £60,000 or more.

12 Net gains/(losses) on investments

	2018 £	2017 £
Revaluation of investments	<u>5,539</u>	<u>16,148</u>

13 Taxation

The charitable company is exempt from corporation tax on its charitable activities.

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

14 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2018 £	2017 £
In respect of:		
Property, plant and equipment	66,080	122,537

15 Tangible fixed assets

	Freehold Property £	Scheme Fixtures & Fittings £	Motor vehicles £	Central Office Equipment £	Total £
Cost					
At 1 April 2017	1,378,930	254,502	15,039	25,329	1,673,800
Additions	621,656	-	15,098	-	636,754
Disposals	-	-	(4,000)	-	(4,000)
At 31 March 2018	2,000,586	254,502	26,137	25,329	2,306,554
Depreciation and impairment					
At 1 April 2017	178,930	254,502	6,155	25,329	464,916
Depreciation charged in the year	57,042	-	3,703	-	60,745
Impairment losses	66,080	-	-	-	66,080
Eliminated in respect of disposals	-	-	(4,000)	-	(4,000)
At 31 March 2018	302,052	254,502	5,858	25,329	587,741
Carrying amount					
At 31 March 2018	1,698,534	-	20,279	-	1,718,813
At 31 March 2017	1,200,000	-	8,884	-	1,208,884

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £2,759 (2017 - £2,155) for the year.

	2018 £	2017 £
Motor vehicles	6,125	8,884

More information on the impairment arising in the year is given in note 14.

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

15 Tangible fixed assets

(Continued)

As outlined under the accounting policies at the end of each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered impairment loss.

For the year ended 31 March 2018 the Trustees have placed a valuation of £210,000 in respect of 63 Glenfield Road. This valuation has been based on an Independent Surveyor's estimate, which led to an impairment of properties of £66,080 (2017: £122,537) - which was the difference between the carrying value of the assets and the valuation placed upon 63 Glenfield Road; 10 St James Terrace was purchased in March 2018 and it was determined that the price paid for this property reflected the market value of the property. The impairment losses were written off against the charity's restricted and unrestricted funds.

During the year ended 31 March 2017 impairment losses totalling £122,537 were written off in respect of the following properties:

150 St Saviours Road
67 Central Road
25 Sylvan Street
56 Boundary Road
101 St Peters Road
26 Freeman Road

16 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 31 March 2018	198,399
Valuation changes	5,539
At 31 March 2018	203,938
Carrying amount	
At 31 March 2018	203,938
At 31 March 2017	198,399

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

17	Financial instruments	2018	2017
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	109,971	68,991
	Equity instruments measured at cost less impairment	203,938	198,399
		<u> </u>	<u> </u>
	Carrying amount of financial liabilities		
	Measured at amortised cost	803,817	322,941
		<u> </u>	<u> </u>
18	Debtors	2018	2017
		£	£
	Amounts falling due within one year:		
	Trade debtors	92,647	51,689
	Other debtors	17,324	17,302
	Prepayments and accrued income	32,132	23,915
		<u> </u>	<u> </u>
		142,103	92,906
		<u> </u>	<u> </u>
19	Loans and overdrafts	2018	2017
		£	£
	Bank loans	724,497	200,000
		<u> </u>	<u> </u>
	Payable within one year	43,598	515
	Payable after one year	680,899	199,485
		<u> </u>	<u> </u>

The long-term loans are secured by fixed charges over seven of the charity's freehold properties with total carrying value of £1,559,763 (2017: £681,928):

150 St Saviours Road, Leicester, LE5 3SG
 67 Central Road, Leicester, LE3 5EJ
 25 Sylvan Street, Leicester, LE3 9GU
 63 Glenfield Road, Leicester, LE3 6AU
 26 Freeman Road North, Leicester, LE5 4NA
 101 St Peters Road, Leicester, LE2 1DJ
 10 St James Terrace, Leicester, LE2 1NA

The bank loan bears interest at 2.75% above Bank of England base rate, provided that if the Bank of England base rate is lower than 0.00%, the Bank of England base rate applicable to the loan shall be deemed to be 0.00%.

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

20 Finance lease commitments

Future minimum lease payments due under finance leases:

	2018 £	2017 £
Within one year	4,057	3,697
Within two and five years	1,179	5,236
	<u>5,236</u>	<u>8,933</u>

21 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Bank loans	19	43,598	515
Obligations under finance leases	20	4,057	3,697
Other taxation and social security		20,433	19,551
Deferred income	23	45,630	50,781
Trade creditors		19,147	54,587
Other creditors		277	508
Accruals and deferred income		54,660	58,913
		<u>187,802</u>	<u>188,552</u>

22 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Bank loans	19	680,899	199,485
Obligations under finance leases	20	1,179	5,236
		<u>682,078</u>	<u>204,721</u>

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

23 Deferred income

	2018 £	2017 £
Arising from Grants in advance	45,630	50,781

Deferred income is included in the financial statements as follows:

	2018 £	2017 £
Current liabilities	45,630	50,781
	45,630	50,781

24 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £25,352 (2017 - £24,193).

25 Unrestricted funds

	Balance at 1 April 2017 £	Income £	Movement in funds Expenditure £	Transfers £	Gains and Losses £	Balance at 31 March 2018 £
General Fund	530,147	2,103,516	(1,854,225)	(128,945)	5,539	656,032
	530,147	2,103,516	(1,854,225)	(128,945)	5,539	656,032

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

26 Restricted funds

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

	Balance at 1 April 2017	Movement in funds		Transfers	Balance at 31 March 2018
	£	Income £	Expenditure £	£	£
No Second Night Out	(14,063)	30,605	(30,605)	14,063	-
1961 Foundation/Community Foundation/Womens Aid	4,000	2,471	(6,598)	127	-
Tribal Capital Grant	316,579	-	(25,034)	-	291,545
T Shipman	-	2,000	-	-	2,000
Sports England	-	3,000	(626)	(2,374)	-
NHS Step Down Project	-	22,044	(20,961)	-	1,083
University of Leicester	-	10,000	(9,047)	-	953
Pret a Manger	3,526	6,312	(5,701)	-	4,137
Children In Need (Building Blocks)	-	35,268	(34,950)	-	318
Moneywise Plus Reaching People	-	24,233	(24,324)	91	-
Nationwide	-	35,000	(35,000)	-	-
Hinckley Hub	-	7,429	(7,528)	99	-
Lunch Club/Feeding Britain	-	5,581	(5,620)	39	-
LCC Foodbank	3,817	55,436	(56,054)	-	3,199
	<u>313,859</u>	<u>239,379</u>	<u>(262,048)</u>	<u>12,045</u>	<u>303,235</u>

27 Designated funds

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

	Balance at 1 April 2017	Movement in funds		Transfers	Balance at 31 March 2018
	£	Income £	Expenditure £	£	£
Property Fund	640,000	-	-	105,300	745,300
Dilapidation Fund	88,000	-	-	11,600	99,600
	<u>728,000</u>	<u>-</u>	<u>-</u>	<u>116,900</u>	<u>844,900</u>

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

28 Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Fund balances at 31 March 2018 are represented by:				
Tangible assets	273,131	1,150,000	295,682	1,718,813
Investments	-	203,938	-	203,938
Current assets/(liabilities)	382,901	171,861	8,732	563,494
Long term liabilities	-	(680,899)	(1,179)	(682,078)
	<u>656,032</u>	<u>844,900</u>	<u>303,235</u>	<u>1,804,167</u>

29 Capital commitments

2018
£

2017
£

At 31 March 2018 the charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment

250,000

-

Purchase of Oakfield House

As at the year ended 31st March 2018 the charity is committed to purchasing Oakfield House for £250,000, for which the Board have agreed to a loan of £200,000 from Charity Bank and to use reserves of £50,000. Oakfield House is currently leased from Midland Heart Housing Association and has been identified due to the quality of the accommodation and its value for money.

30 Related party transactions

There were no disclosable related party transactions during the year (2017- none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2018 £	2017 £
Aggregate compensation	<u>135,000</u>	<u>135,000</u>

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

30 Related party transactions

(Continued)

Action Trust

There are common members of the board of management for Action Trust (Leicester) Ltd and Action Homeless (Leicester) Ltd. The administration of Action Trust (Leicester) Ltd is carried out by Action Homeless (Leicester) Ltd.

During the year Action Homeless (Leicester) Ltd recharged management fees to Action Trust (Leicester) Ltd totalling £24,277 (2017: £25,961) and also made payments on behalf of Action Trust (Leicester) Ltd totalling £9,698 (2017: £12,731).

As at the year end the balance owed to Action Homeless (Leicester) Ltd by Action Trust (Leicester) Ltd was £38,566 (2017: 19,606).

31 Cash generated from operations

	2018 £	2017 £
Surplus for the year	232,161	300,593
Adjustments for:		
Investment income recognised in statement of financial activities	(1,134)	(1,157)
Fair value gains and losses on investments	(5,539)	(16,148)
Depreciation and impairment of tangible fixed assets	126,825	156,541
Movements in working capital:		
(Increase) in debtors	(49,197)	(336)
(Decrease)/increase in creditors	(39,042)	35,113
(Decrease) in deferred income	(5,151)	(37,924)
Cash generated from operations	258,923	436,682