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Charity Registration No. 1011337

Company Registration No. 2634724 (England and Wales)

**HARROGATE HOMELESS PROJECT LIMITED**  
**DIRECTORS' REPORT AND UNAUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**



# HARROGATE HOMELESS PROJECT LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Directors

J.C. Harris CBE DL (Chair)  
I.F.B. Brown  
L.M.E.D. Cameron  
H.L. Crossland  
L. Estensen  
M.J. Farrar  
P.K.L. French  
J.B. Halstead (Treasurer)  
J. K.B. Moulson  
Visc. F.M. Mountgarret  
H.M. Shay  
J. M. Verity (Secretary)  
D.I. West

### Charity number

1011337

### Company number

2634724

### Registered office

7 Bower Street  
Harrogate  
North Yorkshire  
HG1 5BQ

### Independent examiner

S J Williams FCA  
Murray Harcourt  
110 Station Parade  
Harrogate  
North Yorkshire  
HG1 1EP

### Bankers

Yorkshire Bank plc  
James Street  
Harrogate  
HG1 1QU

Nationwide Building Society  
Kings Park Road  
Moulton Park  
Northampton  
NN3 6NW



# HARROGATE HOMELESS PROJECT LIMITED

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# HARROGATE HOMELESS PROJECT LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

### Introduction

Harrogate Homeless Project Limited ("HHP" or the "Project") is a registered charity No. 1011337 and is a registered company No. 2634724 limited by guarantee and not having share capital. The objectives of the company are set out in the Memorandum and Articles of Association as follows:

- 1) to relieve the need of homeless persons within the administrative area known as Harrogate by provision of temporary accommodation, advice and counselling and;
- 2) to conduct research into the causes of and ways of relieving poverty and disease and to publish findings by lectures, meetings, films, books, exhibitions and otherwise in order to educate the public.

The Directors present their report and accounts for the year ended 31st August 2018. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the company's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", in accordance with the Financial Reporting Standard FRS 102 (effective 1 January 2015).

Constitutional matters are as detailed in its Memorandum and Articles of Association and HHP is managed by the Management Board of Trustees, those who served as directors in the period up to the date of signing these accounts:

J.C. Harris CBE DL	(Chair)
I F B Brown	
L M E D Cameron	(appointed 10 <sup>th</sup> May 2018)
H L Crossland	(appointed 10 <sup>th</sup> May 2018)
L Estensen	(appointed 13 <sup>th</sup> September 2018)
M.J.Farrar	(appointed 8 <sup>th</sup> November 2017)
P K L French	(appointed 10 <sup>th</sup> May 2018)
J.B. Halstead	(Treasurer)
D.C. Hunt	(resigned 15 <sup>th</sup> March 2018)
J K B Moulson	(Vice Chair)
Viscountess F M Mountgarret	
H M Shay	
J Simpson	(resigned 14 <sup>th</sup> September 2017)
J M Verity	(Company Secretary)
D.I. West	

We welcomed five new Trustees and express our appreciation for their support to those who stood down during the year. Trustees invited to join the management board of Trustees are inducted by briefings, attending meetings before their actual appointment, and by being supplied with copies of Project policy documents and booklets provided by the Charities Commission and Companies House to clarify their responsibilities. A representative from the Housing Department of Harrogate Borough Council is invited to attend meetings but is not a Trustee. The Chief Executive also attends meetings but is not a Trustee.

The Trustees confirm that they have complied with the Charity Commission's general guidance on public benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, we have considered how planned activities will contribute to the aims and objectives that have been set.

The Chief Executive, Liz Hancock, is responsible for the management of HHP. The staff work to develop and improve working relations with other agencies in the District. We work closely with police, probation and prison services, as well as Harrogate Borough Council and the Young Persons Hub, together with health and other statutory and voluntary agencies, to achieve, for each individual client, a solution which maximises the chances of moving away from homelessness. HHP employed nineteen staff (part time and full time) as at 31st August 2018. They are supported by approximately thirty volunteers.





# HARROGATE HOMELESS PROJECT LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### Objectives

Harrogate Homeless Project was established over 25 years ago in 1991 and operates on the principle of providing individuals with support to help them off the streets, not a hand out supporting them to maintain street lifestyles or dependency on services. Our aim is to help individuals who are homeless, vulnerably housed or sleeping rough – we offer resettlement off the streets immediately in emergency overnight accommodation – we work with them to find sustainable accommodation tailored to their needs.

Rough sleeping is damaging to both the person who is homeless and society. The longer someone stays out, the greater the risk that they will be trapped on the streets where they are vulnerable to crime, substance misuse problems, illness, mental health issues and dying prematurely.

HHP is committed to working through a multi-agency response to rough sleeping through a simple referral process for agencies, potential clients and the public. This includes effective information-sharing and collaborative working to support rough sleepers off the street and prevent entrenchment, to provide an effective and person-centred assessment hub, and a clear move-on pathway to enable resettlement for clients with a range of support issues.

### Activities

- The Project Hostel is in two houses in Bower Street rented from Harrogate Borough Council for a peppercorn rent and it receives variable sums from Housing Benefit and grant funding from North Yorkshire County Council. This sixteen-bed direct access emergency hostel provides accommodation for single homeless adults who have a local connection.
- Outreach services are provided for some former residents who have found other accommodation in order to ensure that the improvement in their circumstances is maintained.
- In addition to providing hostel accommodation and move-on accommodation, the Project aims to set up life skills training where it is necessary and to act as a gateway to other organisations which can provide support and assistance. Through outreach it aims to help clients sustain their new accommodation in the long term.
- Through the Springboard Day Centre, HHP aims to provide support to people who are known to be vulnerable and helps them meet their basic needs, such as food, shower, laundry and access to advice and support by the Project's own staff and by other agencies.
- During the year the operation of the Springboard Day Centre has been reviewed in the light of the numbers of individuals attending and their needs. The operations of other similar centres elsewhere were investigated to learn from their experience. As part of our fundraising strategy a local appeal was launched for funds to enable the opening hours to be extended and new services to be available. A Springboard Day Centre Development Fund has been established with the transfer of £75,000 from unrestricted funds; a modest start was made in October 2018 in extending the hours of operation. A controlled phased programme is necessary as what is put in place must be sustainable if it is to be on-going, given the cost of the additional staffing required. The Development Fund enables a controlled programme to be rolled out step by step as applications for major on-going funding are made.
- Since 2012 HHP has operated the District's only No Second Night Out programme. The NSNO scheme is intended to ensure that anybody faced with street homelessness is offered an immediate alternative to sleeping rough. Following an assessment whilst accessing the overnight shelter, the offer may be of a hostel stay, move on accommodation provided by the Project, private or social housing accommodation, or help in returning to an area where the applicant has a local connection. Funding has been provided from various sources, including a Harrogate Borough Council VCS grant, PCC grant and the Liz and Terry Bramall Foundation, with the balance met from Project reserves and donated funds. A purpose-built extension to the hostel premises provides dedicated facilities for those accessing the NSNO scheme overnight. This provides an additional 5 bed spaces, and should the need arise, local hotels are used as overspill accommodation.





# HARROGATE HOMELESS PROJECT LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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- From April 2017, with Project Leader funding from Harrogate Borough Council, HHP established a new initiative – a service to assist those facing exclusion (SAFE). It aims to provide innovative ways of working with the most marginalised vulnerable individuals with a long history of rough sleeping and multiple, complex needs.

### Achievements and performance

Throughout the year demand for assistance has continued at very high levels:

- Referrals to NSNO have exceeded 200 per year with 190 placements
- 10% of referrals coming from criminal justice sources (probation and prison services)
- 85% of referrals had drug and/or alcohol substance misuse issues
- Evictions accounted for 22% of those finding themselves homeless
- The average occupancy of the hostel was almost 96%
- 30% of hostel residents achieved employment during their stay
- The average stay in the NSNO emergency beds was 5 nights and 80% of those accessing NSNO successfully receive an offer, 33% of these accepted a hostel stay, 15% accepted private rented and 8% were reconnected to their area of origin, and overall 69% received a suitable and sustainable offer of accommodation.

Hostel accommodation continued to operate at virtually full capacity and HHP owns a freehold three-bed house as move-on accommodation from the hostel, as well as continuing to lease another three-bed house in Harrogate. Further accommodation is available in three three-bed houses owned by a local supported housing charity, Lifeline.

The number of visits to Springboard Day Centre continues to increase, with over 7,000 visits in the last year. Springboard provides refreshment, shower and clothes washing facilities, and continues to reduce social isolation. Springboard also provides help and advice for those who are homeless or vulnerable, with other specialist agencies making use of the premises.

HHP continues to deliver a psychotherapy service, known as Streetlight, to homeless people accessing the hostel and day service. This service is part funded by grants from the Brelms Trust and a NYCC Locality Grant award.

We are grateful for the continued support of individuals, companies and grant giving trusts, without which it would have been unable to function effectively. The support received was not only financial, but also donations of foodstuffs from Harvest Festivals and regularly from stores/restaurants, clothing and furniture. We are also grateful to CNG Ltd, a local energy supply business, who provided a Christmas meal for staff, volunteers and clients, and who also provide a free supply of gas to the hostel. CNG also generously donated a van to the Project for collecting donations and assisting clients moving on.

There has been considerable progress made on all fronts to improve the performance of HHP in meeting the increasing needs of individuals who are homeless, vulnerably housed or sleeping rough:

- The board of trustees reconstituted and an organisation structure review undertaken
- IT systems introduced for both client and supporter records
- Raised media and community profile
- Significant sustainable funding achieved
- Supporters' engagement reinforced with newsletters and events
- Enhanced client support through the incremental expansion of the day centre activity programme
- Engagement with entrenched rough sleepers is also leading to a reduction in reported town centre anti-social behaviour





# HARROGATE HOMELESS PROJECT LIMITED

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

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We acknowledge the generous three-year financial support from the Liz and Terry Bramall Foundation which has been crucial in securing the continuation of NSNO.

We also acknowledge the support of the Harrogate Borough Council, North Yorkshire County Council and North Yorkshire Police and Crime Commissioner which have underpinned our activities in many different ways.

It has again been a challenging year for the Senior Management Team and our staff. The Trustees would like to pay tribute to their achievements and dedication, and also to the contribution made by our volunteers and all our donor supporters.

#### Financial review

At 31 August 2018 the company had a total of £269,878 (2017 - £299,972) unrestricted funds (excluding designated funds). The bulk of these reserves came from two substantial legacies received in a prior year. During the previous year the decision to utilise a substantial amount of the reserves to purchase a house to provide much needed move on accommodation was implemented and was partially funded from restricted reserves. This decision was based on the difficulties experienced to source suitable properties for lease when occupants were in receipt of benefits. The net book value of the property is £197,701 (2017 - £200,257)

During the year the Trustees reviewed the treatment of restricted NSNO funds held as fixed assets which related to part-funding of the property purchased in the prior year. The Trustees concluded that since this was a permitted use of the NSNO funds a transfer should be made to unrestricted funds for the amount involved of £51,874.

As reported earlier £75,000 of unrestricted funds were transferred to a designated fund and, at the year end, the balance of funds not used for tangible fixed assets was £61,421 and is available for the continuing daily activities of the charity.

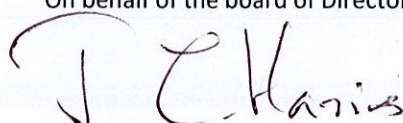
The Directors confirm that in their view the assets of the company are adequate to fulfil its current obligations.

#### Reserves policy

The major risk faced by the charity as a whole is the uncertainty of funding and the Trustees have identified the level of reserves required for winding up costs in case the Project ever has to close. In previous years an amount of the unrestricted funds has been classified as designated funds. The Directors have determined that their reserve policy is more appropriate to the needs of the Company and this designation has been removed. The minimum level of reserves to be held is set at between £60,000 and £85,000 which equates to three months forecast expenditure including the costs to satisfy outstanding commercial commitments (excluding restricted expenditure) and if this level is reached the Directors will have to consider all options including the potential controlled closure of the Company. As at 31 August 2018 the amount of free unreserved funds, as reported earlier, stood at £61,421.

As stated earlier in this Report the Directors have transferred £75,000 of Unrestricted Funds to Designated Funds for the Springboard Development Fund.

On behalf of the board of Directors



**John Harris CBE DL**

Director

Dated: 10 January 2019





# HARROGATE HOMELESS PROJECT LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE DIRECTORS OF HARROGATE HOMELESS PROJECT LIMITED

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I report to the charity trustees on my examination of the accounts of the company for the year ended 31 August 2018 which are set out on pages 6 to 16.

#### Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

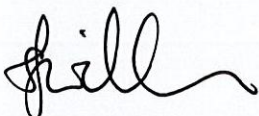
#### Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the institute of chartered accountants in England & Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no 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 company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.



Steven Williams

Qualified member of the institute of chartered accountants of England & Wales

Murray Harcourt Partners LLP

6 Queens Street

Leeds

LS1 2TW

10 January 2019





# HARROGATE HOMELESS PROJECT LIMITED

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

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2018 £	Total 2017 £
<b>Income</b>						
Donations and legacies	2	112,475		52,419	164,894	150,078
Other trading activities		0		0	0	0
Income from investments	3	0		0	0	2,203
		112,475	0	52,419	164,894	152,281
Income from Charitable activities	4	205,750		125,329	331,079	327,026
<b>Total income</b>		<b>318,225</b>	<b>0</b>	<b>177,748</b>	<b>495,973</b>	<b>479,307</b>
<b>Expenditure</b>						
Expenditure on Raising funds		553		415	968	4,787
Expenditure on Charitable activities	5	284,838		213,874	498,712	473,656
Other expenditure		0		0	0	0
<b>Total expenditure</b>		<b>285,391</b>	<b>0</b>	<b>214,289</b>	<b>499,680</b>	<b>478,443</b>
<b>Net income/(expenditure) before transfers</b>		<b>32,834</b>		<b>(36,541)</b>	<b>(3,707)</b>	<b>864</b>
Transfer between funds		(62,928)	75,000	(12,072)	0	0
<b>Net income/(expenditure) for the year/Net movement in funds</b>		<b>(30,094)</b>	<b>75,000</b>	<b>(48,613)</b>	<b>(3,707)</b>	<b>864</b>
Fund balances at 1 September 2017		299,972	0	53,943	353,915	353,051
<b>Fund balances at 31 August 2018</b>		<b>269,878</b>	<b>75,000</b>	<b>5,330</b>	<b>350,208</b>	<b>353,915</b>
Represented by:						
Tangible fixed assets		208,457	-	7,160	215,617	221,790
Other funds		61,421	75,000	(1,830)	134,591	132,125
		269,878	75,000	5,330	350,208	353,915

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





# HARROGATE HOMELESS PROJECT LIMITED

## BALANCE SHEET

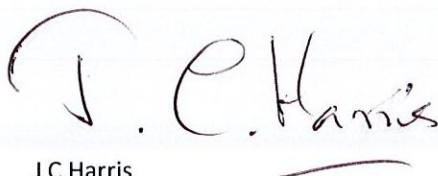
AS AT 31 AUGUST 2018

	Notes	2018	2017
		£	£
<b>Fixed assets</b>			
Tangible assets	10	215,617	221,790
Investments		-	-
<b>Total fixed assets</b>		<b>215,617</b>	<b>221,790</b>
<b>Current assets</b>			
Debtors	11	5,534	6,494
Cash at bank and in hand		196,000	176,923
<b>Total current assets</b>		<b>201,534</b>	<b>183,417</b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	12	(66,943)	(51,292)
<b>Net current assets</b>		<b>134,591</b>	<b>132,125</b>
<b>Net assets</b>		<b>350,208</b>	<b>353,915</b>
The funds of the charity:			
Unrestricted income funds		344,878	299,972
Restricted income funds	14	5,330	53,943
<b>Total charity funds</b>		<b>350,208</b>	<b>353,915</b>

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 August 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The Directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts 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 accounts, so far as applicable to the company.

The accounts were approved by the Board on 10 January 2019.



J C Harris  
Director

Company Registration No. 2634724



# HARROGATE HOMELESS PROJECT LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash used in operating activities	18	<u>21,170</u>	<u>(26,470)</u>
Cash flows from investing activities			
Interest income		-	2,203
Purchase of tangible fixed assets		(2,093)	(215,613)
Cash provided by (used in) investing activities		<u>(2,093)</u>	<u>(213,410)</u>
Increase (decrease) in cash and cash equivalents in the year		<u>19,077</u>	<u>(239,880)</u>
Cash and cash equivalents at the beginning of the year		176,923	416,803
Total cash and cash equivalents at the end of the year		<u>196,000</u>	<u>176,923</u>





# HARROGATE HOMELESS PROJECT LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### 1 Accounting policies

##### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities" in accordance with the Financial Reporting Standard FRS 102 (effective 1 January 2017) and the Companies Act 2006.

##### 1.2 Going concern

The Directors have prepared a cash flow forecast covering a period of at least 12 months from the date of approval of these financial statements. The cash flow forecast shows that the company should be able to pay its debts as they fall due and accordingly the Directors have prepared the financial statements on a going concern basis.

##### 1.3 Income

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity, however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

##### 1.4 Expenditure

All expenditure is accounted for on the accruals basis.

Costs relating directly to the objectives of the company and governance costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements are treated as direct charitable expenditure.

##### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	Nil
Freehold property	2% Straight-line
Fixtures, fittings & equipment	25% Reducing balance

Any fixed asset purchased with the help of a grant is depreciated on the gross value of the asset. Depreciation is then charged to the appropriate fund. Assets costing under £100 are not capitalised.

##### 1.6 Property repairs

Repairs and improvements to the short-term leasehold property are written off to the statement of financial activities when incurred.





# **HARROGATE HOMELESS PROJECT LIMITED**

## **NOTES TO THE ACCOUNTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2018**

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#### **1.7 Taxation**

Due to the charitable status of the company no tax is payable on the charity's income for the year. It is also exempt from the requirement to pay Capital Gains Tax. Value Added Tax is not recoverable by the company, consequently all expenditure in these financial statements is stated inclusive of Value Added Tax where applicable.

#### **1.8 Accumulated funds**

Restricted funds are only to be used in accordance with specific restrictions imposed by the donor. The purposes and uses of the funds are set out in the notes to the accounts.

Unrestricted funds are general funds which are available at the discretion of the Directors in furtherance of the general objectives of the charity.



# HARROGATE HOMELESS PROJECT LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 2 Donations and legacies

	Unrestricted Funds £	Restricted funds £	Total 2018 £	Total 2017 £
Donations and legacies	112,475	52,419	164,894	150,078

Of donations and legacies of £150,078 in the prior year, £93,532 related to unrestricted funds and £56,546 related to restricted funds

#### 3 Income from investments

	2018 £	2017 £
Interest receivable	-	2,203

Income from investments in the prior year of £2,203 related wholly unrestricted funds

#### 4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Housing benefit	107,820	33,550	141,370	131,763
Service charge	17,044	3,842	20,886	21,142
Grants	80,886	87,937	168,823	137,443
Other income	-	-	-	36,678
	205,750	125,329	331,079	327,026

Included within grants is an amount for Supporting People of £70,240 (2017: £77,188).

Other income in the prior year includes the reimbursement of costs associated with the "STARS" (also known as "SWEPS") cold weather service operated on behalf of Harrogate Borough Council of £Nil (2017: £36,583). This service was not commissioned during the winter of 2017/18

Of income from charitable activities of £327,026 in the prior year, £253,302 related to unrestricted funds and £73,724 related to restricted funds





# HARROGATE HOMELESS PROJECT LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 5 Expenditure

##### Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Staff costs	250,672	137,561	388,233	367,606
Property and occupancy costs	10,093	38,216	48,309	52,663
Household and support costs	19,947	30,377	50,324	40,703
Legal and professional costs	3,340	239	3,579	5,156
Depreciation	786	7,481	8,267	7,528
	<u>284,838</u>	<u>213,874</u>	<u>498,712</u>	<u>473,656</u>

Staff costs includes expenditure on training. Property and occupancy costs include rent of all premises, including Move On houses operated under the NSNO scheme, lighting and heating, council tax and other property related expenditure. Household and support costs include expenditure on telephones, operating costs of office equipment, disposal of refuse and contaminated waste, office supplies and health and safety costs. Legal and professional charges include consultants' fees and outsourcing charges, together with governance costs comprising the independent review of these accounts of £720 (2017: £720).

Of expenditure on charitable activities of £473,656 in the prior year, £306,367 related to unrestricted funds and £167,289 related to restricted funds.

##### Expenditure on raising funds

Expenditure on raising funds in the period of £968 included expenditure relating to restricted funds of £415 and in the prior year the expenditure of £4,787 included expenditure relating to restricted funds of £262.

#### 6 Directors and key management personnel

None of the Directors (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed any travelling expenses (2017: nil).

The key management personnel comprise the Trustees, the Chief Executive, Service Manager and NSNO Manager. The total employee benefits of the key management personnel of the company were £105,344 (2017: £92,167).

#### 7 Pensions

The company's workplace pension scheme is operated by The People's Pension (administrated by B&CE Financial Services Limited). Employees and the company make contributions into the Scheme which is a money purchase auto-enrolment scheme. New employees are automatically enrolled into the scheme and may exercise their right to opt out of the scheme at their discretion. Minimum contributions made by employees and employers are defined by government in the Pensions Act 2008 and associated Regulations and the company complies with those requirements. The total contributed by the company in the year was £3,537 (2017: £718).



# HARROGATE HOMELESS PROJECT LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 8 Employees

#### Number of employees

The average number of employees during the year was:

	2018 Number	2017 Number
Management	3	3
Support and project workers	15	17
Housekeeper	1	1
	<u>19</u>	<u>21</u>
<b>Employment costs</b>		
	2018 £	2017 £
Wages and salaries	357,010	342,753
Social security costs	23,538	22,137
Pension contributions	3,537	718
	<u>384,085</u>	<u>365,608</u>

The average number of employees as shown above is calculated on a full-time equivalent basis. The actual total average number of staff is 19 (2017: 21).

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

### 9 Transfers

Transfers of £39,802 from unrestricted to restricted were to extinguish a shortfall in expenditure on the Springboard fund (£32,404) and Streetlight fund (£7,398).

During the year a transfer of £51,874 was made from Restricted Funds to Unrestricted Funds relating to the part-funding of the property purchased in the prior year for the sole use of NSNO as stated in the Directors' Report.

During the year a designated fund was established for the development of the Springboard Day Centre as stated in the Directors' Report.





# HARROGATE HOMELESS PROJECT LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 10 Tangible fixed assets

	Freehold land buildings £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>			
At 1 September 2017	202,813	48,114	250,927
Additions	-	2,093	2,093
Disposals	0	0	0
<b>At 31 August 2018</b>	<b>202,813</b>	<b>50,207</b>	<b>253,020</b>
<b>Depreciation</b>			
At 1 September 2017	2,556	26,581	29,137
On disposals	0	0	0
Charge for the year	2,556	5,710	8,266
<b>At 31 August 2018</b>	<b>5,112</b>	<b>32,291</b>	<b>37,403</b>
<b>Net book value</b>			
<b>At 31 August 2018</b>	<b>197,701</b>	<b>17,916</b>	<b>215,617</b>
At 31 August 2017	200,257	21,533	221,790

All fixed assets are used in direct furtherance of the charity's objectives. A property was purchased using available funds in a prior year as a move-on house due to difficulties in finding suitable premises to lease.

#### 11 Debtors

	2018 £	2017 £
Other debtors and accrued income	5,534	6,494
	<b>5,534</b>	<b>6,494</b>

#### 12 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	3,528	3,689
Taxes and social security	8,406	5,424
Deferred income	27,500	17,500
Accruals	27,509	24,679
	<b>66,943</b>	<b>51,292</b>

Deferred income includes the portion of a grant for the Service for Adults Facing Exclusion project applicable to the year beginning 1 September 2018 of £17,500 (2017: £17,500), together with the balance of £10,000 (2017: nil) on a grant from the Police and Crime Commissioner for North Yorkshire, also for the SAFE project, which was not eligible for release during the year.





# HARROGATE HOMELESS PROJECT LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 13 Share capital

The company is registered as a company Limited by Guarantee and has no share capital. Every member of the company is a guarantor for a maximum of £1.

#### 14 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

##### Restricted funds

	Balance at 1 September 2017	Movement in funds			Balance at 31 August 2018
		Income	Expenditure	Transfers	
Refurbishment fund	37	-	(9)	-	28
No 8 Bedsit furniture	37	-	(10)	-	27
Service User Fund	1,995	-	-	-	1,995
No Second Night Out	51,874	131,805	(128,548)	(51,874)	3,257
Service for Adults Facing Exclusion	-	40,000	(39,977)	-	23
Springboard	-	3,321	(35,725)	32,404	-
Streetlight	-	2,000	(9,398)	7,398	-
	<u>53,943</u>	<u>177,126</u>	<u>(213,667)</u>	<u>(12,072)</u>	<u>5,330</u>

During the year a transfer of £51,874 was made from Restricted Funds to Unrestricted Funds relating to the part-funding of the property purchased in the prior year for the sole use of NSNO as stated in the Directors' Report.

The Springboard fund is for running costs of the Day Centre, and the shortfall in expenditure of £32,404 was met by a transfer from unrestricted funds.

The newly introduced Service for Adults Facing Exclusion ("SAFE") is an extension of the No Second Night Out ("NSNO") service with costs principally met by grant funding from Harrogate Borough Council. Thanks to a grant received from the Police and Crime Commissioner, the service showed a small surplus in the year of £23.

The Streetlight fund provides the cost of a part-time psychotherapist to assist clients with emotional problems and realigning with society; the shortfall in expenditure of £7,398 was met by a transfer from unrestricted funds.

The Service User Fund is to supply materials to engage clients in specific projects in order to enhance their work ethic. The remaining funds largely relate to grants for specific property and equipment refurbishment.

##### Unrestricted funds

	Balance at 1 September 2017	Movement in funds			Balance at 31 August 2018
		Income	Expenditure	Transfers	
General	299,972	318,225	(285,391)	(62,928)	269,878
Designated	-	-	-	75,000	75,000
	<u>299,972</u>	<u>318,225</u>	<u>(285,391)</u>	<u>12,072</u>	<u>344,878</u>

During the year a designated fund was established for the development of the Springboard Day Centre as stated in the Directors' Report.





# HARROGATE HOMELESS PROJECT LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 15 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total 2018
	£	£	£	£
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	208,457	-	7,160	215,617
Current assets	90,582	75,000	35,952	201,534
Current liabilities	(29,161)	-	(37,782)	(66,943)
	<u>269,878</u>	<u>75,000</u>	<u>5,330</u>	<u>350,208</u>

Tangible fixed assets include freehold land and buildings with a net book value of £197,701 representing a Move-On property in the No Second Night Out scheme. The property was purchased in 2017 due to difficulties in sourcing suitable properties for lease when occupants are receiving benefits. During the year a transfer of £51,874 was made from Restricted Funds to Unrestricted Funds relating to the part-funding of the property as stated in the Directors' Report. It is envisaged that, where permitted, further transfers from the No Second Night Out restricted fund will be made when funds are available.

The balance of unrestricted funds remaining after accounting for tangible fixed assets is £61,421 and this represents the free funds available for continuing the charity's daily activities

#### 16 Commitments under operating leases

As at the year end and the prior year end there were no commitments under operating leases.

#### 17 Commitments

The properties used for temporary accommodation were leased, rent free, from Harrogate Borough Council until 20 March 2025. The annual rental value of the properties is estimated to be £12,000.

#### 18 Reconciliation of net movement in funds to net cash flow from operation activities

	2018 £	2017 £
Net movement in funds	(3,707)	864
Add back depreciation	8,266	7,528
Deduct interest income shown in investing activities	-	(2,203)
Decrease (increase) in debtors	960	(359)
Increase (decrease) in creditors	15,651	(32,300)
Net cash used in operating activities	<u>21,170</u>	<u>(26,470)</u>

