

Company number: 06595498

Charity registration number: 1125402

The Exaireo Trust Ltd

(A company limited by guarantee)

Annual Report and Financial Statements

For the Year Ended 31 March 2021

RWB CA Limited  
Northgate House  
North Gate  
New Basford  
Nottingham  
NG7 7BQ

# THE EXAIREO TRUST LTD

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## THE EXAIREO TRUST LTD

### REFERENCE AND ADMINISTRATIVE DETAILS

<b>Charity registration number</b>	1125402
<b>Company registration number</b>	6595498
<b>Principal office</b>	5 The Coneries Loughborough Leicestershire LE11 1DZ
<b>Registered office</b>	Northgate House North Gate New Basford Nottingham NG7 7BQ
<b>Trustees</b>	Mr M Millman - Chairman Mr G Bradshaw-Mays Mrs B Wallington Mr T Farrar – resigned 14 May 2021 Mr J Harper Mrs C Brady – appointed 08 March 2021
<b>Secretary</b>	Mr C York
<b>Bankers</b>	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
<b>Accountants</b>	RWB CA Ltd Northgate House North Gate New Basford Nottingham NG7 7BQ

## **THE EXAIREO TRUST LTD**

### **TRUSTEES REPORT**

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The Trustees, who are also Directors for the purposes of the Companies Act, have pleasure in presenting their report and the financial statement of the charity for the period ended 31st March 2021. This report includes the narrative reporting requirements of the Housing SORP 2018.

#### **LEGAL STATUS**

The Exaireo Trust Ltd is constituted as a company limited by guarantee (company registration number 6595498) and is a charity registered for charitable purposes with the Charity Commission (charity registration number 1125402).

#### **LIABILITY OF THE MEMBERS**

In the event of the charity being wound up during the period of membership or within the year following, company members are required to contribute an amount not exceeding £1.

#### **PRINCIPAL AIMS AND OBJECTIVES**

The Memorandum of Association defines the objects for which the charity is established as:  
"To house, support, care and treat persons in need who are homeless and suffering from the effects of poverty, sickness, disability, old age, alcoholism, drug addiction, offending behaviour or any other mental or physical infirmity, as an expression of Christian faith."

#### **ORGANISATION**

The charity has pursued these objectives in several ways, including assisting with the common objectives of an associated Community Interest Company, G & S Services (E. Mids) Ltd and in doing so the charity's Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Commission.

Details of these activities are set out below under the review of developments, activities and achievements.

The Trustees manage the charity.

#### **REVIEW OF DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS**

The charity has now completed twelve full years of operation and despite the significant disruption of the COVID-19 pandemic has maintained a diverse range of courses and activities for residents, as well as offering a high quality of support and accommodation. We have taken on no new property during the year and the charity now has 46 bed-spaces for clients in need. Strong ongoing controls on collection of ineligible rent and Housing Benefit continued the good levels of income seen during this financial year. Void levels remained low, again below 5%.

As a Registered Provider of Social Housing the trustees are keen to assist smaller charities around the UK to start up similar temporary supported housing projects. We are pleased to report that the projects in Manchester, Worcester and Loughborough continued to provide help to those in need during the year. We have also assisted a project in Mansfield and are in discussions with projects in Coventry and Bedford with a view to assisting them soon.

Throughout the year, all staff continued to develop the number and range of courses and activities organised for residents. Most continue to be in the areas of anger management and lifestyle, but others catered for special interests, crafts and general leisure time, including games evenings, art courses, craft, music and sport. The charity's allotment plot has also been an area of significant investment as being outside this has been a safer place for residents to meet and work. The Trust has been very fortunate to obtain the support of additional volunteers to help with this area of our work. Our main office in Loughborough has continued to be an essential tool in the provision of support to our residents and others in need in the local community alongside the Reuse Project.

## TRUSTEES REPORT

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The 'Exaireo Reuse' back to work program for residents has continued to develop and grow, offering targeted support to residents, helping them to find education and work experience that leads to worthwhile employment. The project boasts an excellent reputation and social media following and has proved very popular with our residents. Significant amounts of furniture and paint have been saved from landfill or incineration and the local community are benefitting by purchasing low cost quality items. A new project to recycle old wooden pallets is also being established.

Over the year, we continued to show a positive level of success in the rehabilitation of our residents. We received 246 referrals for accommodation during the year, a slight decrease on the previous year and 62 new residents were housed by the Trust. Around 45% of those who left us did so successfully, as part of a planned move-on. Even for those whom we had to evict, (mainly for non-payment of their rent), a significant proportion had made considerable improvements in their lifestyle, while with us.

Mike Millman continues as Chair of the board of Trustees and we have a good mix of experience and qualifications within the current board. We are actively looking for additional trustees to strengthen the board where appropriate.

The management team have considered the potential impact of Brexit and have concluded that the risks are relatively low, mainly due to the fact that we do not employ any staff from EU countries, we are not in receipt of any EU funding and we do not import or export goods or services with organisations based within the EU.

COVID-19 has had a huge impact on the world, within Exaireo we have completed detailed risk assessments on both of our offices and other places of work. We have followed Government guidance and observed periods of restrictions as appropriate. Staff have been enabled and encouraged to work from home at times, but the service we have provided to our residents has continued throughout the pandemic. The Reuse Project was closed in the initial lockdown and a few staff were furloughed, other than that this project has also continued to operate. Many residents have struggled with their mental health, particularly in periods of national lockdown, we have provided them with technology to be able to access online groups and support. We do not anticipate any reduction in the need for our services, in fact the downturn in the economy could lead to an increased demand.

The Exaireo Trust has adopted the Charities Commission Code of Good Governance and the trustees confirm compliance with the Governance and Financial Viability Standard. The Trustees have reviewed the internal control systems in place and are satisfied that they provide strong controls over the resources of the charity.

Looking forward, the Trust will continue to grow organically maintaining the strong financial position we have established.

## RESERVES POLICY

The policy is for the Trust to grow and maintain its free reserves to 25% of turnover, this providing a reasonable cushion against the possibility of some properties being relinquished back to their landlords and against any future extraordinary property maintenance needs or business fluctuation.

The Trustees' intention is that this goal will be achieved each year but of necessity this may have to be tempered by the costs incurred in further growth as well as the ongoing social objective of the Trust to provide for the personal, health and skill-related rehabilitation of the residents. Where possible this latter objective will be resourced by grants and donations, but some aspects will need to be funded from retained revenue.

## RISK POLICY

The trustees have examined the principal areas of the charity's operations and considered the major risks which may arise in each of these areas. In the opinion of the trustees the charity has established resources and review systems that, under normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in its day-to-day operations.

**THE EXAIREO TRUST LTD**

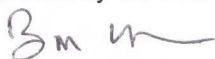
**TRUSTEES REPORT**

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**SMALL COMPANIES PROVISION STATEMENT**

This report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

Approved by the Board on 9 December 2021 and signed on its behalf by:



Mrs B Wallington  
Trustee

## THE EXAIREO TRUST LTD

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Housing 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Approved by the trustees of the charity on 9 December 2021 and signed on its behalf by:

  
Mrs B Wallington  
Trustee

## THE EXAIREO TRUST LTD

### INDEPENDENT EXAMINER'S REPORT

#### TO THE TRUSTEES OF THE EXAIREO TRUST LTD

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I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 6 to 24.

#### **Respective responsibilities of trustees and examiner**

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

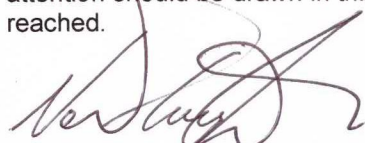
Having satisfied myself that the accounts of The Exaireo Trust Ltd are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the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

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

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:

1. accounting records were not kept in respect of The Exaireo Trust Ltd as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the account do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].
5. the accounts have not been prepared in accordance with the methods and principles of the Housing SORP 2018

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 accounts to be reached.



N Coupland FCA DChA  
Northgate House  
North Gate  
New Basford  
Nottingham  
NG7 7BQ

9 December 2021

THE EXAIREO TRUST LTD

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Turnover	3	748,474	689,712
Operating Expenditure	3	(774,896)	(745,829)
Other Income	3	<u>164,966</u>	<u>131,732</u>
<b>Operating Surplus</b>		138,544	75,615
Profit on disposal of fixed assets		-	4,175
Interest receivable		-	-
Interest and financing costs	3	<u>(9,745)</u>	<u>(10,902)</u>
Surplus/(Deficit) before tax		128,799	68,888
Taxation		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u>128,799</u>	<u>68,888</u>

The Charity's results relate wholly to continuing activities. The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 9 December 2021



**Mrs B Wallington**  
Trustee



**Mrs C Brady**  
Trustee

THE EXAIREO TRUST LTD

STATEMENT OF CHANGES IN RESERVES

AS AT 31 MARCH 2021

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	Unrestricted Income & Expenditure Reserve £	Restricted Reserve £	Total £
Balance as at 1 April 2019	128,058	4,354	132,412
Total comprehensive income for the year	<u>72,933</u>	<u>(4,045)</u>	<u>68,888</u>
Balance as at 31 March 2020	200,991	309	201,300
Total comprehensive income for the year	<u>128,799</u>	<u>-</u>	<u>128,799</u>
<b>Balance as at 31 March 2021</b>	<u><u>329,790</u></u>	<u><u>309</u></u>	<u><u>330,099</u></u>

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Note	2021 £	2020 £
<b>Fixed Assets</b>			
Tangible fixed assets	7	<u>265,930</u>	<u>274,320</u>
<b>Current Assets</b>			
Trade & other debtors	8	84,104	72,581
Cash & cash equivalents		<u>157,107</u>	<u>96,663</u>
		241,211	169,244
<b>Creditors: amounts falling due within one year</b>	9	<u>(24,392)</u>	<u>(82,857)</u>
Net current assets		216,819	86,387
		<u>216,819</u>	<u>86,387</u>
Total assets less current liabilities		482,749	360,707
<b>Creditors: amounts falling due after more than one year</b>	9	<u>(152,650)</u>	<u>(159,407)</u>
<b>Total net assets</b>		<u>330,099</u>	<u>201,300</u>
<b>Reserves</b>			
Income & expenditure reserve		329,790	200,991
Restricted reserve		<u>309</u>	<u>309</u>
<b>Total reserves</b>		<u>330,099</u>	<u>201,300</u>

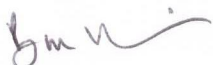
For the financial year ended 31 March 2021, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to the accounting records and preparation of accounts.

The notes on pages 12 to 23 form part of these financial statements

The financial statements were approved by the Board on 9 December 2021



Mrs B Wallington  
Trustee



Mrs C Brady  
Trustee

**THE EXAIREO TRUST LTD**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 MARCH 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Net cash generated from operating activities</b>	130,057	70,296
<b>Cash flow from investing activities</b>		
Purchase of tangible fixed assets	(3,511)	(22,770)
Sale of tangible fixed assets	-	10,287
	(3,511)	(12,483)
<b>Cash flow from financing activities</b>		
Interest paid	(9,745)	(10,902)
New loans	-	-
Repayments of borrowings	(56,357)	(9,021)
	(66,102)	(19,923)
<b>Net change in cash and cash equivalents</b>	60,444	37,890
<b>Cash and cash equivalents at beginning of the year</b>	96,663	58,773
<b>Cash and cash equivalents at end of the year</b>	157,107	96,663

The accompanying notes form part of these financial statements.

# THE EXAIREO TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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### 1. Legal status

The Exaireo Trust Ltd is registered under the Companies Act 2006 and is a registered provider of social housing and a registered charity.

### 2. Accounting Policies

#### Basis of accounting

The financial statements of the Charity are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers, and comply with the Accounting Direction for Private Registered Providers of Social Housing 2019.

#### Basis of preparation

The Exaireo Trust Ltd meets the definition of a public benefit entity in accordance with FRS 102.

The financial statements are presented in Sterling (£).

#### Going concern

The Charity's business activities, its current financial position and factors likely to affect its future development are set out within the report from the board. The Charity has in place long-term debt facilities which provide adequate resources to finance committed development programmes, along with the Charity's day to day operations. The Charity also has a long-term business plan which shows that it is able to service the debt facilities whilst continuing to comply with the lenders' covenants.

The trustees have considered in detail the potential impact of Brexit and consider this low risk to the charity. Management regularly review the potential impact of COVID-19 and believe they have strong controls within a very detailed risk assessment to minimise the risks to staff and residents.

On this basis, the board has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed.

On this basis, the board continues to adopt the going concern basis in the financial statements.

#### Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgments and estimates.

#### Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based upon the expected utility of the assets. Uncertainties of these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment, and changes to Decent Homes Standards which may require more frequent replacement of key components. Accumulated depreciation of housing properties as at 31 March 2021 was £14,508. The carrying amount of the housing properties was £241,837 at the year ended 31 March 2021.

#### Turnover and revenue recognition

Turnover comprises rental income receivable in the year, and other services included at the invoiced value of goods and services supplied in the year.

# THE EXAIREO TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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### 2. Accounting policies (continued)

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity, and it is probable that these conditions will be fulfilled in the reporting period.

Donated services and facilities are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised when there is no financial cost borne by a third party.

#### **Government grants**

Government grants include grants receivable from local authorities, and other government organisations.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received.

Grants due from government organisations or received in advance are included as current assets or liabilities.

#### **Other grants**

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the association is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as deferred income.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Trust has unconditional entitlement.

#### **Expenditure**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs to the category.

#### **Taxation**

The Exaireo Trust Ltd is a registered charity and is, therefore, exempt from taxation upon profits arising from its charitable activities.

#### **Tangible fixed assets**

Individual fixed assets costing £100 or more are initially recorded at cost.

#### **Depreciation**

Tangible fixed assets are measured at cost less accumulated depreciation and any impairment losses.

## THE EXAIREO TRUST LTD

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 MARCH 2021

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#### 2. Accounting policies (continued)

Depreciation is provided evenly on the cost of tangible fixed assets to write them down to their estimated residual values over their expected useful economic lives. No depreciation is provided on freehold land. The principal annual rates used are:

Motor Vehicles	25% reducing balance
Computer Equipment	33.33% straight line
Fixtures, Fittings & Equipment	16.67% straight line

#### Housing Properties

Where possible the major components of housing properties are separately identified and depreciated to write down the cost of each component to its estimated residual value on a straight-line basis over its estimated useful economic life.

Unless identified at acquisition, newly acquired properties are treated as a single structure until subsequent valuations and/or replacement expenditure is quantified.

The principal annual rates are:

Structure and roofs	2%
Kitchen and bathrooms	10%

Freehold land is not depreciated.

#### Debtors

Short term debtors are measured at the transaction price.

Loans receivable are measured initially at fair value.

#### Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### Employee Benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

#### Leases

Rentals paid under operating leases are charged to income and expenditure on a straight-line basis over the lease term.

#### Reserves

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

THE EXAIREO TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

3. Particulars of turnover, cost of sales, operating costs and operating surplus

	Turnover £	Cost of Sales £	2021 Operating expenditure £	Operating (deficit) £
<b>Social housing lettings</b>	748,474	(227,064)	(417,592)	103,818
<b>Other social housing activities</b>				
Charges for support services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
<b>Activities other than social housing</b>	164,966	(216)	(139,769)	24,981
	913,440	(227,280)	(557,361)	128,799
	Turnover £	Cost of Sales £	2020 Operating Expenditure £	Operating surplus £
<b>Social housing lettings</b>	689,712	(201,034)	(440,052)	48,626
<b>Other social housing activities</b>				
Charges for support services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
<b>Activities other than social housing</b>	131,732	(216)	(111,254)	20,262
	821,444	(201,250)	(551,306)	68,888

THE EXAIREO TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

3. Particulars of turnover, cost of sales, operating costs and operating surplus (continued)

Homeless needs supported housing	2021 £	2020 £
Rent receivable net of identifiable service charges	748,474	689,712
Donations	-	-
Grant	-	-
<b>Turnover from social housing lettings</b>	<b>748,474</b>	<b>689,712</b>
<b>Direct costs</b>		
Rent	149,021	136,002
Rates and water	16,158	12,279
Light, heat and power	37,540	29,884
Repairs and maintenance	13,459	18,562
Other direct costs	10,886	4,307
	<b>227,064</b>	<b>201,034</b>
<b>Other operating expenditure</b>		
Wages and salaries	256,884	253,612
Staff NIC	12,454	10,082
Staff pensions	4,917	3,930
Trustee remuneration	36,369	38,308
Trustee NIC	3,543	3,532
Trustee pension	847	842
Travelling	3,812	11,170
Advertising	50	1,694
Rent	15,100	16,200
Rates and water	1,006	(1,587)
Light, heat & power	1,230	117
Insurance	9,900	9,539
Other expenses	9,209	8,963
Repairs & maintenance	12,481	14,261
Telephone	10,006	13,132
Office expenses	13,920	28,864
Motor expenses	3,229	5,518
Training	457	1,256
Accountancy costs	3,082	2,568
Independent examiners fees	2,880	3,120
Legal and professional fees	2,425	-
Depreciation of housing properties	3,627	3,627
Loan and mortgage interest paid	9,745	10,902
Bank fees	419	402
	<b>417,592</b>	<b>440,052</b>

THE EXAIREO TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

3. Particulars of turnover, cost of sales, operating costs and operating surplus (continued)

Activities other than social housing	2021 £	2020 £
Donated goods and services	20,275	32,827
Donation income	61,645	52,527
Grants	66,171	30,892
Other revenue	16,875	15,486
<b>Turnover from other activities</b>	<b>164,966</b>	<b>131,732</b>
 Fundraising costs	 216	 216
 Wages and salaries	 71,921	 40,708
Staff NIC	2,738	2,646
Staff pensions	1,013	907
Depreciation of other fixed assets	8,274	6,118
Profit on disposal of fixed asset	-	(4,175)
Rent, rates and water	42,718	41,418
Light, heat and power	2,716	713
Personal support costs	10,389	22,919
	<b>139,769</b>	<b>111,254</b>

**THE EXAIREO TRUST LTD**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

**4. Operating surplus**

The operating surplus/(deficit) is arrived at after charging/(crediting)

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Depreciation of housing properties	3,627	3,627
Depreciation of tangible fixed assets	8,274	6,118
Surplus on disposal tangible fixed assets	-	(4,175)
Operating lease rentals		
Land and buildings	203,429	184,136
	<u>203,429</u>	<u>184,136</u>

**5. Employees**

The average number of persons employed by the charity (including trustees) during the year was:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Administration	6	6
Housing, support and care	26	26
	<u>32</u>	<u>32</u>

The aggregate payroll costs of these persons were as follows:

	<b>£</b>	<b>£</b>
Wages and salaries	365,174	332,627
Social security costs	18,735	16,260
Other pension costs	6,777	5,679
	<u>390,686</u>	<u>354,566</u>

Mrs B Wallington received remuneration of £34,464 (2020: £34,225) and travel expenses of £Nil (2020: £Nil) in her capacity as Support manager.

Mr G Bradshaw-Mays received remuneration of £1,905 (2020: £4,083) for support working.

No employee received emoluments of more than £60,000 during the year (2020 – No. Nil)

**6. Taxation**

The company is a registered charity and is, therefore, exempt from taxation.

THE EXAIREO TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

7. Tangible fixed assets

	Social Housing Properties for letting £	Plant and machinery including motor vehicles £
<b>Cost</b>		
As at 1 April 2020	256,345	45,650
Additions	-	3,511
Disposals	-	-
As at 31 March 2021	256,345	49,161
<b>Depreciation</b>		
As at 1 April 2020	10,881	16,794
Charge for the year	3,627	8,274
Disposals	-	-
As at 31 March 2021	14,508	25,068
<b>Net book value</b>		
As at 31 March 2021	241,837	24,093
As at 1 April 2020	245,464	28,856

The number of units managed by the charity at the start and end of the period were:

	2021 No.	2020 No.
Homeless needs supported housing	46	46
<b>8. Debtors</b>	<b>2021 £</b>	<b>2020 £</b>
Trade debtors	47,788	43,526
Other debtors	12,169	8,893
Prepayments and accrued income	24,147	20,162
	84,104	72,581
Included within Trade debtors are:		
Rent and service charges	38,858	34,596
<b>Less</b> provision for bad debts	-	-
	38,858	34,596

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9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank and other loans	3,300	2,900
Trade creditors	1,032	2,024
Taxation and social security	5,668	4,939
Other creditors	1,386	51,229
Accruals and deferred income	13,006	21,765
	<u>24,392</u>	<u>82,857</u>
Accruals and deferred income include the following deferred income:		
As at 01 April 2020	-	-
Resources deferred in the period	3,143	10,526
Amounts released from previous periods	(10,526)	-
As at 31 March 2021	<u>3,143</u>	<u>10,526</u>

10. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank and other loans	152,650	159,407
The bank loan is repayable as follows:		
Within one year	3,300	2,900
Within one to two years	3,300	2,900
Within two and five years	9,900	8,700
Five years or more	139,450	147,807
	<u>155,950</u>	<u>162,307</u>

The bank loan is repayable by monthly instalments, with interest charged at 5.5 %; the loan is secured by a charge over the property.

11. Operating lease commitments

As at 31 March 2021 the charity has annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2021 £	2020 £
Operating leases which expire:		
Within one year	57,063	62,575
Within two and five years	71,158	128,221
More than five years	-	-
	<u>128,221</u>	<u>190,796</u>

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**12. Related parties**

**Controlling entity**

The charity is controlled by the trustees who are also directors of the company.

**Related party transactions**

**G & S Services (E.Mids) Community Interest Company**

Mr G Bradshaw-Mays and Mrs B Wallington are directors of this company.

During the year The Exaireo Trust Ltd paid £22 (2020: £3,422) to this company for goods and services supplied. There is an outstanding balance of £Nil (2020: £Nil) included in creditors.

During the year The Exaireo Trust Ltd received £323 (2020: £Nil) from this company for the supply of goods and services. Included within debtors is a loan of £7,667 (2020: £7,767). This is due from the company to Exaireo Trust Ltd.

**Mrs J Millman**

(Wife of the Chairman)

During the year, Mrs J Millman received a salary of £11,928 (2020: £7,088).

**13. Members liability**

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the liabilities of the charity in the event of liquidation.

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14. Funds analysis	At 1 April 2020 £	Incoming Resources £	Resources Expended £	At 31 March 2020 £
<b>General funds</b>				
Unrestricted income fund	200,991	898,100	(769,301)	329,790
<b>Total unrestricted funds</b>	200,991	898,100	(769,301)	329,790
<b>Restricted funds</b>				
Residents fishing club	309	-	-	309
Crisis UK	-	10,440	(10,440)	-
LCC Communities Fund	-	4,900	(4,900)	-
	309	15,340	(15,340)	309
	201,300	913,440	(784,641)	330,099

Residents fishing club was established by a grant from Charnwood Borough Council.

Crisis UK – funds to cover additional costs experienced during the current Coronavirus emergency.

LCC – funding to contribute towards rent, phones, and cleaning materials.

15. Cash flow from operating activities	2021 £	2020 £
Surplus for the year	128,799	68,888
<b>Adjustments for non-cash items:</b>		
Depreciation of tangible fixed assets	11,901	9,745
(Increase) in trade & other debtors	(11,523)	(13,251)
Increase/ (decrease) in trade & other creditors	(8,865)	(1,813)
<b>Adjustments for investing or financing activities:</b>		
Net gain on sale of fixed assets	-	(4,175)
Interest payable	9,745	10,902
<b>Net cash generated from operating activities</b>	130,057	70,296

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	At 1 April 2020 £	Cash flows £	Other non-cash movements £	At 31 March 2021 £
Cash	96,663	60,444		157,107
Bank loans due within one year	(2,900)		(400)	(3,300)
Bank loans due greater than one year	(159,407)	6,357	400	(152,650)
Total	(65,644)	66,801	-	1,157

17. Value for Money Standard

*Introduction*

As part of the Value for Money Standard: The Regulator of Social Housing has adopted a series of regulatory metrics as a tool to keep a consistent measure of Value for Money (VFM) across all providers.

Metric to Measure	Outcome
Reinvestment % (due to the nature of the project we have not developed new stock during this financial year)	N/A
New Supply Delivered % (due to the nature of the project we have not developed new stock during this financial year)	N/A
Gearing (Housing Properties at cost)	60.8%
Earnings before interest, tax, depreciation, amortisation, major repairs included Interest Cover %	1,443.8%
Headline social housing cost per unit	£13,935
Operating Margin % - social housing only	15.66%
Operating Margin % - overall	14.1%
Return on capital employed	26.7%

**VFM– Exaireo’s Own Metrics**

In addition to the 7-core metrics, set by the Regulator, organisations can choose other metrics that best define their ethos. All these metrics are reported in, or with, the annual accounts.

17. Value for Money Standard (continued)

**Choosing What Exaireo Will Measure**





Exaireo specialises in Supported Housing for homeless persons many of whom have life controlling issues such as mental health, drug or alcohol dependency, offending behaviour or other issues which affect their ability to successfully maintain a tenancy.

Our aims are not only to provide somewhere to live, but to address the causes of homelessness. A major part of this is for residents to develop new routines and keep active with positive activities.

Therefore, alongside meeting the raw homelessness need, as effectively as possible, by providing a good standard of housing; Exaireo has always had the ethos of keeping resident active, in positive ways, to help their recovery and 'move them on' in their lives, rather than just provide the accommodation for a 'steady-state' existence. This has been with a 'vision' for future work readiness, as working is a major part of future independence and builds self-esteem in the meantime.

Exaireo has developed an innovative Work Ladder program to move residents on from (the bottom rung) of just somewhere to live, stepping-up through volunteering, ESA Permitted Work, etc, to (the top rung) of eventual full employment.

We have translated these objectives into our own Metrics: see table 1 below.






1	Exaireo's Strategic Objective	Metric to Measure our VFM Achievement
	Meeting the homelessness need in the local community as effectively as possible	 VOID management: Occupancy
	Keeping residents positive & active and building work-readiness	 Work Experience / Volunteering hours
	Providing a good standard of housing	 Meeting the Decent Homes Standard (DHS)
	Providing an excellent service to make a real difference in the lives of our residents	 Overall Satisfaction Complaint Resolution

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17. Value for Money Standard (continued)

**VFM Achievement in 2020-21**

For this year's outcomes, against our chosen metrics, please see table 2 below.

2	Metric to Measure our VFM Achievement	2020-21 Outcome	Measure
	VOID management: Occupancy 	96.6%	Occupancy Rate of units available to let
	Work Experience / Volunteering hours 	Not Available this year	Average Resident hours per week <sup>1</sup>
	Meeting the Decent Homes Standard (DHS) 	100%	Units meeting the DHS quality measure
	Overall Satisfaction 	86.1%	Residents either Very or Fairly Satisfied with the overall Exaireo service <sup>2</sup>
	Complaint Resolution 	100%	Complaints resolved within the target timescale <sup>3</sup>

<sup>1</sup> Exaireo encourages resident volunteering / provides work experience and normally keeps robust statistics to demonstrate this unique extra value provided, not only to the resident themselves, but also to Exaireo and indeed the wider community. However, due to the Coronavirus pandemic, the Average Resident Hours figure is **not available** for this year. This is because of long periods of closure and then limited spaces due to social distancing / bubbles, etc, so statistics have not been kept. It is hoped that normal service will be resumed next year. [To further note: this applies purely to resident volunteers / work experience and does not include the numerous externally sourced hours provided to our charity by generous members of our local community].

<sup>2</sup> HouseMark STAR standardised survey question on overall service from the 2021 Resident Survey. Also, it's worth noting that, although overall satisfaction went down slightly this year, the proportion of those who were 'very' satisfied increased significantly this year: 75.0% compared to 48.4% in 2020.

<sup>3</sup> Six out of six complaints received during the year (four out of four last year) were resolved within timescales.

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17. Value for Money Standard (continued)

**Further Metrics Development**

Our bespoke Metrics are still a work-in-progress. Exaireo hopes to further embed VFM and refine these metrics, to provide additional measures & targets in the forthcoming years. It is in Exaireo's clear interest to fully & further demonstrate the (hidden) value we represent. For example: we are looking at developing systems to measure the significant amount of *external* voluntary work that our charity attracts, which adds further value for our residents and wider community. Unfortunately, this has been delayed by coronavirus, for now.

**Comparison with 2020-21, Benchmarking and Targets for 2021-22**

Exaireo is a member of the Acuity Small Provider Benchmarking (SPBM) service. This helps us to benchmark (compare) the various elements and outcomes of our service with other similar organisations or peer groups.

Not all aspects of our service can be benchmarked, due to the bespoke nature of our service. Where benchmarking data is held by SPBM, it is given in relation to each of our chosen metrics.

With reference to the previous tables, the benchmarking data, together with our existing and proposed targets for the forthcoming 2021-22 reporting year, are summarised in table 3 below. The table also allows comparison with our outcomes for the previous 2019-20 reporting year.

3	Metric	2019-20 Outcome	2020-21 Outcome	Benchmark	2020-21 Target	2021-22 Target
	Occupancy Rate	95.9%	96.6%	97.95%*	90%	90%
	Resident Volunteering (hours per week)	238.3	Not Available this year	N/A	90	90
	Meeting DHS	100%	100%	97.4%	97%	97%
	Overall Satisfaction	87.1%	86.1%	83.5%	85%	85%
	Complaints Resolution	100%	100%	97.0%	85%	85%

Benchmarking obtained via HouseMark & Acuity Small Provider Benchmarking, peer group & regional medians for 2020/21.

\*The only Benchmark measurement available for Occupancy relates to **General Needs** accommodation only; whereas Exaireo is exclusively Supported Housing. However, this figure is included here for an indicative comparison.

Supported Housing has intrinsically higher turnover, room damage, etc. This is due to the nature of the client-group served. Therefore, Occupancy rate is likely to be a margin lower for Supported Housing.

**17. Value for Money Standard (continued)**

The target for Resident Volunteering was decreased to 90 average resident hours per week, last year (just over half of previous) in response to the Coronavirus pandemic. Resident volunteering has had to be limited in line with COVID Secure guidelines. This was in contrast to an otherwise upward trajectory in our resident work-project. Although no stats were kept this year, we are hoping to resume this important measure as the situation improves. We will hence keep the same (lower) target for the forthcoming year. Whilst engaging residents positively remains a priority, a low target ensures there are no pressures for numbers to the detriment of the more important health considerations.

Other targets have also been kept the same for now and, although the target values look low, they are realistic. This is due to the very low sample-sizes involved as Exaireo is a very small provider, with around 50 units. Hence it would only take 1 actual failing to drastically change an outcome (E.g. Exaireo received only 6 complaints last year).