

1156390

REGISTERED COMPANY NUMBER: 08546789 (England and Wales)
REGISTERED CHARITY NUMBER: 1156390

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2019
for
TAROE Trust Limited

CHARITY COMMISSION
FIRST CONTACT
06 NOV 2019
ACCOUNTS
RECEIVED

Raise
Chartered Accountants
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3 Hardman Street
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LAROE Trust Limited

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for the Year Ended 31 March 2019**

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EAROE Trust Limited

Report of the Trustees for the Year Ended 31 March 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The objectives of the charity are as stated:

1. The relief of financial hardship by providing free advice and assistance on housing issues to persons who would otherwise be unable to obtain it.
2. To promote social inclusion for the public benefit among people who are excluded from society or part of society by:
 - Providing advice and assistance and building capacity on housing matters
 - Working to promote the needs of people who are socially excluded and to raise awareness of those needs among housing providers, service agencies and the general public
 - Researching links between housing and social exclusion and publishing the useful results thereof
3. To develop capacity and skills among members of socially and economically disadvantaged communities which evidence deprivation in such ways that they are better able to identify, and help meet, their needs in housing related matters in particular and to participate more fully in society

Public Benefit

The Trustees have given due regard to the Charity Commission's guidance on public benefit. The Trustees believe that the Charity provides benefit to the public through the relief of financial hardship amongst people in need of low cost housing provision. This involves amongst other things the provision of free advice and assistance to persons who would otherwise be unable to obtain it.

TAROE Trust Limited

Report of the Trustees for the Year Ended 31 March 2019

ACHIEVEMENT AND PERFORMANCE

Charitable Activities

During 2018/19, TAROE Trust was engaged in the following activities in pursuit of its charitable activities.

Complaints handling and resolution

TAROE Trust is engaged in the provision of direct support and advocacy services to tenants, particularly in relation to the resolution of complaints. These are often complex matters, where the relationship between landlord and tenant has broken down and require a large degree of intervention. In the period April 2018 – March 2019, 26 cases were taken on in support of tenants, all of which reached some degree of acceptable resolution.

Consultation and engagement

- TAROE Trust has continued to engage in quarterly meetings during the year, alongside other key stakeholders, with the Regulator of Social Housing as a member of the regulator's Sounding Board.
- We have also directly engaged with the regulator alongside the other National Tenant Organisations (Confederation of Co-operative Housing, the National Federation of Tenant Management Organisations, and Tpas) to provide an input into regulation based policy development.
- TAROE Trust has run an in-depth questionnaire and research exercise with tenants and other stakeholders, the results of which informed our response to the Government's Social Housing Green Paper in Autumn 2018. This work also enabled the charity to identify tenants' and residents' priorities for change to ensure that the work of the Trust remains grounded in the views of tenants and residents.
- TAROE Trust has also engaged directly in discussions with the Ministry of Housing, Communities and Local Government (MHCLG), including discussions pertaining to the Social Housing Green Paper, and activities arising out of the Dame Judith Hackitt's Independent Review of Building Regulations and Fire Safety.
- We have submitted responses to a number of consultations that were held during the year. All responses are published on the TAROE Trust website – www.taroetrust.org.uk -and which has included the following:
 - o Response to MHCLG Social Housing Green Paper
 - o Response to the Government's consultation on Rents for social housing from 2020-21

Engagement with A Voice for Tenants Steering Group

TAROE Trust has continued to maintain a dialogue during the year with the Voices for Tenants Steering Group which was established to campaign for a stronger voice for tenants in terms of housing related policy and decision making.

The Steering Group includes representation from Tpas, the Confederation of Co-operative Housing (CCH), the National Federation of Tenant Management Organisations (NFTMOs), ARCH (the Association of Retained Council Housing) Tenants' Group, the National Federation of ALMOs and the National Communities Resource Centre at Trafford Hall.

TAROE Trust is participating in the work of this Steering Group because we believe that it is important that the voices of tenants are heard at every level of the decision-making process.

Engagement with the Independent Review of Building Regulations and Fire Safety ("Hackitt Review")

During Spring 2018, TAROE Trust was invited to participate in and Chair the Residents' Voice Panel of the Hackitt Review. This Working Group met twice and consisted of representatives of the National Tenant Organisations, as well as trade bodies from across the regulated and private sectors. The group also received input from tenant groups, and specialists in terms of fire safety and disability groups.

The Working Group prepared a report which brought together contributions made from a wide variety of groups, and which was submitted to Dame Judith Hackitt in April 2018.

Consultancy and income generation services

TAROE Trust Limited

Report of the Trustees for the Year Ended 31 March 2019

ACHIEVEMENT AND PERFORMANCE

Charitable Activities

During the year, staff from TAROE Trust engaged in the delivery of consultancy services to landlords operating within the regulated housing sector. These services provided specialist advice to ensure they can meet their regulatory obligations and maintain or improve the quality of services they provide to their tenants. In total, income derived from these services totalled £11,668. This income has been applied to the general running of the charity to support its continued charitable work.

In addition, income of £2,776.55 was received by TAROE Trust during the year in the form of tenant related donations. This included a single donation of £2,526.55 from Palacefields Tenants' Group.

A further £250 was received during the year as part of the 'Supporters of TAROE Trust' initiative.

Corporate matters

Trustees are selected on the basis of their knowledge, skills and competencies in relation to the regulated housing sector, and their commitment to furthering the charitable aims of the organisation.

All new Trustees receive information and guidance as part of an induction process so that they understand the responsibilities of being a charity trustee and the charitable objectives of the organisation. This includes the issue of the Charity Commission guidance publication CC3 - The essential trustee: what you need to know, what you need to do. The process also includes declarations and verification that all Trustees are 'fit and proper' in accordance with Charity Commission and HMRC requirements.

Information is provided to Trustees on new and emerging legislation, regulation and good practice both in relation to the charity sector and the regulated housing sector. Over the course of the past year, this has included information on new GDPR regulations as well as a broad range of housing policy related matters.

TAROE Trust continues to work in a challenging operating environment for charities. As a result, the following actions have been implemented during the course of the year:

- Staffing expenditure has been consolidated and reduced. From June 2018, staffing levels have been reduced to a single employee (0.4 FTE)
- A smaller office base has been sourced with effect from October 2018.
- There has been a further consolidation and reduction in overheads.

FINANCIAL REVIEW

Reserves Policy

The Trustees have examined the requirements for free reserves. The Trustees consider that given the nature of the Charity's work, free reserves should be equivalent to 3 months routine general fund expenditure, plus committed future expenditure on other projects, where funds permit. The Trustees estimate this to be approximately £7,500. The Trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources and will allow the Charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented. At 31 March 2019 the Charity had net free reserves of £25,514 (2018: £37,544). The current reserves are above the level of the reserves policy and meet the Charity's ongoing commitments.

Financial Activity and Financial Position

The Charity generated income of £14,144 during the year (2018: £36,424). The Statement of Financial Activities and Balance Sheet can be found on pages 8 and 9, respectively. The Charity's reserves decreased by £12,030 during the year (2018: £15,819). The Balance Sheet shows total net assets of £25,514 (2018: £37,544).

TAROE Trust Limited

Report of the Trustees for the Year Ended 31 March 2019

FUTURE PLANS Manifesto For Change

In February 2018, TAROE Trust launched its 'Manifesto for Change' publication. This document sets out the far-reaching changes that we believe are necessary to create a fairer system of regulated housing in England. There are 21 key recommendations included in the report, which seeks to establish the regulated sector as a 'sector of choice' instead of one of last resort. They can be summarised as follows:

1. Re-introduce capital subsidies for new housing developments that include properties to be rented at truly affordable rent levels.
2. Stop the use of rents as a source of revenue-based funding / subsidy for new housing development, introduce new models of truly affordable housing, and adopt a new basis for setting rents based on local levels of affordability (e.g. "Living Rents").
3. Re-introduce long term security of tenure for tenants living in the sector.
4. End the use of the term "social housing" and "social housing tenant" which stigmatizes tenants living within the regulated housing sector, and promote the positive benefits of the sector.
5. Establish a group that is formally recognised and funded by Government that will give tenants an equal voice in national and regional housing policy development.
6. Adoption of a single form of tenancy agreement to be used across all rented housing, which provides consumer protection for tenants, including obligations to promote effective tenant empowerment and engagement.
7. Adoption of much stronger regulation, that is prescriptive about minimum acceptable standards, which are rigorously enforced by the Regulator.
8. Adoption of a series of measures that will result in more effective tenant engagement and empowerment as a "right" based on prescriptive standards that are rigorously and proactively regulated.
9. A review of the remit and scope of the work of the Housing Ombudsman versus the Regulator to ensure there is no overlap. We also want to see both bodies given a wider scope in their ability to consider complaints, and also take action in response to ensure wider service improvements are implemented.
10. The Government to take a more interventionist approach to managing the housing markets to increase new housing supply.
11. The adoption of international accounting fiscal measures based on 'Government debt' which would promote increased council housing investment and development, whilst also providing wider economic stimulus.
12. A thorough review of the Right to Buy policy to remove the aspects which lead to unfair outcomes, particularly the discount levels, and open up its availability to tenants within the regulated sector on a more fair and equal basis.
13. End the penalisation of the poor and shift to a system which recognises the payments of benefits as part of a progressive national system of "social security"
14. Adequate funding for supported and specialist housing, as well as long-term certainty to enable councils and housing associations to commit to new supported housing developments to meet demand.
15. The Government to urgently review whether there are continued risks posed to tenants from external wall cladding fitted to high rise buildings, and for instructions to be issued to remove such materials where these do represent a risk to the safety of tenants.
16. Any ambiguity for the allowance of combustible materials in the cladding (or similar) of buildings to be outlawed as the only means of restoring public confidence, and for a timed plan to be implemented for the removal / replacement of combustible materials from existing high-rise buildings.
17. The establishment of clear and prescriptive minimum standards in building regulations that place tenant safety as a paramount consideration.
18. A prescriptive approach to regulation for tenant health and safety matters that requires routine and regular publication of health and safety assessments on building (e.g. fire risk assessments) to promote greater levels of transparency and accountability, and re-build tenant confidence.
19. The re-introduction of stronger environmental build standards, both as a way of reducing fuel poverty for tenants, and as a longer-term contribution to the planet.

TAROE Trust Limited

Report of the Trustees for the Year Ended 31 March 2019

20. The reintroduction of high quality space standards for all new housing developments.

21. The abolition of squatting as a criminal offence, which is costly, removes access to justice and criminalises the homeless.

Future Plans

In relation to corporate matters, TAROE Trust has reduced its cost base to the near minimum necessary to maintain its on-going viability. It is clear that there will be sufficient funds for the charity to continue to operate for the duration of 2019/20.

In relation to its future charitable work, TAROE Trust will focus on the following activities over the course of 2019/20:

- Respond to major Government and other key influencers' consultations in relation to housing policy and regulation change proposals. This includes the Social Housing Green Paper and actions arising out of the Independent Review of Building Regulations and Fire Safety ("Hackitt Review").
- Continue to provide direct advice and support to tenants and residents living in the regulated housing sector, particularly in relation to the resolution of complaints with their landlord.
- Continue to deliver consultancy services designed to improve governance and service delivery to tenants and residents, to maintain a sustainable income stream to support the charity's on-going charitable activities.
- Identify opportunities for new sources of funding and initiatives that further the organisation's charitable objectives.
- Continue to engage in key decision-making and influencing forums, including:
 - o The Regulator of Social Housing's (RSH) Sounding Board
 - o The RSH's National Tenant Organisation liaison meetings
 - o Regular meetings and engagement with the Housing Ombudsman
 - o Direct engagement with the Housing Minister and other officials within MHCLG wherever feasible
 - o Liaison with other National Tenant Organisations as applicable

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The trustees are selected for their business and administrative skills and their commitment to the work of the charity. Applications for trustee positions are considered and assessed by the full board. Trustees retire by rotation every three years but can put themselves forward for re-election.

Decision making

Corporate matters

Trustees are selected on the basis of their knowledge, skills and competencies in relation to the regulated housing sector, and their commitment to furthering the charitable aims of the organisation.

All new Trustees receive information and guidance as part of an induction process so that they understand the responsibilities of being a charity trustee and the charitable objectives of the organisation. This includes the issue of the Charity Commission guidance publication CC3 - The essential trustee: what you need to know, what you need to do. The process also includes declarations and verification that all Trustees are 'fit and proper' in accordance with Charity Commission and HMRC requirements.

Information is provided to Trustees on new and emerging legislation, regulation and good practice both in relation to the charity sector and the regulated housing sector. Over the course of the past year, this has included information on new GDPR regulations as well as a broad range of housing policy related matters.

Some additional changes that the charity has made during the year include

- TAROE Trust has launched new social media accounts on Facebook and Twitter to enable the charity to reach a broader audience base and publicise our charitable work more widely.
- A review of mailing lists has been undertaken to ensure compliance with new laws on data protection under GDPR from 25 May 2018.

Risk management

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

TAROE Trust Limited

**Report of the Trustees
for the Year Ended 31 March 2019**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
08546789 (England and Wales)

Registered Charity number
1156390

Registered office
Room A204
The Heath Business & Technical Park
Runcorn
Cheshire
WA7 4QX

Trustees
M Kingsford
M Kelly
M Gelling
I Bannon
Q Bradley

Independent examiner
Su Rai
BA Hons, FCA, DChA
Raise
Chartered Accountants
10th Floor
3 Hardman Street
Spinningfields
Manchester
M3 3HF

Approved by order of the board of trustees on 25/9/19 and signed on its behalf by:



.....
M Gelling - Trustee

**Independent Examiner's Report to the Trustees of
TAROE Trust Limited**

Independent examiner's report to the trustees of TAROE Trust Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2019.

Responsibilities and basis of report

As the charity's 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 charity'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

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:

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



Su Rai
BA Hons, FCA, DChA
Raise
Chartered Accountants
10th Floor
3 Hardman Street
Spinningfields
Manchester
M3 3HF

Date:25/9/19.....

TAROE Trust Limited

**Statement of Financial Activities
for the Year Ended 31 March 2019**

	Notes	31.3.19 Unrestricted fund £	31.3.18 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		2,776	18,371
Charitable activities			
Supporting housing tenants		11,668	17,750
Other income		(300)	300
Total		<u>14,144</u>	<u>36,421</u>
EXPENDITURE ON			
Raising funds	2	3,804	12,980
Charitable activities			
Supporting housing tenants		21,382	38,938
Other		988	1,115
Total		<u>26,174</u>	<u>53,033</u>
NET INCOME/(EXPENDITURE)		<u>(12,030)</u>	<u>(16,609)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward		37,544	54,153
TOTAL FUNDS CARRIED FORWARD		<u><u>25,514</u></u>	<u><u>37,544</u></u>

The notes form part of these financial statements

TAROE Trust Limited

**Balance Sheet
At 31 March 2019**

	Notes	31.3.19 Unrestricted fund £	31.3.18 Total funds £
CURRENT ASSETS			
Debtors	5	-	698
Cash in hand		26,135	37,386
		<u>26,135</u>	<u>38,084</u>
CREDITORS			
Amounts falling due within one year	6	(621)	(540)
NET CURRENT ASSETS		<u>25,514</u>	<u>37,544</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>25,514</u>	<u>37,544</u>
NET ASSETS		<u>25,514</u>	<u>37,544</u>
FUNDS			
Unrestricted funds	7	<u>25,514</u>	<u>37,544</u>
TOTAL FUNDS		<u>25,514</u>	<u>37,544</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2019 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on 25/9/19 and were signed on its behalf by:



.....
M Gelling - Trustee

The notes form part of these financial statements

TAROE Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. RAISING FUNDS

Raising donations and legacies

	31.3.19	31.3.18
	£	£
Staff costs	4,380	9,873
Support costs	(576)	3,107
	<u>3,804</u>	<u>12,980</u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2019 nor for the year ended 31 March 2018.

TAROE Trust Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

4. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.3.19	31.3.18
Chief Executive	1	1
Tenant Research Officer	1	1
	<u>2</u>	<u>2</u>

The above represents 0.4 full time equivalents.

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.19	31.3.18
	£	£
Other debtors	-	698
	<u>-</u>	<u>698</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.19	31.3.18
	£	£
Other creditors	141	-
Accruals and deferred income	480	540
	<u>621</u>	<u>540</u>

7. MOVEMENT IN FUNDS

	At 1.4.18	Net movement in funds	At 31.3.19
	£	£	£
Unrestricted funds			
General fund	37,544	(12,030)	25,514
	<u>37,544</u>	<u>(12,030)</u>	<u>25,514</u>
TOTAL FUNDS			
	<u>37,544</u>	<u>(12,030)</u>	<u>25,514</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	14,144	(26,174)	(12,030)
	<u>14,144</u>	<u>(26,174)</u>	<u>(12,030)</u>
TOTAL FUNDS			
	<u>14,144</u>	<u>(26,174)</u>	<u>(12,030)</u>

TAROE Trust Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

7. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
Unrestricted Funds			
General fund	54,153	(16,609)	37,544
TOTAL FUNDS	<u>54,153</u>	<u>(16,609)</u>	<u>37,544</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	36,424	(53,033)	(16,609)
TOTAL FUNDS	<u>36,424</u>	<u>(53,033)</u>	<u>(16,609)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	At 31.3.19 £
Unrestricted funds			
General fund	54,153	(28,639)	25,514
TOTAL FUNDS	<u>54,153</u>	<u>(28,639)</u>	<u>25,514</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	50,568	(79,207)	(28,639)
TOTAL FUNDS	<u>50,568</u>	<u>(79,207)</u>	<u>(28,639)</u>

8. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2019.

9. STATUS OF THE COMPANY

The company is limited by guarantee and does not have share capital. In the event of the winding up or discontinuation of the company the members are liable to contribute an amount not exceeding £1 towards the debts and liabilities of the company.