



LEWES DISTRICT CHURCHES **HOMELINK**

Charitable Incorporated Organisation

TRUSTEES' ANNUAL REPORT
&
FINANCIAL STATEMENTS

for the year ended

31st DECEMBER 2019

Registered Charity Number 1174895

Office address: 208 High Street, School Hill, LEWES, East Sussex, BN7 2NS

TRUSTEES' ANNUAL REPORT 2019

The Board of Trustees of Lewes District Churches HOMELINK (registered charity number 1174895) presents its Annual Report and Accounts for the year ended 31st December 2019.

1 Charity objects

The object of the Charity is 'the relief of persons in housing need who are in financial hardship, elderly or sick, and are resident or seeking residence in the area of the Lewes District Council'.

2 Governance

Lewes District Churches HOMELINK is a Charitable Incorporated Organisation (CIO), set up in 2017 at the instigation of the Board of an unincorporated charity of the same name (charity number 1068735, hereafter referred to as 'the Trust'). The CIO has the same objectives as the Trust, and is governed in accordance with the Charity Commission's foundation model constitution.

The Board of Trustees meets four times a year, and has delegated management responsibilities to a Management Committee between meetings. Up to 12 trustees are appointed by the Churches Together groups in Lewes, Newhaven and Seaford, and a further 4 may be co-opted by the Board.

3 Charitable activities

The operations of HOMELINK were transferred from the Trust to the CIO as from 1st April 2019, and all the assets and liabilities of the Trust were transferred to the CIO as at that date. The principal charitable activity continues to be the provision of interest-free loans to people from the Lewes District area seeking private rented accommodation. Loans can cover the deposit and/or first month's rent, together with any legal costs incurred, and are generally repayable by monthly instalments over periods of 3-5 years. 65 new loans were made in 2019 by the CIO, bringing the combined total for the year from the CIO and the Trust to 98 (95 in 2018).

In addition, a limited number of small non-repayable grants are available to help with some of the costs of setting up home in a new place; or to pay for short-term lodgings for people upon release from Lewes Prison, or otherwise at a stressful time in their lives. 35 grants were made in 2019.

4 Finance

The accounts of the CIO are set out on pages 4-7 below, and a combined summary of the activities of the CIO and the Trust during 2019 is given on page 8. New loans were funded by repayments from earlier loans (78%), local council grants (16%) and by voluntary donations from individuals, churches and other local organisations. Staffing costs were largely covered from an earlier legacy and from charitable grants. We are grateful for the generosity of all the support received.

5 20th Anniversary Gala Concert

During the year the CIO celebrated the 20th anniversary of the foundation of HOMELINK in the Lewes District. A gala concert held at Glyndebourne Opera House in November was attended by over 1,000 people and raised £39,000 for the ongoing work of HOMELINK. The trustees would like to express their admiration and thanks to all the celebrities and artistes who took part, and to the staff and volunteers who worked tirelessly to bring the concert to fruition, and to bring HOMELINK to the notice of a wider section of the East Sussex community and a range of new supporters.

TRUSTEES' ANNUAL REPORT 2019 (continued)

6 Reserves policy

The trustees need to hold reserves for cash flow reasons, i.e. to ensure they can pay salaries and other costs as they arise, and can fund new tenant loans in advance of expected income from donations and grants.

As at 31st December 2019, the free reserves (general fund cash and net current assets) amounted to £105,488. This is equivalent to between 5-6 months' worth of the CIO's budget for office costs and new loans in the coming year. Reserves have been bolstered by the success of last year's Anniversary concert, and are now considered to be at a sustainable level for the medium term.

Accordingly, the trustees have pleasure in confirming formally that they consider the CIO to be a going concern for at least the next 12 months, and are working to ensure a sustainable future.

7 Public interest

The trustees have regard to the Charity Commission's guidance on public interest. Our services are open and accessible to all groups of homeless people irrespective of gender, race, nationality, religion, sexual orientation, class, disability, age, marital status, HIV status, appearance or size.

8 Risk management

The Board regularly reviews the major risks which the Charity faces and decides on any actions needed to reduce the likelihood or impact of such risks. HOMELINK is a relatively small charity and heavily dependent on a few key people. Consequently it faces many of the risks associated with security of resources and future loss of personnel. For these reasons, especial attention is directed to financial controls and to maintaining sound and clear written operational procedures.

9 Strategy

Over the coming year the trustees will maintain the programme of loans and grants to tenants. The CIO has continued the Trust's longstanding working partnership with Lewes District Council's Housing staff, and the majority of applicants to HOMELINK come through referrals from LDC.

Given the significant growth of the Trust's work over the last five years, the Board has taken steps towards future-proofing the Charity by strengthening the paid administration to provide more support for the trustees and Service Manager. A number of successful applications for charitable funding have already been made, and this programme will be continued.

The trustees will also be following up on the achievements of 2019 in making HOMELINK more widely known, and a programme of outreach, to include schools and local businesses, has been planned under the title *#homes4families*.

10 Current uncertainties

During the current Coronavirus outbreak, HOMELINK will continue to support those with housing needs wherever possible. Although the Lewes office is closed, staff are working from home and remain available to respond to phone calls and emails and to speak with clients. While official advice is not to move house during the crisis, we recognise that in exceptional cases this may be unavoidable. Staff will also be ready to consider revised repayment schedules for tenants in financial difficulties.

TRUSTEES' ANNUAL REPORT 2019 (continued)

11 Trustees

The trustees who held office during the year and up to the date of this report were:-

Mrs Joan Wignall (*Chair*)*

Mrs Christine Tutt (*Secretary*)*

Mr John Howes (*Treasurer*)*

Mrs Ethane Ashling-Perry (*to August 2019*)

Mr John Cornish *

Mrs Diana Dixon (*from May 2019*) *

Mrs Linda Fisher

Mr Terence Howell *

Mrs Jane Lee *

Dr Elizabeth Mandeville (*to Jan. 2019*)

Mr Malcolm Mazey

Rev Jacqueline Parson

Mrs Joanna Slaughter

The Management Committee comprised those trustees marked *, together with Mr Neil Fisher.

Signed on behalf of the trustees on 23rd April 2020

J V Wignall

Chair

Lewes District Churches HOMELINK

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31st December 2019

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Income from:					
Voluntary donations (<i>note 2</i>)	27,706	-	-	27,706	-
Charitable grants (<i>note 3</i>)	-	-	44,608	44,608	-
Local housing grants (<i>note 4</i>)	-	-	18,750	18,750	-
Fund-raising events	51,916	-	-	51,916	-
Investment income	355	-	-	355	-
Tax refunds	2,500	-	-	2,500	-
	82,477	-	63,358	145,835	-
Expenditure (<i>note 5</i>) on:					
Employee expenses	21,498	-	-	21,498	-
Office expenses	4,913	-	2,857	7,770	-
Tenant expenses	32,333	-	-	32,333	-
Non-repayable grants	5,459	-	100	5,559	-
Fundraising costs	12,271	1,000	15,700	28,971	-
	76,474	1,000	18,657	96,131	-
Transfers between funds (to fund expenses)	22,309	-12,000	-10,309	-	-
Net income for the year	28,312	-13,000	34,392	49,704	-
Transfers to fund loans	23,750	-	-23,750	-	-
Net movement in funds	52,062	-13,000	10,642	49,704	-
Transfers from HOMELINK Trust	401,865	69,918	15,300	487,083	-
Fund balances at 31st December	453,927	56,918	25,942	536,787	-

Lewes District Churches HOMELINK

BALANCE SHEET

As at 31st December 2019

	<i>Notes</i>	2019 £	2018 £
Social investments			
Concessionary loans to tenants	6	348,439	-
Current assets			
Sundry debtors	7	26,333	-
Cash at bank and on deposit	8	166,215	-
Current liabilities			
Creditors due within one year	7	-4,200	-
		536,787	-
The Funds of the Charity	9		
Restricted funds *		25,942	-
Unrestricted funds			
- Designated funds *		56,918	-
- General Fund		453,927	-
		536,787	-

* restricted and designated funds are held entirely in cash and cash deposits

Signed on behalf of the trustees on 23rd April 2020

J V Wignall

Chair

John R Howes

Treasurer

NOTES TO THE ACCOUNTS

1 These accounts have been prepared in accordance with the requirements of the Charities Acts and the Statement of Recommended Practice 2015 (FRS 102). The following includes a summary of the accounting policies used in preparing the accounts.

2 Voluntary donations and legacies

Donations are gifts received from individuals, churches, charities and other organisations.

3 Charitable grants

This line includes a number of sponsorships towards the costs associated with last year's 20th Anniversary gala concert. We are grateful to all the organisations concerned for their interest and support. The trustees would also like to thank the Ernest Kleinwort Charitable Trust and the Nationwide Foundation who gave us generous grants towards our future-proofing project.

4 Local housing grants for the 2020/21 fiscal year

A grant of £11,800 was awarded by Lewes District Council to help fund new loans for homeless clients, and a grant of £13,200 was obtained under the Discretionary East Sussex Support Scheme (DESSS) to assist people who might otherwise fall outside our usual criteria.

5 Expenditure

The Charity employed a part-time Service Manager and two other part-time staff. Other office expenses included the hire of office and interviewing accommodation (£3,000 p.a.), insurance (£529) and office equipment (items under £1,000 are not capitalised). Tenant expenses comprise the cost of concessionary loans written off, and provision for some future write-offs.

The unusually high levels of fundraising costs and revenues this year relate mainly to the gala concert held at Glyndebourne in November, which raised £39,000 (net) for HOMELINK and generated extensive publicity as part of an ongoing project to raise awareness of the Charity.

6 Concessionary loans to tenants

Interest-free loans are made to people with little or no savings, able to live independently and seeking accommodation in the private sector in the Lewes District area. 65 new loans were made by the CIO since April, making a combined total of 98 for the year. As at the end of 2019, 384 individuals, couples and families were recorded as holding loans from HOMELINK. Additional provision of £20,000 was made this year in case of possible non-repayment by tenants.

	Homelink loans £	DESSS loans £	Total 2019 £
Balance at 1st April	298,981	104,679	403,660
New loans advanced in the year	86,492	17,596	104,088
Repayments during the year	-73,042	-23,934	-96,976
Write-offs and adjustments	-10,384	-1,949	-12,333
Balance at 31st December	302,047	96,392	398,439
Provision in case of non-repayment of loans			-50,000
			348,439

NOTES TO THE ACCOUNTS (continued)

7 Debtors and creditors

The CIO is recognised for claims to HMRC under the gift aid scheme. An estimated debtor has been included for the nine months from April to December 2019. Creditors have been included for some outstanding accommodation charges. Grant money amounting to £3,300 was received from Lewes District Council in advance of the final quarter of the fiscal year in January - March 2020.

8 Cash at bank and on deposit

These are held in designated bank accounts according to use or need, with available funds placed on deposit for fixed term or fixed notice periods.

9 Statement of funds	Transferred from Trust £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.2019 £
<i>Restricted funds</i>					
Restricted gifts	100	-	-100	-	-
Sponsorships	10,200	5,500	-15,700	-	-
Local housing grants	-	18,750	-	-18,750	-
Other grants	5,000	39,108	-2,857	-15,309	25,942
	15,300	63,358	-18,657	-34,059	25,942
<i>Unrestricted funds</i>					
Designated					
- Former Caburn Trust	29,336	-	-	-	29,336
- Future salary expenses	39,582	-	-	-12,000	27,582
- Gala concert (designated)	1,000	-	-1,000	-	-
General Fund	401,865	82,477	-76,474	46,059	453,927
	487,083	145,835	-96,131	-	536,787

9.1 Restricted funds are monies which have been given to the Charity for specific purposes:

- *Local housing grants* are those described in note 3 above. Grants received for the year were fully utilised to help fund tenant loans.

9.2 *Unrestricted funds* are all other funds and available for use at the trustees' discretion:

- The *Former Caburn Housing Trust* grant was given in 2013 and will be used towards future development of the Charity's work with homeless people.
 - The *Future salary expenses* fund has been designated to help meet office and salary costs.
 - The *General Fund* is the Charity's core account for all operational income and expenses.

10 Trustees' emoluments

In addition to the paid staff, much of the work of the Charity is carried out on a voluntary basis by the trustees and about twenty other volunteers. No emoluments were paid to trustees. Routine postage and stationery costs totalling £218 were reimbursed to two trustees, and repayment was also made to trustees who incurred costs in setting up the gala concert in November. Identifiable donations made by trustees or related parties to the CIO totalled £1,671.

Lewes District Churches HOMELINK

COMBINED SUMMARY FOR 2019

*Combined results of Lewes District Churches HOMELINK
Charitable Trust (1068735) and CIO (1174895)*

	Total 2019 £	Total 2018 £
Income from:		
Voluntary donations	33,993	31,055
Legacies	-	6,525
Charitable grants	56,108	16,500
Local housing grants	25,000	21,750
Fund-raising events	51,916	2,846
Investment income	556	474
Tax refunds	3,572	3,267
	171,145	82,417
Expenditure on:		
Employee expenses	28,759	19,977
Office expenses	9,263	4,621
Tenant expenses	38,888	39,701
Non-repayable grants	9,748	10,300
Fundraising costs	30,796	428
	117,454	75,027
Net income for the year	53,691	7,390
Fund balances at 1st January	483,096	475,706
Fund balances at 31st December	536,787	483,096
CHARITY ASSETS		
Concessionary loans	£	£
Balance at 1st January (CT)	382,216	340,304
New loans advanced in the year	156,235	144,090
Repayments during the year	-121,124	-92,538
Write-offs and adjustments	-18,888	-9,640
Balance at 31st December (CIO)	398,439	382,216
Provision in case of non-repayment of loans	-50,000	-30,000
	348,439	352,216
Cash at bank & other net current assets at 31st December	188,348	130,880
TOTAL ASSETS	536,787	483,096

INDEPENDENT EXAMINER'S REPORT

I report to the trustees on my examination of the accounts of the Charity for the year ended 31st December 2019, which are set out on pages 4 to 7 above.

Responsibilities and basis of report

As the charity trustees of the Trust, 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 Trust'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 2011 Act.

Independent examiner's statement

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 Trust 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.

Signed: **Paul V Lawrence**

Date: 27th April 2020

Address : 1 Bayfield Place, Orpington, Kent, BR6 7FA