

# **HERRING HOUSE TRUST (GREAT YARMOUTH)**

**AUDITED ACCOUNTS**

**31 MARCH 2017**

**Registered Charity No. 1057387**

**Company No. 3202862**

**Herring House Trust (Great Yarmouth)**

**Index To Accounts**

**For The Year Ended 31 March 2017**

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## **Herring House Trust (Great Yarmouth)**

### **Report of the Board**

**For The Year Ended 31 March 2017**

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The management committee has pleasure in presenting its report and accounts for the year ended 31 March 2017.

#### **REFERENCE AND ADMINISTRATION INFORMATION**

**Charity Name:** Herring House Trust (Great Yarmouth)

**Registered Charity No:** 1057387

**Registered Company No:** 3202862

**Registered Social Landlord No:** LH4261

**Registered Address:** Bauleah House  
51 St Nicholas Road  
Great Yarmouth  
Norfolk NR30 1NR

**Management Committee:** C Beales – Chairman  
B Robinson – Treasurer  
D Cooper  
D Gilbert

**Operations Manager:** G Collin

**Client Services Manager:** L Caines

**Auditor:** Lovewell Blake LLP  
Chartered Accountants  
& Statutory Auditor  
Bankside 300  
Peachman Way  
Broadland Business Park  
Norwich  
Norfolk  
NR7 0LB

**Bankers:** National Westminster Bank Plc  
Market Place  
Great Yarmouth  
Norfolk NR30 1YT

## **Herring House Trust (Great Yarmouth)**

### **Report of the Board (Continued)**

**For The Year Ended 31 March 2017**

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#### **OBJECTIVES AND ACTIVITIES**

The principal objectives are to provide resettlement and outreach support services, together with an open access hostel for the single homeless in the Great Yarmouth area.

In order to fulfil the above objectives, the Trust continues to provide supported housing accommodation at both its hostel and halfway houses.

#### ***Mission statement***

Our vision is that everyone has a safe and secure place to live, where they can begin to achieve their goals and move out of homelessness.

We achieve this through:

- Providing support to each person on an individual basis;
- Building positive and encouraging relationships that both supports and tests service users to meet their own needs and personal goals;
- Providing a service user led, resettlement pathway, which combines the experience of the Trust with the needs of the user.

#### **Public benefit**

The Management Committee have had due regard to the guidance issued by the Charity Commission on Public Benefit.

The Trust was established to provide emergency accommodation and support to single homeless people in Great Yarmouth.

Through its activities the Trust aims to provide opportunities to those individuals motivated to change and for those who require longer to begin a process of change. It is recognised that for some individuals the long term goal of change may not be realised.

In order to achieve its aims, the Trust endeavours to provide a range of services to support homeless people and through partnership working we are able to provide access to specialist intervention services, with a view to establishing ongoing relationships aimed at addressing all aspects of physical, emotional and mental wellbeing.

#### **ACHIEVEMENTS AND PERFORMANCE**

##### **Review of the year**

In 2016/2017 the Trust continued to offer its services within the new hostel facility, providing 27 units of accommodation and support to single homeless people, and 4 units of accommodation in the High Support Unit for people undergoing a community detox programme. The Halfway House Schemes provide additional move-on accommodation with a dedicated resettlement scheme.

The Trust continues to operate a Pathway Project, supporting some of the most vulnerable homeless people in our community. In addition, the Trust has been able to offer an in-house counselling service to complement the support structures.

During the year, the Trust opened 3 self-contained maisonettes, as a final stage, move-on option for service users. The houses are independent, with low level support offered to tenants.

## **Herring House Trust (Great Yarmouth)**

### **Report of the Board (Continued)**

**For The Year Ended 31 March 2017**

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#### **ACHIEVEMENTS AND PERFORMANCE (continued)**

##### **Review of the year (continued)**

The Trust has continued to fulfil its objective of providing support and accommodation to single homeless people in Great Yarmouth by offering supported housing within the new hostel facility and halfway houses.

##### **Corporate governance**

The Management Committee are committed to achieving good governance and being an efficient provider of services, meeting both regulatory codes and standards.

The Trust has also considered how it achieves value for money in delivering services to meet the needs of single homeless people in Great Yarmouth; this is assessed over four key areas of operations, being financial measures, cost measures, asset measures and people measures.

#### **FINANCIAL REVIEW**

The Trust's principal funding sources are predominately rents and service charges together with the Supporting People grant.

As at 31 March 2017 total reserves amounted to £1,364,739 (2016: £1,279,160) of which £1,339,049 (2016: £1,269,229) related to unrestricted funds and £25,690 (2016: £9,931) to restricted funds.

The Trust had a net surplus in the year of £85,579 (2016: £81,746) as shown on page 8 of the accounts.

##### **Reserves**

The Management Committee is mindful of the need for sufficient reserves to be maintained to ensure the continued operation of the Trust on a day to day basis. It is the aim of the committee to maintain sufficient reserves to cover 3 months' cash expenditure. At 31 March 2017 net current assets within the unrestricted funds were £502,546 (2016: £463,260) which represents approximately 7 months' expenditure. The Trust also had net current assets within the restricted funds of £25,690 (2016: £9,931).

The Management Committee are aware of the increase in the actual reserves held over and above the requirement. The Trust is continuing to review the services provided by the Trust with a view to expanding these over the forthcoming years.

It has been necessary to maintain our reserve levels in anticipation of future welfare reforms, through the introduction of Universal Credit and the impact this will have on our income streams. In addition, the Management Committee have taken a view that given the expected funding reductions from Norfolk County Council in the future, it will be necessary to operate with an increased reserve level to safeguard against future cuts.

#### **PLANS FOR THE FUTURE**

The Trust will enter a period of consolidation following proposed loss of funding from Norfolk County Council Building Resilient Lives Programme. The funding loss will have major implications for all areas of work across the organisation. Focus on providing a direct access provision will be central to the future work of the Trust, with a reduced level of ongoing resettlement support, given to clients living in a variety of tenure, both internally and externally.

## **Herring House Trust (Great Yarmouth)**

### **Report of the Board (Continued)**

**For The Year Ended 31 March 2017**

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## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

Herring House Trust operates as a charitable trust, registered with the Charities Commission (Registration Number 1057387) and is approved as a Registered Social Landlord under Section 3 of the Housing and Regeneration Act 2008.

### **Recruitment and appointment of Management Committee**

Management Committee members shall be persons who through residence, occupation, employment or otherwise have special knowledge of the area of benefit or who are otherwise able by virtue of their personal or professional qualifications to make a contribution to the pursuit of the objects or management of the charity.

### **Induction and training of Management Committee**

All Management Committee members are provided with copies of:

- The Memorandum & Articles of Association
- The latest accounts of the Trust
- Details of Charity Commission guidance notes CC3 – “The Essential Trustee – what you need to know, what you need to do”,

### **Induction and training of Management Committee (continued)**

In addition, Management Committee members are encouraged to read Charity Commission and other newsletters and to attend courses designed to keep them abreast of their duties and responsibilities.

### **Organisational structure**

A Management Committee meets on a regular basis, administers the Trust and its finances. An operations manager is appointed by the Committee to manage the day to day operations of the Trust.

### **Key management personnel salary review**

There are informal arrangements for salary review of key staff, which is decided at annual pay reviews by Trustees.

### **Directors**

The members of the Management Committee, who are directors of the company within the meaning of the Companies Act 2006 and held office throughout the year are shown on Page 1.

### **Risk assessment**

The Management Committee have undertaken a review of the risks faced by the Trust and have implemented systems to mitigate these risks. The risk assessment is reviewed on an annual basis.

## **Herring House Trust (Great Yarmouth)**

### **Report of the Board (Continued)**

#### **For The Year Ended 31 March 2017**

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##### **Responsibilities of the Management Committee**

The Management Committee (who are also directors of Herring House Trust (Great Yarmouth) for the purposes of company law) are responsible for preparing the Report of the Board and the financial statements in accordance with applicable law.

Company law and registered social housing legislation requires the Management Committee to prepare financial statements for each financial year. Under that law the Management Committee have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the Management Committee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the organisation and of its income and expenditure for that period. In preparing the financial statements the Management Committee are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether United Kingdom 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 organisation will continue in business.

The Management Committee is responsible for keeping adequate accounting records that are sufficient to show and explain the organisation's transactions and disclose with reasonable accuracy at any time the financial position of the organisation and to enable it to ensure that the financial statements comply with the Companies Act 2006, The Housing and Regeneration Act 2008 and the Accounting Directions for private registered providers of social housing in England 2015. They are responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the committee is aware;

- there is no relevant audit information of which the organisation's auditor is unaware; and
- the committee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

##### **Auditor**

Lovewell Blake LLP are willing to continue as auditor.

##### **Small company provisions**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the Management Committee

C BEALES

Date: 4 December 2017

## **Independent Auditor's Report to the Members of**

### **Herring House Trust (Great Yarmouth)**

#### **For The Year Ended 31 March 2017**

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We have audited the financial statements of Herring House Trust (Great Yarmouth) for the year ended 31 March 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cashflows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the housing organisation's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and Section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the organisation's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the organisation and the organisation's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the board and auditor**

As explained more fully in the Management Committee's Responsibilities Statement set out on page 4, the Management Committee (who are also the directors of the organisation for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the organisation's affairs as at 31 March 2017 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Directions for private registered providers of social housing in England 2015.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Board for the financial year for which the financial statements are prepared is consistent with the financial statements.



## **Independent Report of the Auditor to the Members of**

### **Herring House Trust (Great Yarmouth)**

**For The Year Ended 31 March 2017**

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of board members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the board members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Board and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

**Mark Proctor FCA DChA (Senior Statutory Auditor)**  
**For and on behalf of Lovewell Blake LLP**  
**Statutory Auditor**  
**12 December 2017**

**Bankside 300**  
**Peachman Way**  
**Broadland Business Park**  
**Norwich**  
**Norfolk**  
**NR7 0LB**

**Herring House Trust (Great Yarmouth)**

**Statement of Comprehensive Income (including Income and Expenditure Account)**

**For The Year Ended 31 March 2017**

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	Notes	Total Funds	
		2017 £	2016 £
Turnover	2	882,683	877,107
Operating expenditure	6	<u>(792,599)</u>	<u>(790,523)</u>
Operating surplus		90,084	86,584
Interest receivable	4	4	5
Interest and financing costs		<u>(4,509)</u>	<u>(4,843)</u>
Total comprehensive income for the year	8	85,579	81,746
Reserves brought forward		<u>1,279,160</u>	<u>1,197,414</u>
Reserves carried forward		<u>1,364,739</u>	<u>1,279,160</u>

There are no recognised gains or losses during the year other than as stated above.

The statement of comprehensive income reflects the activity during the year which is of a continuing nature.

The accounts were approved by the Management Committee on 4 December 2017.

C BEALES

B ROBINSON

The notes set out on pages 12 to 25 form an integral part of these accounts

# Herring House Trust (Great Yarmouth)

## Balance Sheet

As at 31 March 2017

Company Number: 3202862

	Notes	2017 £	2016 £
<b>Fixed Assets</b>			
Tangible fixed assets	9	1,555,637	1,544,082
<b>Current Assets</b>			
Debtors	10	26,443	42,917
Cash and bank balances		<u>555,722</u>	<u>501,143</u>
		582,165	544,060
<b>Creditors: Amounts falling due within one year</b>	11	<u>(53,929)</u>	<u>(70,869)</u>
<b>Net Current Assets</b>		<u>528,236</u>	<u>473,191</u>
<b>Total Assets less Current Liabilities</b>		2,083,873	2,017,273
<b>Creditors: amounts falling due after more than one year</b>	12	<u>(719,134)</u>	<u>(738,113)</u>
<b>Total Net Assets</b>		<u>1,364,739</u>	<u>1,279,160</u>
<b>Funds</b>			
Hostel	14	743,558	710,454
Halfway House Scheme and Homeless Action Programme	14	586,900	558,131
SmartMove	14	8,591	664
Restricted funds	14	25,690	9,931
<b>Total Funds</b>		<u>1,364,739</u>	<u>1,279,160</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These accounts were approved by the Management Committee on 4 December 2017 and signed on their behalf by:

C BEALES

B ROBINSON

The notes set out on pages 12 to 25 form an integral part of these accounts

**Herring House Trust (Great Yarmouth)**

**Statement of Changes in Reserves**

**As at 31 March 2017**

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	<b>General Fund £</b>	<b>Restricted Funds £</b>	<b>Total £</b>
<b>At 1 April 2016</b>	1,269,229	9,931	1,279,160
Total comprehensive income for year	53,429	32,150	85,579
Transfer between funds	<u>16,391</u>	<u>(16,391)</u>	<u>-</u>
<b>At 31 March 2017</b>	<u>1,339,049</u>	<u>25,690</u>	<u>1,364,739</u>
	<b>General Fund £</b>	<b>Restricted Funds £</b>	<b>Total £</b>
<b>At 1 April 2015</b>	1,193,367	4,047	1,197,414
Total comprehensive income for year	88,142	(6,396)	81,746
Transfer between funds	<u>(12,280)</u>	<u>12,280</u>	<u>-</u>
<b>At 31 March 2016</b>	<u>1,269,229</u>	<u>9,931</u>	<u>1,279,160</u>

**Herring House Trust (Great Yarmouth)**

**Statement of Cashflows**

**31 March 2017**

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	<b>Note</b>	<b>2017 £</b>	<b>2016 £</b>
<b>Net cash generated from operating activities</b>	<b>19</b>	128,738	119,565
<b>Cash flow from investing activities</b>			
Payments to acquire fixed assets		(64,608)	(103,172)
Interest received		<u>4</u>	<u>5</u>
<b>Net cash flow from investing activities</b>		<u>(64,604)</u>	<u>(103,167)</u>
<b>Cash flow from financing activities</b>			
Loan repayments		(5,046)	(4,823)
Interest paid		<u>(4,509)</u>	<u>(5,843)</u>
<b>Net cash flow from financing activities</b>		<u>(9,555)</u>	<u>(9,666)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		54,579	6,732
<b>Cash and cash equivalents at 1 April 2016</b>		<u>501,143</u>	<u>494,411</u>
<b>Cash and cash equivalents at 31 March 2017</b>		<u>555,722</u>	<u>501,143</u>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		<u>555,722</u>	<u>501,143</u>
<b>Cash and cash equivalents at 31 March 2017</b>		<u>555,722</u>	<u>501,143</u>

## Herring House Trust (Great Yarmouth)

### Notes To The Accounts

#### For The Year Ended 31 March 2017

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##### 1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

###### (a) **Legal status**

Herring House Trust (Great Yarmouth) is a UK registered Company under the Companies Act 2006 and is a registered housing provider. The address of the registered office is given in the reference and administration information on page 1 of these financial statements. The nature of the Housing Trust's operations and principal activities are to provide resettlement and outreach support services, together with an open access hostel for the single homeless in the Great Yarmouth area.

The Trust constitutes a public benefit entity as defined by FRS 102.

###### (b) **Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102: *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2014, and with the Accounting Direction for Private Registered Providers of Social Housing in England 2015. The financial statements have been prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements are presented in Sterling (£) and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below.

###### (c) **Funds**

Unrestricted funds are available for use at the discretion of the Management Committee in furtherance of the general objectives of the Trust.

Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

###### (d) **Turnover**

Turnover is measured at the fair value of the consideration received or receivable. The policies adopted for the recognition of turnover are as follows:

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids and grants.

Donations are included in the year in which they are receivable, which is when the Trust becomes entitled to the resource.

## Herring House Trust (Great Yarmouth)

### Notes To The Accounts (Continued)

For The Year Ended 31 March 2017

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#### 1 Accounting Policies (continued)

##### (d) **Turnover (continued)**

Grants in respect of revenue expenditure are credited to the Income and Expenditure account on a receivable basis. Grants received in advance of the period to which they relate are shown within the Statement of Financial Position as deferred income and released to the Income and Expenditure account on a receivable basis.

##### (e) **Capital grants**

Grants received from non-government sources are recognised using the performance model. A grant which does not impose future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the association is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

##### (f) **Government grants**

Government grants include grants receivable from the Homes and Communities Agency (the HCA), local authorities and other government organisations. Government grants received in respect of housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds have been received.

Grants due from government organisations or received in advance are included as current assets or liabilities.

##### (g) **Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Operating expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs are allocated between the expenditure categories of the Statement of Comprehensive Income on a basis designed to reflect the use of the resource.

## Herring House Trust (Great Yarmouth)

### Notes To The Accounts (Continued)

For The Year Ended 31 March 2017

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#### 1 Accounting Policies (continued)

##### (h) *Housing properties*

Housing properties are principally properties available for rent and are stated at cost less depreciation. Cost includes the cost of acquiring land and buildings, development costs and expenditure incurred in respect of improvements.

Improvements are works which result in an increase in the net rental income, such as a reduction in future maintenance costs, or result in a significant extension of the useful economic life of the property in the business. Only the direct overhead costs associated with new developments or improvements are capitalised.

##### (i) *Depreciation*

Fixed assets are included at cost. Depreciation is calculated to write off the cost, less estimated residual value of all tangible fixed assets, with the exception of land, over their estimated useful lives to the Trust. The annual rates and methods used are as follows:

Computer	20% straight line
Fixtures and fittings	20% straight line
Motor vehicles	20% straight line

Component accounting has been given consideration and the following appropriate percentages have been applied to each component part of the property over their useful economic lives.

Land	Nil depreciation
Building envelope	2% straight line
Windows and external doors	3.3% straight line
Kitchens	6.6% straight line
Bathrooms	4% straight line
Mechanical and electrical	2.5% straight line
Boilers	6.6% straight line
Flooring	5% straight line

##### (j) *Debtors and creditors receivable / payable within one year*

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

##### (k) *Cash at bank*

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less.

##### (l) *Loans and borrowings*

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.



## Herring House Trust (Great Yarmouth)

### Notes To The Accounts (Continued)

For The Year Ended 31 March 2017

#### 1 Accounting Policies (continued)

##### (m) *Operating lease agreements*

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

##### (n) *Pension costs*

The Trust operates a Defined Contribution Pension Scheme for employees. The assets of the scheme are held separately from those of the Company. The contributions payable are charged to the Income and Expenditure account as they fall due.

##### (o) *Going concern*

The financial statements have been prepared on a going concern basis as the Management Committee believe that no material uncertainties exist. The Management Committee have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Trust to be able to continue as a going concern.

##### (p) *Redundancy*

Where an obligation to make a redundancy or termination payment exists, the costs incurred by the charity are accounted for on an accruals basis and included within employee benefits.

2	Turnover	2017			2016		
		Turnover	Operating Costs	Operating Surplus	Turnover	Operating Costs	Operating Surplus
		£	£	£	£	£	£
	Social housing Lettings	882,683	(792,599)	90,084	877,107	(790,523)	86,584

All turnover, operating costs and operating surpluses have been generated through the Trust's 51 Supported Housing units (2016: 51 units).

3	Turnover from lettings	2017	2016
		£	£
	Rents and service charges (note 4)	386,686	402,543
	Donations and grants (note 5)	495,985	474,151
	Other income	12	413
		<u>882,683</u>	<u>877,107</u>

During the year 2017, £78,884 of turnover from lettings was restricted (2016: £57,507) and £803,799 was unrestricted (2016: £819,600).

# Herring House Trust (Great Yarmouth)

## Notes To The Accounts (Continued)

For The Year Ended 31 March 2017

### 4 Rental Income

	Hostel £	Halfway Houses £	2017 £	2016 £
Rents	281,197	167,856	449,053	441,764
Service charges	40,954	8,178	49,132	51,566
Rent (losses) from voids	<u>(33,568)</u>	<u>(77,931)</u>	<u>(111,499)</u>	<u>(90,787)</u>
	<u>288,583</u>	<u>98,103</u>	<u>386,686</u>	<u>402,543</u>

The calculation of voids takes into account the maximum theoretical income that could be achieved.

### 5 Donations and grants

	2017 £	2016 £
Supporting People	403,316	401,573
Pathway Project grant	58,817	26,042
Advice Services grant	-	8,402
Government grants - capital	8,565	8,565
Capital grant	5,000	5,000
Other grants and donations	<u>20,067</u>	<u>24,569</u>
	<u>495,985</u>	<u>474,151</u>

Government grants amounting to £385,403 (2016: £393,968) were deferred at the year end.

### 6 Operating costs – Social Housing Lettings

	Staff costs £	Depreciation £	Other costs £	2017 £	2016 £
Provision of services:					
Hostel	345,019	37,049	190,979	573,047	556,657
Halfway Houses and Resettlement Services	123,663	16,004	18,404	158,071	151,427
SmartMove	28,119	-	235	28,354	35,498
Pathway Project	33,127	-	-	33,127	30,716
Advice Project	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,225</u>
	<u>529,928</u>	<u>53,053</u>	<u>209,618</u>	<u>792,599</u>	<u>790,523</u>

**Herring House Trust (Great Yarmouth)**

**Notes To The Accounts (Continued)**

**For The Year Ended 31 March 2017**

**6 Operating costs – Social Housing Lettings (continued)**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Other costs</b>		
Premises	60,901	52,893
Maintenance	37,014	43,973
Food and laundry	56,527	53,195
Office costs	21,324	19,534
Equipment rental	1,055	1,082
Professional fees	15,585	14,479
Bad debts	6,127	6,384
Miscellaneous	<u>11,085</u>	<u>16,272</u>
	<u><b>209,618</b></u>	<u><b>207,811</b></u>

**7 Staff costs**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Staff costs</b>		
Wages and salaries	484,897	490,561
Social security costs	40,865	40,959
Pension costs	<u>4,166</u>	<u>886</u>
	<u><b>529,928</b></u>	<u><b>532,406</b></u>

The average number employees during the year were:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Hostel	15	13
Halfway Houses and Resettlement Services	4	3
SmartMove	2	2
Housing Advice	1	1
Pathway Project	1	1
Administration	<u>2</u>	<u>2</u>
	<u><b>25</b></u>	<u><b>22</b></u>

No employees' emoluments exceeded £60,000.

Total termination payments during the amounted to £5,998 (2016: £Nil) and relate to decommissioning of services.

## Herring House Trust (Great Yarmouth)

### Notes To The Accounts (Continued)

For The Year Ended 31 March 2017

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#### 7 Staff costs (continued)

##### Emoluments of Executive Officers

For the purposes of this note Executive Officers consist of the Management Committee and the Chief Executive Officer.

No members of the Management Committee received any remuneration during the year.

The remuneration paid to Executive Officers was as follows:

	2017	2016
	£	£
Total emoluments	97,470	96,170
Pension contributions	<u>1,486</u>	<u>336</u>
	<u>98,956</u>	<u>96,536</u>

The Executive Officers are members of the defined contribution pension scheme operated by the Trust. The Trust does not make any further contribution to any individual pension arrangements for the Executive Officers.

#### 8 Operating Surplus

	2017	2016
	£	£
The operating surplus is stated after charging (inclusive of VAT):		
Operating lease rentals	1,055	1,082
Rent and service charge bad debts	6,127	6,384
Depreciation	53,053	50,306
Audit fees (excluding VAT)	<u>4,515</u>	<u>5,418</u>

**Herring House Trust (Great Yarmouth)**

**Notes To The Accounts (Continued)**

**For The Year Ended 31 March 2017**

**9 Fixed Assets**

	<b>Housing properties for lettings £</b>	<b>Fixtures, fittings &amp; Equipment £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2016	1,817,249	358,865	13,875	2,189,989
Additions	<u>58,539</u>	<u>6,069</u>	<u>-</u>	<u>64,608</u>
At 31 March 2017	<u>1,875,788</u>	<u>364,934</u>	<u>13,875</u>	<u>2,254,597</u>
<b>Depreciation</b>				
At 1 April 2016	290,558	349,799	5,550	645,907
Charge for the year	<u>43,940</u>	<u>6,338</u>	<u>2,775</u>	<u>53,053</u>
At 31 March 2017	<u>334,498</u>	<u>356,137</u>	<u>8,325</u>	<u>698,960</u>
<b>Net Book Value</b>				
At 31 March 2017	<u>1,541,290</u>	<u>8,797</u>	<u>5,550</u>	<u>1,555,637</u>
At 31 March 2016	<u>1,526,691</u>	<u>9,066</u>	<u>8,325</u>	<u>1,544,082</u>

Housing property additions during the year represent works to existing properties which consisted of the replacement of components and improvements.

**10 Debtors**

	<b>2017 £</b>	<b>2016 £</b>
Social Housing rent arrears (net of bad debt provision of £3,200 (2016: £449))	11,185	24,340
Prepayments	14,898	18,567
Other	<u>360</u>	<u>-</u>
	<u>26,443</u>	<u>42,917</u>

**Herring House Trust (Great Yarmouth)**

**Notes To The Accounts (Continued)**

**For The Year Ended 31 March 2017**

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<b>11</b>	<b>Creditors: Amounts Falling Due Within One Year</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Bank loans and overdrafts	5,200	4,831
	Tax and social security	11,042	11,406
	Other	1,307	1,186
	Accruals	8,110	9,990
	Trade creditors	8,607	23,429
	Deferred grant income	<u>19,663</u>	<u>20,027</u>
		<u>53,929</u>	<u>70,869</u>

The following liabilities disclosed under creditors falling due within one year are secured by the trust:

Bank loans and overdrafts	<u>5,200</u>	<u>4,831</u>
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The bank loan is on a repayment basis repayable over 25 years and is secured on the Halfway House properties. Interest is calculated at a rate of 3% above base, resulting in a rate of 3.5% at the balance sheet date.

<b>12</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Bank loans and overdrafts	122,295	127,710
	Deferred grant income (note 13)	<u>596,839</u>	<u>610,403</u>
		<u>719,134</u>	<u>738,113</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the trust:

Bank loans and overdrafts	<u>122,295</u>	<u>127,710</u>
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Included within creditors falling due after more than one year are amounts repayable:

In more than one year but not more than two years	<u>5,200</u>	<u>4,831</u>
In more than two years but not more than five years	<u>21,671</u>	<u>19,324</u>
In more than five years	<u>100,624</u>	<u>108,386</u>

# Herring House Trust (Great Yarmouth)

## Notes To The Accounts (Continued)

For The Year Ended 31 March 2017

13	<b>Deferred grant income</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Deferred income brought forward	630,430	667,430
	Released in the year	(20,026)	(43,462)
	Deferred in the year	<u>6,098</u>	<u>6,462</u>
	Deferred income carried forward	<u>616,502</u>	<u>630,430</u>
	Amounts to be released within one year	19,663	20,027
	Amounts to be released in more than one year	<u>596,839</u>	<u>610,403</u>
		<u>616,502</u>	<u>630,430</u>
	Included within deferred income at the year end are government grants amounting to £385,403 (2016: £393,968).		
14	<b>Reconciliation of Movements in Funds</b>		
	<b>Funds at</b>	<b>Income (Expenditure)</b>	<b>Funds at 31</b>
	<b>1 April 2016</b>	<b>in the year</b>	<b>March 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Unrestricted Funds</b>		
	Hostel	710,454	580,662
	Halfway House Scheme		(563,949)
	and Homelessness Action		16,391
	Programme	558,131	186,840
	SmartMove	644	36,301
		<u>1,269,229</u>	<u>803,803</u>
		(750,374)	16,391
			<u>1,339,049</u>
	<b>Restricted Funds</b>		
	Norfolk Community	9,931	20,067
	Foundation Grant	-	(13,607)
	Pathway Project (NHS)	-	(9,880)
	Pathway Project (Lloyds Bank)	-	(23,247)
		<u>9,931</u>	<u>78,884</u>
		(46,734)	(16,391)
			<u>25,690</u>
	<b>Total Funds</b>	<u>1,279,160</u>	<u>882,687</u>
		(797,108)	-
			<u>1,364,739</u>

The transfer between funds represents the transfer of surplus funds following the cessation of the projected funded by a grant from Norfolk Community Foundation.

# Herring House Trust (Great Yarmouth)

## Notes To The Accounts (Continued)

For The Year Ended 31 March 2017

### 14 Reconciliation of Movements In Funds (continued)

	Funds at 1 April 2015 £	Income (Expenditure) in the year £	in the year £	Transfers £	Funds at 31 March 2016 £
<b>Unrestricted Funds</b>					
Hostel	687,053	580,219	(544,538)	(12,280)	710,454
Halfway House Scheme and Homelessness Action Programme	506,314	203,244	(151,427)	-	558,131
SmartMove	-	36,142	(35,498)	-	644
	<u>1,193,367</u>	<u>819,605</u>	<u>(731,463)</u>	<u>(12,280)</u>	<u>1,269,229</u>
<b>Restricted Funds</b>					
Norfolk Community Foundation Grant	3,830	23,063	(16,962)	-	9,931
Pathway Project	217	26,042	(30,716)	4,457	-
Advice Project	-	8,402	(16,225)	7,823	-
	<u>4,047</u>	<u>57,507</u>	<u>(63,903)</u>	<u>12,280</u>	<u>9,931</u>
<b>Total Funds</b>	<u>1,197,414</u>	<u>877,112</u>	<u>(795,366)</u>	<u>-</u>	<u>1,279,160</u>

The transfer between the Hostel and the Pathway and Advice Projects was made to cover the excess of expenditure over income during the year.

The Trust provides distinct services, the provision of a direct access hostel, the provision of halfway houses, resettlement services and the provision of a rough sleeper team. In addition, the Trust manages a rent deposit guarantee scheme.

Each service is funded separately from the others. Within each scheme certain monies, such as grants, are restricted to that scheme. However, whilst other income (primarily housing benefit) is allocated to the relevant fund the management committee has the discretionary power to utilise and transfer such monies in the overall best interest of the Trust as a whole.

Unspecified donations and general expenditure are allocated by the management committee.

#### Unrestricted Funds:

Hostel – To provide emergency accommodation and support to 27 single homeless people, offering 24-hour support and access to services;

Halfway House Scheme and Homelessness Action Programme – To provide move on accommodation to 20 individuals in semi-independent, shared accommodation. The resettlement scheme offers move-on resettlement support to people moving into the houses and also support to move on to longer term accommodation through their part within the Great Yarmouth Homesupport Consortium. This provides tenancy support to people living independently within the community;

SmartMove – a tenancy deposit scheme providing support to people moving on to longer term accommodation in the private rented sector.



## Herring House Trust (Great Yarmouth)

### Notes To The Accounts (Continued)

For The Year Ended 31 March 2017

#### 14 Reconciliation Of Movements In Funds (continued)

##### Restricted Funds

Norfolk Community Foundation Grant – funding from the Police & Crime Commission for Norfolk Substance Misuse and Alcohol Fund to provide a direct pathway from street homelessness to dependency treatment within the High Support Unit.

Pathway Project – funding from the Homelessness Transition Fund to provide emergency accommodation and support for individuals sleeping rough.

Pathway Project (NHS) – funding from the NHS to support the Pathway Project.

Pathway Project (Lloyds) – funding from Lloyds Bank Foundation towards the salary costs of the Pathway Worker, management and administration costs and telephone costs.

Advice Project – funding to provide services as part of a consortia of which GYROS is the lead partner.

#### 15 Net Analysis Of Funds

Each is represented by the following assets and liabilities:

	Fixed assets £	Cash and bank balances £	Other current assets £	Current liabilities £	Long term liabilities £	Total £
<b>Unrestricted funds</b>						
Hostel	1,068,145	423,069	25,407	(53,929)	(719,134)	743,558
Halfway House scheme and Homelessness Action Programme	487,492	98,372	1,036	-	-	586,900
SmartMove	-	8,591	-	-	-	8,591
	<u>1,555,637</u>	<u>530,032</u>	<u>26,443</u>	<u>(53,929)</u>	<u>(719,134)</u>	<u>1,339,049</u>
<b>Restricted funds</b>						
Norfolk Community Foundation Grant	-	-	-	-	-	-
Pathway Project	-	25,690	-	-	-	25,690
	<u>-</u>	<u>25,690</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,690</u>
<b>Total funds</b>	<u>1,556,637</u>	<u>555,722</u>	<u>26,443</u>	<u>(53,929)</u>	<u>(719,134)</u>	<u>1,364,739</u>

# Herring House Trust (Great Yarmouth)

## Notes To The Accounts (Continued)

For The Year Ended 31 March 2016

### 15 Net Analysis Of Funds (continued)

	Fixed assets £	Cash and bank balances £	Other current assets £	Current liabilities £	Long term liabilities £	Total £
<b>Unrestricted funds</b>						
Hostel	1,294,879	175,102	22,490	(43,904)	(738,113)	710,454
Halfway House scheme and Homelessness Action Programme	249,203	331,298	3,493	(25,863)	-	558,131
SmartMove	-	1,081	-	(437)	-	644
	<u>1,544,082</u>	<u>507,481</u>	<u>25,983</u>	<u>(70,204)</u>	<u>(738,113)</u>	<u>1,269,229</u>
<b>Restricted funds</b>						
Norfolk Community Foundation Grant	-	6,017	3,914	-	-	9,931
Pathway Project	-	(12,355)	13,020	(665)	-	-
	<u>-</u>	<u>(6,338)</u>	<u>16,934</u>	<u>(665)</u>	<u>-</u>	<u>9,931</u>
<b>Total funds</b>	<u>1,544,082</u>	<u>501,143</u>	<u>42,917</u>	<u>(70,869)</u>	<u>(738,113)</u>	<u>1,279,160</u>

### 16 Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £	2016 £
<i>Plant and Machinery</i>		
Not later than 1 year	1,019	1,019
Later than 1 year and not later than 5 years	<u>2,293</u>	<u>3,312</u>
	<u>3,312</u>	<u>4,331</u>

### 17 Related party transactions

There were no related party transaction during the year.

### 18 Company Status

The company is limited by guarantee. Each member of the company undertakes to contribute such amount (not exceeding £10) as may be required in the event of a winding up.

# Herring House Trust (Great Yarmouth)

## Notes To The Accounts (Continued)

For The Year Ended 31 March 2017

### 19 Reconciliation of operating surplus to cash flow from operating activities

	2017	2016
	£	£
Surplus for the year	85,579	81,746
Depreciation on tangible fixed assets	53,053	50,306
Decrease in trade and other debtors	16,474	3,562
Decrease in trade and other creditors	(30,873)	(20,887)
Finance charges	4,509	4,843
Interest receivable	(4)	(5)
	<u>128,738</u>	<u>119,565</u>

### 20 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	2017	2016
	£	£
<i>Financial assets</i>		
Debt instruments measured at amortised cost:		
- Trade debtors	11,185	24,350
- Accrued income	-	3,914
- Other debtors	<u>360</u>	<u>-</u>
	<u>11,545</u>	<u>28,264</u>
<i>Financial liabilities</i>		
Measured at amortised cost:		
- Trade creditor	8,607	23,429
- Accruals	8,110	9,990
- Other creditors	1,307	1,186
- Bank loan < 1 year	<u>5,200</u>	<u>4,831</u>
	<u>23,224</u>	<u>39,436</u>
- Bank loan > 1 year	<u>122,295</u>	<u>127,710</u>

### 21 Pension costs

The Trust operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by Trustees in a fund independent from those of the Trust. The total contributions paid in the year amounted to £4,166 (2016: £866).

# Herring House Trust (Great Yarmouth)

## Income And Expenditure Account Hostel

For The Year Ended 31 March 2017

	2017 £	2016 £
<b>Income</b>		
Rents received	247,629	246,019
Top ups	40,954	41,626
Donations	220	1,506
Other income	12	413
Interest	4	5
Supporting People income	278,278	277,085
Grants	<u>33,632</u>	<u>36,628</u>
	600,729	603,282
<b>Less Expenditure</b>		
<b>Direct costs</b>		
Food and other household costs	47,851	44,397
Residents' welfare	4,927	2,476
Laundry and cleaning	<u>7,964</u>	<u>5,469</u>
	(60,742)	(52,342)
	539,987	550,940
<b>Administration Expenses</b>		
Salaries and national insurance	345,019	330,370
Redundancy	5,998	-
Light, heat and water	24,732	26,260
Insurances	20,808	18,726
Postage and stationery	6,219	7,534
Telephone	8,788	9,582
Travel and subsistence	161	214
Professional costs	15,585	14,400
General	3,339	1,497
TV licence	146	246
Advertising & subscriptions	3,234	1,579
Training	476	7,933
Recruitment costs	322	1,234
Repairs & consumables	32,738	36,262
Equipment rental	1,055	1,082
Motor expenses	1,365	1,677
Depreciation - Freehold & leasehold property	29,530	33,566
- Fixtures and fittings	4,744	3,825
- Motor vehicles	2,775	2,775
Bad debts/write off	5,271	5,653
Bank charges and loan interest	<u>4,509</u>	<u>4,843</u>
	(516,814)	(509,158)
<b>Surplus Income over Expenditure Before Transfers</b>	23,173	41,782
<b>Transfers to the Pathway Project</b>	-	(4,457)
<b>Transfers to Advice Project</b>	<u>-</u>	<u>(7,823)</u>
<b>Surplus Income over Expenditure</b>	<u>23,173</u>	<u>29,502</u>

**Herring House Trust (Great Yarmouth)**

**Income And Expenditure Account  
Halfway House Scheme &  
Homelessness Action Programme**

**For The Year Ended 31 March 2017**

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	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Income</b>		
Housing benefits	89,925	104,958
Top ups	8,178	9,940
Supporting People income	<u>88,737</u>	<u>88,346</u>
	186,840	203,244
<b>Expenditure</b>		
<b>Administration expenses</b>		
Salaries and national insurance	123,663	120,920
Light, heat and water	7,998	7,907
Telephone & postage	2,004	2,041
Repairs and consumables	5,542	7,041
Training	-	223
Audit	-	78
General	363	620
TV licences	874	873
Food and other household costs	-	306
Resident welfare	55	32
Laundry and cleaning	712	515
Depreciation - Freehold property	14,410	8,546
- Fixtures and fittings	1,594	1,594
Bad debts/write off	<u>856</u>	<u>731</u>
	(158,071)	(151,427)
<b>Surplus Income over Expenditure</b>	<u>28,769</u>	<u>51,817</u>

**Herring House Trust (Great Yarmouth)**

**Income And Expenditure Account**

**SmartMove Initiative**

**For The Year Ended 31 March 2017**

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	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Income</b>		
Supporting People income	36,301	36,142
<b>Expenditure</b>		
Salaries and national insurance	28,119	34,226
Postage, stationery & telephone	168	378
Client welfare	67	-
Training	-	223
Repairs	-	671
	<u>(28,354)</u>	<u>(35,498)</u>
<b>Surplus Income over Expenditure</b>	<u><u>7,947</u></u>	<u><u>644</u></u>

**Herring House Trust (Great Yarmouth)**

**Income And Expenditure Account**

**Pathway Project**

**For The Year Ended 31 March 2017**

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	<b>2017</b> <b>£</b>	<b>2016</b> <b>£</b>
<b>Income</b>		
Grant income	58,817	26,042
<b>Expenditure</b>		
Salaries and national insurance	33,127	30,665
Management costs	<u>-</u>	<u>51</u>
	<u>(33,127)</u>	<u>(30,716)</u>
<b>Excess Expenditure Over Income before transfers</b>	25,690	(4,674)
<b>Transfer of funds from the Hostel</b>	<u>-</u>	<u>4,457</u>
<b>Excess Income over Expenditure / (Expenditure over Income)</b>	<u>25,690</u>	<u>(217)</u>

**Herring House Trust (Great Yarmouth)**

**Income And Expenditure Account**

**Advice Project**

**For The Year Ended 31 March 2017**

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	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Income</b>		
Grant income	-	8,402
<b>Expenditure</b>		
Salaries and national insurance	=	<u>16,225</u>
	=	<u>(16,225)</u>
<b>Excess Expenditure over Income before transfers</b>	-	(7,823)
<b>Transfer of funds from the Hostel</b>	=	<u>(7,823)</u>
<b>Excess Expenditure Over Income</b>	=	<u><u>-</u></u>