

Cornerstone Supported Housing & Counselling Ltd
Financial Statements
For the Year Ending
30 June 2022

JANE ASCROFT ACCOUNTANCY LIMITED

Chartered Accountants
Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XT

Cornerstone Supported Housing & Counselling Ltd

Financial Statements

Year Ended 30 June 2022

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Cornerstone Supported Housing & Counselling Ltd

Trustees' Annual Report (Incorporating the Director's Report)

Year Ended 30 June 2022

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 June 2022.

Objectives and Activities

The objectives of the charity are the relief of poverty, hardship and distress in particular by the provision of accommodation, support and counselling for vulnerable people who are homeless or in acute housing distress and suffering poverty hardship in the North East of England.

Achievements and Performance

EMPLOYMENT

Kickstart

Cornerstone gave a month-long, paid placement for 10 starters to show what they what they had to offer in the workplace. Four young people landed paid, permanent roles with a further three securing a job elsewhere after completing the scheme. The Kickstart Scheme was delivered by The Department for Works and Pensions (DWP) to create new jobs for 16- to 24-year-olds on Universal Credit who are at risk of long-term unemployment.

Workshop

Employed two new workshop operatives from the DWP's Kickstart Scheme.

Housing support

Employed three new support staff members including two from the Kick Start Scheme and one who had been volunteering.

Volunteering

Five new volunteers joined Cornerstone across Durham and Hartlepool, helping with various roles such as workshop, retail, community support and night-time, sit-up service.

DEVELOPMENT

Joinery workshop and retail

Shed sales 183

Furniture sales by item 313

Cornerstone Alternative Education Provision

Achieved vocational training engagement with 16 young people not attending school

Cornerstone's Supported Housing Durham and Hartlepool

Added four new supported housing properties to its portfolio in Hartlepool Our Rough sleeper Assertive Outreach team supported

- 23 people sleeping rough/ homeless into safe housing
- performed more than 130 street sweeps carried out day, night, and early mornings.

Cornerstone Supported Housing & Counselling Ltd

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 30 June 2022

NEW PROJECTS

Community hub - Hartlepool town centre

IN February 2022 Cornerstone opened its Community Hub and retail outlet which is in the centre of the town of Hartlepool. It has been open to the public from between two to six days per week from 10am to 4.30pm

The venue - which since November 2021 was used on cold winter evenings to house the sit up service for rough sleepers - employs a retail worker, community and housing support workers staff and houses the charity's rough sleeper assertive outreach team. Over the past few months, the hub has quickly delivered a central access point for many local public support service workers from areas of financial advice, debt management, domestic violence, drug, alcohol, and substance rehabilitation, physical wellness, mental health, and works in collaboration with other local charities on all these issues being particularly active on food poverty.

It has quickly established itself as a respected retailer of furniture in the town centre high street venue and the charity's furniture and sheds have been in high demand and with profits made there ploughed back into sustaining the project and its services long term. There are now, regular, planned, well attended drop-ins attracting great interest and participation from all areas of the community.

Rough Sleeper Sit-up Service

Cornerstone sit-up service operated between December 2021 and the end of February 2022. On nights it opened, it was available to rough sleepers from 10.30 pm to 9.30 am in cold weather, double staffed and included a support staff handover from night to day shift ensuring service continuity for clients arriving. This service was in addition to day services. The sit-up was housed at Cornerstone's new Community Hub in Park Road, Hartlepool, that has been specially adapted with £10,000 of funding from Hartlepool Community Pot to provide the infrastructure for Cornerstone to safely deliver such a service. Cornerstone Community Support Hub is a purpose-built space to encourage support services to centralise efforts and provide a one-stop shop for access to all community asset services in Hartlepool. The sit-up service required further adaptation and extra staffing for the pilot. The service was inspired by our Outreach worker who discovered a young man frozen to death on the streets of Hartlepool last year.

The service was used by 12 individual rough sleepers - three female and nine male - and the service was used 21 times with repeated visits in the period, not counting the extra engagement with our day services which was more frequent after their first visit to the sit-up. Service users arrived on an evening and were informed about and welcomed at daytime support activities too. Here, rough sleepers could not just escape the cold but also get a shower, get a hot meal, access the foodbanks, toiletries/personal hygiene items, obtain clothes from the clothes bank, access free wash machines, have their needs assessed, and gain signposting and, advocacy to helpful services from two knowledgeable, professional staff that evening with all support coordinated by a part-time rough sleeper coordinator on day shift linking the night to day services efficiently. It was encouraging that rough sleepers returned to use the shower and washing machines frequently during the daytime.

How the service impacted Hartlepool Homelessness

The service provided a rapid response centre for the Rough Sleeper Assertive Outreach Team enabling a safe, warm, space for street homeless people to spend evening/early morning and wait for their assessment for housing to begin the next day. The handover from night to day shift helped maintain engagement that may otherwise have been lost if rough sleepers had been asked to come in later and left to go back to the street.

Issues addressed and improved by our targeted support were

- Alcohol issues
- Clothing (insufficient or inappropriate for weather conditions)
- Coldness due to weather condition
- Domestic violence
- Drug use (crack cocaine, heroin cannabis)

Cornerstone Supported Housing & Counselling Ltd

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 30 June 2022

- Epilepsy and physical wellbeing
- Hunger
- Long-term homelessness
- Mental health
- Physical and mental exhaustion
- Relationship breakdown
- Street homelessness

The service was an advocate for those accessing it and helped build/rebuild relationships with services helpful to those rough sleepers.

Where relationships with helping and support services had become damaged or broken down, the service worked to improve communication channels and promoted understanding of one side to another and vice versa finding common ground to rebuild trust. Some of the most entrenched rough sleepers in Hartlepool have used the service and building a relationship with them in the service has helped Cornerstone staff to listen to, gently challenge some negative beliefs and inform services of rough sleeper points of view.

The sit-up service and linkage to the day service helped rough sleepers spend dozens fewer cold weather nights on the streets. It reduced cold-weather health risks to homeless people/rough sleepers in winter but also built relationships that helped us to deliver year-round information immersion about services they need and where and how to access them.

The service increased existing levels of support and helpful facilities to provide longer-term education and engagement opportunities to homeless/street homeless people while assessing and reassessing levels of need and progress/fallback. Also, we were able to record what services they are accessing and inform them of those that they were not aware of which helped them gain some autonomy in finding help for the complexity of need and trauma associated with homelessness.

The service increased the connection of rough sleepers to the hub's day services. Every rough sleeper benefited from working with the sit-up service and by attending the day services. Cornerstone achieved the maximum level of engagement of this client group by providing almost 24-hour access.

Having this one-stop-shop of services for improved life outcomes, developed new skills, and connected to potential for vocational training/qualifications. There was also access to treatment with peer-led and professional bodies on-site for drug, substance, gambling, and alcohol addictions; food and clothing banks, and schemes to tackle food and clothing poverty. Activities and structured, well-delivered volunteering opportunities will help build confidence, esteem, raise aspirations and promote community involvement.

By engaging with the service, rough sleepers were exposed to an easy-to-follow, clear pathway for personal independence and a full life as can be achieved.

Longer-term impact of the sit-up service

- Prevented street deaths from cold
- A reduction in homelessness for a greater number of people and in many, breaking the cycles of homelessness.
- We managed to help house more than 85% of the rough sleepers engaged in the pilot period. Cornerstone has a strong track record of sustained support and engagement with homeless people for long periods, instigating changes such as safe supported housing, training, and help into employment which will be beneficial and rewarding to former rough sleepers and those stuck in cycles of chronic homelessness.
- Higher rates of employment in the area. Cornerstone employed three extra local people to deliver this service.
- Greater community awareness of the issues and complex trauma that leads to homelessness by highlighting our work in news articles with the Hartlepool Mail, Teesside Live and BBC Tees and a large following on our social media giving the public a chance to interact with us and report issues.

Cornerstone Supported Housing & Counselling Ltd

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 30 June 2022

Service benefits to borough's housing team

The borough council's housing team had a place to refer those rough sleepers who present during unsociable hours and in immediate need of shelter from the cold to the sit-up service until their housing needs can be processed when offices open in the morning. As mentioned, Cornerstone's rough sleeper assertive outreach workers also offered referral to the service to those they found on their street sweeps.

Case study

- Male rough sleeper attended sit-up service.
- Homeless for five months
- Marriage breakdown.
- Sleeping in clothing bins and under cars
- Epileptic
- Struggling with mental health
- Poorly clothed for weather
- Feeling physically and mentally drained by having no secure place to live
- Told us he feels he cannot take it any longer and desperately needs accommodation.
- Told us due to his current circumstances he was having suicidal thoughts

What we did

- Supplied hot drinks, some food and a shower
- Carried out needs and risk assessments and handed over to day service to action involving safeguarding
- Supported him to make an email address giving him a transferrable means of contact for supporting agencies.
- Gave him some warmer clothing and some new trainers.
- Supported him to the Civic Centre the next morning to explore housing options and benefits
- Day service helped him further to support him to address further needs

Financial Review

Income for the year totalled £619,621 (2021 - £627,579) of which £147,817 (2021 - £184,259) was restricted income from grants.

Expenditure for the year totalled £627,766 (2021 - £477,761) of which £150,812 (2021 - £161,464) related to restricted funds.

Overall the charity made a deficit of £8,145 (2021 - surplus of £149,818) for the year. This comprised a deficit on unrestricted funds of £5,150 (2021 - Surplus of £127,023) and a deficit on restricted funds of £2,995 (2021 - Surplus of £22,795).

Reserves Policy

The trustees aim to keep sufficient reserves to cover running costs for between 3 and 6 months. This equates to between £150,000 and £300,000. Actual reserves as at 30th June 2022 were £269,915 which is within the required range.

Cornerstone Supported Housing & Counselling Ltd

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 30 June 2022

Structure, Governance and Management

Cornerstone Supported Housing & Counselling Ltd is a registered charity and a company limited by guarantee. It was incorporated as a company limited by guarantee on 9 July 2010 and is governed by its Memorandum and Articles of Association. It was registered as a charity on 1st February 2012.

The Board

Cornerstone's original board was made up of people who had faith in our manager and a similar work ethic. They all knew the task ahead involved good business decisions, and thick skin to endure the rejection we faced opening a project of this type in a small community. They all delivered brilliantly and weathered the storm and brought us to where we are today - with open mindedness and innovative thinking. They were passionate enough to acknowledge that the charity needed a more strategic and formal approach to the work it had been doing.

Cornerstone's success at turning around community attitudes and building positive relationships has been rewarded with interest from many high profile public figures wanting to get involved and help us progress and build further.

Public Benefit

Our main activities and who we help are described elsewhere in this report. All our charitable activities are undertaken to further our charitable purposes for the public benefit. The Trustees have had regard to the Charity Commission's guidance on public benefit throughout the year when deciding on the activities of the charity.

Reference and Administrative Details

Registered charity name Cornerstone Supported Housing & Counselling Ltd

Charity registration number 1145726

Company registration number 07309917

Principal office and registered office 12 Brockwell Court
Low Willington Industrial Estate
Crook
County Durham
DL15 0UT

The Trustees

Lee Vasey
Jeremy Judge Steele
Heather Lee
Steven Clarkson
Cllr Anita Savory MBE JP
Lydia Janzen
Nicola J Wheatley
Robert Ledger

Independent Examiner Jane Ascroft FCA MA (Cantab)
Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XT

Cornerstone Supported Housing & Counselling Ltd

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 30 June 2022

Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Jeremy Judge Steele
Trustee

Cornerstone Supported Housing & Counselling Ltd

Independent Examiner's Report to the Trustees of Cornerstone Supported Housing & Counselling Ltd

Year Ended 30 June 2022

I report to the trustees on my examination of the financial statements of Cornerstone Supported Housing & Counselling Ltd ('the charity') for the year ended 30 June 2022.

Responsibilities and Basis of Report

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

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

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

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

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

Jane Ascroft FCA MA (Cantab)
Independent Examiner

Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XT

Cornerstone Supported Housing & Counselling Ltd

Statement of Financial Activities (including income and expenditure account)

Year Ended 30 June 2022

			2022		2021
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	9,864	19,000	28,864	67,476
Charitable activities	6	449,517	67,441	516,958	485,221
Investment income	7	57	—	57	187
Other income	8	12,366	61,376	73,742	74,695
Total income		<u>471,804</u>	<u>147,817</u>	<u>619,621</u>	<u>627,579</u>
Expenditure					
Expenditure on charitable activities	9,10	476,954	150,812	627,766	477,761
Total expenditure		<u>476,954</u>	<u>150,812</u>	<u>627,766</u>	<u>477,761</u>
Net (expenditure)/income and net movement in funds		<u>(5,150)</u>	<u>(2,995)</u>	<u>(8,145)</u>	<u>149,818</u>
Reconciliation of funds					
Total funds brought forward		360,139	29,995	390,134	240,316
Total funds carried forward		<u>354,989</u>	<u>27,000</u>	<u>381,989</u>	<u>390,134</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 11 to 23 form part of these financial statements.

Cornerstone Supported Housing & Counselling Ltd

Statement of Financial Position

30 June 2022

	Note	2022 £	£	2021 £
Fixed Assets				
Tangible fixed assets	15		85,074	89,912
Current Assets				
Stocks	16	5,700		3,800
Debtors	17	11,942		31,240
Cash at bank and in hand		298,667		361,501
		<u>316,309</u>		<u>396,541</u>
Creditors: amounts falling due within one year	18	<u>19,394</u>		<u>16,446</u>
Net Current Assets			<u>296,915</u>	<u>380,095</u>
Total Assets Less Current Liabilities			<u>381,989</u>	<u>470,007</u>
Creditors: amounts falling due after more than one year	19		<u>–</u>	<u>79,873</u>
Net Assets			<u><u>381,989</u></u>	<u><u>390,134</u></u>
Funds of the Charity				
Restricted funds			27,000	29,995
Unrestricted funds			<u>354,989</u>	<u>360,139</u>
Total charity funds	21		<u><u>381,989</u></u>	<u><u>390,134</u></u>

For the year ending 30 June 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Jeremy Judge Steele
Trustee

The notes on pages 11 to 23 form part of these financial statements.

Cornerstone Supported Housing & Counselling Ltd

Statement of Cash Flows

Year Ended 30 June 2022

	2022 £	2021 £
Cash Flows from Operating Activities		
Net (expenditure)/income	(8,145)	149,818
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	5,425	6,505
Other interest receivable and similar income	(57)	(187)
Interest payable and similar charges	6,087	10,686
Accrued income	(600)	—
<i>Changes in:</i>		
Stocks	(1,900)	2,064
Trade and other debtors	19,298	26,897
Trade and other creditors	13,144	2,716
Cash generated from operations	33,252	198,499
Interest paid	(6,087)	(10,686)
Interest received	57	187
Net cash from operating activities	<u>27,222</u>	<u>188,000</u>
Cash Flows from Investing Activities		
Purchase of tangible assets	(587)	(2,009)
Net cash used in investing activities	<u>(587)</u>	<u>(2,009)</u>
Cash Flows from Financing Activities		
Proceeds from borrowings	(89,469)	(3,559)
Net cash used in financing activities	<u>(89,469)</u>	<u>(3,559)</u>
Net (Decrease)/Increase in Cash and Cash Equivalents	(62,834)	182,432
Cash and Cash Equivalents at Beginning of Year	361,501	179,069
Cash and Cash Equivalents at End of Year	<u>298,667</u>	<u>361,501</u>

The notes on pages 11 to 23 form part of these financial statements.

Cornerstone Supported Housing & Counselling Ltd

Notes to the Financial Statements

Year Ended 30 June 2022

1. General Information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 12 Brockwell Court, Low Willington Industrial Estate, Crook, County Durham, DL15 0UT.

2. Statement of Compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting Policies

Basis of Preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investments measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The entity is a Public Benefit Entity.

Going Concern

There are no material uncertainties about the charity's ability to continue.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The trustees consider that there are no significant estimates or judgements affecting these financial statements.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Cornerstone Supported Housing & Counselling Ltd

Notes to the Financial Statements *(continued)*

Year Ended 30 June 2022

3. Accounting Policies *(continued)*

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity, being the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

Investment income is included when receivable.

Income from charitable trading activity is accounted for when earned.

Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Tangible Assets

All fixed assets are initially recorded at cost.

Cornerstone Supported Housing & Counselling Ltd

Notes to the Financial Statements *(continued)*

Year Ended 30 June 2022

3. Accounting Policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Property	- 2% straight line
Leasehold property improvements	- Straight line over the length of the lease
Motor vehicles	- 25% reducing balance
Equipment	- 25% reducing balance

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Cornerstone Supported Housing & Counselling Ltd

Notes to the Financial Statements *(continued)*

Year Ended 30 June 2022

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

4. Limited by Guarantee

The company is limited by guarantee. At 30th June 2022 there were 8 members each of whom had undertaken to contribute an amount not exceeding £1 in the event of a winding up.

Cornerstone Supported Housing & Counselling Ltd

Notes to the Financial Statements *(continued)*

Year Ended 30 June 2022

5. Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Grants			
DCC - Olwyn Fraser	—	4,000	4,000
Sir James Knott Foundation	—	15,000	15,000
County Durham Community Foundation	1,000	—	1,000
Refurbishment grants	8,864	—	8,864
	<u>9,864</u>	<u>19,000</u>	<u>28,864</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Grants			
Barbour Foundation	—	5,000	5,000
DCC - Olwyn Fraser	—	—	—
National Lottery Community Fund Coronavirus Community Support Fund	—	51,950	51,950
Lloyds Bank Foundation REACT FUND	—	7,526	7,526
Hospital Of God	—	1,000	1,000
Groundwork UK	—	1,000	1,000
Tyne & Wear Community Foundation	—	1,000	1,000
	<u>—</u>	<u>67,476</u>	<u>67,476</u>

Cornerstone Supported Housing & Counselling Ltd

Notes to the Financial Statements (continued)

Year Ended 30 June 2022

6. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Alternative Provision	33,283	–	33,283
Tudor Trust	–	15,000	15,000
Rental income	183,098	–	183,098
Workshop income	170,135	–	170,135
Accent Homes	31,381	–	31,381
Hartlepool Hub pilot sit up service	9,120	52,441	61,561
Rough sleeper assertive outreach	22,500	–	22,500
	<u>449,517</u>	<u>67,441</u>	<u>516,958</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
PCP	–	5,000	5,000
MHCLG - Homelessness Winter Transformation Fund	–	31,500	31,500
Alternative Provision	14,247	–	14,247
Tudor Trust	–	25,000	25,000
Rental income	170,348	–	170,348
Workshop income	112,856	–	112,856
Accent Homes	56,497	–	56,497
Lloyds Foundation	–	47,490	47,490
Rough sleeper assertive outreach	17,584	–	17,584
Other charitable income	2,698	2,001	4,699
	<u>374,230</u>	<u>110,991</u>	<u>485,221</u>

7. Investment Income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	<u>57</u>	<u>57</u>	<u>187</u>	<u>187</u>

Cornerstone Supported Housing & Counselling Ltd

Notes to the Financial Statements (continued)

Year Ended 30 June 2022

8. Other Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Job Retention Scheme	12,366	–	12,366
Changing Futures - Kickstart	–	61,376	61,376
	<u>12,366</u>	<u>61,376</u>	<u>73,742</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Job Retention Scheme	38,859	–	38,859
Insurance claim	4,516	–	4,516
Covid support grants	25,528	–	25,528
Changing Futures - Kickstart	–	5,792	5,792
	<u>68,903</u>	<u>5,792</u>	<u>74,695</u>

9. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Costs of charitable activities (see page 26)	<u>476,954</u>	<u>150,812</u>	<u>627,766</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Costs of charitable activities (see page 26)	<u>316,297</u>	<u>161,464</u>	<u>477,761</u>

10. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly £	Total funds 2022 £	Total fund 2021 £
Costs of charitable activities (see page 26)	<u>627,766</u>	<u>627,766</u>	<u>477,761</u>

11. Net (Expenditure)/Income

Net (expenditure)/income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>5,425</u>	<u>6,505</u>

12. Independent Examination Fees

	2022 £	2021 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	720	660
Other financial services	<u>1,224</u>	<u>492</u>
	<u>1,944</u>	<u>1,152</u>

Cornerstone Supported Housing & Counselling Ltd

Notes to the Financial Statements (continued)

Year Ended 30 June 2022

13. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	244,119	178,271
Social security costs	11,341	10,108
Employer contributions to pension plans	4,009	3,451
	<u>259,469</u>	<u>191,830</u>

The average head count of employees during the year was 14 (2021: 9). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of project staff	<u>14</u>	<u>9</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £31,856 (2021:£30,000).

14. Trustee Remuneration and Expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

No trustee expenses have been incurred during the year (2021 - Nil).

15. Tangible Fixed Assets

	Freehold property £	Leasehold property improvements £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 July 2021	80,000	14,170	22,595	14,250	131,015
Additions	—	—	—	587	587
At 30 June 2022	<u>80,000</u>	<u>14,170</u>	<u>22,595</u>	<u>14,837</u>	<u>131,602</u>
Depreciation					
At 1 July 2021	4,800	14,170	13,148	8,985	41,103
Charge for the year	1,600	—	2,362	1,463	5,425
At 30 June 2022	<u>6,400</u>	<u>14,170</u>	<u>15,510</u>	<u>10,448</u>	<u>46,528</u>
Carrying amount					
At 30 June 2022	<u>73,600</u>	<u>—</u>	<u>7,085</u>	<u>4,389</u>	<u>85,074</u>
At 30 June 2021	<u>75,200</u>	<u>—</u>	<u>9,447</u>	<u>5,265</u>	<u>89,912</u>

Cornerstone Supported Housing & Counselling Ltd

Notes to the Financial Statements *(continued)*

Year Ended 30 June 2022

16. Stocks

	2022	2021
	£	£
Stock	<u>5,700</u>	<u>3,800</u>

17. Debtors

	2022	2021
	£	£
Trade debtors	11,222	31,240
Prepayments and accrued income	<u>720</u>	<u>—</u>
	<u>11,942</u>	<u>31,240</u>

18. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	—	9,596
Trade creditors	13,680	—
Accruals and deferred income	—	600
Social security and other taxes	4,804	6,250
Other creditors	<u>910</u>	<u>—</u>
	<u>19,394</u>	<u>16,446</u>

The loans are from Key Fund and are secured on the two properties.

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

	2022	2021
	£	£
Bank loans and overdrafts	<u>—</u>	<u>79,873</u>

Included within creditors: amounts falling due after more than one year is an amount of £Nil (2021: £41,491) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The loans are from Key Fund and are secured on the two properties.

20. Pensions and Other Post Retirement Benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £4,009 (2021: £3,451).

Cornerstone Supported Housing & Counselling Ltd

Notes to the Financial Statements (continued)

Year Ended 30 June 2022

21. Analysis of Charitable Funds

Unrestricted funds

	At 1 July 2021	Income	Expenditure	Transfers	At 30 June 2022
	£	£	£	£	£
General funds	270,227	471,804	(471,529)	(587)	269,915
Capital fund	89,912	—	(5,425)	587	85,074
	<u>360,139</u>	<u>471,804</u>	<u>(476,954)</u>	<u>—</u>	<u>354,989</u>

	At 1 July 2020	Income	Expenditure	Transfers	At 30 June 2021
	£	£	£	£	£
General funds	138,708	443,320	(309,792)	(2,009)	270,227
Capital fund	94,408	—	(6,505)	2,009	89,912
	<u>233,116</u>	<u>443,320</u>	<u>(316,297)</u>	<u>—</u>	<u>360,139</u>

The capital fund holds the value of the fixed assets.

Restricted funds

	At 1 July 2021	Income	Expenditure	Transfers	At 30 June 2022
	£	£	£	£	£
Tudor Trust	6,250	15,000	(21,250)	—	—
Lloyds Bank Foundation					
Continuation Grant	23,745	—	(23,745)	—	—
National Lottery					
Community Fund -					
Awards For All	—	9,180	(9,180)	—	—
Changing Futures -					
Kickstart	—	61,376	(61,376)	—	—
Garfield Weston	—	25,000	(10,000)	—	15,000
Sir James Knott					
Foundation	—	15,000	(3,000)	—	12,000
Crowdfunder	—	6,109	(6,109)	—	—
The Funding Network	—	11,152	(11,152)	—	—
Durham County Council	—	1,000	(1,000)	—	—
Durham County Council					
- Olwyn Fraser	—	4,000	(4,000)	—	—
	<u>29,995</u>	<u>147,817</u>	<u>(150,812)</u>	<u>—</u>	<u>27,000</u>

Cornerstone Supported Housing & Counselling Ltd

Notes to the Financial Statements *(continued)*

Year Ended 30 June 2022

21. Analysis of Charitable Funds *(continued)*

	At 1 July 2020 £	Income £	Expenditure £	Transfers £	At 30 June 2021 £
Tudor Trust	—	25,000	(18,750)	—	6,250
Lloyds Bank Foundation Continuation Grant	—	47,490	(23,745)	—	23,745
Homeless Link	7,200	—	(7,200)	—	—
The Barbour Foundation	—	5,000	(5,000)	—	—
Hospital of God	—	1,000	(1,000)	—	—
Groundwork UK	—	1,000	(1,000)	—	—
Tyne & Wear Community Foundation	—	1,000	(1,000)	—	—
Hartlepool BC - Rough sleeper	—	2,001	(2,001)	—	—
Changing Futures - Kickstart	—	5,792	(5,792)	—	—
MHCLG - Homelessness Winter Transformation Fund	—	31,500	(31,500)	—	—
National Lottery Community Fund	—	—	—	—	—
Coronavirus Community Support Fund	—	51,950	(51,950)	—	—
PCP	—	5,000	(5,000)	—	—
Lloyds Bank Foundation REACT FUND	—	7,526	(7,526)	—	—
	<u>7,200</u>	<u>184,259</u>	<u>(161,464)</u>	<u>—</u>	<u>29,995</u>

The restricted funds comprise grants given for the following purposes:

The Tudor Trust - Wage costs for Coordinator of Volunteers based at Cracket in Hartlepool.

Lloyds Bank Foundation Continuation Grant - Employment Transition Trainer.

National Lottery Community Fund Awards For all, Garfield Weston, Crowdfunder, the Funding Network and Durham County Council - All these grants contributed towards the pilot sit up service.

Changing Futures - Kickstart - Government training apprentice scheme.

Sir James Knott Foundation - Charity core costs

DCC Olwyn Fraser - Community noticeboards

Cornerstone Supported Housing & Counselling Ltd

Notes to the Financial Statements *(continued)*

Year Ended 30 June 2022

22. Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	85,074	–	85,074
Current assets	289,309	27,000	316,309
Creditors less than 1 year	(19,394)	–	(19,394)
Creditors greater than 1 year	–	–	–
Net assets	354,989	27,000	381,989

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	89,912	–	89,912
Current assets	366,546	29,995	396,541
Creditors less than 1 year	(16,446)	–	(16,446)
Creditors greater than 1 year	(79,873)	–	(79,873)
Net assets	360,139	29,995	390,134

23. Analysis of Changes in Net Debt

	At 1 Jul 2021 £	Cash flows £	At 30 Jun 2022 £
Cash at bank and in hand	361,501	(62,834)	298,667
Debt due within one year	(9,596)	9,596	–
Debt due after one year	(79,873)	79,873	–
	272,032	26,635	298,667

Cornerstone Supported Housing & Counselling Ltd

Notes to the Financial Statements *(continued)*

Year Ended 30 June 2022

24. Related Parties

One of the trustees, Lee Vasey, is the son of the manager, Steve Vasey. During the year the charity paid gross wages to Steve totalling £31,856 (2021 - £30,000).

Steve Vasey allows Cornerstone to use two of his properties that are leased to the charity at 15% below market value with Mr Vasey paying the energy bills to one of the properties within his rent charge.

Cornerstone Supported Housing & Counselling Ltd

Management Information

Year Ended 30 June 2022

The Following Pages Do Not Form Part of the Financial Statements.

Cornerstone Supported Housing & Counselling Ltd

Detailed Statement of Financial Activities

Year Ended 30 June 2022

	2022 £	2021 £
Income and endowments		
Donations and legacies		
Barbour Foundation	–	5,000
DCC - Olwyn Fraser	4,000	–
National Lottery Community Fund Coronavirus Community Support Fund	–	51,950
Lloyds Bank Foundation REACT FUND	–	7,526
Hospital Of God	–	1,000
Groundwork UK	–	1,000
Tyne & Wear Community Foundation	–	1,000
Sir James Knott Foundation	15,000	–
County Durham Community Foundation	1,000	–
Refurbishment grants	8,864	–
	<u>28,864</u>	<u>67,476</u>
Charitable activities		
PCP	–	5,000
MHCLG - Homelessness Winter Transformation Fund	–	31,500
Alternative Provision	33,283	14,247
Tudor Trust	15,000	25,000
Rental income	183,098	170,348
Workshop income	170,135	112,856
Accent Homes	31,381	56,497
Hartlepool Hub pilot sit up service	61,561	–
Lloyds Foundation	–	47,490
Rough sleeper assertive outreach	22,500	17,584
Other charitable income	–	4,699
	<u>516,958</u>	<u>485,221</u>
Investment income		
Bank interest receivable	57	187
Other income		
Job Retention Scheme	12,366	38,859
Insurance claim	–	4,516
Covid support grants	–	25,528
Changing Futures - Kickstart	61,376	5,792
	<u>73,742</u>	<u>74,695</u>
Total income	<u>619,621</u>	<u>627,579</u>

Cornerstone Supported Housing & Counselling Ltd

Detailed Statement of Financial Activities *(continued)*

Year Ended 30 June 2022

	2022 £	2021 £
Expenditure		
Wages	244,119	178,271
Employer's National Insurance	11,341	10,108
Employer's pension contributions	4,009	3,451
Rent	120,967	93,759
Rates & water	14,085	12,632
Light & heat	25,981	12,044
Insurance	10,264	13,595
R&M and other premises costs	23,850	27,676
Vehicle expenses	7,647	6,072
Accountancy fees	1,086	1,243
Stationery, telephone and other office costs	12,620	9,992
Depreciation	5,425	6,505
Loan interest	6,087	10,686
Consultancy and professional fees	2,171	614
General costs	23,913	12,296
Workshop expenses	109,042	74,368
Staff expenses, travel and training	5,159	4,449
Total expenditure	627,766	477,761
 Net (expenditure)/income	 (8,145)	 149,818