



HERTS YOUNG HOMELESS GROUP
(A Company Limited by Guarantee)

Report and Financial Statements
Year ended 31 March 2019

Registered Charity No. 1069498
Company No. 3525558

Herts Young Homeless Group

Contents

Trustee Board and Board Officers

| | |
|---------------------------|---|
| Chairman: | John Robinson |
| Vice Chairman: | Rebecca Sumner Smith (appointed 5 June 2019) Sukhvinder Rai (resigned 3 January 2019) |
| Treasurer: | Jason Hale (appointed 20 March 2019) Peter Mazzaresse (resigned 4 January 2019) |
| Trustees: | Kathleen Belinis Anna Moore Matthew Ritchie Baxter Professor Brian Littlechild Caroline Langdell (appointed 12 September 2018) Carol Shutkever (appointed 20 March 2019) Ross Watkins (appointed 20 March 2019) Paul Groves (appointed 6 June 2019) Debbie Bezalel (resigned 3 April 2019) Dorothy Telfer (resigned 20 March 2019) Susan Cumming (resigned 6 June 2019) |
| Company Secretary: | Helen Elliott |
| Registered Office: | 1 st Floor, Gracemead House, Woods Avenue, Hatfield, Hertfordshire, AL10 8HX |

Senior Management Team for 2018/19

| | |
|-------------------------------|----------------|
| Chief Executive | Helen Elliott |
| Head of Fundraising | Kathryn Salmon |
| Director of Operations | Sally Scott |
| Director of Business | Debbie Wood |

Auditors, Bankers, and Legal Advisors

| | |
|----------------------------|--|
| Auditor (External): | Mazars LLP, The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF |
| Bankers: | NatWest Plc, 10 St Peter's Street, St Albans, Herts, AL1 3LY |

Additional relationships used during the year for banking and fixed term investment purposes:

Virgin Money, Jubilee House, Gosforth, Newcastle upon Tyne, NE3 4PL

Close Brothers Ltd, 10 Crown Place, London, EC2A 4FT

United Trust Bank Ltd 80 Haymarket, London SW1Y 4TE

Shawbrook Bank, Lutea House, The Drive, Great Warley, Brentwood, Essex, CM13 3BE

Nationwide Building Society, PO Box 3, 5-11 St. Georges Street, Douglas, Isle of Man, IM99 1AS British Isles

Cambridge & Counties Bank Limited, Charnwood Court, 5B New Walk, Leicester, LE1 6TE

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Report of the Trustees for the year ended 31 March 2019

The Trustees are pleased to present their annual report together with the financial statements of the Charity for the year ending 31 March 2019, which are also prepared to meet the requirement for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

These financial statements have been prepared with the special provision of Part 15 of the Companies Act 2006 relating to small entities.

History of the Charity

Originally known as The Crouchfield Young Homeless Project, the organisation became Herts Young Homeless Group in 1998 upon registration with the Charities Commission under number 1069498. At that time, it was also registered as a Company limited by guarantee under number 3525558.

Our Purposes and Activities

Herts Young Homeless Group (branded **hyh**) was established in 1998 to better understand the issue of youth homelessness in Hertfordshire and how to address it. Over the past twenty one years **hyh** has grown from a small project in one area of Hertfordshire to a flourishing county-wide charity seeing over 2,200 service users per year. Our mission that shapes our annual activities is:

To prevent homelessness by empowering people to make positive informed choices. To support young people and their families, those in crisis and those at risk of becoming homeless.

hyh recognises the value of collaborative partnerships across statutory and voluntary sectors working together towards improving local provision and preventing youth homelessness. Underpinning all our work is our service-user involvement project, Live Life (formerly known as iPRO). Live Life helps us to identify where we should focus resources in order to better meet the challenge of supporting vulnerable young people in Hertfordshire.

Our principal activities are to provide a free county-wide service dealing with the problems of housing and homelessness by supplying specialist services for vulnerable young people in Hertfordshire as well as services for adults who have mental health and housing issues. We deliver this throughout Hertfordshire through our services:

- **The Homeless Hub** – a 'front door' to homeless prevention services working in partnership with One YMCA. Working intensively with young people (16 & 17 years old) and their families/carers in order to prevent homelessness
- **Under 16's Mediation** – a confidential and impartial service for young people (aged 10-15) and their families aiming to prevent family breakdown and youth homelessness
- **Floating Support** – helping 18-24 care leavers maintain their accommodation and live independently, and 18-24 year olds leaving supported accommodation
- **Health Service** – supporting service users with mental health issues working in partnership with local agencies to resolve housing matters and support access to long-term recovery for mental health and substance misuse problems
- **Education** – interactive sessions aiming to prevent youth homelessness by informing young people of where they can get help and support when experiencing difficulty. Sessions focus on topics of homelessness, leaving home, independent living, managing conflict and healthy relationships
- **Live Life** – a youth led project for young people who have experienced homelessness supporting them to turn their homeless experience into something positive
- **Nightstop Herts (18/19)** - short-term, emergency accommodation for 18 – 24-year olds (now part of the national Nightstop UK network run by Depaul UK)

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Report of the Trustees for the year ended 31 March 2019

Achievements and Performance

We have directly supported 2,200 vulnerable people in 2018/19. Our busiest areas were North Herts, Stevenage, Welwyn/Hatfield and Watford/Dacorum.

Homeless Hub

In an environment where levels of need, complexity of housing situation and demand for crisis intervention have continued to increase, the team accepted 559 referrals of 16 & 17 year olds in 2018-19. Of these:

- 97% were prevented from needing to access Local Authority Children Services;
- 93% were prevented from making a homeless application;
- 68% of young people had a planned resolution.

The areas of greatest demand were Stevenage, Welwyn Hatfield and North Herts.

Young Persons Case Worker

Complementing the work of the Homeless Hub, the Young Persons Case Worker delivered 10 hours drop-in support each week for young people in housing need in North Herts for the full 12 months. During the year we worked with 31 young people (2018: 163), which represents a reduction compared to the prior year due to reduction in funding.

Mediation – Under 16s (10-15 year olds)

With funding from The National Lottery Community Fund, qualified and skilled mediators provided intergenerational conflict mediation for families where young people were at risk of becoming homeless after the age of 16 due to family breakdown. The service received 90 referrals (2018: 109). Of the families who received mediation:

- 100% reported having a better family relationship and increased self-esteem and confidence.

Floating Support

hyh provided housing related support for young adults (18-24 year olds) who were in need of additional help to enable them to live independently. This new service offers up to a maximum of six months' support, and focused on three specific groups:

- Care leavers
 - Those leaving supported accommodation
 - Those at risk of eviction from temporary or permanent accommodation.
- Floating Support received 223 referrals (2018: 166) throughout the year;
 - The 18+ advice line took over 600 calls;
 - 78% of cases maintained independent living;
 - 100% of young people reported improvement in areas of motivation and taking responsibility, drug and alcohol misuse, physical and sexual health;
 - 98% of young people reported improvement with self-care and living skills, managing money and emotional and mental health.

Health Services

hyh has a range of health services that support vulnerable service users who present with complex needs including mental ill health.

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Report of the Trustees for the year ended 31 March 2019

Complex Needs Team

Funded by HCC, this service is delivered in partnership with Turning Point and Herts Mind Network. **hyh** brings the housing and homelessness expertise into the team alongside the capacity to support people with multiple and complex issues.

- The team supported 698 service users countywide (2018: 718), of which 272 (2018: 268) presented with housing needs;
- The busiest areas were Dacorum and Watford.

Dual Diagnosis Family Link Worker

Funded by Children in Need, this service supports families whose mental health needs and substance misuse issues are preventing them from utilising the mediation service. The worker supports either the parent or the child depending on where the need presents.

- 60 families were supported (2018: 58);
- 75% of those supported reported improved family relationships.

Dual Diagnosis Link Project

Funded by Henry Smith Charity, this service is for individuals in housing need who are 16+ and present with mental health issues and other complex needs that are putting their accommodation at risk. Working countywide, the worker supports service users to address their needs and helps them create a support network that will enable them to maintain their accommodation. During the year:

- 76% of service users maintained or improved their accommodation.

Homeless Intervention Team Worker

This service, funded by the Ministry for Housing, Community and Local Government (MHCLG), began in April 2017 delivering dual diagnosis support as part of a multi-agency team based in Watford. The service is provided in partnership with New Hope, Citizens Advice and Spectrum working with long term rough sleepers to move them from living on the streets into appropriate accommodation, with adequate support for their needs. **hyh** supported 62 (2018: 37) long term rough sleepers to access mental health support.

Nightstop Herts

This new service was developed in 2017/18 for 18 – 24 year olds as an alternative to night shelter accommodation. Nightstop provides emergency, same-night accommodation for young people experiencing homelessness, or at risk of homelessness, in the homes of trained and vetted volunteer hosts. During the year 18/19:

- Nightstop received 72 referrals for either support or accommodation;
- Of the 25 young people who stayed, 45% returned to parents, friends and extended family, and 33% moved on into supported accommodation;
- Nearly 4,000 volunteer hours supported the provision of 440 bed nights.

Whilst the **hyh** Board agreed to financially support Nightstop Herts in 2018/19 by investing £47k, unfortunately funding could not be secured for the following year. However, knowing that Nightstop Hertfordshire is an essential service for young people who find themselves in a difficult situation, **hyh** collaborated with national homelessness charity Depaul UK who have agreed to take it on, basing the services at **hyh's** offices. The service will form part of the national Nightstop UK network run by Depaul UK and will be ready to host young people across the entire county during 2019/20.

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Report of the Trustees for the year ended 31 March 2019

Tenancy Sustainment

The Tenancy Sustainment project is funded by Letchworth Garden City Heritage Foundation and supported 40 young people in the Letchworth area (2018: 52) who needed support to remain in their accommodation. The service was previously also funded by North Hertfordshire Homes, but this finished in 2017/18, hence the reduction in those supported. The tenancy sustainment worker's support has been given to young families, single people and couples without children, plus individuals who are suffering from a level of additional needs.

- 100% of referrals reported an improvement in areas of confidence and independent living, managing money and education/training and volunteering

Live Life (formerly iPRO)

hyh's service user involvement project for young people who have experienced homelessness offers them the opportunity to influence how hyh delivers services in the future and gives a voice to our service users in national forums. Live Life supports young people by gaining access to activities, training, work experience and volunteering opportunities, helping them to improve their confidence, as well as their CV, and turn their homeless experience into something positive.

Members are also able to become part of service delivery through volunteer opportunities including, among others, recruitment days, feedback on service proposals, sitting as advisors to the hyh board of directors, helping out at fundraising events, offering peer education in schools and sitting on funding panels.

In June 2018, the group planned and relaunched the project under the new name Live Life. The aim of the newly launched service is to increase the reach of the project to include service users who have been homeless but not necessarily used hyh services, and during the year a second meeting venue was added in Bishops Stortford. Further expansion is planned in the year 2019/20 to include a further two meetings countywide. During the year, 25 new members joined whilst 3 members left. As of today, Live Life has a total of 22 members (2018:15).

Education

hyh's education service offers a range of different education sessions aimed at preventing homelessness and addressing some of the common causes of homelessness. This year the service educated 8,934 young people (2018: 9,856).

Home Truths – working in schools and other education establishments, raising awareness of the realities of homelessness and the support available when leaving home. This incorporated **Next Steps** sessions which focus on private rented and student accommodation for those looking to go to University. Educated 7,072 people across the county (2018: 8,109)

Feedback from young people educated:

- 98% knew where to access support if ever having problems at home or made homeless.

Feedback from teachers/professionals:

- 100% would recommend the session to others;
- 96% thought the message that you need to plan before leaving home was 'very clear' or 'clear'.

Quotes from Students:

- *'I learnt that the biggest cause of homelessness is family issues/breakdown, and this can be helped through mediation.'*

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Report of the Trustees for the year ended 31 March 2019

Your Voice Your Choice - addresses domestic abuse prevention for young people with a view of avoiding family breakdown and homelessness. Educated 1,561 young people (2018: 1,104)

Professional feedback:

100% of professionals thought the message was clear in raising awareness of domestic abuse issues facing young people.

Student Quotes

'That you shouldn't be afraid to tell people and there are people you can talk to you about abusive relationships.'

'I have learned how to recognise an unhealthy relationship.'

Solve it Resolve it - improves understanding about conflict and gives strategies to manage healthy relationships. In 2018/19, **hyh** educated 301 (2018: 643) young people.

Student feedback evidenced:

- 92% can recognise a change they could make when in an argument;
- 94% can give an example of this change;

96% named a factor that can affect communication.

Financial Review

The Charity recorded a deficit of £40,462 from ordinary operations, which reflected our decision to support Nightstop at a cost of £46,978. Considering our continuing operations only, we made a surplus of £6,516.

However, a Board strategic review carried out in 2018 recommended that **hyh** fundamentally change the management and fundraising structure of the charity to make it fit for purpose in the increasingly challenging funding environment in order that **hyh** can continue to serve the needs of our service users. This resulted in **hyh** incurring restructuring costs of £58,488, bringing our net expenditure for the year after extraordinary expenditure to £98,950 (2018: £10,573).

With our newly established team and structure, we are confident we are moving forward with sustainable services and we are working towards a break even position in the upcoming financial year 19/20.

We hold reserves of £238,753 in line with our stated reserve policy and a strong cash position of £410,202 at 31 March 2019.

Investment Powers and Policy

The Trustees, having regard to the liquidity requirements of operating the service, have kept available funds in FCA registered UK banks covered by governmental guarantees. The Charity has continued to adopt a conservative investment policy that seeks to balance capital preservation and achieving an appropriate return.

Public Benefit

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

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Report of the Trustees for the year ended 31 March 2019

The Trustees monitor and review the success of the charity in meeting its strategic objectives of:

- **Prevention and early intervention**
- **Crisis intervention**
- **Independent living support**

And in doing so, we ensure that we are meeting the aims of the public benefit test

However, we recognise that our efficacy across all our services needed to be quantified to enable stakeholders to have a better understanding of how, and where, resources can be best targeted. A report published last year found evidence of the impact of the comprehensive provision that **hyh** makes. A conservative estimate of the saving to the public purse of preventing a young person from being subject to Section 20 Care Proceedings is around £18,562 per young person per year – based on the use of foster care primarily as opposed to residential services. In an environment of increasingly scarce resources and complex need, **hyh**'s activities around preventing homelessness have remained at the core of our operations during 2018/19.

Reserves Policy

Reserves that are unrestricted funds held by the Charity should be sufficient to meet all payment obligations and to contribute to **hyh** fulfilling its aims and purposes. The target level of free reserves is determined annually by the Trustees upon recommendation from the Finance & General Purposes Committee. Our reserves policy is to maintain free reserves at a level which equates to approximately three months of unrestricted total cost of charitable activities. The Trustees consider that this level will provide sufficient funds whilst awaiting grant funding and ensure that support and governance costs are covered.

The balance held as unrestricted funds at 31 March 2019 was £219,741 (2018: £336,775). This is in line with our reserves target.

Going Concern

The Charity's business activities, its current financial position and factors likely to affect its future development are set out within the Trustees' report.

The Charity's HCC contracts of £422,554 (2018: £352,202) constituted 30.6% (2018: 37.44%) of our grant revenue for the year ending 31 March 2019. We are continually seeking to improve the percentage of funding from all other sources and with this in mind the Charity has undergone a significant reorganisation process to reduce the cost base in line with income projections for the forthcoming year.

In 2015/16, 64% of our income was from HCC statutory contracts but we have worked to diversify and in 18/19 it was only 30.6%. As part of **hyh**'s strategic aim of increasing financial robustness and sustainability, a fundraising audit was undertaken in 2018 and a new income generation plan developed alongside a new fundraising team structure. This will be effective from 2019/20.

During 2018/19 all direct costs, administration and overheads were reviewed alongside our contractual agreements to ensure we remain cost effective and efficient.

In 2019 **hyh** was awarded Hertfordshire Children's Services Charity Partner of the Year. We work closely with the relevant commissioning teams to identify gaps in provision, and challenges involved in service delivery, making suggestions as to how we feel things can be improved. As a direct result **hyh** have secured funding for three new roles in 19/20; a targeted outreach worker and two intensive support workers.

Based on all the developments above, the Trustee Board has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed.

Plans for Future Periods

The Charity remains concerned at the UK's economic situation which continues to lead to changes in

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Report of the Trustees for the year ended 31 March 2019

central and local government priorities, reducing funding and increasing demand for our services.

The Charity remains alert to the difficulties surrounding Brexit. Whilst it is difficult to predict the long-term impact of Brexit for the economy, the Board believes that uncertainty and economic volatility will continue to dominate. The Trustees will continue to review the social impact of Brexit on the homelessness sector, and remain focused on ensuring that **hyh** is financially resilient in these volatile times.

The Trustees recognise that there are many significant future challenges facing the charitable sector, with increased scrutiny on governance and other external factors such as austerity measures and data protection changes impacting our capacity to be flexible and responsive to local need. The Trustees believe that compliance with the law is an integral part of good governance and, alongside meeting its legal and regulatory responsibilities, have recommended the Charity applies the Charity Code of Governance as a benchmark for good practice and continuous improvement. The seven principles which make up the code will be regularly reviewed and reflected on as part of the remit of the Governance Committee. These will be further discussed at Board level in order that the Trustees make well-considered decisions about how these are applied in **hyh**.

The Board continues to take steps to ensure we are prepared both strategically and operationally to accommodate increased demands, and remains committed to developing a strong and vibrant organisation in order to serve its beneficiaries and the local community.

In doing so the Trustees and **hyh** team have compiled a three year strategy for 2019-2022. This identifies three key strategic aims which **hyh** must meet in order to achieve our overall vision of 'preventing Hertfordshire's homelessness together'.

1. To increase the availability of services in our **three priority areas** of prevention/early intervention, crisis intervention, and independent living support;
2. To **ensure resilience and sustainability** of the organisation, in particular by increasing the proportion of unrestricted funding, and by investing in our core infrastructure and staff skill base;
3. To **provide an informed and authoritative voice in the sector**, in order to constructively influence decision makers, particularly around the difficulties affecting our service users.

1. Priority service areas

Our three main priorities are the areas **hyh** will focus on in order to achieve our overall vision of **preventing Hertfordshire's homelessness together**.

In 2019-2022, all of the services we deliver will target at least one of these areas.

Prevention and early intervention

We want to enable more young people to remain living with their families. Our education, advice & information and mediation services will work to reduce the occurrence of youth homelessness in Hertfordshire.

Crisis intervention

We want to be able to provide crisis support in relation to housing free at the point of need. We will do this using our numerous partnerships across the county, that enable **hyh** to offer a fast and effective response to people threatened or experiencing homelessness.

Independent living support

We want to empower individuals to make their own choices and live independently helping them to avoid rent arrears and other behavioural, health and social issues which often lead to tenancy failure.

2. Organisational resilience & sustainability

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Report of the Trustees for the year ended 31 March 2019

We want to ensure that **hyh** has the **financial resources** to weather the storms of funding cuts, to ensure the services we provide are not threatened by continual changes in government funding. We also want to have sufficient resources that, where necessary, we can pilot innovative solutions for which formal funding is not available.

In addition to financial resources, we want to ensure that **hyh** has **the right infrastructure for the future**, including the right marketing and fundraising approach, the right technology, and the right training and development options for our staff.

3. An informed and authoritative voice

We want to provide an informed and authoritative voice in the sector, in order to **constructively influence decision makers**, particularly around the difficulties affecting service users that occur as a result of short-term decision making by statutory agencies.

Structure, Governance and Management Governing Document

Herts Young Homeless Group was registered with the Charity Commission on 11 May 1998 having been formed as a Company limited by guarantee incorporated on 11 March 1998, governed by its Memorandum and Articles of Association.

Appointment of Trustees

As set out in the Articles of Association, each year, one third of the elected members of the Board of Management (or if their number is not a multiple of three then the number nearest to one third) shall retire from office. The members to retire shall be those longest in office since their last election. Retiring Board Members' are eligible for re-election. All members are circulated with invitations to nominate Directors prior to the AGM advising them of the retiring Directors and requesting nominations for the AGM.

In the 18/19 year, one trustee retired due to long service, one trustee resigned due to moving overseas, one due to a change in personal circumstances and one trustee resigned due to a conflict of interest with their paid employment. The Board undertook active recruitment to ensure these Board members were replaced on a timely basis, and **hyh** is delighted to welcome a number of highly qualified new trustees to the Board; whose areas of expertise include finance, the housing sector, lived experience of homelessness, fundraising, grants, governance, and strategic planning. This has brought a significant strengthening of the Board.

Trustee Induction and Training

New Trustees undergo a period of orientation to brief them on: their legal obligations and Company law, the Charity Commission guidance on public benefit, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the Charity. During their induction they meet key employees and other Trustees. A new Trustee induction pack has been developed which includes a brief history of **hyh**, together with an outline of the power and responsibilities of the Board, the management structure, and a code of conduct for Trustees including formal statements of role and responsibilities.

Provision is made for Trustee training and Trustees are encouraged to attend appropriate internal and external training where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees, which can have up to 12 members, administers the Charity. The Board normally meets 5 times a year and there are sub-committees covering Finance and General Purposes, Governance and a newly constituted Fundraising sub-committee which meet quarterly, all in advance of the scheduled board meeting. A Health and Safety committee also meets regularly reporting to the Finance and General Purposes sub-committee.

A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operations the Chief Executive has delegated authority, within terms of

Herts Young Homeless Group

Report of the Trustees for the year ended 31 March 2019

delegation approved by the Trustees, for operational matters including finance, employment and service delivery.

Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work with the Charity as set out in note 4 to the financial statements.

hyh is committed to partnership working and works with other agencies and funders who provide essential core funding towards improving the provision of suitable accommodation and preventing homelessness. These include Hertfordshire County Council and other local authorities, The National Lottery Community Fund, Comic Relief, Henry Smith, Children in Need, Letchworth Garden City Heritage Foundation, Aldwyck Housing and a number of Charitable Trusts and Housing Associations. Where significant levels of co-operation and subcontracted responsibility occur, Memorandums of Understanding are in place to ensure clear delineation of expectation and responsibility between partner agencies.

A significant proportion of **hyh**'s work is with Hertfordshire's Children's Services and Local Housing Authorities. To ensure that partner agencies – including statutory bodies – understand where their duties and responsibilities lie, **hyh** continues to service as an integral partner in the production and training on Hertfordshire's Joint Housing Protocol.

In partnership with One YMCA, **hyh** has delivered the provision of homelessness prevention and housing services since April 2017 for 16 – 24 year olds, and in partnership with Aldwyck Housing Association, **hyh** has been providing Hertfordshire's Young Person's Floating Support Service since October 2017.

hyh has a memorandum of understanding with our 4 other charitable partner agencies in Hertfordshire. This has continued to provide a platform for us to facilitate joint working on agreed projects and service delivery; sharing and consolidating our joint expertise and resource.

Key management personnel remuneration

The Trustees consider the board of Trustees, the Chief Executive, and the newly formed Executive Management Team as comprising the key management personnel of the Charity. The Executive Management Team together with service managers are in charge of directing and controlling, running and operating the Charity on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year.

Trustees are required to disclose all relevant interests and, in accordance with the Board's policy withdraw from decisions where a conflict of interest arises.

hyh's insurance policies indemnify the Trustee Board and Officers against liability when acting for the Charity providing their actions are not reckless or fraudulent.

The pay of the Charity's Chief Executive and Senior Management Team is reviewed annually and normally increased in accordance with average earnings, the Trustees benchmark these salaries against pay levels in other charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Risk Management

The Trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that the Charity faces
- The establishment of policies, systems and procedures to mitigate those risks identified
- The implementation of procedures designed to minimise or manage any potential impact on the Charity should those risks materialise.

Attention has also been focused on non-financial risks arising from fire, health and safety of service

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Report of the Trustees for the year ended 31 March 2019

users and staff and contract compliance. These risks are managed by ensuring training is up to date and by having robust policies and procedures in place. A separate Health and Safety Committee reports to the Finance Sub Committee so that Trustees are aware of their responsibilities on all matters relating to health and safety.

Trustees' responsibilities in relation to the financial statements

The Trustee Board is responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Company law requires the Charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure of the Charity for that period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditor

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- There is no relevant audit information, being information needed by the auditor in connection with preparing the report, of which the Charity's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Mazars LLP were appointed as auditor in the year and a resolution reappointing them will be put to the Annual General Meeting.


Small companies note

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The report of the Trustee Board was approved by the Trustees on 18 September 2019 and signed on their behalf by:

Herts Young Homeless Group

Report of the Trustees for the year ended 31 March 2019


John Robinson
Chairman and Trustee

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Chairman's Report for the year ended 31 March 2019

2018/19 was a further challenging year for the Charity. It is pleasing to report that the underlying operations broke even, whilst the overall results reflect two key decisions taken by the Board during the year. The first of these was to support the development of the Nightstop operation which cost about £47k. I am also pleased to say that we have now entered into an agreement with Depaul who will be overseeing the further development of this key activity. The second decision was to fundamentally change the management and fundraising structure of the Charity to make it fit for purpose in the increasingly challenging environment for the provision of funding to serve the needs of our service users. This resulted in restructuring costs of £58k.

The Charity has now completed its 3 year strategic plan for its future development as described in detail in the Trustees' report. This will result in a clearer focus in the development of the Charity as we seek to address the needs of as many service users as possible within the resource constraints of the Charity.

The involvement of our ex-service users and others who have been homeless in all aspects of the charity remains a critical part of what **hyh** uniquely has to offer. I am delighted to report that the Live Life project is going from strength to strength and is being recognised by a number of awards. It now operates out of two centres in Hatfield and Bishops Stortford, and plans are progressing to add a further two in the next 12 months.

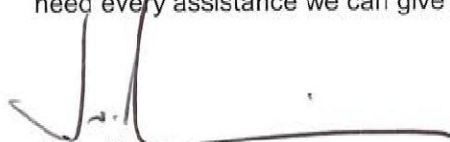
During the year our Education team have engaged with almost 9,000 children, reflecting my belief that prevention remains the best way to develop the Charity and hopefully reduce the number of those young people who need the services we provide.

The quality of service provision within **hyh** was recognised recently by Hertfordshire County Council who chose **hyh** as the Children's Services Charity Partner of the year for 2019. This is a fantastic achievement and is testimony to the dedicated staff team working within the charity. My thanks go to all of those without whom **hyh** would not be the force it is today.

The main body of the report details the other significant achievements in all the areas of our activities. This continues to reflect the ability of our dedicated staff to adapt to uncertain times and funding challenges and yet still change the lives of the many thousands of young people with whom we come in contact during any one year.

The reality of the changing funding environment has resulted in our increasing emphasis on raising unrestricted funding. I welcome the new fundraising team which is now in place and I look forward to working with them to further enhance our ability to help as many vulnerable young people as possible in the coming year.

hyh continues to face the future with a strong level of reserves represented primarily by cash and short term investments and with a dedicated team of people who will take the organisation forward to achieve life changing outcomes for those people whose circumstances continue to dictate that they need every assistance we can give them.



John Robinson

Chairman and Trustee

Date: 18 September 2019

Independent auditors report to the members of Herts Young Homeless Group

Opinion

We have audited the financial statements of Herts Young Homeless Group (the 'company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of uncertainties due to the United Kingdom exiting the European Union on our audit

The Directors' view on the impact of Brexit is disclosed on page 7.

The terms on which the United Kingdom may withdraw from the European Union are not clear and it is therefore not currently possible to evaluate all the potential implications to the Company's trade, customers, suppliers and the wider economy.

We considered the impact of Brexit on the Company as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the Company's future prospects and performance.

However, no audit should be expected to predict the unknowable factors or all possible implications for the Company and this is particularly the case in relation to Brexit.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Herts Young Homeless Group

Independent auditors report to the members of Herts Young Homeless Group

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Chairman's annual report and the Report of the Trustees which includes the Strategic Report and the Report of the Trustees prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chairman's annual report and Report of the Trustees, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chairman's annual report or the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 10, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent auditors report to the members of Herts Young Homeless Group

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Vincent Marke (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

The Pinnacle,
160 Midsummer Boulevard,
Milton Keynes,
MK9 1FF

Date: 25 September 2019

Herts Young Homeless Group

Statement of Financial Activities for the year ended 31 March 2019

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2019 £ | Total 2018 £ |
|--|-----------------|----------------------------|--------------------------|--------------------|--------------------|
| Income and endowments from: | | | | | |
| Grants | | 759,010 | 329,564 | 1,088,574 | 1,057,114 |
| Other fundraising activities | | 125,688 | 8,763 | 134,451 | 108,431 |
| Donations | | 154,171 | - | 154,171 | 153,289 |
| Other income | | 10,932 | - | 10,932 | 16,863 |
| Income from Investments | | 5,011 | - | 5,011 | 5,222 |
| Total income | 3 | 1,054,812 | 338,327 | 1,393,139 | 1,340,919 |
| Expenditure on Raising funds | | | | | |
| Direct costs of generating funds | | 128,310 | - | 128,310 | 118,956 |
| Total costs of generating funds | 4 | 128,310 | - | 128,310 | 118,956 |
| Charitable Activities | | | | | |
| Direct, staff and overheads | | 950,606 | 317,943 | 1,268,549 | 1,157,055 |
| Support costs | | 34,442 | 2,300 | 36,742 | 32,303 |
| Total costs of charitable activities | 4 | 985,048 | 320,243 | 1,305,291 | 1,189,358 |
| Total expenditure | | 1,113,358 | 320,243 | 1,433,601 | 1,308,314 |
| Net income/(expenditure) before extraordinary expense | | (58,546) | 18,084 | (40,462) | 32,605 |
| Extraordinary expense | 6 | 58,488 | - | 58,488 | 43,178 |
| Net income/(expenditure) after extraordinary expense | | (117,034) | 18,084 | (98,950) | (10,573) |
| Transfer - Restricted shortfall from unrestricted | | - | - | - | - |
| Reconciliation of funds: | | | | | |
| - Total funds brought forward | 12,13,14 | 336,775 | 928 | 337,703 | 348,276 |
| Total funds carried forward | 12,13,14 | 219,741 | 19,012 | 238,753 | 337,703 |

The charitable Company's income and expenditure all relates to continuing operations.

The notes of pages 21 to 31 form part of these financial statements.

Herts Young Homeless Group

Balance Sheet at 31 March 2019

Company number: 3525558

| | | 31 March 2019 | | 31 March 2018 | |
|--|----------|------------------|----------------|------------------|----------------|
| | Notes | £ | £ | £ | £ |
| Non-current assets | | | | | |
| Fixed assets | 7 | <u>15,411</u> | | <u>-</u> | |
| Current assets | | | | | |
| Debtors | 8 | 22,352 | | 50,316 | |
| Short term investment | 9 | 291,168 | | 344,075 | |
| Cash and cash equivalents | 9 | <u>119,034</u> | | <u>100,028</u> | |
| Total current assets | | 432,554 | | 494,419 | |
| Liabilities | | | | | |
| Creditors: Amounts falling due within one year | 10 | <u>(209,212)</u> | | <u>(156,716)</u> | |
| Net current assets | | | 223,342 | | 337,703 |
| Net assets | | | 238,753 | | 337,703 |
| The funds of the Charity: | | | | | |
| Unrestricted funds - general | 12 | 219,741 | | 336,775 | |
| Restricted funds | 13 | <u>19,012</u> | | <u>928</u> | |
| | | | | | 337,703 |
| Total Charity funds | 12,13,14 | | 238,753 | | 337,703 |

These financial statements have been prepared with the special provision of part 15 of the Companies Act 2006 relating to small entities.

The accounts on pages 18 to 31 were approved and authorised for issue by the Board of Trustees on 18-9-19 and signed on their behalf by:

John Robinson

Chairman and Trustee

Jason Hale

Treasurer and Trustee

The notes of pages 21 to 31 form part of these financial statements.

Herts Young Homeless Group

Statement of Cash Flows for the year ended 31 March 2019

| | 31 March 2019 | | 31 March 2018 | |
|--|---------------|-----------------|---------------|-----------------|
| | £ | £ | £ | £ |
| Cash flows from operating activities: | | | | |
| Net (expenditure) for the year - as per the Statement of Financial Activities | | (98,950) | | (10,574) |
| Adjustments for: | | | | |
| Depreciation | | 5,882 | | - |
| Interest from investments | | (5,011) | | (5,222) |
| (Increase)/decrease in short term investments | | 52,907 | | (28,208) |
| (Increase)/decrease in debtors | | 27,964 | | (8,574) |
| Increase/(decrease) in creditors | | 52,496 | | 12,118 |
| Net cash (used in) operating activities | | 35,288 | | (40,460) |
| Cash flows from investing activities: | | | | |
| Purchase of fixed assets | | (21,293) | | |
| Interest from investments | | 5,011 | | 5,222 |
| Net cash generated from investing activities | | (16,282) | | 5,222 |
| Change in cash and cash equivalents in the year | | 19,006 | | (35,238) |
| Cash and cash equivalents at the beginning of the year | | 100,028 | | 135,265 |
| Cash and cash equivalents at the end of the year | | 119,034 | | 100,028 |

The notes on pages 21 to 31 form part of these financial statements.

Notes to the financial statements for the year ended 31 March 2019

1. Accounting policies

General information

hyh is a Company limited by guarantee, incorporated in England and Wales. The address of its registered office and principal place of business is disclosed in the Company information.

Our principal activities are to provide a free county-wide service dealing with the problems of housing and homelessness by supplying specialist services for vulnerable, young people in Hertfordshire as well as services for adults who have mental health and housing issues.

The financial statements are presented in Sterling and this is the functional currency of the Charity.

Basis of preparation

The financial statements have been prepared under the historical cost convention, on a going concern basis and in accordance with applicable accounting standards. In preparing the financial statements the Charity follows best practice as set out in the Statement of Recommended Practice: 'Accounting and Reporting by Charities' (SORP), the Financial Reporting Standard applicable in the United Kingdom and Ireland (FRS102) and the Charities and Companies Acts.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees have not identified any material uncertainties or events that may cast significant doubt about the ability of the Charity to continue as a going concern.

Income

Grants, Project Funding, and large Single Donations have been treated as income in the year they have been earned or deferred to the accounting period in the year the service will be provided unless agreed by the donors. The Directors consider phasing income adjustments to future periods in light of requests to or by funders where this is needed to phase contracted income in order to maintain service levels.

Expenditure

All expenditure and administration costs comprise direct expenditure, including direct staff costs attributable to the activity, together with central support costs which are expended in line with our charitable objectives. Where central support costs cannot be directly attributed to an activity, they are allocated on a basis using either direct hours percentage, an estimated time and effort percentage or the percentage of incoming grant funding for the activity to total grants.

Fund accounting

Unrestricted Funds are considered by the Directors as funds coming into the Charity and held in reserves to provide for the services of the Charity. Restricted funds are considered by the Directors to be funds that are granted to the Charity with certain additional requirements to provide specific charitable activities. Accounting for restricted activities is maintained separately to unrestricted funds, being reported separately to the commissioning bodies as required under the terms of the grant.

Cash and cash equivalents

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

Investments

It is the Charity's policy to ensure that all funds are held in FCA registered banks and yield interest applicable to low risk cash investments.

Herts Young Homeless Group

Notes to the financial statements for the year ended 31 March 2019 (continued)

1. Accounting policies (continued)

VAT

The Charity is not registered for VAT. Irrecoverable VAT is included in the costs of the item to which it relates.

Fixed Assets including Office Furniture and Equipment

The Charity has introduced a capitalisation policy of £500 of individual assets and £500 for bulk purchases of similar assets where individual assets fall below the threshold.

Depreciation is provided at rates calculated to write each asset down to its estimated residual value over its expected useful life:

Office equipment - 3 years straight line basis

Pensions

The Charity provides staff with access to one current scheme (a historic scheme is also held) to which the Charity provides funding between 3% and 6%, depending on the contribution of the employee. From 1 October 2014 all new employees joined an auto enrolment compliant scheme in their first full month of employment if they met the eligibility conditions. These funds are paid over monthly to the service providers and held in the individual's name. The costs were £43,648 in 2018-19 (£40,641 in 2017-18).

Creditors

The Charity seeks to pay all creditors within agreed credit terms.

Leased Assets

Rental applicable to operating leases, where substantially all benefits and risks of ownership remain with the lessor, are charged to the income and expenditure account as incurred.

Governance Costs

Board expenses, insurances, clinical supervision, HR support and audit fee incurred are reported to comply with constitutional or statutory requirements of the Charity.

Financial Instruments

The Charity only enters into basic financial instrument transactions that result in the recognition of financial assets such as trade and other debtors and short term investments (notice period not exceeding 3 months) and financial liabilities such as trade and other creditors. Basic financial instruments are initially recognised at transaction value and then subsequently measured at their settlement value.

Judgements in applying accounting policies and key sources of estimation uncertainty

Due to the nature of the charitable company's activities and financial statements, the Trustees do not consider there to be any significant judgements or sources of estimation uncertainty which could influence the reader's understanding of the financial statements.

Herts Young Homeless Group

Notes to the financial statements for the year ended 31 March 2019 (continued)

2. Net expenditure

Net expenditure is after charging:

| | 2019 £ | 2018 £ |
|---|--------------|--------------|
| Operating leases on land and buildings | 19,133 | 22,000 |
| Auditors' remuneration – audit | 5,150 | 5,000 |
| Auditors' remuneration – non-audit services | <u>1,500</u> | <u>1,500</u> |

3. Income

| | Unrestricted funds £ | Restricted funds £ | 2019 £ | 2018 £ |
|---|----------------------------|--------------------------|------------------|------------------|
| Income and endowments from: | | | | |
| Grants | | | | |
| Hertfordshire County Council | 422,554 | - | 422,554 | 352,202 |
| Other Local Authorities | - | - | - | 141,625 |
| The National Lottery Community Fund | - | 116,794 | 116,794 | 90,538 |
| Comic Relief | - | - | - | 21,977 |
| Henry Smith | - | 29,833 | 29,833 | 39,700 |
| Charity and Housing Associations | 336,456 | - | 336,456 | 336,456 |
| Fundraising Income | 125,688 | 8,763 | 134,451 | 108,431 |
| Donations | 154,171 | 3,888 | 158,059 | 153,290 |
| MHCLG New Hope | - | 32,834 | 32,834 | 32,834 |
| Children In Need | - | 31,665 | 31,665 | 31,781 |
| General grants | - | 114,550 | 114,550 | 10,000 |
| Total donations and legacies | <u>1,038,869</u> | <u>338,327</u> | <u>1,377,196</u> | <u>1,318,834</u> |
| Other income | | | | |
| Sale of Support Courses and Consultancy | 10,932 | - | 10,932 | 16,863 |
| Total other trading activities | <u>10,932</u> | <u>-</u> | <u>10,932</u> | <u>16,863</u> |
| Investments | | | | |
| Cash Interest on short/long term Deposits | 5,011 | - | 5,011 | 5,222 |
| Total investments income | <u>5,011</u> | <u>-</u> | <u>5,011</u> | <u>5,222</u> |
| Total income | <u>1,054,812</u> | <u>338,327</u> | <u>1,393,139</u> | <u>1,340,919</u> |

Herts Young Homeless Group

Notes to the financial statements for the year ended 31 March 2019 (continued)

4. Total expenditure before extraordinary expense

| | Staff costs £ | Direct costs £ | Support costs £ | 2019 Total £ | 2018 Total £ |
|---|---------------------|----------------------|-----------------------|--------------------|--------------------|
| Costs of Generating Funds | | | | | |
| Cost of Marketing & Fundraising | 105,151 | 11,875 | 11,284 | 128,310 | 118,956 |
| | | | | | |
| Charitable Activities | | | | | |
| Unrestricted Activities | 726,500 | 80,884 | 177,664 | 985,048 | 981,929 |
| Restricted Activities | 274,131 | 43,812 | 2,300 | 320,243 | 207,429 |
| | 1,000,631 | 124,696 | 179,964 | 1,305,291 | 1,308,314 |
| | | | | | |
| Total expenditure before extraordinary expense | 1,105,782 | 136,571 | 191,248 | 1,433,601 | 1,308,314 |

Analysis of central support costs and overheads-

| | 2019 £ | 2018 £ |
|---|-----------|-----------|
| Governance | 23,579 | 19,311 |
| Direct client costs | - | 3,194 |
| Head office staff | 16,725 | 69,447 |
| Information technology | 32,732 | 25,524 |
| Premises | 40,904 | 40,426 |
| Legal | 6,535 | 2,053 |
| Stationery, postage, telephone, equipment | 18,273 | 16,518 |
| Sundry costs | 45,439 | 23,426 |
| Marketing support | 7,061 | 13,483 |
| | 191,248 | 213,382 |

The basis of allocation was budgeted direct hours.

Governance costs comprise the audit fee, board expenses, indemnity insurance, clinical supervision and HR support.

Herts Young Homeless Group

Notes to the financial statements for the year ended 31 March 2019 (continued)

5. Employee costs

| Analysis of staff costs, Trustee remuneration and expenses | 2019 £ | 2018 £ |
|--|------------------|------------------|
| Wages and salaries | 959,934 | 884,080 |
| Social security costs | 77,004 | 70,740 |
| Pension costs | 43,648 | 40,641 |
| Group Life Insurance Policy | 1,986 | 5,506 |
| Other costs | 3,181 | 9,452 |
| | <u>1,085,753</u> | <u>1,010,419</u> |

All front line employees are checked via the Disclosure and Barring Service (DBS) and have their references taken up. In addition, volunteers, together with students on work placements, undergo DBS checks before working with our clients. The partnership agreement with Aldwyck gives access to approximately 6 qualified staff not included in the **hyh** staffing levels nor staff costs. In 2018/19, the sub-contracted cost including overheads was £50,000 (2018: £50,000), covering staff and operating costs.

During the year no employee earned remuneration in excess of £60,000 (2018: one).

hyh operates two contribution pension schemes; a stakeholder defined contribution scheme and an auto-enrolment pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered funds. The pension cost charge represents contributions payable in the year by the Company to the fund; total contributions amounted to £43,648 (2018: £40,641).

Termination payments are recognised when a commitment to pay them arises. Following the review of our activities described in the Annual Report, Achievements and Performance, four members of staff (2018: 1) received a severance package which included compensation payments totalling £29,281 (2018: £15,668).

In the year, the Trustees received no remuneration and £395 (2018: £nil) reimbursement of expenses. The value of expenses waived by the Trustees is undisclosed as immaterial. Liability insurance was obtained for £593 (2018: £470).

There are 13 members of key management personnel (2018: 13). The key management personnel of the Charity comprises of the senior management team, unpaid Trustees and the Chief Executive Officer,

Remuneration totalling £178,832 (2018: £183,786) was paid to 4 key members of management (2018: 4).

| Average number of employees by activity | Year to March 2019 | Year to March 2018 |
|---|--------------------------|--------------------------|
| Generating funds | 4 | 3 |
| Charitable activities | 37 | 33 |
| Management and administration | 7 | 6 |
| | <u>48</u> | <u>42</u> |

The equivalent full-time number of staff is 28 (2018: 34).

Herts Young Homeless Group

Notes to the financial statements for the year ended 31 March 2019 (continued)

6. Extraordinary expense

| | 2019 £ | 2018 £ |
|---------------------|---------------|---------------|
| Restructuring costs | <u>58,488</u> | <u>43,178</u> |

7. Tangible fixed assets

| | Office equipment £ | Total £ |
|-----------------------|--------------------------|---------------|
| Cost | | |
| At 1 April 2018 | - | - |
| Additions | 21,293 | 21,293 |
| Disposals | <u>-</u> | <u>-</u> |
| At 31 March 2019 | <u>21,293</u> | <u>21,293</u> |
| Depreciation | | |
| At 1 April 2018 | - | - |
| Charge for the year | <u>5,882</u> | <u>5,882</u> |
| At 31 March 2019 | <u>5,882</u> | <u>5,882</u> |
| Net Book Value | | |
| At 31 March 2019 | <u>15,411</u> | <u>15,411</u> |
| At 31 March 2018 | <u>-</u> | <u>-</u> |

8. Debtors

| | 2019 £ | 2018 £ |
|----------------|---------------|---------------|
| Trade debtors | 7,638 | 39,775 |
| Other debtors | 20 | 940 |
| Prepayments | 13,684 | 8,325 |
| Accrued income | 1,010 | 1,276 |
| | <u>22,352</u> | <u>50,316</u> |

Herts Young Homeless Group

Notes to the financial statements for the year ended 31 March 2019 (continued)

9. Short term investments and cash and cash equivalents

| | 2019 £ | 2018 £ |
|---|----------------|----------------|
| Short term investments: | | |
| Fixed notice accounts (notice not exceeding 3 months) | <u>291,168</u> | <u>344,075</u> |
| Cash and cash equivalents | <u>119,034</u> | <u>100,028</u> |

10. Creditors

| | 2019 £ | 2018 £ |
|-------------------------------------|----------------|----------------|
| Trade creditors | 21,326 | 39,895 |
| Accruals | 10,521 | 14,100 |
| Deferred income | 95,539 | 74,681 |
| Sundry creditors | 55,098 | 2,845 |
| Other creditors | 25,217 | 25,050 |
| Friends of hyh | 1,511 | 145 |
| Amounts falling due within one year | <u>209,212</u> | <u>156,716</u> |

Deferred income

Deferred income represents income received or invoiced during the year, in respect of future charitable activities taking place after 31 March 2019.

| | Balance 1 April 2018 £ | Released in the year £ | Deferred in the year £ | Balance 31 March 2019 £ |
|-----------------|---------------------------------|---------------------------------|---------------------------------|----------------------------------|
| Deferred Income | <u>74,681</u> | <u>(74,681)</u> | <u>95,539</u> | <u>95,539</u> |

Herts Young Homeless Group

Notes to the financial statements for the year ended 31 March 2019 (continued)

11. Financial instruments

| | 2019 £ | 2018 £ |
|--|----------------|----------------|
| Short term investments | 291,168 | 344,075 |
| Cash and cash equivalents | 119,034 | 100,028 |
| Financial assets measured at FV through P&L | 410,202 | 444,103 |
| Trade debtors | 7,638 | 39,773 |
| Other debtors | 20 | 940 |
| Accrued income | 1,010 | 1,276 |
| Financial assets that are debt instruments measured at amortised cost | 8,668 | 41,990 |
| Financial assets | 418,870 | 486,093 |
| | 2019 £ | 2018 £ |
| Trade creditors | 21,326 | 39,894 |
| Accruals | 10,521 | 14,100 |
| Sundry creditors | 55,098 | 2,845 |
| Friends of hyh | 1,511 | 145 |
| Financial liabilities measured at amortised cost | 88,456 | 56,984 |

12. Unrestricted funds

| | Balance 1 April 2018 £ | Income £ | Movement in resources Expenditure £ | Transfers £ | Balance 31 March 2019 £ |
|--------------------|------------------------------|------------------|---|----------------|-------------------------------|
| Unrestricted funds | 336,775 | 1,054,812 | (1,171,846) | - | 219,741 |
| | 336,775 | 1,054,812 | (1,171,846) | - | 219,741 |

Herts Young Homeless Group

Notes to the financial statements for the year ended 31 March 2019 (continued)

13. Restricted funds

| | Balance 1 April 2018 | Income | Movement in resources Expenditure | Transfers | Balance 31 March 2019 |
|-------------------------------------|-------------------------|----------------|--------------------------------------|-----------|--------------------------|
| | £ | £ | £ | £ | £ |
| Donations | - | - | - | - | - |
| Comic Relief | - | - | - | - | - |
| The National Lottery Community Fund | - | 116,794 | (101,670) | - | 15,124 |
| Henry Smith | - | 29,833 | (29,833) | - | - |
| MHCLG New Hope | 928 | 32,834 | (33,762) | - | - |
| Children In Need | - | 31,665 | (31,665) | - | - |
| Education grants | - | 47,000 | (47,000) | - | - |
| General restricted grants | - | 80,201 | (76,313) | - | 3,888 |
| | 928 | 338,327 | (320,243) | - | 19,012 |

The National Lottery Community Fund

Grants from The National Lottery Community Fund Reaching Communities fund our Under 16 Mediation Service and the Live Life project.

Henry Smith

Funding from Henry Smith enables us to offer a service for individuals in housing need who are 16+ and present with mental health issues and other complex needs that are putting their accommodation at risk.

MHCLG New Hope

Funded by the MHCLG, via New Hope, this project is a partnership between New Hope, Citizen Advice and Spectrum (Change, Grow Live) and **hyh**. The **hyh** worker offers Mental Health and Dual Diagnosis Support to long term rough sleepers, with a view to moving them off the streets and into appropriate accommodation and is based purely in the Watford area for individuals aged 18+.

Children In Need

Funded by Children in Need, a Dual Diagnosis Worker supports families whose mental health needs and substance misuse issues are preventing them from utilising the mediation service.

Education Grants

Funding is received from several local authorities for **hyh** to deliver Home Truths Education Sessions across the boroughs.

Herts Young Homeless Group

Notes to the financial statements for the year ended 31 March 2019 (continued)

14. Analysis of net assets between funds

| | Unrestricted £ | Restricted £ | Total £ |
|--------------------------------------|-------------------|-----------------|----------------|
| Fixed Assets | 15,411 | - | 15,411 |
| Current assets | | | |
| - Debtors | 22,352 | - | 22,352 |
| - Short term investments | 291,168 | - | 291,168 |
| - Cash and cash equivalents | 100,022 | 19,012 | 119,034 |
| Current liabilities | | | |
| - Falling due within one year | (209,212) | - | (209,212) |
| Total assets less liabilities | <u>219,741</u> | <u>19,012</u> | <u>238,753</u> |

15. Financial commitments

At 31 March 2019 Herts Young Homeless was committed to making the following payments under leases or contracts:

Leases on land and buildings which expire within:

| | At 31 March 2019 £ | At 31 March 2018 £ |
|--------|--------------------------|--------------------------|
| 1 year | 18,000 | 16,000 |
| | <u>18,000</u> | <u>16,000</u> |

The Charity paid £3,500 (2018: £7,000) for an office which was not under a lease arrangement.

**Notes to the financial statements for the year ended 31 March 2019
(continued)**

16. Share capital

The charitable Company is limited by guarantee with each of its members liable to contribute £1 in the event of its being wound up.

17. Pension commitments

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £43,648 (2018: £40,641). Contributions totalling £5,295 (2018: £4,533) were payable to the fund at Balance Sheet date.

18. Related party transactions

John Robinson was a trustee of One YMCA until September 2018. One YMCA is the main party to a contract with HCC where **hyh** act as sub-contractors. The conflict of interest was properly declared and John Robinson took no part in the matter.

19. Control

The Board of Trustees are deemed to be the controlling party