

Charity registration number 1074401

Company registration number 3686284 (England and Wales)

**CHESTER AID TO THE HOMELESS**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

# CHESTER AID TO THE HOMELESS

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr N D Wallace Mr J F C Arnold Dr J Carroll Mr A Melia Miss S Worger Mrs J Webb Mrs J Davies Mrs C Edwards	(Appointed 16 July 2021)
<b>Secretary</b>	Mr R D Whittall	
<b>Charity number</b>	1074401	
<b>Company number</b>	3686284	
<b>Registered office</b>	The Bluecoat Upper Northgate Street Chester CH1 4EE	
<b>Independent examiner</b>	Mitchell Charlesworth 24 Nicholas Street Chester CH1 2AU	
<b>Bankers</b>	Lloyds Bank plc National Clubs Charities and Societies Centre Sedgemoor House Deansgate Avenue Taunton TA1 2UF	
<b>Solicitors</b>	Cullimore Dutton Solicitors Limited 20 White Friars Chester CH1 1XS	
<b>Investment advisors</b>	Ludlow Wealth Management Group Ltd 172 Lord Street Southport Merseyside PR9 0QA	

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# CHESTER AID TO THE HOMELESS

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# CHESTER AID TO THE HOMELESS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

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The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### **Objectives and activities**

Chester Aid to the Homeless (CATH) primarily exists to meet the needs of the homeless community in Chester and the surrounding area. It is a well-established service provider of day services and supported accommodation, the charity works with other partner agencies to ensure the best available service options for clients.

The charity works with individuals to achieve stability and to gain independent living accommodation. CATH structures client support plans that encourage positive outcomes, counter chaotic lifestyles, thereby increasing pathway opportunities to success.

Staff engage with clients to increase self – esteem including individual and group sessions which form the basis of development programmes. A recent focus on trauma informed practice also underpins the programmes giving clients an opportunity to begin to deal with their individual circumstances and improve the outcome of achieving a more settled future.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding the activities that should be undertaken as part of the service model.

#### **Achievements and performance**

Despite COVID 19 legal restrictions being lifted in June 2021 the year continued to be challenging. The balance of providing services and maintaining COVID 19 protocols and practices meant that we minimised the disruption as much as was possible. Regardless of the COVID 19 disruption CATH staff continued to provide an in-person service. The work of supporting clients in the shared houses continued and work with individuals in crisis remained a priority.

The Harold Tomlins Centre with its day service needed to adapt the most. CATH attempted to operate the daily open access for the street homeless community at every opportunity. The outreach service was a way of providing access to services when it was not possible to provide full access from the building. This extra provision enabled the charity to continue to foster critical client/staff support relationships and invite those most in need back to the centre on an individual basis. After the remaining legal restrictions were lifted the Centre re-started its 'walk-in' sessions and the outreach sessions also continued.

The CATH annual December sleep out took place in person as opposed to a 'sleep – in at home' basis the previous year. Despite the event still being held in the shadow of COVID 19 the event was well supported and raised more than £12,000.

Community support continued to be shown throughout the year and despite difficult social and economic circumstances donations for the year were £97,255. This signifies generous support that CATH benefits from and will never take for granted. The charity remains indebted to each and every one of them, whether they be community or corporate, CATH salutes them all.

# CHESTER AID TO THE HOMELESS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### **FOR THE YEAR ENDED 31 MARCH 2022**

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#### **Plans for future periods**

The unwind of COVID 19 disruption still impacts and shapes our plans for our immediate future, but with most of the individuals in temporary accommodation we have an opportunity to work with people to reduce the likelihood of returning to the street.

The charity will adapt its services to meet the needs of these times to support individuals more effectively. The Harold Tomlins Centre will revise its programme of support with a specific Autumn/Winter and Spring/Summer offer. The outreach programme will continue to bridge the gap between individuals in crisis and access to services.

The charity will look to develop a new website and re-invigorate its social media so that we can engage with the local community and more widely circulate our support and services.

Street homelessness and its related issues remains a problem for the city and the surrounding area. CATH will work with all the available agencies and partners to be able to promote access to accommodation, services and support. In short, it will continue to try to make real differences in people's lives.

#### **Financial review**

Financial support for CATH's work for the homeless continued to benefit from public and corporate donations, totaling £97,255 this has reduced from 2020-21, but considering the economic climate this has been a positive outcome and CATH remains well supported.

The Hampshire Bank bond became payable, amounting to £71,000 this was invested with the bank into one-year fixed bond at 1.61% maturing May 2022. The Aviva platform holding at the start of the year was £225,437 and at the year-end was £230,852. This continues to be held in a portfolio managed by an Aviva Platform, the oversight of it by an investment is with Ludlow Wealth Management. The portfolio held is low risk and has been impacted by the economic instability.

The 2021-22 financial year resulted in a deficit of £3,884 (2019-20, surplus £215,062) impacting reserves to £742,808. The Board is still exploring plans for using a significant portion of these reserves to purchase an HMO type property in Chester, when property market conditions are more favourable.

# CHESTER AID TO THE HOMELESS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### **Reserves policy**

The Board's decision regarding the unrestricted reserves policy remains that we should ideally hold a minimum of 75% of an average one year's operating costs in reserve amounting to £277,500.

The aim is to maintain a suitable level of reserves consistent with the ongoing activities of the Charity, such that negative fluctuations in funding do not have an immediate adverse impact on clients or staff. In addition, reserves are provided to make good any deficits arising from duly authorised projects. The unrestricted reserves of £742,808 as at 31 March 2022 represents approximately two years of current expenditure of the charity.

#### **Designated funds**

##### **Care and development fund**

This is the principal reserve fund for supporting the ongoing general activities of CATH.

##### **IT/IS Fund**

A fund to ensure that CATH can obtain and run efficient and effective administration processes as required by the regulatory authorities and to the ultimate benefit of the client group.

##### **Contents Replacement Reserve**

The nature of the CATH services and client groups results in a short life and heavy utilisation of furniture and effects in the hostels, houses and the Harold Tomlins Centre. This reserve facilitates replacement of this equipment to maintain an adequate, if basic, standard of accommodation.

##### **Redundancy Reserve**

With no guarantee of ongoing funding for some of the activities of CATH this reserve is necessary to protect the interests of staff in the event of redundancies.

##### **Development Fund**

The fund permits the expansion of CATH activities where consistent with the aims of the charity.

##### **Dilapidations Reserve**

CATH does not own any of the properties it uses. This fund is necessary to provide any dilapidation payments that may arise for which CATH is responsible under the terms of the lease should buildings be returned to the landlords.

There was no spend from this fund during 2021-22.

##### **Legacies Fund**

There is currently one potential legacy, which is long-standing and showing no signs of producing further income. The legacy fund is therefore reduced to a more realistic value and the balance added to the new property purchase fund.

##### **Buildings Reserve**

As all of the buildings occupied by CATH are relatively old this fund is necessary to provide for any costs that may arise in connection with any significant repairs maintenance or upgrading of the buildings or their facilities for which CATH is responsible under the terms of the lease.

During 2021-22 all repairs were funded from general reserves.

##### **Contingency Reserve**

A reserve fund for unexpected events or other adverse financial situations.

##### **New property purchase fund**

This fund is being created to enable the Charity to purchase a house designated as a "house in multiple occupation". Until now all our properties have been rented from landlords, which has been a very beneficial model over the years, but the Board believes it would be prudent to have at least one property owned outright when market conditions for purchase are more favourable in the future.

# CHESTER AID TO THE HOMELESS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### **Investment policy**

Cash reserves are held in a portfolio with Aviva platform, with another account held with Hampshire Trust Bank that matures in May 2022, plus a current account with Lloyds Bank. The investment funds can be made available within a short lead time should the need arise.

#### **Risk policy**

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The year ahead will remain challenging with the likelihood of COVID 19 disruption likely to be less of a factor, but still cannot be ruled out. The charity is well placed with sufficient reserves but is working hard to develop strategies that will offset any possible COVID impact and will review any other factors as they arise.

Although temporary accommodation is currently being utilised this model of support is unsustainable in the medium to long term. The need for sustainable supported and emergency accommodation is still an issue in the city. CATH will look to increase its bed spaces to provide extra supported capacity in the coming year.

CATH day services and outreach will continue to be fundamental to service delivery in Chester and the surrounding area.

#### **Plans for future periods**

As COVID 19 disruption recedes CATH is left with an opportunity to work with a group that in the main is temporarily accommodated. As a result of the public health emergency individuals that we work with have gained improved access to the essentials of food, clothing and shelter. The challenge is to now offer effective support to reduce the risk of returning to the street. CATH needs to review service delivery, tailor support and improve partnership work for the benefit of those individuals.

CATH pre COVID had benefitted greatly from volunteer activity and although we envisaged returning to volunteering once legal restrictions had been removed; this has not been straight-forward. We will continue to look for opportunities to involve volunteers at every opportunity and review on a regular basis.

As part of the revised strategic plan, we are working to improve our digital platform reaching out to clients, supporters, and funders. A legacy of COVID is that a service needs to be able to respond and change quickly and an improved digital presence would be an effective way to get our message out. We would expect this improvement to further strengthen our relationships with local institutions and businesses.

Covid -19 restricted the Board in increasing the number of properties under management by one, but we will now set about a plan for refurbishment of existing properties and to look to increase properties.

The day centre and outreach service will continue to offer in-person support and we will look to adjust our programme to fill the gaps in provision as they occur. This individual and responsive approach has its origin in 1972 when CATH was first established and this charity in its 50th year will continue to provide a pivotal role in helping people to help themselves.

#### **Structure, governance and management**

The charity is a company limited by guarantee, incorporated on the 21 December 1998 and is therefore governed by a Memorandum and Articles of Association.

# CHESTER AID TO THE HOMELESS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr R G Rudd	(Resigned 31 December 2021)
Mr N D Wallace	
Mr J F C Arnold	
Dr J Carroll	
Mr A Melia	
Miss S Worger	
Prof E Rees	(Resigned 1 September 2021)
Dr J Gresham	(Resigned 27 August 2021)
Mrs J Webb	
Mrs J Davies	
Mr O A Jones	(Appointed 21 May 2021 and resigned 24 May 2022)
Mrs C Edwards	(Appointed 16 July 2021)

Most trustees have worked for CATH as volunteers, usually in the Harold Tomlins Centre. Prior to appointment as a trustee, CATH endeavours to ensure that the board has a wide range of skills and experience such as Finance, Human Resources, Fundraising etc.

The trustees are collectively responsible for the governance of the organisation. The CEO reports directly to the Chair at monthly supervision sessions and to the full Board at quarterly meetings. Additionally, the Board hold strategic planning away days which all trustees attend. A strong commitment prevails in respect of the Trustee development programme which manifests itself through training in areas such as trustee responsibilities, internal audit, information security and any other topical areas of governance.

The CEO works with one operations manager to deliver services and accommodation with support. Continuous improvement of service delivery remains key to CATH's success. The operational teams work to outcome measures to ensure the economy, efficiency and effectiveness of service. Performance indicators, client feedback mechanisms and peer-to-peer review ensure true client engagement remains a priority.

#### **Qualifying third party indemnity provisions**

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The remuneration of key management personnel is determined annually by the Trustees. Traditionally the level of remuneration has been determined by reference to the annually revised pay scales of the union Unison for workers in similar positions to CATH's employees. For the last few years the Trustees has considered key economic indicators such as performance of RPI and average level of pay increases in the previous 12 months.

The trustees' report was approved by the Board of Trustees.

Mr R D Whittall  
**Company Secretary**

2 September 2022



# CHESTER AID TO THE HOMELESS

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### ***FOR THE YEAR ENDED 31 MARCH 2022***

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The trustees, who are also the directors of Chester Aid To The Homeless for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

# CHESTER AID TO THE HOMELESS

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF CHESTER AID TO THE HOMELESS

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I report to the trustees on my examination of the financial statements of Chester Aid To The Homeless (the charity) for the year ended 31 March 2022.

#### **Responsibilities and basis of report**

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

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

#### **Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



**Mitchell Charlesworth**

24 Nicholas Street  
Chester  
CH1 2AU

Dated: 8 December 2022

# CHESTER AID TO THE HOMELESS

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<b>Income from:</b>					
Donations and legacies	3	97,255	298,645	-	298,645
Charitable activities	4	256,703	234,120	-	234,120
Investments	5	15	3,102	-	3,102
<b>Total income</b>		<b>353,973</b>	<b>535,867</b>	<b>-</b>	<b>535,867</b>
<b>Expenditure on:</b>					
Charitable activities	6	365,762	347,361	4,100	351,461
Net gains/(losses) on investments	11	7,905	30,656	-	30,656
<b>Net movement in funds</b>		<b>(3,884)</b>	<b>219,162</b>	<b>(4,100)</b>	<b>215,062</b>
Fund balances at 1 April 2021		746,692	527,530	4,100	531,630
<b>Fund balances at 31 March 2022</b>		<b>742,808</b>	<b>746,692</b>	<b>-</b>	<b>746,692</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

# CHESTER AID TO THE HOMELESS

## BALANCE SHEET

**AS AT 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12		7,278		12,723
Investments	13		230,852		225,437
			<u>238,130</u>		<u>238,160</u>
<b>Current assets</b>					
Debtors	15	89,610		82,332	
Cash at bank and in hand		425,801		448,220	
		<u>515,411</u>		<u>530,552</u>	
<b>Creditors: amounts falling due within one year</b>	16	(10,733)		(22,020)	
Net current assets			504,678		508,532
<b>Total assets less current liabilities</b>			<u>742,808</u>		<u>746,692</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds	18	481,400		481,400	
General unrestricted funds		261,408		265,292	
		<u>742,808</u>		<u>746,692</u>	
			<u>742,808</u>		<u>746,692</u>

# CHESTER AID TO THE HOMELESS

## BALANCE SHEET (CONTINUED)

**AS AT 31 MARCH 2022**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 2 September 2022

Mrs C Edwards  
**Trustee**

**Company registration number 3686284**

# CHESTER AID TO THE HOMELESS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### Charity information

Chester Aid To The Homeless is a private company limited by guarantee incorporated in England and Wales. The registered office is The Bluecoat, Upper Northgate Street, Chester, CH1 4EE.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# CHESTER AID TO THE HOMELESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

(Continued)

##### 1.5 Expenditure

Expenditure is recognised when a liability is incurred.

Charitable activities include expenditure associated with the operation and managed residential accommodation and welfare support services.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

##### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	None
Fixtures and fittings	33% Straight line
Computers	33% Straight line
Motor vehicles	25% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Capital expenditure that does not in reality produce a saleable asset or an increase in value of an existing asset will be written off totally in the year the expenditure is incurred.

##### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# CHESTER AID TO THE HOMELESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

(Continued)

##### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Basic financial liabilities*

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

##### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### 1.13 Defined contribution pension scheme

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.



# CHESTER AID TO THE HOMELESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Donations and gifts	97,255	288,158
Grants	-	10,487
	<u>97,255</u>	<u>298,645</u>
<b>Donations and gifts</b>		
Donations	85,255	100,724
Corporate donation	12,000	12,000
Legacies	-	175,434
	<u>97,255</u>	<u>288,158</u>

#### 4 Charitable activities

	Homeless support 2022 £	Homeless support 2021 £
Sales within charitable activities	<u>256,703</u>	<u>234,120</u>

# CHESTER AID TO THE HOMELESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	15	3,102

### 6 Charitable activities

	Homeless support 2022	Homeless support 2021
	£	£
Staff costs	165,024	164,676
Food and household goods	11,423	8,019
Rent	91,871	80,924
Rates and water	11,962	10,396
Light and heat	20,337	22,184
Repairs and maintenance	13,008	21,961
TV and recreation	3,038	4,211
Client education and training	448	786
Travel and motor expenses	5,804	4,369
Other staff costs	-	350
	322,915	317,876
Share of support costs (see note 8)	33,210	27,082
Share of governance costs (see note 8)	9,637	6,503
	365,762	351,461
<b>Analysis by fund</b>		
Unrestricted funds	365,762	347,361
Restricted funds	-	4,100

### 7 Net movement in funds

	2022	2021
	£	£
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	6,321	6,102

# CHESTER AID TO THE HOMELESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 8 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Depreciation	6,321	-	6,321	6,102	-	6,102
IT equipment	1,801	-	1,801	3,604	-	3,604
Health and Safety	3,292	-	3,292	2,215	-	2,215
Insurance	7,484	-	7,484	7,054	-	7,054
Hospitality	307	-	307	78	-	78
Office costs	13,560	-	13,560	7,885	-	7,885
Support costs heading 7	120	-	120	144	-	144
Support costs heading 8	325	-	325	-	-	-
Accountancy	-	3,000	3,000	-	2,880	2,880
Legal and professional	-	4,097	4,097	-	3,573	3,573
Bank charges	-	2,540	2,540	-	50	50
	<u>33,210</u>	<u>9,637</u>	<u>42,847</u>	<u>27,082</u>	<u>6,503</u>	<u>33,585</u>
Analysed between						
Charitable activities	<u>33,210</u>	<u>9,637</u>	<u>42,847</u>	<u>27,082</u>	<u>6,503</u>	<u>33,585</u>

Governance costs includes payments to the auditors of £nil (2021- £nil) for audit fees.

#### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

# CHESTER AID TO THE HOMELESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 10 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Management	2	2
Charitable staff	5	4
	<u>7</u>	<u>6</u>

##### Employment costs

	2022 £	2021 £
Wages and salaries	146,727	148,503
Social security costs	9,111	9,228
Other pension costs	9,186	6,945
	<u>165,024</u>	<u>164,676</u>

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

#### 11 Net gains/(losses) on investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Revaluation of investments	<u>7,905</u>	<u>30,656</u>

# CHESTER AID TO THE HOMELESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 12 Tangible fixed assets

	Leasehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2021	139,000	2,628	6,959	12,594	161,181
Additions	-	876	-	-	876
At 31 March 2022	139,000	3,504	6,959	12,594	162,057
<b>Depreciation and impairment</b>					
At 1 April 2021	138,999	657	2,504	6,298	148,458
Depreciation charged in the year	-	876	2,296	3,149	6,321
At 31 March 2022	138,999	1,533	4,800	9,447	154,779
<b>Carrying amount</b>					
At 31 March 2022	1	1,971	2,159	3,147	7,278
At 31 March 2021	1	1,971	4,455	6,296	12,723

The leasehold property recognised at £1 in the accounts relates to Crispin House, 56 Nicholas Street, Chester was bought and refurbished with the help of a grant of £139,000 from the Resettlement Agency. Certain covenants and restrictions were imposed and in particular, the grant will be repayable should the usage of the building be other than for the existing resettlement activities. In addition, the Resettlement Agency has a first charge over the property.

#### 13 Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2021	225,437
Valuation changes	7,905
Fees and charges	(2,490)
At 31 March 2022	230,852
<b>Carrying amount</b>	
At 31 March 2022	230,852
At 31 March 2021	225,437

#### Fixed asset investments revalued

The historical cost of the investments was £199,000 (2021 - £199,000) and all investments are valued at the traded market value at the year end.

# CHESTER AID TO THE HOMELESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

<b>14</b>	<b>Financial instruments</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	<b>Carrying amount of financial assets</b>		
	Instruments measured at fair value through profit or loss	230,852	225,437
<b>15</b>	<b>Debtors</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	<b>Amounts falling due within one year:</b>		
	Trade debtors	302	458
	Other debtors	72,158	72,143
	Prepayments and accrued income	17,150	9,731
		89,610	82,332
<b>16</b>	<b>Creditors: amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Other taxation and social security	862	16,575
	Trade creditors	4,865	1,433
	Other creditors	1,891	962
	Accruals and deferred income	3,115	3,050
		10,733	22,020
<b>17</b>	<b>Restricted funds</b>		

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020	Resources expended	Balance at 1 April 2021	Movement in funds Incoming resources	Balance at 31 March 2022
	£	£	£	£	£
Donations	4,100	(4,100)	-	-	-

The restricted donation of £15,600 was reduced to £Nil by the end of the previous year and there were no further movements in the current year, following expenditure on several properties upgraded with CCTV and further updating of our property in Bouverie Street in the previous year.

# CHESTER AID TO THE HOMELESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2021	Movement in funds		Balance at 31 March 2022
	£	Incoming resources £	Resources expended £	£
IT/IS reserve	15,000	-	-	15,000
Contents replacement	50,000	-	-	50,000
Redundancy	20,000	-	-	20,000
Development	30,000	-	-	30,000
Dilapidations	15,000	-	-	15,000
Buildings	47,811	-	-	47,811
Legacies fund	9,557	-	-	9,557
Contingency	84,032	-	-	84,032
New property fund	210,000	-	-	210,000
	<u>481,400</u>	<u>-</u>	<u>-</u>	<u>481,400</u>

#### Legacies

The charity is a co-beneficiary of some land in Cheshire. This has not been included in the financial statements as no notification of further distribution has been received. The charity does not yet have a reliable estimate of the value of the legacy. Costs associated with bringing the legacy income to fruition are allocated to a designated fund (see note 18) as they fall due.

#### 19 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>70,325</u>	<u>75,273</u>