

Annual Report

2021/2022



Established 1981

HOMES TRUST

A Company Limited by Guarantee Reg No. 2912187

CHARITY REGISTRATION NO. 1049935

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Following a year of lockdowns and dealing with the ever-changing situations as they were announced by the government, our main priority here at Hits Homes Trust was to keep our young people and those looking after them safe throughout this pandemic.

We would like to say a huge thank you to our Volunteers and Contractors for their continued support throughout this difficult period.



We are now the proud owners of 86/88 as of the 8th of September 2021 as we have purchased the freehold of 86/88 Evington Road from Midland Heart and are the lease holders for 82/84 Evington Road as of the 1st of April 2021 entering into a 10-year lease with Midland Heart. A huge Thank you to the Board Members of Midland Heart Housing Association who agreed to the sale and all those involved in HITS Homes Trust.

This has been made possible thanks to the financial backing of The Charity Bank who financed the purchase and to Chris Tweedie and Sharon Gooch who provided us with support and advice throughout the process and our solicitors Knights Plc.

By making the Purchase Hits Homes Trust has now boarded a new train to create a new chapter in its history. We will now be learning the true costs of managing a project of this size and nature so let the challenge begin.

Through this development we are continuing to ensure that there is secure suitable supported accommodation available to young people for many years into the future by continuing to be self-sufficient Landlords in the community of Highfields.

New relationships have and are being continually developed with local contractors such as Handy men, Electricians, Glaziers, and Plumbers to provide and maintain the same standard of maintenance to our clients that Midland Heart provided or if not better.

In with the new out with the old Hits has recently redecorated our communal areas in both buildings 86/88 and 82/84 Evington Road giving it a fresh lick of paint and replaced all the carpets.



The office was also redecorated, and the chairs replaced which were kindly donated by the Leicester Consortium giving the staff and the clients a fresh nice working and meeting space.

New CCTV Installation has also been undertaken with an upgrade to a better more efficient system. Continuing to assist us to monitor, deter and prevent Crime, provide evidence, and handle incidents.

We would also like to say a huge Thank you to Dhillon Security who have continued to support the project and gone over and beyond their remit to assist us.

It has also been helpful with providing evidence to the local constabulary with situations/incidents that have occurred within the community.

We have also undergone an update of our I.T systems to the latest software with new desktops and a laptop. This much needed update will provide better security as older software opened us up to vulnerability to hackers and to also provide better efficiency and in the long-term costing less as older machines/systems would have more issues.



This year we Celebrated 40 Years of Hits Homes Trust with an Open day in June inviting our clients who keep us going, other services, our contractors, the Community police, support providers, Social Services, and local council dignitaries.

On the day we were able to show those in attendance a couple of the flats with the assistance of our clients and talk about the services we provide. It is an achievement from where we began to where we are now. A total number of 24 agencies came and 7 clients attended.





Before the big day new publicity material was designed and produced for the project with a new leaflet this was done in conjunction with Hits Homes, The Leicester Consortium and James their Kickstart Worker.

Continuing with the marketing and publicity of Hits Homes Trust a Newsletter was also designed and produced in the summer to keep our service users and referral sources informed about what was happening at Hits and will going forward be produced quarterly and sent out.

The future and the way forward will be to look at redeveloping our website with links to information for young people looking to apply and to provide information on social media such as Facebook and Instagram.

We will also look at utilising the internet itself for a positive marketing tool i.e., google and people who have lived here giving reviews.

lyd o

5/5

a year ago on Google

Helped me a lot at a challenging time in life. I was able to learn the skills needed to live independently and move on to live by myself without support. Staff were very supportive of setting up payments and things regarding living there and managing my money. Living there helped me so much in that period of my life and I cannot thank the members of staff enough as I wouldn't be where I am today!

Thankyou



The cost of living and the impact it is having is affecting everyone There are several ways that the rising cost of living can affect people's health.

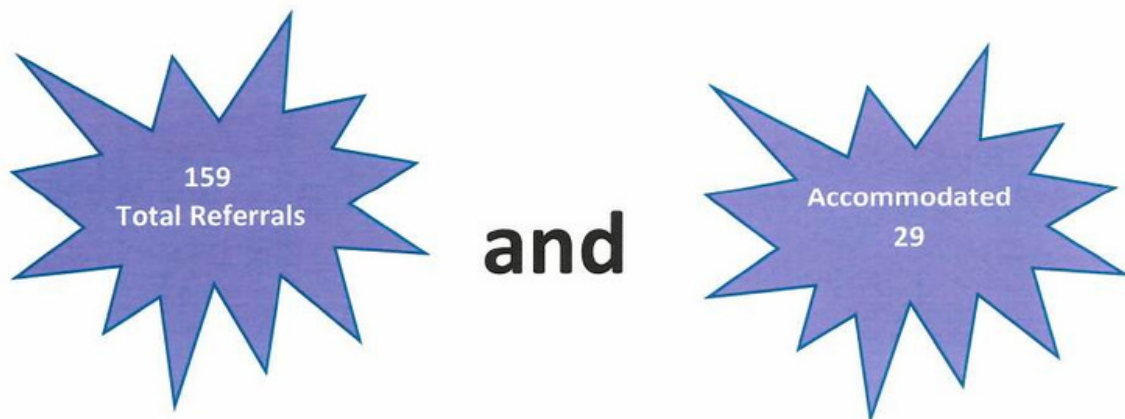
- ❖ Being unable to afford necessary food leaves people malnourished.
- ❖ Being unable to keep your home warm leaves people at risk of developing respiratory diseases and, for the most vulnerable, at risk of death

We are seeing the impact on our young people due to the increasing costs of everyday items such as food, Electric and Gas.

During the Winter months we have been continuing to support our young people facing hardship with Winter fuel by giving them a charitable donation which was for their electric and gas.

This has since evolved into an Engagement fund for those that work with us and see us once a week or twice a month depending on their individual support plans at the end of the month, we are giving them a charitable donation to assist towards the rising cost of everyday basics as well as sign posting them to other available services such as the food Banks, Food wastage prevention apps, Utility Support funds, Local council support and other services set up within the community to help with this crisis.

Despite the cost-of-Living and the impact fears Hits Homes Trust for the period 2021/2022 received



REFERRAL STATISTICS FOR 2021/22

	Total Referrals 159	Total Accommodated 29	% accommodated
Gender			
Male	83	15	18%
Female	76	14	18%
Total	159	29	18%

Age			
16	10	0	0%
17	37	14	38%
18	31	11	35%
19	17	1	6%
20	14	1	7%
21	7	0	0%
22	4	1	25%
23	7	0	0%
24	4	1	25%
25	2	0	0%
26+	6		
N/K	20		
Total	159	29	18%

Ethnicity & Nationality			
White British	52	8	15%
Black British	11	1	9%
Dual Heritage	15	5	33%
Asian British	12	2	17%
Other*	38	13	34%
N/K	31		
Total	159	29	18%

* Other	*Afghanistan, Sudan, Iran, Latvia, Eritrea, Egypt, Syria, Netherlands, Spain, Thailand, Kuwait, Nigeria, Italy, India & Libya	*Afghanistan, Latvia, Sudan, Eritra, Iran, Egypt, Syria, Netherland
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Disability		
Mental Health	23	8
Physical	0	1
Learning Difficulties	2	0
Autistic Spectrum	0	0
Genetic	0	0
Other	1	0
Total	26	9

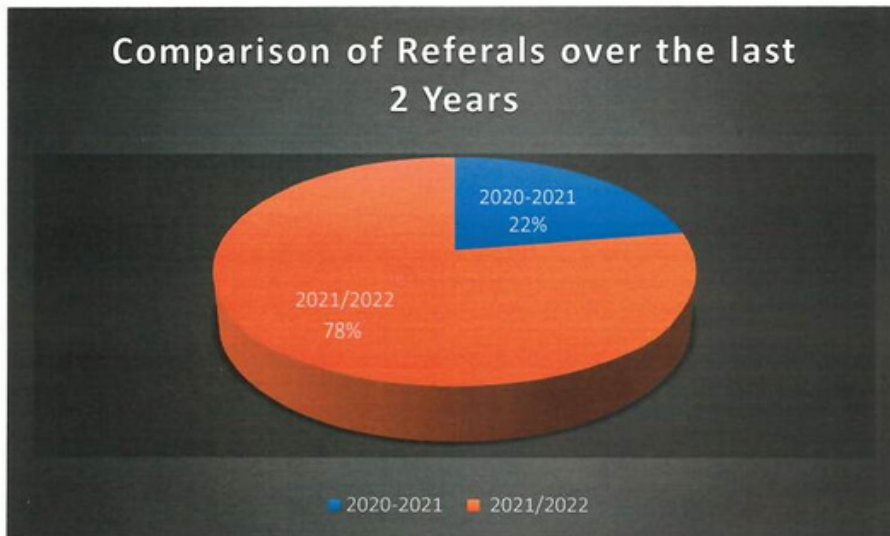
REFERRAL STATISTICS FOR 2021/22

Local Connection	Referrals	Clients
Leicester	92	17
Leicestershire	12	4
Other Cities*	26	8
Total	130	29
Other Cities:	*Information not available	*Ipswich 1, Gloucester 1, Cambridge 1, Derby 1 & Nottingham 4

Outcome	Referral Outcome	Client Outcome
Offered & Accepted Accommodation	15	Accommodated at HITS 15
No vacancies At Initial Enquiry	6	LCC Flat 2
Inappropriate Referral e.g. age	12	Returned to Family 5
Enquiry Only	38	Private Accommodation 5
Did Not Turn Up for Interview	36	Supported Housng 1
Withdrew Application	27	University 1
Total	134	29

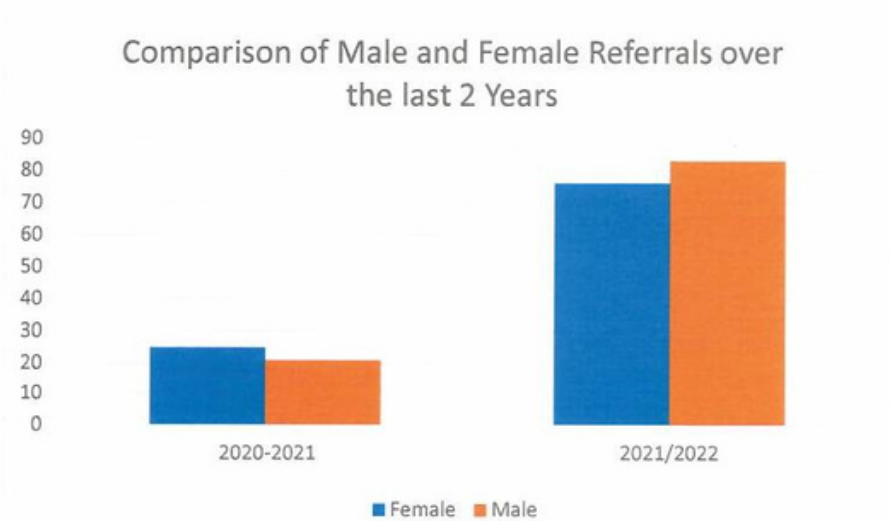
Outcome For Those Interviewed But Not Accommodated	Of those accommodated: Initial Reason for Homelessness	Of those accommodated: Level Of Support Need
Was refused - Lack Of Spaces	Relationship Breakdown 16	Low 2
Support Needs Too High	Leaving Care 12	Low-Medium 9
Support Needs Too Low	Private Accommodation 1	Medium 13
Refused Offer Of Accommodation		Medium - High 4
Inappropriate		High 1
HITS Withdrew Offer		
Total	29	29

Comparison of Referrals over the last 2 Years



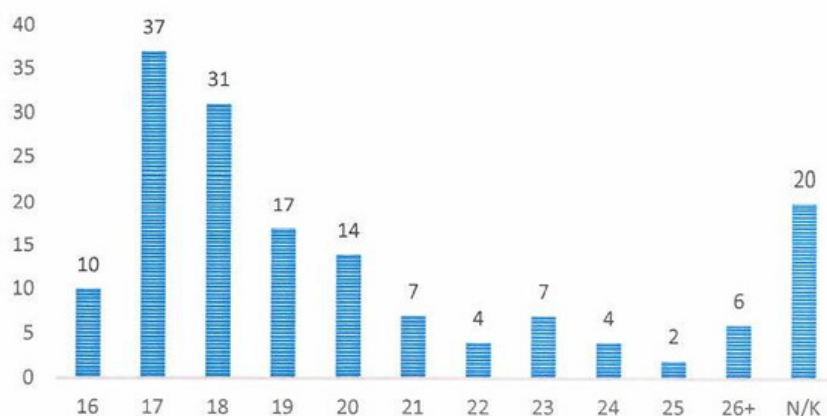
	2020-2021	2021/2022
Total Referrals	46	159

Comparison of Male and Female Referrals over the last 2 Years



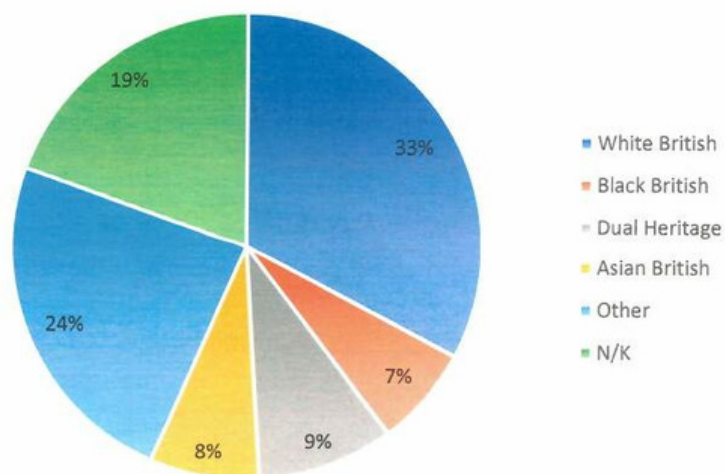
	2020-2021	2021/2022
Female	25	76
Male	21	83

BREAKDOWN OF AGE OF REFERRALS



Age	16	17	18	19	20	21	22	23	24	25	26+	N/K
	10	37	31	17	14	7	4	7	4	2	6	20

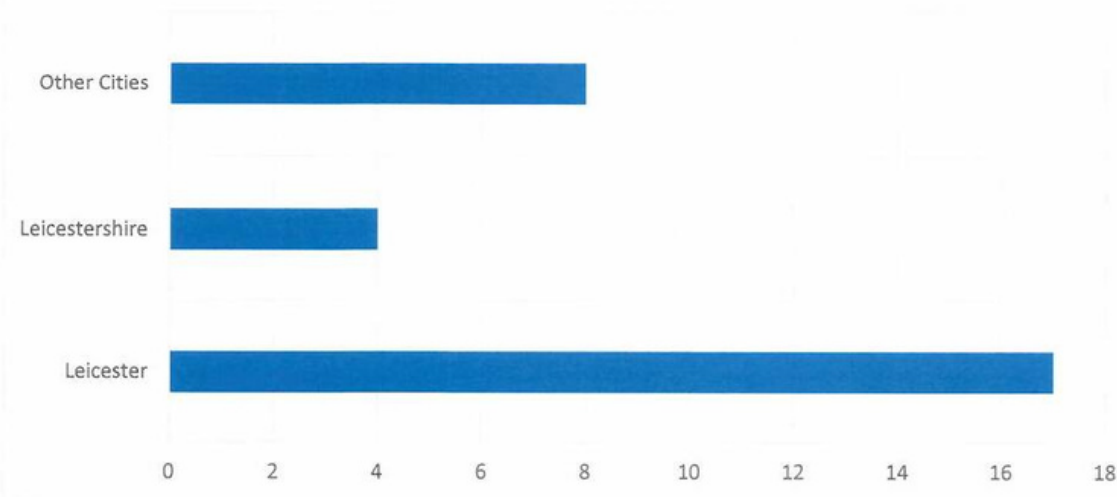
Ethnicity & Nationality of Referrals



Ethnicity & Nationality	White British	Black British	Dual Heritage	Asian British	Other	N/K
	52	11	15	12	38	31

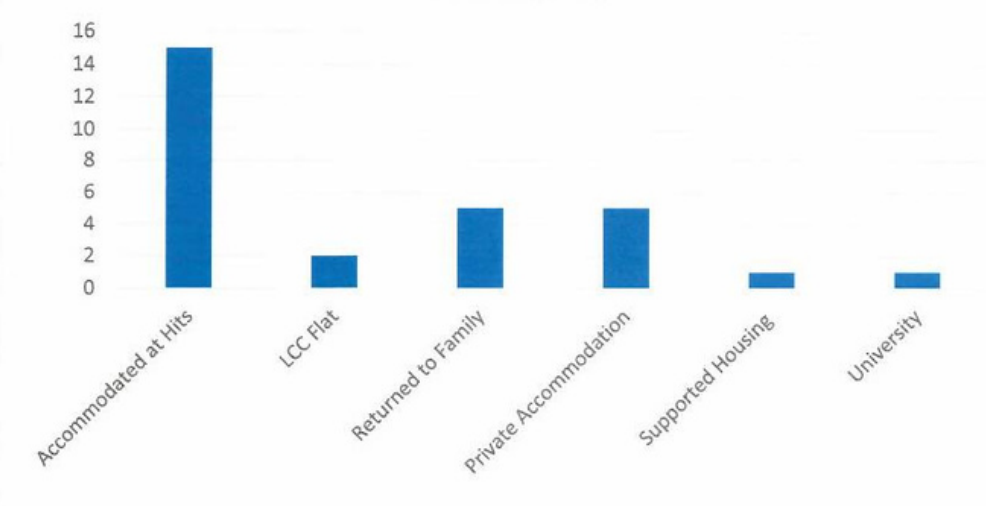
Total Clients Accommodated: 29

Local Connection of Referrals Accommodated



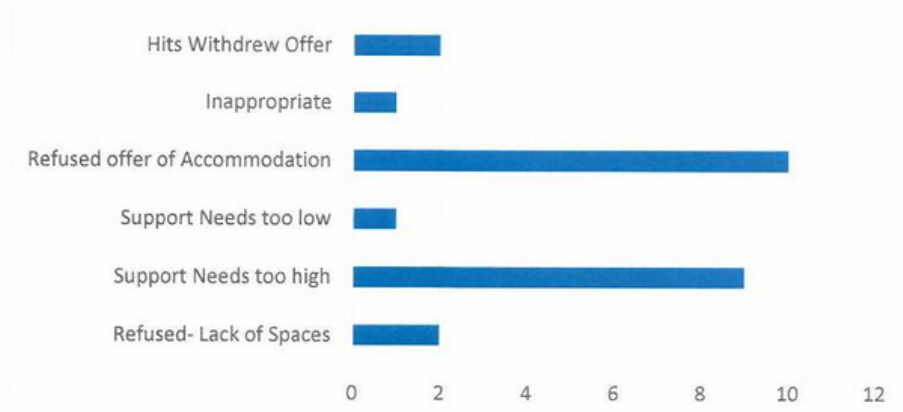
Local Connection	
Leicester	17
Leicestershire	4
Other Cities	8

Client Outcome



Low	2
Low/ Medium	9
Medum	13
Medium/ High	4
High	1

**Outcome For Those Interviewed but not
Accommodated**



Refused- Lack of Spaces	2
Support Needs too high	9
Support Needs too low	1
Refused offer of Accommodation	10
Inappropriate	1
Hits Withdrew Offer	2

Registered Charity No:1049935
Registered Company No: 2912187
(England and Wales)

HITS HOMES TRUST LIMITED

(A Company limited by guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022

HITS HOMES TRUST LIMITED

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HITS HOMES TRUST LIMITED

CHARITY REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31ST MARCH 2022

Charity Name:	Hits Homes Trust Limited (by Guarantee)	
Charity Registration Number:	1049935	
Company Registration Number:	2912187 (England & Wales)	
Registered Office and Operational Address:	86 Evington Road Highfields Leicester LE2 1HH	
Management Committee:	Dave Brazier (Chair) Kailesh Bhayani Piyush Kotecha Victoria Stephenson Ervin Picari Towana Graham	
Secretary	Kailesh Bhayani	
Management Team	Mrs. N Siddiqui Walker	(Project Manager)
Independent Examiners	Celerica Limited Chartered Certified Accountants First Floor The Old Chapel 9 Kempson Road Leicester LE2 8AN	
Bankers	National Westminster PO Box 333 Silbury House 300 Silbury Boulevard Milton Keynes MK9 2ZF	

HITS HOMES TRUST LIMITED

REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31ST MARCH 2022

The trustees present their report and financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity governing document, the Charities Act 2011 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 Published in October 2019 (second edition).

Trustees of the Charity

The directors of the charitable company are also its trustees for the purpose of charitable law. The trustees who have served during the year and since the year end are as follows:

Dave Brazier
Kailesh Bhayani
Victoria Stephenson
Piyush Kotecha
Ervin Picari
Towana Graham

Objectives and Activities

The principal activity of the charity continues to be:

- a) The provision of housing and associated amenities for young persons in Leicestershire in necessitous circumstances on terms appropriate to their means.
- b) To manage schemes of housing designed for young persons in Leicestershire in necessitous circumstances.
- c) To provide young persons in Leicestershire in need of housing and associated facilities, advice, assistance and support designed to meet their disabilities and requirements to live independently.

The trustees have considered the general guidance on public benefit issued by the Charities Commission and has taken due regard of that guidance. The trustees consider they are satisfied that the charity's activities do provide a wide public benefit.

HITS HOMES TRUST LIMITED

REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31ST MARCH 2022 (CONTINUED)

Achievements and Performance

Purchase of 86-88 Evington Road

During the year, Hits Homes Trust completed the purchase of 7 flats and the office at 86/88 Evington Road. A huge thank you to Midland Heart Housing Association for agreeing to this sale upon very reasonable terms. After 40 years as a managing agent, Hits Homes Trust has become a landlord in its own right. An achievement of which we are extremely proud.

Statistics

In 2021/22, Hits Homes Trust continued to provide temporary self contained accommodation to vulnerable single, homeless people aged between 16 to 25 years old.

In 2021/22, the project received 159 enquiries for accommodation. Of these, 83 were men and 76 were women.

The ethnicity and nationality of the referrals were:-

White British 52; Black British 11; Asian British 12; Dual Heritage 15 Other 38
Not Known 31.

The project accommodated 29 people; 15 male and 14 female.

The ethnicity and nationality of the individuals were:-

White British 8; Black British 1; Dual Heritage 5; Asian / British 2, Other 13.

The age:

16 years old - 0; 17 years old - 11; 18 years old - 14, 19 years old - 1; 20 years old - 1; 21 years old - 0; 22 years old - 1; 23 years old - 1; 24 years old - 0; 25 years old - 0.

The housing status of those accommodated at the project were:

LCC Housing	2
Housing Association flat	0
Still Accommodated	15
Moved to friends / family	10
Other supported housing	1
Not Known	0
Other	1 (University)
	<u>29</u>

Financial Review (including reserves policy)

With limited resources and difficulties obtaining additional funding, it has continued to be difficult to plan or develop additional services. The charity with sound financial management and the support of the staff team and Management Committee members have incurred a surplus of £1,439 (2021: deficit £575).

HITS HOMES TRUST LIMITED

REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31ST MARCH 2022 (CONTINUED)

Financial Review (including reserves policy) (Continued)

The charity's unrestricted reserves at the end of the financial year stood at £205,040. Of this £168,762 has been allocated to various designated funds leaving £36,278 as free reserves. The free unrestricted reserves of £36,278 has increased from the previous year and the trustees are continually seeking for other funding to facilitate reserves to cover approximately 6 - 8 months total expenditure. The policy is a rolling policy reviewed annually in view of the risks linked with the properties and the potential legislative changes that can be implemented at any given time.

Plans for Future Periods

The charity plans to continue the activities outlined above in the forthcoming years subject to the continuance of satisfactory funding arrangements. Plans are also being developed to work with a number of training providers to provide in house training for service users to enable them to have a skills base for employment which will lead to long term gainful employment.

Structure, governance and management

The organisation is a charitable company limited by guarantee, without share capital. The company's governing document is the Memorandum and Articles of Association which established the objects and powers of the charitable company.

In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The charity has a current Management Committee of 6 members who meet every 6 weeks and are responsible for the strategic direction and policy of the charity. At present the committee members are from a variety of professional backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of services rests with the Project Manager. The Project Manager is also responsible for ensuring that the charity delivers the services specified and that key performance indicators are met and also the day to day operational management.

The directors of the company are also charity trustees for the purposes of charity law and under the Company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected annually to serve for a period of one year after which they must be re-elected at the next Annual General Meeting.

One third of the members or a minimum of three are required to stand for re-election at each Annual General Meeting on a rotating basis.

HITS HOMES TRUST LIMITED

REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31ST MARCH 2022 (CONTINUED)

Structure, governance and management (continued)

Due to the nature of the objectives of the project much of the charity's work focuses upon young people. The Management Committee seeks to ensure that the needs of this group are appropriately reflected through the diversity of the trustee board. To enhance the potential pool of trustees, the charity seeks to identify young people who have been homeless and would be willing to become members and use their own experiences to assist the charity.

The more traditional business skills are well represented on the Management Committee. In an effort to maintain a broad mix of skills, members of the Management Committee are requested to provide a list of their skills (and update it each year) and in the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election to the Management Committee.

Most trustees are familiar with the practical work of the charity as the charity has worked in partnership with them in a variety of fields to enhance the support provision provided to the young people.

New trustees are invited and encouraged to attend an induction course to familiarise themselves with the charity and the context within which it operates. This is led by the Project Manager and overseen by the Chair of the Management Committee and covers:

1. A tour of the project's premises.
2. The obligations of Management Committee members.
3. The policies and procedures and other documents including the Memorandum and Articles of Association.
4. Resourcing and the current financial position as set out in the latest published accounts.
5. Future plans and objectives.

Further information is provided in a pack prepared from various Charity Commission documents and the Charity Commission's website guide 'An Essential Trustee'.

Risk Management

The Management Committee has conducted a review of the major risks which the charity is exposed to. A risk register is being established and will be updated annually. Where appropriate, systems and procedures have been established, to mitigate the risks that the charity faces. External risks to funding have been minimised with a strategic plan to allow diversification of funding. Internal control risks are minimised by the implementation of a financial policy and procedure for authorisation of all transactions within the project.

Procedures are in place to ensure compliance with health and safety of staff, volunteers, members of the Management Committee, service users, contractors and visitors to the project.

HITS HOMES TRUST LIMITED

REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31ST MARCH 2022 (CONTINUED)

Statement of Management Committees' Responsibilities

The Trustees, who are also directors of the charity are responsible for preparing the Trustees' Report and 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, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for the year.

In preparing those 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 2019 (FRS 102);
- * 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 company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities 2019 (FRS 102) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Management Committee on 13 December 2022 and signed on its behalf by:


..... Mr D Brazier
Trustee

**HITS HOMES TRUST
(LIMITED BY GUARANTEE)**

**INDEPENDENT EXAMINERS' REPORT
TO THE TRUSTEES OF HITS HOMES TRUST
FOR THE YEAR ENDED 31 MARCH 2022**

We report on the accounts of Hits Homes Trust for the year ended 31st March 2022 which are set out on pages 8 to 15.

Responsibilities and basis of report

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

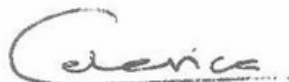
Having satisfied ourselves that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, we report in respect of our examination we have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

We have completed our examination. We can confirm that no matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the company as required by section 386 of the Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a "true and fair view" which is not a matter considered as part of an independent examination; or
- 4 the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable to UK and Republic of Ireland (FRS 102)

We have no concerns and have come across no other matters in connection with examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



**CELERICA LTD
CHARTERED CERTIFIED ACCOUNTANTS
FIRST FLOOR
THE OLD CHAPEL
9 KEMPSON ROAD
LEICESTER
LE2 8AN**

Dated : 13th December 2022

HITS HOMES TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022 (Including Income and Expenditure)

		<u>2022</u>	<u>2022</u>	<u>2022</u>	<u>2021</u>
		<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
Note		<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Income and endowments from:					
Donations and legacies	3	-	-	-	-
Charitable activities	4	184,842	-	184,842	151,192
Investments	5	1,200	-	1,200	1,200
Total Income and endowments		186,042	-	186,042	152,392
Expenditure on:					
Charitable activities	6	170,357	-	170,357	147,552
Other	6	14,246	-	14,246	5,415
Total Expenditure	6	184,603	-	184,603	152,967
Net income / expenditure		1,439	-	1,439	(575)
Transfer between funds		-	-	-	-
Net movement in funds		1,439	-	1,439	(575)
Reconciliation of funds:					
Total funds brought forward		203,601	-	203,601	204,176
Total funds carried forward		205,040	-	205,040	203,601

All figures relate to continuing operations.

There were no recognised gains or losses for the current or previous period other than as stated above.
The movement in funds is due to the net incoming resources for the year.

HITS HOMES TRUST LIMITED
BALANCE SHEET
AS AT 31 MARCH 2022
Company Number 02912187 (England)

		<u>2022</u>	<u>2021</u>
	Note	£	£
FIXED ASSETS	9	309,223	12
CURRENT ASSETS			
Debtors & prepayments	10	63,989	63,243
Cash at bank and in hand		<u>106,635</u>	<u>153,632</u>
		<u>170,624</u>	<u>216,875</u>
CREDITORS: Amounts falling due within one year	11	<u>20,309</u>	<u>13,286</u>
NET CURRENT ASSETS		150,315	203,589
CREDITORS: Amounts falling due after more than one year	12	254,498	-
NET ASSETS		<u>205,040</u>	<u>203,601</u>
FUNDS			
Unrestricted	14	36,278	3,931
Designated	14	168,762	199,670
Restricted		-	-
		<u>205,040</u>	<u>203,601</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act for the year ended 31 March 2022.

The members have not required the charitable company to obtain an audit of the financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2016.

The trustees acknowledge their responsibilities for:

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

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

Approved by the management committee on 13/12/22 and signed on its behalf by:



 Mr D Brazier
 Trustee

HITS HOMES TRUST LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting Policies

1. Summary of significant accounting policies

a General information and basis of preparation

Hits Homes Trust is a registered charity in England and Wales and also a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The address of the charity's head office is given on page 1 of these financial statements. The nature of the charity's operations and principal activities detailed on page 2 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value where considered necessary. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

b Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost 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.

c Income recognition

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

HITS HOMES TRUST LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

1 Accounting Policies (Continued)

1. Summary of significant accounting policies (Continued)

c Income recognition (Continued)

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

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. A corresponding amount is recognised in expenditure.

No amount of time is included in the financial statements for volunteer time in line with SORP FRS (102). Further detail is given in the Trustees Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Fixed assets gifts in kind are recognised when receivable are included at fair value. They are not deferred over the life of the asset.

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

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as interest. Interest income is recognised using the effective interest method. Any dividend and rent income is recognised as the charity's right to receive payment is established.

HITS HOMES TRUST LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

1 Accounting Policies (Continued)

1. Summary of significant accounting policies (Continued)

d Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Cost of raising funds
- Expenditure on charitable activities
- Other expenditure represents those items not falling into the above categories.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

e Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative costs. They are incurred directly in support of expenditure on the objects of the charity.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 7.

f Tangible fixed assets

No depreciation is provided on tangible fixed assets. Assets are written off at the time of purchase. This is contrary to the requirements of FRS 102. The trustees consider that these assets will have a small residual value at the end of each financial year.

g Debtors and creditors receivable / payable within one year

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

h Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, It is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

i Leases

Rentals payable or receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

HITS HOMES TRUST LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

1 Accounting Policies (Continued)

1. Summary of significant accounting policies (Continued)

j Taxation

No provision has been made for taxation as the charity's charitable status renders it exempt from UK direct taxation.

k Going concern

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

2. Net Income / (Expenditure) for the year				<u>2022</u>	<u>2021</u>
				<u>£</u>	<u>£</u>
This is stated after charging:					
Depreciation				5	4
Independent Examiners Fees				1,615	1,560
				<u> </u>	<u> </u>
3 Donations and legacies				<u>2022</u>	<u>2021</u>
				<u>£</u>	<u>£</u>
General				-	-
				<u> </u>	<u> </u>
4 Charitable activities				<u>2022</u>	<u>2021</u>
				<u>£</u>	<u>£</u>
Rental, service charge and Supporting People Income				184,842	151,192
				<u> </u>	<u> </u>
5 Investments				<u>2022</u>	<u>2021</u>
				<u>£</u>	<u>£</u>
Bank interest received				1,200	1,200
				<u> </u>	<u> </u>
6 Total Expenditure				<u>2022</u>	<u>2021</u>
				<u>£</u>	<u>£</u>
Charitable activities					
Evington Road				-	102,640
Support Costs				50,241	17,471
				<u> </u>	<u> </u>
Governance costs				-	14,246
				<u> </u>	<u> </u>
				50,241	134,357
				<u> </u>	<u> </u>
				184,603	152,967

HITS HOMES TRUST LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

7 Support Costs	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
Salaries	31,273	31,126
Depreciation	5	4
Communications	1,776	2,825
Office costs	15,695	9,574
Management salaries	18,968	19,864
	<u>67,717</u>	<u>63,393</u>

8 Governance Costs	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
Independent examiners fee	1,615	1,560
Bookkeeping costs	3,900	3,855
Professional fees	8,731	-
	<u>14,246</u>	<u>5,415</u>

9 Tangible Fixed Assets	<u>Office</u>	<u>Freehold</u>	<u>Furniture &</u>	
	<u>Improvements</u>	<u>Property</u>	<u>Equipment</u>	<u>Total</u>
	<u>£</u>		<u>£</u>	<u>£</u>
Cost:				
As 1 April 2021	21,000	-	52,067	73,067
Additions	-	309,216	-	309,216
Disposals	(21,000)	-	-	(21,000)
As at 31 March 2022	<u>-</u>	<u>309,216</u>	<u>52,067</u>	<u>361,283</u>
Depreciation:				
As at 1 April 2021	20,999	-	52,056	73,055
Charge for the year	-	-	4	4
Eliminated on disposal	(20,999)	-	-	(20,999)
As at 31 March 2022	<u>-</u>	<u>-</u>	<u>52,060</u>	<u>52,060</u>
Net Book Value:				
As at 31 March 2022	<u>-</u>	<u>309,216</u>	<u>7</u>	<u>309,223</u>
As at 31 March 2021	<u>1</u>	<u>-</u>	<u>11</u>	<u>12</u>

10 Debtors	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
Rents receivable	10,032	5,174
Sundry debtors & prepayments	53,957	58,069
	<u>63,989</u>	<u>63,243</u>

HITS HOMES TRUST LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

11 Creditors: Amounts falling due within one year	2022	2021
	£	£
Accruals	9,152	13,286
Charity Bank Loan	11,157	-
	<u>20,309</u>	<u>13,286</u>

12 Creditors: Amounts falling due within one year	2022	2021
	£	£
Charity Bank Loan	254,498	-

13 Wages and Salaries	2022	2021
	£	£
Total emoluments	50,241	50,990
Average number of employees	2	2

All staff are employed by the charity. No employees earned more than £60,000 p.a.

14 Unrestricted Funds

	Opening Balance	Movement in Reserves		Transfers	Closing Balance
	£	Incoming	Outgoing	£	£
Unrestricted:					
General	-	-	-	36,278	36,278
Capital Fund	49,988	1,200	-	(51,188)	-
Service Charge Fund	(46,057)	115,520	(120,812)	51,349	-
	<u>3,931</u>	<u>116,720</u>	<u>(120,812)</u>	<u>36,439</u>	<u>36,278</u>
Unrestricted Designated:					
Capital Fund	-	-	-	50,000	50,000
Maintenance Fund	79,670	69,322	(63,791)	(10,000)	75,201
Property Fund	120,000	-	-	(76,439)	43,561
	<u>203,601</u>	<u>186,042</u>	<u>(184,603)</u>	<u>-</u>	<u>205,040</u>

With the acquisition of 86-88 Evington Road, the funds have been reclassified as follows:

- * The Capital Fund is a fund yielding interest on an advancement at £1,200 per annum.
- * The Maintenance Fund reflects the portion of the income from Housing Benefit and the designated expenditure relating to the maintenance of the properties. This amount is reviewed periodically for reasonableness.
- * The Property Fund is the equity on the acquisition 86-88 Evington Road.

15 Trustees

No emoluments or expenses were paid to any Trustee during the year.

16 Share Capital

The company is limited by guarantee and therefore has no share capital. The members have agreed to contribute to the assets in the event of winding up to an amount not exceeding £1.

HITS HOMES TRUST LIMITED

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

EVINGTON REVENUE

	<u>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
Grant: Supporting People	-	-
Administration Charge	-	-
	<hr/>	<hr/>
	-	-
Salaries	50,241	50,990
Travel	3	-
Training	-	-
Building Expenses	104	44
Light & Heat	636	751
Water Rates	357	287
Equipment	3,947	1,207
Insurance	2,841	3,155
Telephone	1,776	2,825
Stationery, Postage & Publications	1,893	518
Cleaning Materials	-	13
Miscellaneous	2,663	1,602
Hospitality & Activities	-	-
Bookkeeping Fees	3,900	3,855
Reporting Accountant's Charges	1,615	1,560
Advertising	-	299
Bank Charges	2,710	1,698
Professional fees	8,731	-
	<hr/>	<hr/>
	81,417	68,804
	<hr/>	<hr/>
Net Income (deficit) for the Year (see page 20)	(81,417)	(68,804)
	<hr/>	<hr/>

HITS HOMES TRUST LIMITED

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

EVINGTON RENTS AND SERVICE CHARGE

	<u>Unrestricted</u>	<u>Maintenance</u>	<u>2022</u>	<u>2021</u>
	<u>Core</u>	<u>Fund</u>	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Income:				
Housing Benefit re 82/84 Evington Road	62,651	37,591	100,242	72,857
Housing Benefit re 88 Evington Road	52,869	31,721	84,590	78,335
Leicester City Council Support charges	-	-	-	-
Damages repaid re 82/84 Evington Road	-	-	-	-
Damages repaid re 88 Evington Road	-	10	10	-
	115,520	69,322	184,842	151,192
Expenditure:				
Re 82/84 Evington Road				
Building Maintenance	-	23,680	23,680	16,062
Cleaning & Gardening	-	3,164	3,164	1,633
Light & Heat	-	553	553	394
Rent - (Midland Heart)	24,990	-	24,990	22,982
Loan interest	4,534	-	4,534	-
Miscellaneous	-	-	-	-
Furniture & Equipment	-	1,550	1,550	2,146
	29,524	28,947	58,471	43,217
Re 88 Evington Road				
Building Maintenance	-	20,145	20,145	16,214
Cleaning & Gardening	-	2,786	2,786	1,474
Light & Heat	-	788	788	844
Rent - (Midland Heart)	9,325	-	9,325	21,135
Miscellaneous	-	-	-	-
Furniture & Equipment	-	11,125	11,125	1,276
	9,325	34,844	44,169	40,943
	38,849	63,791	102,640	84,160
Net Income (deficit) for the Year (see page 20)	76,671	5,531	82,202	67,032

HITS HOMES TRUST LIMITED

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

CHARITY CAPITAL

	<u>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
Income:		
Contributions from Capital Fund	1,200	1,200
	<u>1,200</u>	<u>1,200</u>
Expenditure:		
Tenants Activities	121	-
Moving Packs for Flats	-	-
Tenant Fuel allowances	420	-
	<u>541</u>	<u>-</u>
Net Income (Deficit) for the Year (see page 20)	<u>659</u>	<u>1,200</u>

HITS HOMES TRUST LIMITED

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

CAPITAL FUND

	<u>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
Income:		
Gross Interest Received	1,200	1,200
Expenditure:		
Contribution to Charity Capital: Residents Development	1,200	1,200
Net Income for the Year (see page 20)	<u> - </u>	<u> - </u>

HITS HOMES TRUST LIMITED

SUMMARY OF FUNDS FOR THE YEAR ENDED 31 MARCH 2022

	<u>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
EVINGTON REVENUE	(81,417)	(68,804)
EVINGTON RENTS AND SERVICE CHARGE SURPLUS	82,202	67,033
CHARITY CAPITAL	659	1,200
(DEFICIT)/SURPLUS FOR THE YEAR	<u>1,444</u>	<u>(571)</u>
Less Depreciation for the year	(5)	(4)
	<u>1,439</u>	<u>(575)</u>
FUNDS BROUGHT FORWARD	203,601	204,176
	<u><u>205,040</u></u>	<u><u>203,601</u></u>
ALLOCATED BETWEEN:		
UNRESTRICTED FUNDS	36,278	3,931
DESIGNATED MAINTENANCE FUND	75,201	79,670
DESIGNATED PROPERTY FUND	43,561	120,000
DESIGNATED CAPITAL FUND	50,000	-
	<u><u>205,040</u></u>	<u><u>203,601</u></u>



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**"PROVIDING HOMES FOR YOUNG PEOPLE
SINCE 1981"**