

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 2023

CHESTER AID TO THE HOMELESS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	N Wallace	
	J Arnold	
	Dr J Carroll	
	A Melia	
	S Worger	
	J Webb	
	J Davies	
	C Edwards	
	A Rosenbloom	(Appointed 3 February 2023)
	A Ellwood-Roberts	(Appointed 4 November 2022)
Secretary	Mr R D Whittall	
Charity number	1074401	
Company number	3686284	
Registered office	The Bluecoat Upper Northgate Street Chester CH1 4EE	
Independent examiner	Mitchell Charlesworth 24 Nicholas Street Chester CH1 2AU	
Bankers	Lloyds Bank plc National Clubs Charities and Societies Centre Sedgemoor House Deansgate Avenue Taunton TA1 2UF	
Solicitors	Cullimore Dutton Solicitors Limited 27 Newgate Street Chester CH1 1DE	
Investment advisors	Ludlow Wealth Management Group Ltd 172 Lord Street Southport Merseyside PR9 0QA	

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 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

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

The Charity has continued to adapt to the residual legacy of COVID 19. As organisations looked to return to pre COVID working practices it was clear that during the COVID service-gap that demand for those services had increased. As a result, we found that despite services 'opening-up' that the accessibility to services remained problematic. As a front-line charity, we relied heavily on partnership working to mitigate these issues and make the most of our shared resources.

Over the same period rapidly rising inflation resulted in the 'Cost of Living Crisis' and this impacted on society as a whole. The most notable impact for us was that a wider group of people were requiring practical and fundamental assistance from us than ever before. The increase in demand for food, energy provision and access to general advice and reassurance remains a predominant feature in supporting clients either in crisis or trying to maintain accommodation.

CATH staff continued to provide necessary front-line services from the Harold Tomlins Centre and support our residents in the shared houses that we manage. We have looked to change how we deliver day services and adapted our client offer accordingly. We conducted outreach sessions to provide services outside of the bricks and mortar of the Centre and worked with other agencies to provide specific services for women and continued our commitment to providing one-to-one support.

In September 2022 CATH marked its 50th anniversary. The fact that a local homeless charity has been in existence for 50 years is not necessarily a thing to be celebrated, but it does mark a notable milestone that this charity is still involved in local issues and willing to make a difference. CATH sees itself as a community resource and continues to be well supported by individuals, companies and like-minded agencies. CATH benefited from donations of time in terms of volunteering and financial support £102,645.00 in donations. The CATH annual Sleep-Out in December 2022 was the first since the COVID restrictions ended and we will look to build on this event for 2023. The support that we receive from individuals, business or community groups will never be taken for granted and in turn we will continue to provide support for people who need our services.

CHESTER AID TO THE HOMELESS

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

FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods

A focus on health and access to housing are the key features of this coming year. The continuation by Cheshire West and Chester Council of the 'Everyone In' COVID 19 initiative in this area has meant that access to temporary accommodation, food and clothing are the most accessible they have ever been. However, access to these temporary resources does not solve the individual and complex issues that cause homelessness.

While this temporary provision is still available, we have an opportunity to work with individuals to address health and wellbeing issues and improve accommodation options. There is more awareness regarding trauma informed practice and better access to counselling and The Harold Tomlins Centre that CATH run is now a key delivery venue for these type of interventions.

We are working with our partners to try to shape service design so that individuals can access more intensive support and a route to progress can be encouraged and supported. Proposals have been put forward to provide accommodation and day services that specifically address these issues for the benefit of the individuals and the wider community.

Work is underway to re-vitalise our website and social media in a bid to cement the fact that CATH is a community resource. It will provide individuals in need with the information and guidance required whilst at the same time look to engage citizens, business and community groups. We will look to circulate evidenced based research and best practice to try to influence and update the narrative about homelessness.

With health and access to housing as our key focus we will concentrate on maximising our partnership work. When demands on services are increasing and resources are limited it is crucial that CATH works to advocate on behalf of individuals and works to promote a joined-up service approach. By doing this we can make a real and sustained difference for the individual in service and equally for the local community.

Financial review

Financial support for CATH's work for the homeless continued to benefit from public and corporate donations, totaling £102,645 for 2022-23, an increase of £5,390 from 2021-22, which noting the economic climate is a very tangible show of support for the work that CATH does.

The Aviva platform holding at the start of the year was £230,568 and at the year-end was £216,854. 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 but has been impacted by significant economic instability.

The 2022- 23 financial year resulted in a deficit of £95,362 (2021-22, deficit £3,884) impacting reserves to £647,446. The main driver for the deficit was the number of voids carried in accommodation. The Board recognise that this was for exceptional reasons and plans have been put in place to increase occupancy and to review the reserves amount in line with future plans.

CHESTER AID TO THE HOMELESS

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

FOR THE YEAR ENDED 31 MARCH 2023

Reserves policy

The Board 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 £647,446 as at 31 March 2023 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 2022-23.

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 2022-23 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 2023

Investment policy

Cash reserves are held in a portfolio with Aviva platform 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.

With the advent of COVID 19 the likelihood of another exceptional disruption cannot be ruled out. The charity is well placed with sufficient reserves but has reviewed its working practices and outlined a business contingency plan to offset any possible future impact. The trustees will monitor and review any other factors as they arise.

Temporary accommodation is still being utilised by the local authority for the 'Everyone In' model of support. Initially it was thought that this model was unsustainable and the need for CATH accommodation might be in high demand. That has not turned out to be the case and CATH's position of looking to increase its bed spaces to provide extra supported capacity is currently on hold and to be reviewed.

Plans for future periods

The challenge for CATH is to make the most of the opportunity to work with individuals that currently have improved access to food, clothing and temporary accommodation. As described above the focus will be on health and access to housing and we will look to collaborate with other agencies to provide specific provision. Therefore, day services will be more specific such as health, mental health, counselling or substance misuse sessions with appointments for housing referrals. A lot of work has been done to improve referral routes for our own supported accommodation and resident support will continue to be a priority. We will look to review our accommodation capacity in line with how the local authority decides to transition from 'Everyone In' to statutory and charity accommodation provision.

Volunteer activity has not returned to pre COVID 19 levels, but we have a small and valued group of individuals who will help us to meet the demands on our services. We have benefited from local business volunteer days and will look to encourage further volunteer involvement via our revised website and social media platforms. We will look to make more of social media to strengthen our relationships and our place as a community resource.

Although the accommodation capacity of the Charity is under review we will maintain the standards in the properties that we currently manage and look to make a positive impact in the local area.

CATH will continue to provide day services and accommodation with support that aligns with the emerging changes in homelessness. This individual and responsive approach has its origin in 1972 when CATH was first established and the Charity will continue to provide a key 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 2023

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:

N Wallace

J Arnold

Dr J Carroll

A Melia

S Worger

J Webb

J Davies

O Jones

(Resigned 24 May 2022)

C Edwards

A Rosenbloom

(Appointed 3 February 2023)

A Ellwood-Roberts

(Appointed 4 November 2022)

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 service 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

1 September 2023

CHESTER AID TO THE HOMELESS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

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

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 2023.

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: 13 September 2023

CHESTER AID TO THE HOMELESS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £
<u>Income from:</u>					
Donations and legacies	3	93,645	9,000	102,645	97,255
Charitable activities	4	182,473	-	182,473	256,703
Investments	5	561	-	561	15
Total income		276,679	9,000	285,679	353,973
<u>Expenditure on:</u>					
Charitable activities	6	360,116	9,000	369,116	365,762
Net gains/(losses) on investments	11	(11,925)	-	(11,925)	7,905
Net movement in funds		(95,362)	-	(95,362)	(3,884)
Fund balances at 1 April 2022		742,808	-	742,808	746,692
Fund balances at 31 March 2023		647,446	-	647,446	742,808

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 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		1,096		7,278
Investments	14		216,854		230,852
			<u>217,950</u>		<u>238,130</u>
Current assets					
Debtors	15	13,070		89,610	
Cash at bank and in hand		429,235		425,801	
		<u>442,305</u>		<u>515,411</u>	
Creditors: amounts falling due within one year	16	(12,809)		(10,733)	
Net current assets			429,496		504,678
Total assets less current liabilities			<u>647,446</u>		<u>742,808</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	18	481,400		481,400	
General unrestricted funds		166,046		261,408	
		<u>647,446</u>		<u>742,808</u>	
			<u>647,446</u>		<u>742,808</u>

CHESTER AID TO THE HOMELESS

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

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 2023.

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 1 September 2023

C Edwards
Trustee

Company registration number 3686284

CHESTER AID TO THE HOMELESS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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 2023

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 2023

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 2023

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	Restricted funds	Total	Unrestricted funds
	2023 £	2023 £	2023 £	2022 £
Donations and gifts	93,645	-	93,645	97,255
Grants	-	9,000	9,000	-
	<u>93,645</u>	<u>9,000</u>	<u>102,645</u>	<u>97,255</u>
Donations and gifts				
Donations	81,645	-	81,645	85,255
Corporate donation	12,000	-	12,000	12,000
	<u>93,645</u>	<u>-</u>	<u>93,645</u>	<u>97,255</u>

4 Charitable activities

	Homeless support 2023 £	Homeless support 2022 £
Sales within charitable activities	<u>182,473</u>	<u>256,703</u>

CHESTER AID TO THE HOMELESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	561	15

6 Charitable activities

	Homeless support 2023	Homeless support 2022
	£	£
Staff costs	149,413	165,024
Food and household goods	8,540	11,423
Rent	97,391	91,871
Rates and water	12,674	11,962
Light and heat	16,810	20,337
Repairs and maintenance	27,249	13,008
TV and recreation	1,049	3,038
Client education and training	460	448
Travel and motor expenses	6,292	5,804
Staff training	759	-
	320,637	322,915
Share of support costs (see note 8)	39,445	33,210
Share of governance costs (see note 8)	9,034	9,637
	369,116	365,762
Analysis by fund		
Unrestricted funds	360,116	365,762
Restricted funds	9,000	-
	369,116	365,762

CHESTER AID TO THE HOMELESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7	Net movement in funds				2023	2022
					£	£
	Net movement in funds is stated after charging/(crediting)					
	Depreciation of owned tangible fixed assets				6,182	6,321
8	Support costs					
		Support costs	Governance costs	2023	Support costs	Governance costs
		£	£	£	£	£
	Depreciation	6,182	-	6,182	6,321	-
	IT equipment	3,760	-	3,760	1,801	-
	Health and Safety	6,593	-	6,593	3,292	-
	Insurance	7,491	-	7,491	7,484	-
	Hospitality	130	-	130	307	-
	Office costs	14,756	-	14,756	13,560	-
	Subscriptions	353	-	353	120	-
	Room hire	180	-	180	325	-
	Accountancy	-	3,300	3,300	-	3,000
	Legal and professional	-	3,604	3,604	-	4,097
	Bank charges	-	2,130	2,130	-	2,540
		39,445	9,034	48,479	33,210	9,637
	Analysed between					
	Charitable activities	39,445	9,034	48,479	33,210	9,637

Governance costs includes payments to the auditors of £nil (2022- £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 2023

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Management	3	2
Charitable staff	3	5
	<u>6</u>	<u>7</u>

Employment costs

	2023 £	2022 £
Wages and salaries	135,053	146,727
Social security costs	7,275	9,111
Other pension costs	7,085	9,186
	<u>149,413</u>	<u>165,024</u>

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

11 Net gains/(losses) on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Revaluation of investments	<u>(11,925)</u>	<u>7,905</u>

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

CHESTER AID TO THE HOMELESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Tangible fixed assets

	Leasehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2022	139,000	3,504	6,959	12,594	162,057
At 31 March 2023	139,000	3,504	6,959	12,594	162,057
Depreciation and impairment					
At 1 April 2022	138,999	1,533	4,800	9,447	154,779
Depreciation charged in the year	-	876	2,159	3,147	6,182
At 31 March 2023	138,999	2,409	6,959	12,594	160,961
Carrying amount					
At 31 March 2023	1	1,095	-	-	1,096
At 31 March 2022	1	1,971	2,159	3,147	7,278

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.

14 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2022	230,852
Valuation changes	(11,925)
Fees and charges	(2,073)
At 31 March 2023	216,854
Carrying amount	
At 31 March 2023	216,854
At 31 March 2022	230,852

Fixed asset investments revalued

The historical cost of the investments was £199,000 (2022 - £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 2023

15 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	-	302
Other debtors	-	72,158
Prepayments and accrued income	13,070	17,150
	<u>13,070</u>	<u>89,610</u>

16 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	2,952	862
Trade creditors	3,926	4,865
Other creditors	2,631	1,891
Accruals and deferred income	3,300	3,115
	<u>12,809</u>	<u>10,733</u>

17 Restricted funds

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

	Movement in funds		Movement in funds		
	Incoming resources	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 31 March 2023
	£	£	£	£	£
The B&Q Foundation	-	-	5,000	(5,000)	-
The Winter Household Support Fund	-	-	4,000	(4,000)	-
	<u>-</u>	<u>-</u>	<u>9,000</u>	<u>(9,000)</u>	<u>-</u>

The £5,000 grant received from The B&Q Foundation was restricted to expenses relating to structural repairs, redecoration and refurbishment and gardening. During the year all of the £5,000 was spent for its intended purpose.

The £4,000 grant received from The Winter Household Support Fund was restricted to expenses relating to supporting individuals or families in West Cheshire with food and other essentials such as heaters, blankets, beds, clothes, white goods and paying household bills. During the year all of the £4,000 was spent on supporting individuals or families in West Cheshire with the paying of household bills.

CHESTER AID TO THE HOMELESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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 2022	Movement in funds		Balance at 31 March 2023
	£	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.

	2023 £	2022 £
Aggregate compensation	<u>42,996</u>	<u>70,325</u>