

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 2022

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

Charity registration number	1125402
Company registration number	6595498
Principal office	5 The Coneries Loughborough Leicestershire LE11 1DZ
Registered office	Northgate House North Gate New Basford Nottingham NG7 7BQ
Trustees	Mr M Millman - Chairman Mr G Bradshaw-Mays Mrs B Wallington Mr T Farrar – resigned 14 May 2021 Mr J Harper Mrs C Brady Mr S Scoggins – appointed 15 March 2022
Secretary	Mr C York
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Accountants	RWB CA Ltd Northgate House North Gate New Basford Nottingham NG7 7BQ

THE EXAIREO TRUST LTD

TRUSTEES REPORT

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 2022. 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.

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

The Trustees manage the charity.

PUBLIC BENEFIT

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

REVIEW OF DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS

The charity, having now completed thirteen years of operation, has coped well with the inevitable disruption of the COVID-19 pandemic and has maintained a diverse range of courses and activities for residents, as well as offering a high quality of support and accommodation. Faced with a group of vulnerable young women being left homeless following the closure of a local rehabilitation centre the trustees and management team decided to accelerate our plans to operate a recovery house for women during this financial year and Ruach House was opened in Summer 2021. Another new property was also sourced temporarily which has now been replaced by a more permanent house allowing us to offer support to 4 women recovering from addiction issues. The trustees were aware that establishing this work would require a significant investment and despite the deficit seen in these accounts fully anticipate a return to surpluses in coming financial years.

The charity now has 50 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 and we extended or support to projects in Mansfield and Coventry during the year. We are in discussions with a project in Bedford with a view to assisting them soon.

TRUSTEES REPORT

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 continued to be 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.

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. The Pallet Project has been successful, recycling old wooden pallets into garden furniture, Christmas decorations and other household items.

Over the year, we continued to show a positive level of success in the rehabilitation of our residents. We received 330 referrals for accommodation during the year, a significant increase on the previous year and 64 new residents were housed by the Trust, 110 residents lived with us in total during the year. Around 41% 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 thank Tim Farrar for his service as he left the board during the year and welcome Simon Scoggins. 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 2020 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.

THE EXAIREO TRUST LTD

TRUSTEES REPORT

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.

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 29 September 2022 and signed on its behalf by:



Mrs B Wallington
Trustee

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of The Exaireo Trust Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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, of the charitable company 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 accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 29 September 2022 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

I report to the Charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, 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.

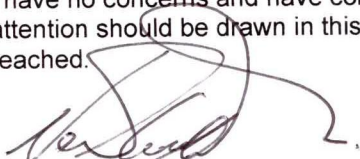
Independent examiner's statement

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

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

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.



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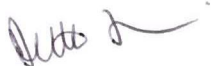
29 September 2022

THE EXAIREO TRUST LTD
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Turnover	3	798,441	748,474
Operating Expenditure	3	(1,015,586)	(774,896)
Other Income	3	<u>178,761</u>	<u>164,966</u>
Operating Surplus		(38,384)	138,544
Profit on disposal of fixed assets		-	-
Interest receivable		-	-
Interest and financing costs	3	<u>(8,599)</u>	<u>(9,745)</u>
Surplus/(Deficit) before tax		(46,983)	128,799
Taxation		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(46,983)</u>	<u>128,799</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 29 September 2022



Mrs B Wallington
Trustee



Mr G Bradshaw-Mays
Trustee

THE EXAIREO TRUST LTD

STATEMENT OF CHANGES IN RESERVES

AS AT 31 MARCH 2022

	Unrestricted Income & Expenditure Reserve £	Restricted Reserve £	Total £
Balance as at 1 April 2020	200,991	309	201,300
Total comprehensive income for the year	<u>128,799</u>	<u>-</u>	<u>128,799</u>
Balance as at 31 March 2021	329,790	309	330,099
Total comprehensive income for the year	<u>(47,762)</u>	<u>779</u>	<u>(46,983)</u>
Balance as at 31 March 2022	<u><u>282,028</u></u>	<u><u>1,088</u></u>	<u><u>283,116</u></u>

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed Assets			
Tangible fixed assets	7	<u>273,294</u>	<u>265,930</u>
Current Assets			
Trade & other debtors	8	91,793	84,104
Cash & cash equivalents		<u>97,267</u>	<u>157,107</u>
		189,060	241,211
Creditors: amounts falling due within one year	9	<u>(30,690)</u>	<u>(24,392)</u>
Net current assets		158,370	216,819
		<u>158,370</u>	<u>216,819</u>
Total assets less current liabilities		431,664	482,749
Creditors: amounts falling due after more than one year	9	<u>(148,548)</u>	<u>(152,650)</u>
Total net assets		<u>283,116</u>	<u>330,099</u>
		<u>283,116</u>	<u>330,099</u>
Reserves			
Income & expenditure reserve		282,028	329,790
Restricted reserve		<u>1,088</u>	<u>309</u>
Total reserves		<u>283,116</u>	<u>330,099</u>
		<u>283,116</u>	<u>330,099</u>

For the financial year ended 31 March 2022, 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 29 September 2022



Mrs B Wallington
Trustee



Mr G Bradshaw-Mays
Trustee

THE EXAIREO TRUST LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Net cash generated from operating activities	(26,502)	130,057
Cash flow from investing activities		
Purchase of tangible fixed assets	(20,737)	(3,511)
Sale of tangible fixed assets	-	-
	(20,737)	(3,511)
Cash flow from financing activities		
Interest paid	(8,599)	(9,745)
New loans	(1,500)	-
	1,200	
Repayments of borrowings	(3,702)	(56,357)
	(12,601)	(66,102)
Net change in cash and cash equivalents	(59,840)	60,444
Cash and cash equivalents at beginning of the year	157,107	96,663
Cash and cash equivalents at end of the year	97,267	157,107

The accompanying notes form part of these financial statements.

THE EXAIREO TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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 2022.

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. As at 31 March 2022 the Charity had available cash balances of £97,267.

As part of the going concern assessment and conclusion, the continuing effects of Covid-19 has been considered and the trustees 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. The board have considered the foreseeable future for their going concern assessment to cover the period to 30 September 2023.

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 including any components. Uncertainties of these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment, changes to Decent Homes Standards and changes to energy efficiency requirements which may require more frequent replacement of key components. Accumulated depreciation of housing properties as at 31 March 2022 was £18,135. The carrying amount of the housing properties was £238,210 at the year ended 31 March 2022.

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 and grants receivable in the year.

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.

Taxation

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

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.

Housing properties – Properties held at cost

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and. Cost includes the costs of acquiring land and buildings.

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.

2. Accounting policies (continued)

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.

Depreciation of 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 charity depreciates the major components of its housing properties at the following annual rates:

Structure and roofs	2%
Kitchen and bathrooms	10%

Freehold land is not depreciated.

Other tangible fixed assets

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

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 for other assets are:

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

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.

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

	Turnover £	Cost of Sales £	2022 Operating expenditure £	Operating (deficit) £
Social housing lettings	798,441	(250,746)	(624,613)	(76,918)
Other social housing activities				
Charges for support services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Activities other than social housing	178,761	(216)	(148,610)	29,935
	977,202	(250,962)	(773,223)	(46,983)
	Turnover £	Cost of Sales £	2021 Operating Expenditure £	Operating surplus £
Social housing lettings	748,474	(227,064)	(417,592)	103,818
Other social housing activities				
Charges for support services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Activities other than social housing	164,966	(216)	(139,769)	24,981
	913,440	(227,280)	(557,361)	128,799

THE EXAIREO TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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

Homeless needs supported housing	2022 £	2021 £
Rent receivable net of identifiable service charges	798,441	748,474
Donations	-	-
Grant	-	-
Turnover from social housing lettings	798,441	748,474
Direct costs		
Rent	132,884	149,021
Rates and water	24,566	16,158
Light, heat and power	45,035	37,540
Repairs and maintenance	31,587	13,459
Other direct costs	16,674	10,886
	250,746	227,064
Other operating expenditure		
Wages and salaries	395,311	256,884
Staff NIC	21,385	12,454
Staff pensions	7,611	4,917
Trustee remuneration	59,816	36,369
Trustee NIC	5,815	3,543
Trustee pension	925	847
Travelling	10,001	3,812
Advertising	-	50
Rent	15,000	15,100
Rates and water	1,001	1,006
Light, heat & power	(1,316)	1,230
Insurance	10,160	9,900
Other expenses	23,386	9,209
Repairs & maintenance	18,330	12,481
Telephone	11,579	10,006
Office expenses	18,715	13,920
Motor expenses	5,012	3,229
Training	1,508	457
Accountancy costs	2,056	3,082
Independent examiners fees	3,000	2,880
Legal and professional fees	2,400	2,425
Depreciation of housing properties	3,627	3,627
Loan and mortgage interest paid	8,580	9,745
Other interest paid	19	-
Bank fees	692	419
	624,693	417,592

THE EXAIREO TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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

Activities other than social housing	2022 £	2021 £
Donated goods and services	31,427	20,275
Donation income	68,561	61,645
Grants	32,376	66,171
Other revenue	46,397	16,875
Turnover from other activities	178,761	164,966
 Fundraising costs	 216	 216
 Wages and salaries	 59,409	 71,921
Staff NIC	1,948	2,738
Staff pensions	614	1,013
Depreciation of other fixed assets	9,746	8,274
Profit on disposal of fixed asset	-	-
Rent, rates and water	42,835	42,718
Light, heat and power	3,779	2,716
Personal support costs	30,279	10,389
	148,610	139,769

THE EXAIREO TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

4. Operating surplus

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

	2022 £	2021 £
Depreciation of housing properties	3,627	3,627
Depreciation of tangible fixed assets	9,746	8,274
Surplus on disposal tangible fixed assets	-	-
Operating lease rentals		
Land and buildings	185,852	203,429
	<u>199,225</u>	<u>212,330</u>

5. Employees

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

	2022 No.	2021 No.
Administration	7	6
Housing, support and care	33	26
	<u>40</u>	<u>32</u>

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and salaries	514,536	365,174
Social security costs	29,148	18,735
Other pension costs	9,150	6,777
	<u>552,834</u>	<u>390,686</u>

Mrs B Wallington received remuneration of £37,086 (2021: £34,464), employer pension contribution of £925 (2021: £847) and travel expenses of £Nil (2021: £Nil) in her capacity as Support manager.

Mr G Bradshaw-Mays received remuneration of £22,730 (2021: £1,905) for support working, and travel expenses of £838 (2021: £Nil).

No directors received remuneration for their role as trustees.

No employee received emoluments of more than £60,000 during the year (2021 – 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 2022

7. Tangible fixed assets

	Social Housing Properties for letting £	Plant and machinery including motor vehicles £
Cost		
As at 1 April 2021	256,345	49,161
Additions	-	20,737
Disposals	-	-
As at 31 March 2022	256,345	69,898
Depreciation		
As at 1 April 2021	14,508	25,068
Charge for the year	3,627	9,746
Disposals	-	-
As at 31 March 2022	18,135	34,814
Net book value		
As at 31 March 2022	238,210	35,084
As at 1 April 2021	241,837	24,093

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

	2022 No.	2021 No.
Homeless needs supported housing	50	46

8. Debtors

	2022 £	2021 £
Trade debtors	58,999	47,788
Other debtors	12,187	12,169
Prepayments and accrued income	20,607	24,147
	91,793	84,104
Included within Trade debtors are:		
Rent and service charges	50,069	38,858
Less provision for bad debts	-	-
	50,069	38,858

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FOR THE YEAR ENDED 31 MARCH 2022

9. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank and other loans	3,700	3,300
Trade creditors	3,869	1,032
Taxation and social security	8,468	5,668
Other creditors	1,837	1,386
Accruals and deferred income	12,816	13,006
	<u>30,690</u>	<u>24,392</u>
Accruals and deferred income include the following deferred income:		
As at 01 April 2021	3,143	10,526
Resources deferred in the period	779	3,143
Amounts released from previous periods	<u>(3,143)</u>	<u>(10,526)</u>
As at 31 March 2022	<u>779</u>	<u>3,143</u>

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

	2022 £	2021 £
Bank and other loans	148,548	152,650
The bank loan is repayable as follows:		
Within one year	3,700	3,300
Within one to two years	3,700	3,300
Within two and five years	11,100	9,900
Five years or more	<u>133,748</u>	<u>139,450</u>
	<u>152,248</u>	<u>155,950</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 2022 the charity has annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2022 £	2021 £
Operating leases which expire:		
Within one year	44,950	57,063
Within two and five years	26,208	71,158
More than five years	<u>-</u>	<u>-</u>
	<u>71,158</u>	<u>128,221</u>

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 £Nil (2021: £22) to this company for goods and services supplied. There is an outstanding balance of £Nil (2021: £Nil) included in creditors.

During the year The Exaireo Trust Ltd received £250 (2021: £323) from this company for the supply of goods and services. There is an outstanding balance of £250 (2021: £Nil) included in trade debtors. Included within other debtors is a loan of £6,467 (2021: £7,667). 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 £16,021 (2021: £11,928).

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 2021 £	Incoming Resources £	Resources Expended £	At 31 March 2022 £
General funds				
Unrestricted income fund	329,790	974,702	(1,022,464)	282,028
Total unrestricted funds	329,790	974,702	(1,022,464)	282,028
Restricted funds				
Residents fishing club	309	-	-	309
LCC Communities Fund	-	2,500	(1,721)	779
	309	2,500	(1,721)	1,088
	330,099	977,202	(1,024,185)	283,116

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

LCC – funding to contribute towards costs associated with delivering boxing sessions for women.

15. Cash flow from operating activities	2022 £	2021 £
Surplus for the year	(46,983)	128,799
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	13,373	11,901
(Increase) in trade & other debtors	(7,389)	(11,523)
Increase/ (decrease) in trade & other creditors	5,898	(8,865)
Adjustments for investing or financing activities:		
Net gain on sale of fixed assets	-	-
Interest payable	8,599	9,745
Net cash generated from operating activities	(26,502)	130,057

15. Cash flow from operating activities (continued)

	At 1 April 2021 £	Cash flows £	Other non-cash movements £	At 31 March 2022 £
Cash	157,107	(59,840)		97,267
Bank loans due within one year	(3,300)		(400)	(3,700)
Bank loans due greater than one year	(152,650)	3,702	400	(148,548)
Total	1,157	(56,138)	-	(54,981)

16. 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)	59.4%
Earnings before interest, tax, depreciation, amortisation, major repairs included Interest Cover %	(390.86)%
Headline social housing cost per unit	£17,436
Operating Margin % - social housing only	(8.1)%
Operating Margin % - overall	(4.8)%
Return on capital employed	(10.9)%

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.

16. 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 just somewhere to live (the bottom rung), stepping-up through volunteering, ESA Permitted Work, etc, to eventual full employment (the top rung).

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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16. Value for Money Standard (continued)

VFM Achievement in 2021-22

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

2	Metric to Measure our VFM Achievement	2021-22 Outcome	Measure
	VOID management: Occupancy 	96.4%	Occupancy Rate of units available to let
	Work Experience / Volunteering hours 	169.7	Average Resident hours per week ¹
	Meeting the Decent Homes Standard (DHS) 	98%	Units meeting the DHS quality measure
	Overall Satisfaction 	92.9%	Residents either Very or Fairly Satisfied with the overall Exaireo service ²
	Complaint Resolution 	100%	Complaints resolved within the target timescale ³

¹ Exaireo encourages resident volunteering / provides work experience and usually 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 COVID-19 pandemic, the Average Resident Hours figure is **limited** this year. This is because of long periods of closure and then limited spaces due to social distancing / bubbles, etc. Hence statistics have only been kept for **part*** of the year, and even then we have not been at full capacity. 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]. ***Average hours between 8/11/21 – 31/3/22 only.**

² HouseMark STAR standardised survey question on *overall* service from the 2022 Resident Survey.

³ Six out of six complaints received during the year (six out of six last year) were resolved within timescales.

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16. 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 still 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 continued to be delayed due COVID after effects.

Comparison with 2020-21, Benchmarking and Targets for 2022-23

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 2022-23 reporting year, are summarised in table 3 below. The table also allows comparison with our outcomes for the previous 2020-21 reporting year.

3	Metric		2020-21 Outcome	2021-22 Outcome	Bench mark	2021-22 Target	2022-23 Target
	Occupancy Rate		96.6%	96.4%	96.8%*	90%	90%
	Resident Volunteering (hours per week)		Not Available last year	169.7	N/A	90	120
	Meeting DHS		100%	98%	99.5%	97%	97%
	Overall Satisfaction		86.1%	92.9%	82.9%	85%	85%
	Complaints Resolution		100%	100%	73.2%	85%	85%

Benchmarking obtained via Acuity Small Provider Benchmarking, peer group & HouseMark medians for 2021/22.

*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.

16. Value for Money Standard (continued)

Targets

Last year's target for Resident Volunteering was lowered to 90 average resident hours per week (just over half of our usual target) in response to the COVID-19 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 only limited stats were kept this year, we are hoping to fully resume this important measure as the situation improves. We will hence only gradually increase this target for the forthcoming year, as we gradually ramp-up again. 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 in this year, and 1 unit failed DHS (at snapshot date) due to COVID knock-on effects.