
LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Trustees' Report	2 - 12
Independent Auditors' Report on the Financial Statements	13 - 17
Statement of Financial Activities	18
Balance Sheet	19 - 20
Statement of Cash Flows	21
Notes to the Financial Statements	22 - 40

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees	G Bratby (resigned 26 April 2023) J Allen R Hall R Hubbard (resigned 26 April 2023) J Wilkinson H Spencer S Czabaniuk J Hickson (appointed 26 October 2022) C Fielder-Shatell (resigned 1 July 2023) S Scofield (appointed 26 October 2022) A J Webb (appointed 26 October 2022)
Company registered number	02908711
Charity registered number	1046933
Registered office	22 Market Place Gainsborough Lincolnshire DN21 2BZ
Company secretary	L Whitelam
Chief executive officer	H Walton
Independent auditors	Streets Audit LLP Chartered accountants and statutory auditor Tower House Lucy Tower Street Lincoln LN1 1XW

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the Lincolnshire Employment Accommodation Project Limited for the year 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015) and Update Bulletin 2 (effective January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Vice - Chairman's Introduction

I am delighted to present this year's Annual Report. I know I speak on behalf of all our Trustees in congratulating everyone who has contributed to the excellent progress made in the year emerging. We are in a strong and very successful place continuing delivering our Mission and objectives.

The financial performance is a tribute to the hard work of our Chief Executive, Senior Management and all staff without whom we could not be successful.

Good progress has been made against our Business Plan as you can see from the Annual Accounts that we have delivered.

The Trustees (who generously give their time and excellent guidance) are pleased with the performance against the plan and we have in place a series of control measures that we regularly monitor to ensure that LEAP continues with its success.

The new financial year will concentrate on continuing this performance and consolidating our delivery and look forward to growing and developing our services to all.

I commend this Report to you.

Hannah Spencer

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities

a. Policies and objectives

The administrative information of the Charitable Company is set out on Page 1 of the accounts.

The Charity's objects and its principal activities continue as per last year. The objects now read:

- A) To promote social inclusion for the public benefit by preventing young people and others from becoming socially excluded in terms of accommodation and support services
- B) To provide a range of accommodation and social housing to meet the needs of vulnerable or homeless people
- C) To undertake other activities and services within the Regulators regulatory framework to support the work of the organisation and provide services for its clients

The Objectives have been approved by the Charity Commission, the Regulator for Social Housing and Companies House.

Mission statement

To provide housing and support services to vulnerable people at risk.

b. Objectives

We aim to:

- Provide affordable social housing for vulnerable people
- Offer quality support services focusing on developing and encouraging independent living skills
- Encourage independence in vulnerable people by promoting high quality sustained opportunities into education, training and employment
- Provide a range of accommodation and support services to meet the requirements of all vulnerable people
- To support vulnerable people to move on to independent, long-term accommodation
- Improve the health and wellbeing of vulnerable people
- Safeguard vulnerable people at risk of harm
- Maintain suitable accommodation at the highest level possible
- Increase the provision of supported accommodation and, thus, expand the work of the Charity
- Harness, through partnerships, the skills and resources of private, statutory and voluntary organisations for the benefit of vulnerable people.
- Secure financial resources to support delivery of these objectives

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

c. Public Benefit

Through our actions we will aim to:

- Reduce street homelessness amongst vulnerable people
- Reduce institutionalisation for our most vulnerable people
- Improve community cohesion and reduce barriers between vulnerable people and local residents thus promoting social inclusion
- Reduce tenancy breakdowns and evictions which in turn reduces legal costs to social housing providers
- Offer excellent training opportunities to all employees improving the local skills base
- Reduce anti-social behaviour within the local community
- Deliver a quality service whilst evidencing good value for money
- Improve the local housing stock through physical improvement and better management
- Provide a value-for-money service to the Local Authority as a preferred provider of housing and support services for vulnerable people who are identified as homeless or at risk of homelessness
- Reduce crime and improve community safety
- Providing a variety of volunteering opportunities and training to improve employability skills

Value for Money

- Trustees with a wealth of experience volunteer time to ensure that LEAP has strong governance and leadership
- Trustee expenses were not claimed by any Trustee during this financial year
- Bad debts for the year stood at 0.02% (target set at 2%) evidencing the active collection of all monies due.
- 94% of vulnerable people who left LEAP moved on in a planned way
- 47% of all the people housed engaged into some form of Employment and 38% engaged in some form of Training or Education

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

Achievements and performance

a. Property Portfolio

Lincoln Properties	No.Bedspaces	Description
Dispersed Houses	13	4 HMO houses dispersed across the city
Barlow House	5	All self-contained units
Homer House	18	24/7 hostel type facility (closed March 2021)
Adam Heath House	12	6 x one-bed flats; 3 x two-bed flats
Family Houses	3	1 Family Home
TOTAL	51	Rental income for the bedspaces is negotiated annually through Housing Benefits.
Gainsborough Properties	No.Bedspaces	Description
Dispersed Houses- (Owned by LEAP)	28	10 HMO houses dispersed across the South West Ward of Gainsborough
Dispersed Houses (Leased)	14	6 houses
Dispersed Family (Houses - Leased)	6	2 Family homes
TOTAL	52	Rental income for the bedspaces is negotiated annually through Housing Benefits

b. Marketing and Fundraising

Marketing continues with the number of new followers through social media growing steadily and organically. The Marketing Officer schedules regular and fresh posts on all media channels and improvements have been made to the website. Data analysis evidences continual improvements.

A number of fundraising events took place during the year which saw our gazebo taking pride of place at a number of local events including the Boultham Park Summer Fair and Ashcroft Green Jubilee. A quiz night was held in March 2023 raising over £800 and more quizzes are planned for later in the year.

As the cost-of-living crisis has developed, we have seen a reduction in monetary donations as well as physical donations with shops restricting the number of donations, they are able to offer Charities. That said, LEAP have gained several small grants to aid the cost-of-living crisis for its beneficiaries particularly for the families and children living in LEAP accommodation.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

c. Review of Performance

Detailed performance and monitoring information is collected on a weekly, monthly, quarterly and annual basis facilitating robust review against clear organisational and personal targets. It has been a tough year for occupancy in Lincoln and Gainsborough in this year. In Lincoln, the loss of the contract has had a significant impact as the team had to rebuild referral sources. In Gainsborough a number of new properties were purchased and leased impacting on the occupancy figures as the new beds are filled.

Trustees review this data on a quarterly basis and have been pleased and encouraged by the performance throughout the year. Below are some of the headlines:

Performance indicator	Target	2021/22	2022/23
Rents Receivable	95%	83.5%	89%
Rooms available for let	98%	99%	98%
Bad debt write offs as a %rent debt	2%	0.45%	0.02%
% of planned move-on from service	90%	93%	94%
Total number of Clients in Employment	30%	40%	47%
Total number of Clients in Training and Education	40%	41%	38%

Homer House

The accommodation at Homer House closed in March 2021 following the loss of the contract with Children's Services. Following an options appraisal by an external company Trustees agreed to test the market by placing the building on the open market. Savills were appointed and in October 2022, an offer was made and accepted. As of the date of this report, notification has been received that the offer has been withdrawn as a result of increased interest on borrowings. Guidance will be sought before next steps are taken.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

d. Strategic Review

LEAP continues to review its strategic plan quarterly with the need to operate a dynamic and changing environment. To date many of the targets in the 2020-25 plan have been achieved and it has been agreed to undertake a complete review of the Strategic Plan later in 2023.

Other income

Homer House offers a combination of purpose-built accommodation, recreational areas and office space located in one half of the building. The remainder of the building is leased to the NHS offering a secure tenant to the Charity until 2025. This arrangement offers a number of advantages in respect of the provision of seamless and complementary services as well as providing an additional source of financial security to the Charity.

Homer House is also home to two mobile Masts located on the roof bringing in additional income to the charity. The building also houses a large array of solar panels on the roof producing electricity and hot water which provides additional cost savings. The masts and solar panels generate additional income to support charitable activities.

Significant Achievements in 2022/23

Lincoln:

- The refugee family housed for over 18 months have been rehoused by the council. During their time with LEAP, two of their children commenced Primary School and settled into the school environment. The father gained work and they integrated into the local community.
- At our young parent facility at Adam Heath House, six babies were born during the year and there are plans to house families in the two-bed units.

Gainsborough:

- Another 2 houses in Gainsborough under the Resilience and Recovery Loan Fund (RRLF) have been purchased during this year and a further house purchased in June 2023. In addition to these purchases, LEAP extensively renovated two of the properties purchased under this funding. RRLF has provided a mix of grant and loan funding to purchase and renovate seven properties. The above has almost completed the expenditure leaving some funding for the renovation for one more property. The funding for the purchase and renovation of these properties has had a great impact on the street scene in the streets where they are located.
- Funding from the Mercers Company to employ a Community Participation Officer commenced in May 2022 providing advice and guidance to local people living in the South-West Ward. Additional work has included artwork to a wall for the community to enjoy, consultation with local people on the area and what they would like to see and the delivery of workshops. The funding expands the work that LEAP is able to do within the local community.

Corporate Achievements:

- During the year, LEAP managed to obtain funding to gain accreditation under Cyber Essential and Cyber Essentials Plus. The first was achieved quickly followed by the second which is a huge achievement for the charity.
- Funding secured through the Community Renewal Fund to develop a maintenance service for Lincoln has been incorporated and the first employee taken on. The company was set-up as a Community Interest

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

Company (CIC) and named Community Maintenance Service which is abbreviated to CMS. The idea behind CMS is to:

- o Provide reliable maintenance services for LEAP to maintain its property portfolio
- o Any profits will be fed back into the charity to allow LEAP to reach out to more vulnerable people requiring housing and support services
- o To employ vulnerable people accommodated by LEAP onto apprenticeships providing valuable skills and training for young people to learn a trade within an industry where there are skills shortages

CMS is a separate entity from LEAP associated only through the asset-lock for profits.

Policy/Procedure Review

Operational Policies and Procedures continue to function successfully and are regularly updated and reviewed in line with new legislation and the needs of the organisation. NatWest Bank PLC Mentor Services also assist in matters of Employment Law and Health & Safety Policies and Procedures. This process is on-going and improving performance. The Board has responsibility for overseeing the policy review programme.

Financial review

a. Reserves policy

Following the annual review of the Reserves Policy, Trustees determined that a free reserves equivalent to 50% of the current year's operational expenditure should be established. The reserves are to be held to facilitate continuation of the Charity should a major source of income unexpectedly cease. In addition to the amount already moved, it has been decided to move reserves from unrestricted reserves to free reserves over the next three financial years to achieve this.

b. Results for the year

The Board of Trustees have great pleasure in commending this report of LEAP's activities and highlights for the year ending 31st March 2023. LEAP continues to grow and develop as a Charity at the heart of the communities it serves striving to provide the highest quality services and support to the most vulnerable young people and others who deserve the opportunity to take up their rightful place in Society.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

a. 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.

Its governing document is the Memorandum and Articles of Association. A review of the Objects within the Memorandum and Articles of Association was undertaken in 2019 and approved by the Charity Commission early 2020. Alteration to the Articles were significant in terms of the future development of LEAP which allows the Charity to work with a much wider age range than has previously been possible.

LEAP is also influenced by Government policies towards social housing and regulated by the Regulator of Social Housing.

The Board of Trustees has agreed its strategic objectives with a view to maintaining the financial health, on-going relevance and viability of its activities as well as ensuring the Charity's community impact and regularly revisits these at the start of any major projects and continuously through its Risk Assessment procedures.

b. Recruitment and appointment of new trustees

During the year we have had three new Trustees join the LEAP Board and three resignations. Jayne Hickson, Sam Scoffield and Allison Webb were voted onto the Board at the October meeting. Between them, they have a vast range of skills, knowledge, and experience.

LEAP saw the resignation of the Chair Graham Bratby on 31st March 2023, Trustee Ryan Hubbard in April 2023 and Trustee Caroline Fielder-Shattell in July 2023. Graham has been instrumental to LEAP and one of the original founding members. Our sincere thanks and gratitude go to Graham, Ryan and Caroline for their contributions to the Charity.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

c. Organisational structure

The responsibilities of the Board of Trustees include determination of the strategic direction of the Charity; agreement of the policy and operational frameworks; and stewardship on all matters concerning corporate governance, finance, risk management and operations.

The Trustees held quarterly Board Meetings throughout the financial year to guide and monitor the Charity's affairs. The work of the Board is supported by a number of committees:

- Finance, Risk and Audit Committee
- Marketing and Fundraising Committee
- Property Development and Maintenance Committee
- Gainsborough Area Committee

They all meet quarterly as a minimum to support the role of the main Board.

The senior management team meets monthly to closely review and manage the day-to-day activities.

Graham Bratby, who had undertaken the role of Chair of the Board of Trustees for the past nine years, has now stepped down from the Board. He had been a consistent member of the Board and whose leadership will be missed by all. LEAP has advertised for a suitable replacement but has not been successful to date. As an interim measure the two Vice-Chair's, Hannah Spencer, and Jane Allen, have taken on the role. Our sincere gratitude goes to Graham who has dedicated much time serving LEAP over the years and successfully strengthening and stabilising the Charity through many obstacles.

The Chief Executive, Heidi Walton leads the Charity and continues to manage the day-to-day affairs of the organisation. She works with the Board supporting the development of the strategic framework and acts as the Responsible Officer in respect of the implementation of strategy and the operational management of LEAP. She also implements decisions of the Board and contributes and advises on development proposals. Heidi also develops operational policies and procedures and subject to Board approval, is responsible for the implementation, reporting and review.

The Housing Manager continues to oversee the Area Teams in Lincoln and Gainsborough. Each team has a Senior Housing Officer (SHO) managing and coordinating the day-to-day affairs within their team. The SHO is supported by Housing Officers who manage caseloads and the running of the houses; a caretaker who maintains the standards of the properties and a Business Support Administrator.

The Administration and Compliance Manager monitors the compliance of standards, policies and procedures to ensure the maintenance of high standards across the services

LEAP employs a Finance Manager to manage and facilitate the smooth running of all financial and accounting functions.

The views of clients are critical to the continuous development of the Charity. After a temporary reduction due to the pandemic, collation of regular surveys and consultation during the year commenced once again.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

d. Risk Management

LEAP's Risk Register is reviewed at each meeting of the Finance, Risk and Audit Committee and revised accordingly. This is taken to Board at least annually who have ultimate responsibility. Control measures and action plans have been developed for each of the identified risks and these are monitored on a quarterly basis also by the Finance, Risk and Audit Committee.

There are two 'significant' risks at present, 7 risks were scored as 'contingency' risks with a further 18 scored as 'Low' risk in April 2022.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 company will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Streets Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 26 July 2023 and signed on their behalf by:

J Wilkinson

H Spencer



LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINCOLNSHIRE EMPLOYMENT
ACCOMMODATION PROJECT LIMITED**

Opinion

We have audited the financial statements of Lincolnshire Employment Accommodation Project Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 Financial Reporting Standard 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 charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINCOLNSHIRE EMPLOYMENT
ACCOMMODATION PROJECT LIMITED (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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 and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINCOLNSHIRE EMPLOYMENT
ACCOMMODATION PROJECT LIMITED (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company or to cease operations, or have no realistic alternative but to do so.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINCOLNSHIRE EMPLOYMENT
ACCOMMODATION PROJECT LIMITED (CONTINUED)**

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, SORP 2015 (FRS 102) taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- reviewed Trustee meeting minutes for evidence of appropriate decision-making and management controls.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINCOLNSHIRE EMPLOYMENT
ACCOMMODATION PROJECT LIMITED (CONTINUED)**

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Auditors' Report.

Use of our report

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Robert Anderson (Senior Statutory Auditor)

for and on behalf of

Streets Audit LLP

Chartered accountants and statutory auditor

Tower House

Lucy Tower Street

Lincoln

LN1 1XW

N.B. The date of signing should be entered in 'ACCOUNTS COMPLETION' section

Date:

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	60,260	79,577	139,837	45,446
Charitable activities	5	869,073	-	869,073	751,895
Investments	6	155,753	-	155,753	148,231
Total income		1,085,086	79,577	1,164,663	945,572
Expenditure on:					
Charitable activities	7	981,318	81,089	1,062,407	851,241
Total expenditure		981,318	81,089	1,062,407	851,241
Net movement in funds before other recognised gains/(losses)		103,768	(1,512)	102,256	94,331
Other recognised gains/(losses):					
Losses on revaluation of fixed assets		(64,575)	-	(64,575)	(27,471)
Net movement in funds		39,193	(1,512)	37,681	66,860
Reconciliation of funds:					
Total funds brought forward		2,275,857	3,283	2,279,140	2,212,280
Net movement in funds		39,193	(1,512)	37,681	66,860
Total funds carried forward		2,315,050	1,771	2,316,821	2,279,140

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 22 to 40 form part of these financial statements.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02908711

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	3,121,105	2,933,508
Investment property	13	941,380	941,380
		<u>4,062,485</u>	<u>3,874,888</u>
Current assets			
Debtors	14	83,498	74,425
Cash at bank and in hand		564,773	1,035,851
		<u>648,271</u>	<u>1,110,276</u>
Creditors: amounts falling due within one year	15	(370,589)	(436,668)
Net current assets		<u>277,682</u>	<u>673,608</u>
Total assets less current liabilities		<u>4,340,167</u>	<u>4,548,496</u>
Creditors: amounts falling due after more than one year	16	(2,023,346)	(2,269,356)
Net assets excluding pension asset		<u>2,316,821</u>	<u>2,279,140</u>
Total net assets		<u><u>2,316,821</u></u>	<u><u>2,279,140</u></u>

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02908711

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Charity funds			
Restricted funds	17	1,771	3,283
Unrestricted funds	17	2,315,050	2,275,857
Total funds		<u>2,316,821</u>	<u>2,279,140</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 26 July 2023 and signed on their behalf by:

J Wilkinson

H Spencer



The notes on pages 22 to 40 form part of these financial statements.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(58,615)	98,075
Cash flows from investing activities		
Dividends, interests and rents from investments	155,753	148,231
Purchase of tangible fixed assets	(319,865)	(216,230)
Net cash used in investing activities	(164,112)	(67,999)
Cash flows from financing activities		
Repayments of borrowing	(248,351)	(111,529)
Net cash used in financing activities	(248,351)	(111,529)
Change in cash and cash equivalents in the year	(471,078)	(81,453)
Cash and cash equivalents at the beginning of the year	1,035,851	1,117,304
Cash and cash equivalents at the end of the year	564,773	1,035,851

The notes on pages 22 to 40 form part of these financial statements

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

As set out in the Trustee's Report, Lincolnshire Employment Accommodation Project Limited is an incorporated registered charity in England & Wales. The principal office of the charity is 22 Market Place, Gainsborough, Lincolnshire, DN21 2BZ.

The principal objective of the charity is set out in the Trustee's report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Disclosures related to the housing operations have been incurred were applicable, as required by Social Housing Providers.

Lincolnshire Employment Accommodation Project Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees do not believe that there are any material uncertainties about the Charity's ability to continue. The Charity has significant cash reserves and the Trustees are confident that sufficient funding streams are available to the Charity. The financial statements have therefore been prepared on the going concern basis.

2.3 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Government grants are recognised using the performance model, and where the grant imposes specific future performance related conditions revenue is only recognised when they are met.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Fixtures and fittings	- 25% straight line
Computer equipment	- 33.33% straight line

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in the statement of financial activities.

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.7 Cash at bank and in hand

Cash at bank and in hand includes 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.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.9 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Tangible fixed assets are recognised at cost or valuation, less accumulated depreciation and any impairments. Depreciation takes place over the estimated useful life, down to the assessed residual value. The carrying amount of the charity's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations	6,772	-	6,772	5,432
Grants	53,488	79,577	133,065	39,820
Government grants	-	-	-	194
Total 2023	<u>60,260</u>	<u>79,577</u>	<u>139,837</u>	<u>45,446</u>
<i>Total 2022</i>	<u>39,696</u>	<u>5,750</u>	<u>45,446</u>	

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Income from charitable activities - Housing Support	869,073	869,073	751,895

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Rents received from NHS	130,170	130,170	127,006
Telephone mast income	22,612	22,612	21,111
Deposit account interest	2,971	2,971	114
Total 2023	<u>155,753</u>	<u>155,753</u>	<u>148,231</u>

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Housing Support	707,987	8,674	716,661	584,379
Corporate Overheads	273,331	72,415	345,746	266,862
Total 2023	<u>981,318</u>	<u>81,089</u>	<u>1,062,407</u>	<u>851,241</u>
<i>Total 2022</i>	<u>844,774</u>	<u>6,467</u>	<u>851,241</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Housing Support	667,966	48,695	716,661	584,379
Corporate Overheads	297,517	48,229	345,746	266,862
Total 2023	<u>965,483</u>	<u>96,924</u>	<u>1,062,407</u>	<u>851,241</u>
<i>Total 2022</i>	<u>757,450</u>	<u>93,791</u>	<u>851,241</u>	

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Housing Support 2023 £	General Needs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	276,855	154,136	430,991	411,706
Depreciation	51,875	15,818	67,693	58,937
Rent, rates and water	93,657	-	93,657	99,120
Insurance	2,566	11,525	14,091	12,126
Light and heat	49,280	-	49,280	50,120
Property Repairs	101,163	72,415	173,578	54,904
Household and Cleaning	27,068	897	27,965	22,513
TV Licences	372	-	372	4,159
Bad debt write off	142	-	142	3,327
Professional fees	5,118	250	5,368	581
Mortgage Interest	59,870	42,476	102,346	39,957
Total 2023	<u>667,966</u>	<u>297,517</u>	<u>965,483</u>	<u>757,450</u>
<i>Total 2022</i>	<u>534,515</u>	<u>222,935</u>	<u>757,450</u>	

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Housing Support 2023 £	General Needs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Telephone	3,550	4,250	7,800	8,075
Household and Cleaning	682	-	682	524
Client Broadband	8,782	-	8,782	8,388
Sundry expenses	1,599	951	2,550	2,531
Employee costs	2,781	3,092	5,873	7,124
Computer costs	17,105	22,426	39,531	27,123
Bank charges	461	506	967	761
Auditors' remuneration	-	7,200	7,200	7,800
Professional fees	4,967	7,517	12,484	17,213
Travel costs	2,088	2,287	4,375	4,163
Donations made	6,680	-	6,680	10,089
Total 2023	<u>48,695</u>	<u>48,229</u>	<u>96,924</u>	<u>93,791</u>
<i>Total 2022</i>	<u>49,864</u>	<u>43,927</u>	<u>93,791</u>	

9. Governance costs - Auditors' remuneration

	2023 £	<i>2022 £</i>
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>7,200</u>	<u>7,200</u>

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10. Staff costs

	2023 £	2022 £
Wages and salaries	394,066	376,495
Social security costs	27,392	25,248
Contribution to defined contribution pension schemes	9,533	9,963
	<u>430,991</u>	<u>411,706</u>

The average number of persons employed by the company during the year was as follows:

	2023 No.	2022 No.
Total staff	<u>20</u>	<u>20</u>

No employee received remuneration amounting to more than £60,000 in either year.

Remuneration and benefits received by 2 members of key management personnel (including employer's NIC) totalled £94,406 (2021: 2 members £89,201)

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2022	2,998,133	64,405	10,209	3,072,747
Additions	319,865	-	-	319,865
Impairment of assets	(64,575)	-	-	(64,575)
At 31 March 2023	<u>3,253,423</u>	<u>64,405</u>	<u>10,209</u>	<u>3,328,037</u>
Depreciation				
At 1 April 2022	64,817	64,213	10,209	139,239
Charge for the year	67,501	192	-	67,693
At 31 March 2023	<u>132,318</u>	<u>64,405</u>	<u>10,209</u>	<u>206,932</u>
Net book value				
At 31 March 2023	<u>3,121,105</u>	<u>-</u>	<u>-</u>	<u>3,121,105</u>
At 31 March 2022	<u>2,933,316</u>	<u>192</u>	<u>-</u>	<u>2,933,508</u>

Included within property additions are costs incurred to date to fully recognise assets in the course of construction namely the developments at 4 and 12 Clinton Terrace, Gainsborough which totals £148,536. Both properties were revalued at 31 March 2023 by Banks Long & Co on an open market existing use basis.

The company has adopted a policy of revaluation for tangible fixed assets. Had these assets been measured at historic cost, the carrying values would have been as follows:

	2023 £	2022 £
Cost	3,963,891	3,647,548
Accumulated Depreciation	(79,278)	(545,485)
	<u>3,884,613</u>	<u>3,102,063</u>

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

13. Investment property

	Long term leasehold investment property £
Valuation	
At 1 April 2022	941,380
At 31 March 2023	<u>941,380</u>

The 2023 valuations were made by the directors, on an open market value for existing use basis.

The majority of land and buildings were revalued at 31 March 2021 by Banks Long & Co on an open market existing use basis. Lambert Smith & Hampson and Savills performed a separate valuation for property at Homer House as at 31 March 2021. The Trustees do not consider there to be any material change.

14. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	70,877	62,755
Prepayments and accrued income	12,621	11,670
	<u>83,498</u>	<u>74,425</u>

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

15. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Bank loans	207,778	210,119
Trade creditors	42,925	21,420
Other creditors	6,974	5,683
Accruals and deferred income	112,912	199,446
	370,589	436,668
	2023	2022
	£	£
Deferred income at 1 April 2022	110,738	68,460
Resources deferred during the year	52,549	110,738
Amounts released from previous periods	(110,738)	(68,460)
	52,549	110,738

Deferred income being carried forward pertaining Telephone mast income received in advance and LPFT rent received in advance.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	<u>2,023,346</u>	<u>2,269,356</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2023 £	2022 £
Payable or repayable by instalments	<u>1,364,798</u>	<u>1,499,104</u>
	<u><u>1,364,798</u></u>	<u><u>1,499,104</u></u>

The initial bank loan is payable by quarterly instalments at a rate of 3 months LIBOR.

The bank loan is secured on the charity's freehold and investment property. Specifically:

- 36 Newark Road and its associated assets
- 32 Manby Street, Lincoln and its associated assets
- Homer House, Monson Street, Lincoln and its associated assets
- 5 Craven Street, Lincoln and its associated assets
- 11 Francis Street, Lincoln and its associated assets
- 40 Grafton Street, Lincoln and its associated assets
- 42 Horton Street, Lincoln and its associated assets.

A loan was drawn down during March 2020 which is payable by quarterly instalments at 1.77% over base rate. The bank loan is secured on the Development at the former Garage Site, Gaunt Street, Lincoln.

A subsequent loan of £500,000 was drawn down during March 2021, which is payable by monthly installments over the next 5 years, the first installment was due on April 2022.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Free Reserves	880,444	1,085,086	(913,625)	(568,216)	-	483,689
Investment Property	941,380	-	-	-	-	941,380
Property Reserve	2,933,316	-	(67,501)	319,865	(64,575)	3,121,105
Loan Reserve	(2,479,475)	-	-	248,351	-	(2,231,124)
Fixed Asset Reserve	192	-	(192)	-	-	-
	<u>2,275,857</u>	<u>1,085,086</u>	<u>(981,318)</u>	<u>-</u>	<u>(64,575)</u>	<u>2,315,050</u>
Restricted funds						
Alley Cats Funding	3,283	-	(1,512)	-	-	1,771
Abbey Access	-	71,715	(71,715)	-	-	-
Asda Foundation	-	1,162	(1,162)	-	-	-
Ashcroft Road	-	6,000	(6,000)	-	-	-
Bauer cash for kids	-	700	(700)	-	-	-
	<u>3,283</u>	<u>79,577</u>	<u>(81,089)</u>	<u>-</u>	<u>-</u>	<u>1,771</u>
Total of funds	<u>2,279,140</u>	<u>1,164,663</u>	<u>(1,062,407)</u>	<u>-</u>	<u>(64,575)</u>	<u>2,316,821</u>

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

17. Statement of funds (continued)

Free Reserves: The general funds represent the free funds of the Charity which are not designated for particular purposes. HATS free reserves were transferred to LEAP on the transfer of operations.

Investment Property: This reserve separates the value of investment property held by LEAP from the other funds of the organisation.

Property Reserve: This reserve separates the value of the properties held by LEAP from the other funds of the organisation. Transfers represent restricted funds used to purchase properties.

Loan Reserve: This reserve separates the value of the loan held by LEAP from the other funds of the organisation.

Fixed Asset Reserve: This reserve separates the value of the fixed assets, other than property, which can't be considered to be part of the free reserves of the charity.

Alley Cats Funding: Restricted funding received subsequent to the WLDC Artwork project for the rejuvenation of the Clinton Terrace alleyway as well as various organised green space tidy ups in Gainsborough.

Abbey Access: Funds received from the Community Renewal Fund through Abbey Access for the provision of property maintenance work in the Lincoln and Gainsborough area. The grant has been accepted and administered by LEAP but the funds have been remitted to CMS (Community Maintenance Service CIC) to deliver the service. A payment of £15,000 was paid to CMS in advance of works undertaken to which the works were completed prior to the end of the Financial Year.

Asda Foundation: Funding received to be spent on the provision of a Jubilee party in June 2022 for the residents of Lincoln.

Ashcroft road: Funding received from Gainsborough Local Access Programme to fund the appraisal for a new community development at a former Anglian Water site located on Ashcroft Road, Gainsborough.

Bauer Cash for Kids: Funding received to be spent on supporting disadvantaged children and young people up to and including 18 years old.

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2022 £</i>
Unrestricted funds						
Free Reserves	958,284	939,822	(785,827)	(231,835)	-	880,444
Investment Property	941,380	-	-	-	-	941,380
Property Reserve	2,802,708	-	(58,151)	216,230	(27,471)	2,933,316
Loan Reserve	(2,592,956)	-	-	113,481	-	(2,479,475)
Fixed Asset Reserve	988	-	(796)	-	-	192
	<u>2,110,404</u>	<u>939,822</u>	<u>(844,774)</u>	<u>97,876</u>	<u>(27,471)</u>	<u>2,275,857</u>
Restricted funds						
SIB Grant	97,876	-	-	(97,876)	-	-
WLDC Artwork	4,000	2,500	(4,406)	(2,094)	-	-
Alley Cats Funding	-	3,250	(2,061)	2,094	-	3,283
	<u>101,876</u>	<u>5,750</u>	<u>(6,467)</u>	<u>(97,876)</u>	<u>-</u>	<u>3,283</u>
Total of funds	<u>2,212,280</u>	<u>5,750</u>	<u>(851,241)</u>	<u>-</u>	<u>(27,471)</u>	<u>2,279,140</u>

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
General funds	2,275,857	1,085,086	(981,318)	-	(64,575)	2,315,050
Restricted funds	3,283	79,577	(81,089)	-	-	1,771
	<u>2,279,140</u>	<u>1,164,663</u>	<u>(1,062,407)</u>	<u>-</u>	<u>(64,575)</u>	<u>2,316,821</u>

Summary of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
General funds	2,110,404	939,822	(844,774)	97,876	(27,471)	2,275,857
Restricted funds	101,876	5,750	(6,467)	(97,876)	-	3,283
	<u>2,212,280</u>	<u>945,572</u>	<u>(851,241)</u>	<u>-</u>	<u>(27,471)</u>	<u>2,279,140</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	3,121,105	-	3,121,105
Investment property	941,380	-	941,380
Current assets	646,500	1,771	648,271
Creditors due within one year	(370,589)	-	(370,589)
Creditors due in more than one year	(2,023,346)	-	(2,023,346)
Total	<u>2,315,050</u>	<u>1,771</u>	<u>2,316,821</u>

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	2,933,508	-	2,933,508
Investment property	941,380	-	941,380
Current assets	1,106,993	3,283	1,110,276
Creditors due within one year	(436,668)	-	(436,668)
Creditors due in more than one year	(2,269,356)	-	(2,269,356)
Total	<u>2,275,857</u>	<u>3,283</u>	<u>2,279,140</u>

20. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £9,533 (2022 - £9,963).

21. Operating lease commitments

At 31 March 2023 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	612	612
Later than 1 year and not later than 5 years	612	1,224
	<u>1,224</u>	<u>1,836</u>

LINCOLNSHIRE EMPLOYMENT ACCOMMODATION PROJECT LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

22. Related party transactions

Graham Bratby and Hannah Spencer, trustees for LEAP, are both also directors of LAGAT Ltd. During the year LEAP engaged LAGAT Ltd for training for a total cost of £550 (2022: £500). This transaction was conducted on an arms length basis.

Lisa Whitelam, the company secretary for LEAP, is a director and solicitor at Burton & Dyson Solicitors. During the year the companies engaged Burton & Dyson for legal services for a total cost of £783 (2022: £1,550). These transactions were conducted on an arms length basis.

Heidi Walton (chief executive officer) was one of the 3 founding directors of Community Services CIC (CMS) a special purpose vehicle for accepting/administering the Abbey Access grant. The charity received funding of £71,714.50 of which £61,024 was passed to CMS. Heidi Walton does not receive any remuneration or income from CMS and will step down as director in due course.

There have been no other related party transactions as required to be disclosed under SORP 2015 during the year ended 31 March 2023.

23. Principal subsidiaries

Lincolnshire Employment has one subsidiary, being "First Leap Limited", which has company number 05442273. Lincolnshire Employment Accomodation Project Limited owns the only share in First Leap Limited. First Leap Limited has always been dormant since incorporation in 2005 and the net assets of the company amount to £1.