



Annual report of the trustees
Shelter Community 2019



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Trustees' Report and Accounts

The trustees present their report and accounts for the period 01st January 2019 to 31st December 2019. The financial statements comply with current statutory requirements and the charity's constitution and have been prepared on the basis of section 133 of the Charities Act 2011.

WELCOME

From the Chairman of Trustees

It's been a privilege to be part of Shelter Community's mission to create homes for young people who would not have a safe place to return to.

We are so thankful to the supporters of Shelter Community and in particular the generosity of HighwayOne Trust for making the current project in Chiswick a reality.

While the building work progresses, we are also working on how best to support the young people and build trusting relationships that will help them develop and flourish. We expect to achieve this through working with partners who already run projects for young people but who may not be able to meet the housing needs. We are also looking to bring in volunteers who can journey alongside the young people as mentors and coaches.

We are pleased by the progress made to date yet mindful of the responsibilities and challenges ahead. In preparation, we have reviewed our internal policies and procedures with particular focus on how to ensure safety for everyone involved. We look forward to welcoming young people into their new home.

Yours,



Mr Wei-Yi Chen, Chair of Trustees

From the Charity Officer

2019 was a year of breakthroughs and a time of preparation for the next chapter of Shelter Community. Our vision continues to create a safe place for people who are in the middle of a life storm.

Our plans to transform a former Bed & Breakfast into a Youth Community Home, which will provide accommodation for up to nine young people in housing need, started in 2018. In the spring of 2019 we received planning permission from Hounslow Council. In late summer the building work started, and we are delighted to see the progress made so far. For us it is a God-given miracle to see this home taking shape.

It has also been a year of preparation for the running of the Youth Community Home, including discussions with another charity. We are hopeful to sign a service agreement with them at the beginning of 2020.

I am very grateful to all those who have generously supported us and joined us in our vision to create a safe home for young people.

Yours,



Mr Stephan A. Wiedmer, Charity Officer

Charity's principal address

Shelter Community
164 Riverside Gardens
W6 9LG
Hammersmith | London

Registered charity number

1151910

Trustees

Mr Wei-Yi Chen
Mr Simon Thomas
Mr Timothy Brown
Ms Victoria Hasler
Ms Donna Wright
Mr Ian Mcleish
Mrs Clare Stell
Dr. Ian Stell

Chair
Vice Chair
Secretary
Treasurer
from 13.11.19

Bankers

HSBC
9 Wellesley Road
Croydon Surrey CR9 2AA

Independent examiner

Griffin Stone Moscrop & Co
21-27 Lamb's Conduit Street
Holborn
London
WC1N 3GS

About Shelter Community

Every night, there are young people in London facing the harsh reality that there is no safe **Shelter** for them and that there is no one there for them. Finding accommodation as a young person without a supporting **Community** can be overwhelmingly difficult and many are forced into a disruptive cycle which can have a negative impact on their education, employment, health and well-being.

Shelter Community mission is to be a **Community** driven by hope, love and faith that creates a **Shelter** for such young people. Our vision is to create homes for young people in which they can flourish and grow in their personal and social skills.

We believe that we all need a “Shelter Community” in the midst of our life storms and that certain things can be best learnt in a community setting. By connecting our creativity, talents and resources we can become the Shelter Community that protects and transforms lives for good.

In our constitution we outlined the following three objectives, which are guiding the decisions and activities of Shelter Community:

***Helping young people to recover** from difficult life circumstances
(loss of a loved one, burn out, abuse or other demanding circumstances) within a community setting.*

***Providing support and activities** which develop their skills, capacities and capabilities
to enable them to participate in society as mature and responsible individuals.*

***Training young** people to play an active part within the community*

Our Vision

The Vision of Shelter Community is as follows:

To create safe home(s) for young people in a community setting
in which they can flourish and grow in their personal and social skills.

Our values

We have four core values that lie at the heart of all that we do and underpin our work and how we go about achieving our vision. Everything we do reflects these core values:

PURPOSEFUL	To find innovative ways to act in the interest of the individual(s)
RELATIONAL	To build relationships of trust with everyone we interact with
INCLUSIVE	To show love and compassion to everyone, whomever they may be
TEACHABLE	To actively search and engage in opportunities to learn

Activities and Achievements

Youth Community Home

The focus in 2019 for Shelter Community was the Youth Community Home project, which will be a safe home for young people in housing need in a community setting. In 2018 we signed an intention for lease with the charity Highway One Trust for a property in Chiswick, a former Bed & Breakfast, and we developed plans for its transformation into the Youth Community Home, which will offer emergency and temporary accommodation.



Planning Permission

The first step for us was to get the planning permission for the building work and the use class. The local planning authority suggested the following change of use class:

Change of use from Guest House (Class C1) to accommodation for up to nine young adults in housing need and caretaker accommodation (Sui Generis).

Our planning application was approved on 08.03.2019 by the Planning Committee of Hounslow Council.

Construction Work

The tender process started soon after the approved planning application and was supported by Quantity Surveyor. The construction company was chosen in July and the building work started in late summer 2019. Our architect is validating the progress and work and we visit the site on a regular basis.

We hope that the work will be completed in Summer/Autumn 2020 and that we can then open the doors to Youth Community Home.

Funding

We were able to secure a significant amount of funds for the building work. In 2019 we received restricted money for the building work of £514,385.80. We aim to raise additional funds in the first half of 2020.

Service Level Agreement

There were several meetings with potential partner organisations. We prepared a service level agreement with an organisation and hope to be able to sign it in the first quarter of 2020.

Emergency Accommodation

The main activity in 2019 was to offer two bedrooms for young people in need of emergency accommodation. We are still operating on a small scale.

- The project leaders Jeannine and Stephan Wiedmer are approved hosts of the DePaul UK project Nightstop. Nightstop provides emergency accommodation for 16 to 25-year-old young people in safe homes. In addition to the emergency accommodation of Nightstop we had two different young people stay for supported lodging.
- We have built up relationships with other organisations working in the same field and raised funds for the project

In 2019 we provided **151 safe nights** (emergency accommodation) for **12 young people** who would otherwise be on the street or in unsafe places.

Structure, Governance and Management

Shelter Community (SC), a Christian charity for young people in need, is a CIO (Charitable Incorporation Organisation) regulated and registered with the charity commission (charity number 1151910), having its registered office at 164 Riverside Gardens, Hammersmith, London, W6 9LG.

Shelter Community is governed by a constitution dated 2nd May 2013 and by a Board of Trustees who are appointed by the existing trustees. All new trustees receive an induction to their role and the work of Shelter Community. All trustees give their time voluntarily and receive no benefits from the charity.

The trustees have established a board committee for the building work of the Youth Community Home.

The day-to-day management of Shelter Community is delegated to the Charity Officer.

Partnerships

The registered charity Highway One Trust (charity no 1164753) and Shelter Community share the same vision to create accommodation of decent standard for people in housing need. In 2018 Highway One Trust and Shelter Community signed an intention for lease for a property in Chiswick. It was agreed that:

- Shelter Community will provide emergency and temporary accommodation in a community setting with the aim of helping the young person in a holistic way and enabling them to move on to more permanent accommodation.
- Shelter Community will be responsible for the building work of the property in Chiswick and will report the progress to the chair of Highway One Trust on a regular basis.
- Highway One Trust will lease the property in Chiswick at a nominal lease.

Shelter Community has a good relationship with Nightstop (De Paul UK) in London. This is an organisation specialising in emergency accommodation for young people.

There is an informal partnership with the Swiss charity "Stiftung 34". This charity is a fundraising trust that supports different social projects in Switzerland and other European countries. This partnership allows Shelter Community to raise funds in Switzerland.

Financial Review and Risk Management

The Trustees aim to have reserves to cover expenses for six months and to monitor cash flow accordingly. The trustees believe that this provides sufficient flexibility to cover temporary shortfalls in incoming resources and will allow the charity to continue its work and respond to unforeseen events whilst specific action plans are implemented.

The principal risk is a cash flow deficit, should insufficient funds be raised from grants and donations to meet the ongoing cost of operations. The additional risk for Shelter Community is linked with the construction work of the new Youth Community Home in Chiswick. The building committee is meeting on a regular basis to overview the progress on the building work and to monitor the costs.

On the 31st of December 2019 the charity had net free reserves of £142,935 (2018: £138,339). The charity is expecting that some of these reserves will be needed to complete the building work of the Youth Community Home.

The trustees continue to review and assess the key operational, governance, compliance and financial risks faced by Shelter Community.

Fundraising

The income comes from individual supporters, grant making bodies and rent income. In 2019 we were able to raise over £555,125 mostly linked with the building project in Chiswick. We are grateful for all the support we received, In particular, the trustees would like to thank the following for their generous contributions:

- Highway One Trust
- Stiftung 34
- The Grace Trust
- SOP International

Independent Examiner's Report to the Shelter Community

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2019 which are set out on pages 7 to 13.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accounts in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Richard Hill FCA
Griffin Stone Moscrop & Co
Chartered Accountants
21-27 Lamb's Conduit Street
London
WC1N 3GS

Date: 16 March 2020

SHELTER COMMUNITY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDING 31/12/2019

	Note	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
Income from:		£	£	£	£
Donations and legacies	2	31,363	514,386	545,749	42,536
Charitable activities	3	2,445	-	2,445	4,882
Rents receivable		6,660	-	6,660	-
Bank interest		462	-	462	160
Total income		40,930	514,386	555,316	47,578
Expenditure on:					
Fundraising costs		-	-	-	-
Charitable activities	4	36,334	-	36,334	32,913
Total expenditure		36,334	-	36,334	32,913
Net income / (expenditure)		4,596	514,386	518,982	14,665
Total funds brought forward at 1 January		138,339	-	138,339	123,674
Total funds carried forward at 31 December		142,935	514,386	657,321	138,339

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

The attached notes form part of these financial statements.

SHELTER COMMUNITY
BALANCE SHEET

	Note	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Fixed assets					
Tangible fixed assets		-	-	-	-
Current assets					
Cash at bank and in hand	7	144,135	292,977	437,112	138,339
Debtors	8	-	221,409	221,409	-
		144,135	514,386	658,521	138,339
Creditors: amounts falling due within one year	9	1,200	-	1,200	-
Net current assets		142,935	514,386	657,321	138,339
Charity Funds:					
Unrestricted funds	10	142,935	-	142,935	138,339
Restricted funds	10	-	514,386	514,386	
Total funds		£ 142,935	£ 514,386	£ 657,321	138,339

Approved by the board of Trustees on 14.03.2020 and signed on its behalf by:



Mr Wei-Yi Chen
TRUSTEE & CHAIR



Ms Victoria Hasler
TREASURER

The attached notes form part of these financial statements.

SHELTER COMMUNITY
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
Cash used in operating activities (see below)	298,311	14,505
Cash flows from investing activities		
Investment income	462	160
Cash provided by investing activities	462	160
Increase in cash and cash equivalents in the year	298,773	14,665
Cash and cash equivalents at the beginning of the year	138,339	123,674
Total cash and cash equivalents at the end of the year	£ 437,112	138,339

Reconciliation of net income to net cash flow from operating activities

Net income	518,982	14,665
Deduct interest income shown in investment activities	(462)	(160)
Increase in debtors	(221,409)	-
Increase in creditors	1,200	-
Net cash used in operating activities	£ 298,311	14,505

Analysis of net funds

	Balance 1 January 2019	Movements	Balance 31 December 2019
Cash at bank and in hand	138,339	298,773	437,112
	£ 138,339	£ 298,773	£ 437,112

SHELTER COMMUNITY**NOTES TO THE FINANCIAL STATEMENTS - 31/12/2019****1 Accounting policies****a) Basis of preparation of financial statements**

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) issued in October 2019 rather than Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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 notes to these financial statements. The financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" issued in October 2019, the "Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)" and the Charities Act 2011.

The financial statements for 2019 are the first to be prepared under Charities SORP (FRS 102), with this change in the accounting framework arising because for the first time the charity's annual income has exceeded £250,000 meaning that it is no longer permitted to report its accounts on a receipts and payments basis. However in moving to the SORP there has been no need to restate the net assets position at 1 January 2018 or 2019 and accordingly no need to restate comparatives.

Shelter Community constitutes a public benefit entity as defined by FRS 102.

b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

c) Income

Donations and gifts are reflected in the financial statements in the period in which they are received.

Income tax recoverable in respect of gift aid donations is brought into account in the same period as the relevant donation.

Rental income is recognised on a receivable basis.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects.

SHELTER COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - 31/12/2019

1 Accounting policies (continued)

d) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure on charitable activities is expenditure incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

e) Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives.

f) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

g) Cash at bank

Cash at bank includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

h) Liabilities

Liabilities 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. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

i) 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.

j) Accounting estimates and areas of judgment

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

SHELTER COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - 31/12/2019 (Continued)

2 Donations and legacies

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	£	£	£	£
Income from donations and legacies				
Donations	31,363	514,386	545,749	42,536
Legacies	-	-	-	-
Total donations and legacies	31,363	514,386	545,749	42,536

In 2019 Shelter Community was awarded a restricted donation for the Youth Community Home over £700,000 of which £513,885.80 were received during the year.

In 2018 the full amount of £42,536 was unrestricted.

3 Charitable activities

The charitable income are contributions from Nightstop DePaul UK for the providing of emergency accommodation.

4 Expenditure on charitable activities

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	£	£	£	£
Expenditure on charitable activities				
Rent Riverside Gardens	20,700	-	20,700	16,772
Property Costs (council tax, utility etc.)	4,224	-	4,224	6,118
Staff Costs	9,062	-	9,062	8,123
Insurance	317	-	317	317
General Expenses	831	-	831	1,583
Governance costs - Independent examination	1,200	-	1,200	-
Total expenditure	36,334	-	36,334	32,913

All expenditure in the comparative period was in respect of unrestricted funds.

5 Trustees

None of the trustees (or any person connected with them) received any remuneration or benefits from the CIO during the Year.

6 Analysis of staff costs

There was one part-time member of staff

SHELTER COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - 31/12/2019 (Continued)

7	Cash at bank and in hand	2019 £	2018 £
	Cash at bank and in hand	437,112	138,339

8 Debtors

Prepayment Youth Community Home	221,409	-
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Shelter Community signed an agreement for a lease with HighwayOneTrust in 2018 for a former Bed & Breakfast in Chiswick.

Shelter Community achieved in 2019 to get the right use class, as part of the planning application. The building work to create the Youth Community Home started in Summer 2019. There is an agreement between Shelter Community and Highway One Trust that once the building work to renovate the Youth Community Home is complete a lease will be granted. At the point the cumulative costs incurred in renovating the building will be capitalised within the balance sheet of Shelter Community and then these costs will be depreciated over the term of the lease. Until then these costs will be carried in prepayments.

9 Creditors: amounts falling due within one year

Independent Examiner fee	1,200	-
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10 Statement of funds

Details of material funds held and movements during the current reporting period

	Fund balances brought forward	Income	Expenditure	Fund balances brought forward
Unrestricted funds				
General fund	138,339	40,930	36,334	142,935
Restricted funds				
Youth Community Home	-	514,386	-	514,386
Total funds	<u>£ 138,339</u>	<u>£ 555,316</u>	<u>£ 36,334</u>	<u>£ 657,321</u>

11 Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total 2019
Tangible fixed assets	-	-	-
Current assets	144,135	514,386	658,521
Creditors due within one year	(1,200)	-	(1,200)
	<u>£ 142,935</u>	<u>£ 514,386</u>	<u>£ 657,321</u>