

WALTHAM FOREST CHURCHES NIGHT SHELTER-

WFCNS LIMITED

Company Limited by Guarantee No 03844727

Registered Charity No 1086888

ACCOUNTSFORTHEYEARENDED

31 MARCH 2023

INDEX TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

CONTENTS

	Page
Legal and administrative information	3
Report of the trustees and directors	4- 10
Report of the independent auditors	11 - 13
Statement of Financial Activities	14
Balance Sheet	15
Cash flow statement	16
Notes forming part of the financial statements	17-24
The following page does not form part of the audited financial statements	
Detailed income and expenditure account	25

LEGAL AND ADMINISTRATIVE INFORMATION

Directors and Trustees	W Reid B J P Lynch G A Stowe A Mustafa E Petersen E J Hamilton
Bankers	CAFBank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ
Chief Executive	J Saunders
Registered Office	740 Forest Road Walthamstow London E173HR
Company Registration No	03844727
Charity Registration No	1086888
Auditors	Fredericks Limited Chartered Accountants & Registered Auditors 106 Charter Avenue Ilford, Essex IG2 7AD

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2023

Purposes and Aims

Waltham Forest Churches Night Shelter is registered in England and Wales under company number 3844727 and charity registration number 1086888.

The Charity is governed by its Memorandum and Articles of Association. Our charity's purposes, the charity's 'objects' are to relieve the poverty of single persons in the London Borough of Waltham Forest and the surrounding areas who are homeless by the provision of a hostel, information and advice services, and other appropriate support services:

- To develop the capacity and skills of homeless people in such a way that they are better able to identify and meet their needs, enabling individuals to participate more fully in society,
- To provide counselling for single homeless people who have alcohol or substance misuse support needs.
- To provide advocacy, housing advice and housing support to relieve poverty among single homeless people living in Waltham Forest and the surrounding areas.
- , To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those who are socially excluded and assisting individuals to re-integrate into society.

Ensuring our work delivers our aims

Each year, we keep our activities and services under review to decide whether they effectively support our short- to longer-term aims, looking at what we achieved against the outcomes set for the previous year. Conforming to the objectives of our governing document, our activities remained focused towards facilitating the development of greater self-sufficiency and independence in all people we supported, and increasing access to suitable longer-term, housing options.

The focus of our work

Throughout 2022/23, a major focus for trustees was to achieve a key strategic aim, the purchase of a second stage move-on property. We purchased a property in Waltham Forest in March 2023, and are now set on refurbishing and retro-fitting the property to LETI (London Energy Transformation Initiative) standards.

During 2022/23 we:

- o Provided a range of support services including therapy/counselling sessions, welfare and benefits advice, budgeting courses, access to volunteering opportunities and referrals to specialist drug and alcohol services. Our services are targeted to individuals' needs and help support people to better cope with the challenges they face including isolation, mental health, substance misuse, loss of confidence and employable skills, and estrangement from family and friends.
- o Provided advice and advocated on behalf of more than 100 current and former residents of Branches hostel as well as visits to our hostel or telephone enquiries from homeless people who had not been resident in Branches hostel.
- o Continued our focus on reducing the cycle of homelessness and its effects through our resettlement programme so that people who moved on from Branches hostel were better prepared for independent living. We supported 20 people through the resettlement programme and provided longer-term floating support for 18 former residents who had moved on in the previous year, and for 15 of the 22 people who had moved on in 2020/21.
- o Continued to increase our partnerships with private sector landlords, widening the geographical range of options for move-on accommodation, developed social housing partnerships, and secured additional move-on pathways to sheltered accommodation for people aged 50+ years.

How our activities deliver public benefit

All our charitable activities focus on supporting people to re-build lives to end the cycle of homelessness and move-on successfully to suitable permanent accommodation. In shaping our objectives for the year and planning our activities the trustees have considered the Charity Commission's guidance on public benefit.

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2023

How we are financed

The major income stream is through rental payments for each unit of accommodation in Branches hostel. We also have a provider contract with Waltham Forest council for Supported Housing for Homeless Single Adults. Throughout the year, we received various financial donations ranging from monthly Gift Aid donations from individuals to funds raised by local schools as a result of targeted activities and from local faith groups and business sector supporters.

During 2022/23, we continued to realise the benefits from our fundraising efforts. We raised funds primarily from Trusts and Foundations, and they have provided one-off grants and longer-term grants for up to five years. With their generous support we have been able to purchase equipment for the hostel and residents, pay towards running costs, and recruit to jobs needed to provide a person-centred approach to support in Branches hostel.

We are very grateful to funders, and acknowledge those who supported us in 2022/23:

- ❖ The Clothworkers' Foundation
- ❖ The Edward Gostling Foundation
- ❖ The Henry Smith Charity
- ❖ The City Bridge Trust
- ❖ Lloyds Bank Foundation
- ❖ The Albert Hunt Trust
- ❖ The Drapers' Charitable Fund
- ❖ Garfield Weston Foundation
- ❖ The 29th May 1961 Charitable Trust
- ❖ The Monday Charitable Trust
- ❖ Mount Fund

Premises

We provide short-term accommodation in our 27-bed purpose-built hostel known as 'Branches'. Each of the 27 rooms is self-contained, with an en suite wet-room, and we have one disabled-accessible room. Each set of third floor rooms has its own kitchen and laundry facilities, shared by five or six rooms. The spacious ground floor communal area is used for socialising and has dining and entertainment facilities.

The hostel is WiFi enabled. Our well-stocked library includes PCs for residents' use, serves as a quiet space, and is also used for training and meetings. This space is available 24/7 for residents' personal use. Our garden is maintained by volunteers supported by green-fingered, enthusiastic residents!

We are fortunate to have an on-site mini gym equipped with rowing and running machines, and cycles, which are used regularly by residents. We are very fortunate to have a volunteer fitness instructor who provides weekly training sessions.

We serve a free, freshly cooked meal most evenings from our professional-grade kitchen, for which we have a five-star hygiene rating. Individual volunteers and church groups prepare a broad range of culinary and ethnic delights, reflecting the diverse resident community within Branches hostel.

How our services are accessed

We are an agency-referrals only project. Within the terms of the provider contract the primary referrer is Waltham Forest Housing and its designated referring agencies. We also have reciprocal referral arrangements with organisations in Waltham Forest and neighbouring boroughs that provide temporary or other short-term housing.

People can stay for up to 18 months in Branches hostel, and exceptionally for up to 24 months. For anyone living in a support hostel for homeless people, we know that a stay of longer than 24 months is detrimental to well-being and a successful move to independent living.

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2023

Demographics

We support single, homeless men and women aged 18 to 65+ years. A majority of the individuals we work with have some level of mental health support need requiring clinical interventions, ranging from depression through to Schizophrenia. We received 74 referrals to Branches hostel in 2022/23, In the year, 71.6% (53 out of 74) of people referred to us had a mental health support need; and two-thirds (49) of those referred had varying levels of alcohol and/or drug dependency.

26 people moved into the hostel during 2022/23. We saw an increase in the average age of people referred to our hostel from 35 years of age in the previous year to 40+ in 2022/23. A majority of referrals were in the 40--49-year age group (27%); with 24% aged 50-59; and 20% each in the age groups 30-39 and 25-29.

As in previous years, most people living in Branches hostel were male - 76% of occupants. However, in the last two quarters of 2022/23, we saw an increase in the number of female occupants at 8 and 6 respectively, compared to the previous six months, when we had three female occupants.

What we provide

We have accessible support services seven days a week for residents in Branches and for people who have moved-on to permanent accommodation. The Waking Night Team ensures the safety of residents, visitors, and the premises during out-of-office hours.

➤ *Support and advice*

The Support and Resettlement Team provides welfare and benefits advice and advocacy on all housing matters, and facilitates access to training, education, volunteering and employment opportunities for people living in the hostel, as well as for those who have moved on. A primary objective is to support individuals re-learn much-needed life-skills, which are vital to ensuring people move-on feeling more confident in their abilities and that they have better control of their lives.

➤ *Resettlement*

The Resettlement Programme is a key component of the services we provide. Resettlement support is available for all who are preparing to move-on and includes floating support for at least six months after moving-on. Our Resettlement Programme supports people to develop confidence in their ability to manage daily life on their own. The programme includes a tenancy management course covering essential living skills from how to set up utilities and rent payments via a bank, to buying food for weekly meal planning, and making medical and other appointments.

Although the Resettlement Programme is time-limited, we operate an 'open door' policy for accessing our support services so that former residents can make use of our services for as long as needed. Many who continue to contact us or visit Branches do so usually for welfare advice or for the social company that Branches hostel provides.

During 2022/23 we provided resettlement and welfare advice for 35 people who had lived in Branches hostel, 15 of whom had left Branches two years previously. We supported 80+ homeless people, rough sleepers or people threatened with homelessness, who had contacted us for information.

➤ *Social inclusion*

Volunteering

While staying at Branches hostel, all who can are encouraged to volunteer or take part in some kind of meaningful activity. These are ways of opening up social activity leading to inclusion, while helping to develop self-confidence. During 2022/23 we were able to increase opportunities for volunteering including gardening at a workers' co-operative growing food, helping to maintain churchyard gardens, and local retail experience at one of the larger, national charity shops. We averaged 10 placements each quarter with between three and five people taking part in a volunteering activity for at least two hours a week.

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2023

Training and education

We also provided opportunities for people to follow training or education courses, develop or relearn practical skills. The laptops we had purchased in the previous year meant that people who were not ready to attend an external course could still benefit through e-learning. 16 people developed skills through the National Careers Service portal and accessed courses including beauty therapy (one person); teaching assistant (two people); digital skills (five people); English language (three people); and budgeting (five people). Three people attended the local college for part-time courses in music, catering and hospitality, and ESOL.

In-house sessions

We provided four 'managing money on a budget' sessions during the year, with 22 people attending. Of these, 13 (59%) said they felt better able to manage their money while staying at Branches hostel.

We had monthly cooking sessions ranging from learning the basics (attended by three to five people each session), through to having three or four residents and former residents helping with preparing and cooking meals for up to 20 other residents in the hostel.

➤ *Health and well-being*

Therapy

We are extremely fortunate to have the services of our own in-house Cognitive Behavioural Therapy (CBT) Practitioner providing immediate and much-needed mental health support. During 2022/23 the CBT Practitioner worked with 25 individuals, including four who had moved on during the year, and two from the previous year.

Volunteers

We are dependent on the enthusiasm and commitment of volunteers, both professionals and independents, who enable us to provide a broad range of activities that contribute to improving the health and well-being of residents. Volunteers provided six-monthly dental checks at Branches, a foot clinic every two months, a weekly fitness instructor, and three-monthly barber visits. Volunteer cooks also provided freshly cooked evening meals every week.

Clients who moved on

In 2022/23, we moved on 26 people. Of these, 12 people moved into private rented accommodation; three moved to sheltered accommodation; one returned to family; five moved into social housing; one person was moved to long-term hospitalisation; two people were evicted because of anti-social behaviour; and two people abandoned their accommodation.

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2023

Summary of Outputs and Outcomes

<i>Support action</i>	<i>Participants</i>	<i>Outcomes</i>
People moved on	26	21 (80.7%) had a positive move
Managing money and budgeting	22	13 (59%) said they improved their budgeting skills
Referral to a substance recovery programme	10	6 (60%) felt better able to manage their addiction
Volunteering	16	15 (93.7%) felt volunteering helped with developing confidence and social skills
Courses and employment opportunities	19	All participants said they had improved their skills. One person helps with 'cooking sessions' for residents at Branches hostel. One person moved on from Branches and is now a teaching assistant.
Resettlement programme and support for people who moved on in 2021/22 and 2022/23	38	All have maintained their accommodation.
Housing and welfare Enquiries and visitors to Branches hostel	85	Provided support on landlord and tenancy matters, changing accommodation, setting up direct debits and budget planning, and advising on welfare and housing benefit claims.
Cognitive Behaviour Therapy (CBT)	25	Averaged 12 sessions for each individual. 15 of 20 (75%) who had completed their therapy reported they felt they had benefited from the sessions.

Support for our work

We are grateful to the volunteers who continued to support us with an estimated 1,250 volunteer hours of their time. Despite the challenging economic times, we continue to be supported well through local and other donations. In 2022/23, we received donated goods with an approximate value of £15,000. We gratefully acknowledge the strong and consistent support we had throughout the year from local schools, faith groups, other charities, local people and local businesses who provided clothing and food donations, and enthusiastically raised funds for Branches hostel.

Financial Review

During the period, the Charity received a payment of £162,000 from the London Borough of Waltham Forest under the provider contract for the provision of Supported Housing for Homeless Single Adults.

The Charity continued to receive housing benefits, amounting to £449,484 during the year, an 18% increase from £379,519 the previous year. The Charity recorded a surplus of £362,374 during the year, an increase on the previous year's surplus of £167,838. This increase was due in part to the additional rental income secured and capital grants received.

Strategic planning, which began in 2018/19 with the aim of purchasing a secondary move-on property by 2025, was achieved in 2023. Through a social investment loan, funding from key grant providers and designated reserves of £350,000, the charity purchased a property in Waltham Forest in March 2023.

Reserves and Investment Policy

The Charity aims to maintain free reserves at approximately £270,000. This would equal approximately six-months' running costs. The trustees set this to ensure an appropriate timescale for the transition of support and resettlement of clients, should that become necessary.

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2023

Capital project for secondary move-on accommodation

The property purchased in March 2023 will be refurbished and retrofitted to LETI (London Energy Transformation Initiative) standards. The Charity is looking to raise capital funding of £500,000+ towards the refurbishment and retrofit of the premises, which will accommodate six former residents of Branches. The secondary move on property will provide step-down accommodation for people who are not fully ready to live independently, yet do not require the level of support provided in Branches hostel. They will be accommodated for up to 12 months as they build on the learning and life-skills developed while living in Branches hostel.

Following the purchase of the property, the trustees formed a Property Sub-committee comprising two WFCNS Board trustees, the Chief Executive, Property Project Manager and Facilities Manager to have appropriate oversight of the next stages of this significant project. The Charity has retained the services of a Fundraising Consultant to secure the broadest possible range of capital and revenue funding for this next stage of the project's development.

Risk Management

The trustees have established a detailed Risk Register and actively review the major risks, which the Charity faces on a regular basis and have established systems to mitigate them as far as possible.

Appointment of Trustees

The Charity is governed by a board of directors. The current board has a membership of six people. Each trustee brings specific skills and expertise to our board, to ensure we maintain the optimum level of knowledge required to govern effectively. We continue strengthening our board and are looking for new trustees who will bring additional expertise in the areas of housing, business and property development. The board meets every two months to agree key policy decisions, set and review strategy, and oversee the performance of the organisation. The day to day running of the Charity is undertaken by the Chief Executive with the support of the Management Team.

Statement of Trustees' Responsibilities

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 net incoming resources of the charity for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis and in accordance with applicable accounting standards.

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

Statement as to disclosure of information to auditors

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information. A resolution proposing the re-appointment of Fredericks Limited as auditor will be submitted at the Annual General Meeting.

WALTHAM FOREST CHURCHES NIGHT SHELTER - WFCNC LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2023

Small Company Rules

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

W Reid
Winston Reid

Date: 23/11/2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS

FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of Waltham Forest Churches Night Shelter- WFCNS Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice),

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006,

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 15 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, but does not include the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page eight, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

We reviewed meeting of minutes of those charged with governance.

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Company through discussions with management, and from our commercial knowledge and experience of the sector in which the Charity operates;

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and any other relevant regulators as required.

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

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

S.G. Duker

S.G. Duker (Senior Statutory Auditor) for and on behalf of Fredericks Limited
Chartered Accountants
Statutory Auditors
106 Charter Avenue
Ilford, Essex
IG2 7AD

Date: 29/11/23

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

INCOME AND EXPENDITURE	Notes	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
INCOMING RESOURCES					
Rental income		449,484		449,484	379,519
Grants - Revenue	2	254,389	58,800	313,189	429,537
Grants - Capital			332,400	332,400	19,150
Donations and miscellaneous income		23,856		23,856	28,657
Interest received		3,761		3,761	92
Total Income		£731,490	£391,200	£1,122,690 -----	£856,955 - - - - -
RESOURCES EXPENDED					
Cost of generating funds					
Cost of generating income		(47,435)		(47,435)	(43,068)
Charitable expenditure					
Community projects	3	(653,969)	(58,912)	(712,881)	(646,049)
Total Expenditure		£(701,404)	£(58,912)	£(760,316)	£(689,117)
Net surplus for the year before transfers		30,086	332,288	362,374	167,838
Transfer between funds		351,550	(351,550)		
Balance brought forward		784,001 -----	26,799	810,800	642,962
Balance carried forward at 31 March 2023		£1,165,637 -----	£7,537	£1,173,174 -----	£810,800 -----

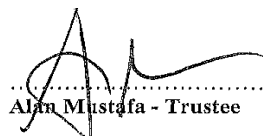
STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

BALANCE SHEET**AS AT 31 MARCH 2023**

			2023		2022
	Note	£	£	£	£
Fixed assets	8		964,539		12,942
Current assets					
Debtors	9	137,455		89,603	
Cash at bank and in hand		426,559		761,244	
			<hr/>		<hr/>
Net current assets			564,014		850,847
Total assets			<hr/> 1,528,553		<hr/> 863,789
Creditors: amounts falling due within one year	10		(55,379)		(52,989)
Creditors: amounts falling due after more than one year	11		<u>(300,000)</u>		
Total assets less current liabilities			£1,173,174		£810,800
			=====		=====
Funds:					
Unrestricted funds	16		1,165,637		434,001
Unrestricted funds (designated)	17				350,000
Restricted funds	18		7,537		26,799
			<hr/>		<hr/>
Total Funds			<u>£1,173,174</u>		<u>£810,800</u>

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

ON BEHALF OF THE BOARD:*W Reid***Winston Reid - Trustee**


.....
Alim Mustafa - Trustee

Date: 23/11/2023

WALTHAM FOREST CHURCHES NIGHT SHELTER - WFCNS LIMITED Co No 03844727
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	£	£
Cash flows from operating activities		
Cash generated from operations	324,032	171,907
Net cash from operating activities	324,032	171,907
Cash flows from investing activities		
Purchase of tangible fixed assets	<u>(958,717)</u>	(10,081)
Net expenditure from investing activities	<u>(958,717)</u>	<u>(10,081)</u>
Cash flows from financing activities		
Now loans in year	300,000	
Net cash from financing activities	£300,000	£ -
(Decrease)/Increase in cash and cash equivalents	(334,685)	161,826
Cash and cash equivalents at beginning of year	761,244	599,418
Cash and cash equivalents at end of year	<u>£426,559</u>	<u>£761,244</u>

RECONCILIATION OF NET INCOMING RESOURCES TO CASH GENERATED FROM OPERATIONS

	2023	2022
	£	£
Net incoming resources	362,374	167,838
Depreciation charges	7,120	9,268
	369,494	177,106
Increase in trade and other debtors	(47,852)	(17,852)
Increase in trade and other creditors	2,390	12,653
Cash generated from operations	<u>£324,032</u>	<u>£171,907</u>

CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2023

	31.03.23	31.03.22
	£	£
Cash and Cash equivalents	£426,559	£761,244

Year ended 31 March 2022

	31.03.22	31.03.21
	£	£
Cash and Cash equivalents	£761,244	£599,418

The notes on pages 16 - 23 form part of the accounts

1. Statutory information

Waltham Forest Churches Night Shelter is a private company and charity limited by guarantee registered in England and Wales. The companies registered number and registered address can be found on the company information page. The presentation currency is £ sterling.

1a. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial Statements have been prepared under the Historical Cost Convention.

Incoming Resources

Grant income is accounted for on an accruals basis when the funding is considered definite. Otherwise, it is accounted for when received. Donations and legacies income is accounted for on a received basis.

Fixed assets

Fixed assets are written off in the year of acquisition unless considered to be significant in amount. The equipment is depreciated on a 25% straight line basis.

Allocation of Expenditure

Expenditure is accounted for on an accruals basis and is directly allocated within the Statement of Financial Activities to one of the following headings:

(i) Fundraising and publicity

The direct cost of fundraising activities and the direct overheads required to support these activities.

(ii) Charitable expenditure

The direct costs of providing services to clients.

(iii) Governance costs

The cost of those activities necessary to the running of the company as an organisation not directly attributable to activities in furtherance of the charity's objects nor the costs of generating funds.

(iii) Cost allocation

All costs are allocated between the expenditure categories of the Statement of Financial Activities on the basis designed to effect the use of the resource. Costs relating to staff are apportioned on a time spent basis, property costs are allocated by floor space, other costs are allocated with reference to an estimate of the resource usage.

(iv) Donations in kind

Volunteer time or donated goods are not accounted for in the financial statements due to the difficulty in quantification.

Pension Costs

The charity makes contributions to a defined contribution scheme, the assets of the scheme being held separately from the assets of the charity. The pension cost charge represents contributions payable to the scheme.

Fund Accounting

Funds held by the Charity are either:

Unrestricted funds - these are funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

WALTHAM FOREST CHURCHES NIGHT SHELTER - WFCNS LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

1.b ACCOUNTING POLICIES (continued)

Significant judgements and estimates

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

Critical judgements in applying the entities accounting policies:

There are no specific judgements apart from those involving estimates as detailed below that management has made in the process of applying the entities' accounting policies that have a significant effect on the amounts recognised in the financial statements.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates can differ from the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year are addressed below:

(i) **Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful lives and residual values of the assets these are re-assessed annually. They are amended when necessary to reflect any estimated changes.

(ii) **Impairment of debtors**

The company makes an estimate of the recoverable amount of trade and other debtors. When assessing their impairment, the management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

1.c Donations

Donations of goods estimated to be in the region of £15,000 per annum and volunteer staff hours amounting to a cost of approximately £35,000 are not included in income due to the problems involved in quantification. Similarly, they are not included within expenditure.

WALTHAM FOREST CHURCHES NIGHT SHELTER - WFCNS LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

2. Grants (Revenue)

	2023			2022
	Unrestricted	Restricted	Total	
	£	£	£	£
Supporting People	162,000		162,000	218,947
The Drapers' Charitable Fund	25,000		25,000	15,000
Lloyds Bank	27,250		27,250	30,000
Garfield Weston	20,000		20,000	30,000
Mount Fund	5,000		5,000	
Henry Smith				40,000
Albert Hunt Trust	7,000		7,000	5,000
The 29 th May 1961 Charitable Trust	3,000		3,000	3,000
The City Bridge Trust		58,800	58,800	87,450
The City Bridge - Cost of Living	5,139		5,139	
Other				140
	-----	-----	-----	-----
	£254,389	£58,800	£313,689	£429,537
	=====	=====	=====	=====

2(a) Grants - Capital

The City Bridge Trust		19,150	19,150	19,150
The Monday Charitable Trust		15,000	15,000	
The Charles S French Charitable Trust		7,500	7,500	
The Edward Gostling Foundation		100,000	100,000	
The Albert Hunt Trust		25,000	25,000	
The 29 th May 1961 Charitable Trust		15,000	15,000	
The Clothworkers' Foundation		150,000	150,000	
Other		750	750	
	-----	-----	-----	-----
	£	£332,400	£332,400	£19,150
	=====	=====	=====	=====

3. Direct charitable expenses

	2023			2022
	Unrestricted	Restricted	Total	
	£	£	£	£
Salaries	417,728	44,250	461,978	394,177
Pensions	6,451		6,451	6,865
Rent, rates and services	125,641	13,912	139,553	134,350
Travel, subsistence and entertaining	398		398	1,049
Repairs, renewals & IT costs	22,203		22,203	22,616
Printing, stationery and postage	4,282		4,282	674
Telephone, mobile and internet	3,880		3,880	5,622
Refreshments and food	2,923		2,923	5,000
Insurance	3,493		3,493	3,095
Sundry expenses	339		339	659
Consultancy & professional fees	11,754		11,754	12,451
Bank charges and interest	180		180	125
Equipment hire and purchase	2,517		2,517	7,145
Cleaning and laundry	6,322		6,322	7,900
Training costs	3,824		3,824	779
Recruitment expenses	824		824	16,642
Other expenditure on residents	1,650		1,650	1,003
Amortisation costs	6,370	750	7,120	9,268
Motor expenses	387		387	245
Subscriptions	2,396		2,396	2,702
Staff entertaining				525
Events & publicity costs	3,410		3,410	537
Property acquisition costs	12,387		12,387	
Support costs (note 5)	14,560		14,560	12,620
	-----	-----	-----	-----
Total charitable expenses	£653,919	£58,912	£712,831	£646,049
	=====	=====	=====	=====

WALTHAM FOREST CHURCHES NIGHT SHELTER - WFCNS LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

4. Operating surplus is stated after charging

	2023	2022
	£	£
Auditor's remuneration	4,560	2,620

5. **Support Costs**
(Governance Costs)

	2023			
	Unrestricted	Restricted	Total	2022
	£	£	£	£
Staff costs	10,000		10,000	10,000
Audit fee	4,560		4,560	2,620
	£14,560	£ -	£14,560	£12,620
	=====	=====	=====	=====

6. **Trustees' remuneration**

The trustees did not receive any emoluments and no out of pocket expenses were paid during the year.

7. **Staff costs**

During the year, the average monthly number of employees of the company and staff costs were as follows:

	2023	2022
	£	£
Community projects	10	10
Management and administration	2	2
	----	----
	12	12
	==	==
	2023	2022
	£	£
Wages and salaries	427,467	362,929
Social security costs	34,467	26,315
Other pension costs	6,451	6,865
	-----	-----
	£468,385	£396,109
	=====	=====

One member of staff earned more than £60,000 per annum, falling into the band between £70,000 and £80,000 (2022 Nil).

WALTHAM FOREST CHURCHES NIGHT SHELTER - WFCNS LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

8. Tangible Fixed Assets

Cost

	Freehold property	Equipment £	Total £
At 1 April 2022		83,979	83,979
Additions in year	953,961	4,756	958,717
Eliminated on disposal		(1,031)	(1,031)

At 31 March 2023	£953,961	£87,704	£1,041,665
	=====	=====	=====

Depreciation

At 1 April 2022		71,037	71,037
Charge for the year		7,120	7,120
Eliminated on disposal		(1,031)	(1,031)

At 31 March 2023	£	£77,126	£77,126
	=====	=====	=====

Net Book Value

31 March 2023	£953,961	£10,578	£964,539
	=====		

31 March 2022	£	£12,942	£12,942
	=====	=====	=====

9. Debtors

	2023	2022
	£	£
Rent debtors	29,669	18,375
Grant income	96,816	62,464
Prepayments and accrued income	10,970	8,764
	£137,455	£89,603
	=====	=====

10. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	15,345	13,493
Accruals and deferred income	7,845	5,426
Other creditors	22,349	23,281
Tax and Social Security	9,84C	10,789
	£55,379	£52,989

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

	2023	2022
	£	£
Funding loan	300,000	300,000
	=====	=====
Due 2 - 5 years	45,600	
	=====	
Due 2 - 5 years	254,400	
	=====	=====

The loan is repayable over 20 years and secured by fixed charged Capital repayments commence in May 2024. Interest is charged at base rate plus 0.5% and is capped at 4%. Monthly instalments of £1,888.61 are payable from May 2024.

12. Taxation

Waltham Forest Churches Night Shelter - WFCNS Limited is a registered charity and is thus exempt from taxation of its income and gains. No tax charge has arisen in the year.

WALTHAM FOREST CHURCHES NIGHT SHELTER- WFCNS LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

13. Pension cost

Waltham Forest Churches Night Shelter - WFCNS Limited operates a defined contribution pension scheme, The contributions for the year were £6,451 (2022 - £6,865).

14. Limited liability

The charity is limited by guarantee. The Memorandum and Articles of Association of the company restrict the liability of members on winding-up to £1. In the case of winding-up, none of the accumulated funds are distributable to members, but shall be given, or transferred, to some other charitable institution having similar objectives,

15. APB Ethical Standard- Provisions available for smaller entities

In common with many other charities of our size and nature, we use our auditors to assist with the preparation of the financial statements.

16. Unrestricted Funds

	Brought forward	Incoming Resources	Expenditure	Transfers	Carried forward
	£	£	£	£	£
General fund	434,001	477,101	(447,015)	701,550	1,165,637
Designated fund (note 17)	350,000			(350,000)	
The City Bridge- Cost Of Living		5,139	(5,139)		
Supporting People		162,000	(162,000)		
Lloyds Bank		27,250	(27,250)		
Albert Hunt Trust		7,000	(7,000)		
Mount Fund		5,000	(5,000)		
29 May 1961 Charitable Trust		3,000	(3,000)		
The Drapers' Charitable Fund		25,000	(25,000)		
Garfield Weston		20,000	(20,000)		
	£784,001	£731,490	£(701,404)	£351,550	£1,165,637
	=====	=====	=====	=====	=====

17. Designated Funds

The Trustees had decided to designate £350,000 in a separate unrestricted fund in prior years to be used towards the acquisition of other premises. This was transferred during the year when the property was acquired.

18. Restricted Funds

	Brought Forward	Incoming resources	Expenditure	Transfer on property purchase	Carried forward
	£	£	£	£	£
Revenue Grants					
The Charles S French C T	750		(750)		
The City Bridge Trust					
- Clinician, Project & Core	6,899	58,800	(58,162)		7,537
Capital Grants					
- Capital Development	19,150	19,150		(38,300)	
The Monday Charitable Trust		15,000		(15,000)	
The Charles S French C T Charitable Trust		7,500		(7,500)	
The Edward Gostling Foundation		100,000		(100,000)	
The Albert Hunt Trust		25,000		(25,000)	
The 29 th May 1961 CT		15,000		(15,000)	
The Clothworkers' Foundation		150,000		(150,000)	
Other		750		(750)	
	£26,799	£391,200	£(58,912)	£(351,550)	£7,537
	=====	=====	=====	=====	=====

The restricted funds are essentially to cover general running costs and specific staff costs. The grant from Charles S French relates to capital costs. Capital grants in respect of the property purchase were transferred to general funds upon purchase.

19. Related Party Transactions

There were no related party transactions during the year.

WALTHAM FOREST CHURCHES NIGHT SHELTER- WFCNS LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

20. Analysis of Net Assets Between Funds

	Net Assets £	Total 31.03.2023 £	Total 31.03.2022 £
Unrestricted Funds	1,165,637	1,165,637	784,001
	=====	=====	=====
Restricted Funds	7,537	7,537	26,799
			=====
Total Funds	1,173,174	1,173,174	810,800
	=====	=====	=====

21. Operating Lease Commitments

At 31 March 2023 the charity had the following commitments: -

	2023 £ Expiring after 5 years	2022 £ Expiring after 5 years
Land and Buildings	£69,600	£69,600
	=====	=====

WALTHAM FOREST CHURCHES NIGHT SHELTER - WFCNS LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND EXPENDITURE			
Rental Income	379,519		379,519
Grants	342,087	106,600	448,687
Donations and Miscellaneous Income-	28,657		28,657
Interest received	92		92
	-----	-----	-----
Total	750,355	106,600	856,955
RESOURCES EXPENDED			
Cost of generating income	(43,068)		(43,068)
Charitable activities	(533,623)	(112,426)	(646,049)
	-----	-----	-----
Total	(576,691)	(112,426)	(689,117)
	=====	=====	=====
Net surplus/(deficit) for the year	173,664	(5,826)	167,838
RECONCILIATION OF FUNDS			
Total funds brought forward	610,337	32,625	642,962
	-----	-----	-----
Total funds carried forward	£784,001	£26,799	£810,800
	=====	=====	=====

WALTHAM FOREST CHURCHES NIGHT SHELTER - WFCNS LIMITED

INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	20 22 £
INCOMING RESOURCES		
Voluntary Income		
Grants - (Capital)	332,400	
Grants - other (Revenue)	151,189	229,740
Housing benefits	422,870	379,519
Supporting People grant	162,000	218,947
Bank interest received	3,761	92
Sundry donations	23,856	9,058
Service charges	26,614	19,599
	-----	-----
	£1,122,690	£856,955
RESOURCES EXPENDED		
Salaries and pension costs	478,429	411,042
Rent, rates and services	139,553	134,350
Travel, subsistence and entertaining	398	1,049
Repairs, renewals and IT costs	22,203	22,616
Printing, stationery and postage	4,282	674
Telephone, mobile and internet	3,880	5,622
Refreshments and food	2,923	5,000
Insurance	3,493	3,095
Sundry expenses	339	659
Audit fees	4,560	2,620
Professional and consultancy	11,754	12,451
Bank charges and interest	ISC	125
Equipment purchase and hire	2,517	7,145
Cleaning and laundry	6,372	7,900
Training costs	3,824	779
Recmitment expenditure	824	16,642
Other expenditure on residents	1,650	1,003
Amortisation costs	7,120	9,268
Motor expenses	387	245
Subscriptions	2,396	2,702
Events and publicity	3,410	537
Staff entertaining		525
Fund raising consultancy fees	47,435	43,068
Property acquisition costs	12,387	

Total expenditure	£760,316	£689,117
	-----	-----
Surplus for the financial year	£362,374	£167,838
	=====	=====

