

REGISTERED COMPANY NUMBER: 07945052 (England and Wales)
REGISTERED CHARITY NUMBER: 1148286

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE PERIOD 31 MARCH 2021 TO 29 MARCH 2022
FOR
AHAVA COMMUNITY LTD

Haines Watts
Juniper House
Warley Hill Business Park
The Drive
Brentwood
Essex
CM13 3BE

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for the Period 31 March 2021 to 29 March 2022

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AHAVA COMMUNITY LTD

REPORT OF THE TRUSTEES

for the Period 31 March 2021 to 29 March 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 31 March 2021 to 29 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

AHAVA COMMUNITY LTD

REPORT OF THE TRUSTEES

for the Period 31 March 2021 to 29 March 2022

OBJECTIVES AND ACTIVITIES

Objectives and aims

Ahava Community's core vision is to provide support for people in our community who have become homeless, been released from prison, have addiction problems, or been through relationship breakups. We provide a place of refuge for them, to assist them with guidance and to help get them back on track with their lives. "Ahava" means "Love" in Hebrew but in particular giving practical love which is expressed in our objectives and aims.

Ahava Community is a collective of local churches, businesses and individuals who are united by a shared vision for our community: "To see all forms of homelessness made history." We believe that with big faith, innovative strategy and open-handed partnerships we can make a huge difference to the lives of those who need it most.

Strategic Aims

1. To provide temporary shelter, assessment and general advice to people who are homeless and rough sleeping; with further on-going support provided to prevent future difficulties when they have been permanently housed.
2. To prevent rough sleeping and homelessness in Havering by engaging in the care and rehabilitation of people resident in this area who are affected directly and indirectly by alcohol / substance misuse and gambling, and to promote their physical, psychological, emotional and spiritual health.

Treatment options may include referral to local services and residential services plus providing information to alcoholics, drug users, gamblers and their families.

Ahava Community provides the following activities:

Catalyst Night shelter

The Catalyst Night Shelter is located in Romford Town Centre, providing: 12 individual bedrooms; showers; dinner and breakfast then immediate access to our drop-in centre. We were unable to re-open until October 2021 due to the pandemic but then once opened a local business helped us with the conversion from dorm style accommodation into single rooms. This reduced the numbers that we could help but ensured that infection was minimised and that we would remain open. In all, we supported 41 individuals with shelter and then housing.

Thrive Community Housing

In all, we supported 75 people in our Thrive Community Housing Units. We helped facilitate independent living in managed properties with goal-oriented support packages and access to skills training, volunteer opportunities and social activities.

Following feedback from people returning to work, we leased two further 2 bedroom flats so that the tenants could share the bills making a total of 10 units available of this type. To facilitate this, we reduced the number of studio flats from 52 to 24 this was made possible by the shelter offering 12 spaces from which we could move people into accommodation with a variety of local landlords.

Transformation Programme

The continuing Covid 19 crisis and it's financial impact prevented us from pursuing further plans to re-open the Transformation Programme. It is still very much on our heart to work with and support men and women through recovery and we have plans for 3 centres in the future. As we followed up people who had been through the programme previously we were proud not just to employ them but also to see them go onto other jobs and self-employment, showing that recovery can be lasting and long term.

AHAVA COMMUNITY LTD

REPORT OF THE TRUSTEES

for the Period 31 March 2021 to 29 March 2022

Details of specific activities to advance education

Ahava Community was very proud to participate in a large scale with the government Kickstart scheme for getting young people back to work. Some of those young people had been unemployed for a number of years and some from our own housing participated in the scheme.

We were able to provide 6 month work placements in our retail outlets and cafe as well as the transport team, support work and administrative services. We were particularly impacted during their interviews at the desperation to be given a chance to get the skills needed to join the job market. We were then very pleased to see many go onto full time employment with ourselves included.

We were also able to encourage and build relationships with a few young people who were not accessing school who were attending our Hope Cafe. We hope to develop this over the next year in order to further prevent them from becoming our future clients.

Benefit to the public

Between April 2021 and March 2022, Ahava Community finally re-opened the Catalyst Night shelter to twelve guests at a time in single rooms. This was a lower number than previously which reduced the numbers of people we could impact on a daily basis but improved the quality of those services.

We saw our large shop in Harlow close sadly but noted how both the local population and the volunteers valued the work of our team and the manager's great leadership. The manager had previously been a guest in our Night shelter and supported living before going on to start her own business. We opened a further shop in Dartford and Darlington. Whilst Darlington is a long way from home, we were helped by people previously local to Havering who had moved there. We have been able to keep our ethos of providing help and support particularly to those who have been homeless, addicted or offenders by providing work experience in our shop.

This participation in the Kickstart Scheme to helped 35 young people aged 18-24 years with work experience. Particularly poignant was an interview with a 23 year who had never worked before. We saw him grow in confidence over the six months and he has now applied to join the police. Another participant who was also in our housing is now studying full time at University.

Sadly, the pandemic and then the war in Ukraine continued to affect our fundraising efforts with people still both reluctant to gather to fundraise and fearful of the overarching problems the war was going to cause here in the UK. We have a great desire to work with the addicted specifically again in a Transformation Programme but will have to wait until we are more resourced.

The house we were gifted the previous year has been a great home for our clients who are looking for the next step in the ladder from addiction and homelessness. We continue to be grateful for that provision.

In conclusion, we celebrate the re-opening of the Night shelter and the ability to give immediate relief to those who are homeless. We are also grateful to our partners and those landlords who have been patient when times have been very difficult for the charity. We know that there are many more opportunities ahead for us to recover some of the ground we have lost both financially and in operations. But we look forward to helping more people achieve not just a home but freedom from addiction and a future where they are equipped to provide for themselves.

Future Objectives and Aims

Ahava Community continues to have dreams and aspirations for the future and plans for 2022-23 to improve our services to homeless people in Havering and beyond by:

1. Obtaining permanent planning permission for the existing Night shelter and expanding it's services.

AHAVA COMMUNITY LTD

REPORT OF THE TRUSTEES

for the Period 31 March 2021 to 29 March 2022

2. Increasing the number of Thrive units in shared accommodation i.e. 2 bedroom flats so that they are more economical for people returning to work than studio flats, whilst reducing the number of studio flats.
3. Further increasing our sustainability and building our reserves by expanding our Social Enterprise across the country.

STRATEGIC REPORT

Financial position

The statement of Financial Activities shows income of for the year £1,198,140 (2021 £1,235,805). This year, the charity had net expenditure of £176,361 (2021 - net income of £204,303)

Reserves policy

At 29th March 2022 total reserves were £54,484 (2021 £230,845) of which all were unrestricted. The charity anticipates improving reserves over the coming years with a long term aim to build 3 months of reserves.

Going concern

The financial statements are prepared on a going concern basis.

The trustees have reviewed and considered relevant information including future cash flows in making their assessment with regard to going concern. Based on their assessment and the current resources available, the trustees have concluded that it is appropriate to adopt the going concern basis in preparing the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Recruitment of trustees will mainly be by recommendation or a specific approach to someone. Policies will include: Data protection, vulnerable adults policy, health and safety and fire safety.

Appointment will be by interview, application form, taking up references and doing a police check. During an induction period our core activities will be explained and the trustee taken to see them in action. The role of our partner agencies is also very relevant. Other training on homeless matters is available through courses ran by Homeless Link.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07945052 (England and Wales)

Registered Charity number

1148286

AHAVA COMMUNITY LTD

REPORT OF THE TRUSTEES

for the Period 31 March 2021 to 29 March 2022

Registered office

4 Atlanta Boulevard
Romford
Essex
RM1 1TB

Trustees

P A Merry
I P Coppeard
Mrs T Goodyear (resigned 11.10.22)
J Kyari
Ms G Akalonu

Auditors

Haines Watts
Juniper House
Warley Hill Business Park
The Drive
Brentwood
Essex
CM13 3BE

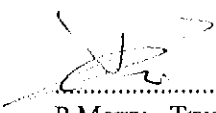
Bankers

The Co-operative Bank
1 South Street
Romford
Essex
RM1 1XP

AUDITORS

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 21 March 2022 and signed on the board's behalf by:


.....
P Merry - Trustee

AHAVA COMMUNITY LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES for the Period 31 March 2021 to 29 March 2022

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF AHAVA COMMUNITY LTD

Opinion

We have audited the financial statements of Ahava Community Ltd (the 'charitable company') for the period ended 29 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 29 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF AHAVA COMMUNITY LTD

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF AHAVA COMMUNITY LTD

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and the sector in which it operates. We determined that the most significant are those that relate to the reporting framework, the Charities SORP (FRS 102) and the Charities Act 2011.

We understood how the charity is complying with those legal and regulatory frameworks by making enquires of the management and those responsible for governance. We corroborated our enquiries through our review of Board minutes.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. The primary responsibility for the prevention and detection of irregularities including fraud rests with both those charged with governance of the entity and management.

Our audit procedures in relation to fraud included but were not limited to:

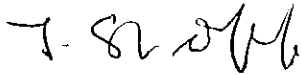
- identifying and gaining an understanding of the internal controls management has in place to prevent and detect fraud;
- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- discussing the risks of fraud amongst the engagement team;
- assessing the significant estimates and judgements in the financial statements for possible manipulation or management bias;
- identifying and testing journal entries, in particular any journals indicating large or unusual transactions based on our understanding of the charity;
- assessing the extent of compliance with the relevant laws and regulations.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
AHAVA COMMUNITY LTD**

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jim Shroff (Senior Statutory Auditor)

For and on behalf of Haines Watts Essex LLP

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Juniper House

Warley Hill Business Park

The Drive

Brentwood

Essex

CM13 3BE

Date: 21 March 2023

AHAVA COMMUNITY LTD

STATEMENT OF FINANCIAL ACTIVITIES for the Period 31 March 2021 to 29 March 2022

				Period 31.3.21 to 29.3.22 Total funds £	Period 1.4.20 to 30.3.21 Total funds £
	Notes	Unrestricted fund £	Restricted funds £		
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	335,468	-	335,468	677,014
Charitable activities					
Supported Living		491,205	-	491,205	436,245
Residents Licence Top-up		33,112	-	33,112	13,652
Other trading activities	3	338,350	-	338,350	108,811
Investment income	4	<u>5</u>	<u>-</u>	<u>5</u>	<u>83</u>
Total		<u>1,198,140</u>	<u>-</u>	<u>1,198,140</u>	<u>1,235,805</u>
EXPENDITURE ON					
Raising funds	6	121,557	-	121,557	101,769
Charitable activities					
Wages	7	601,331	-	601,331	216,869
Night Shelter Cost		5,603	-	5,603	2,692
Supported Living		554,526	-	554,526	563,187
Pension costs		11,425	-	11,425	10,928
Other		<u>180,059</u>	<u>-</u>	<u>180,059</u>	<u>136,057</u>
Total		<u>1,474,501</u>	<u>-</u>	<u>1,474,501</u>	<u>1,031,502</u>
Net gains on investments		<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
NET INCOME/(EXPENDITURE)		(176,361)	-	(176,361)	204,303
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>230,845</u>	<u>-</u>	<u>230,845</u>	<u>26,542</u>
TOTAL FUNDS CARRIED FORWARD		<u>54,484</u>	<u>-</u>	<u>54,484</u>	<u>230,845</u>

The notes form part of these financial statements

AHAVA COMMUNITY LTD

BALANCE SHEET 29 March 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	12	358,684	-	358,684	252,800
CURRENT ASSETS					
Debtors	13	29,599	-	29,599	59,813
Cash at bank and in hand		<u>19,229</u>	<u>-</u>	<u>19,229</u>	<u>39,634</u>
		48,828	-	48,828	99,447
CREDITORS					
Amounts falling due within one year	14	(170,450)	-	(170,450)	(72,402)
		<u>(121,622)</u>	<u>-</u>	<u>(121,622)</u>	<u>27,045</u>
NET CURRENT ASSETS					
		237,062	-	237,062	279,845
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS					
Amounts falling due after more than one year	15	(182,578)	-	(182,578)	(49,000)
		<u>54,484</u>	<u>-</u>	<u>54,484</u>	<u>230,845</u>
NET ASSETS					
FUNDS	17				
Unrestricted funds				<u>54,484</u>	<u>230,845</u>
TOTAL FUNDS				<u>54,484</u>	<u>230,845</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 29 March 2022.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

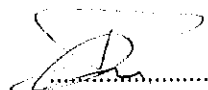
The notes form part of these financial statements

AHAVA COMMUNITY LTD

BALANCE SHEET - continued
29 March 2022

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 21 March 2023 and were signed on its behalf by:


.....

P Merry - Trustee

The notes form part of these financial statements

AHAVA COMMUNITY LTD

CASH FLOW STATEMENT

for the Period 31 March 2021 to 29 March 2022

	Notes	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
Cash flows from operating activities			
Cash generated from operations	1	(6,342)	241,431
Interest paid		<u>-</u>	<u>(2,092)</u>
Net cash (used in)/provided by operating activities		<u>(6,342)</u>	<u>239,339</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(10,926)	(254,200)
Interest received		<u>5</u>	<u>83</u>
Net cash used in investing activities		<u>(10,921)</u>	<u>(254,117)</u>
Cash flows from financing activities			
New loans in year		-	49,000
Loan repayments in year		<u>(3,142)</u>	<u>-</u>
Net cash (used in)/provided by financing activities		<u>(3,142)</u>	<u>49,000</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(20,405)	34,222
Cash and cash equivalents at the beginning of the reporting period		<u>39,634</u>	<u>5,412</u>
Cash and cash equivalents at the end of the reporting period		<u><u>19,229</u></u>	<u><u>39,634</u></u>

The notes form part of these financial statements

AHAVA COMMUNITY LTD

NOTES TO THE CASH FLOW STATEMENT for the Period 31 March 2021 to 29 March 2022

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(176,361)	204,303
Adjustments for:		
Depreciation charges	5,042	1,990
Interest received	(5)	(83)
Interest paid	-	2,092
Property Revaluation	(100,000)	-
Decrease/(increase) in debtors	30,214	(8,096)
Increase in creditors	<u>234,768</u>	<u>41,225</u>
Net cash (used in)/provided by operations	<u>(6,342)</u>	<u>241,431</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 31.3.21 £	Cash flow £	At 29.3.22 £
Net cash			
Cash at bank and in hand	<u>39,634</u>	<u>(20,405)</u>	<u>19,229</u>
	<u>39,634</u>	<u>(20,405)</u>	<u>19,229</u>
Debt			
Debts falling due within 1 year	-	(9,260)	(9,260)
Debts falling due after 1 year	<u>(49,000)</u>	<u>12,402</u>	<u>(36,598)</u>
	<u>(49,000)</u>	<u>3,142</u>	<u>(45,858)</u>
Total	<u>(9,366)</u>	<u>(17,263)</u>	<u>(26,629)</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Period 31 March 2021 to 29 March 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The trustees have reviewed and considered relevant information including future cash flows in making their assessment with regard to going concern. Based on their assessment and the current resources available, the trustees have concluded that it is appropriate to adopt the going concern basis in preparing the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor vehicles - Straight line over 3 years

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

AHAVA COMMUNITY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued for the Period 31 March 2021 to 29 March 2022

1. ACCOUNTING POLICIES - continued

Fund accounting

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
Donations	28,395	285,472
Grants	<u>307,073</u>	<u>391,542</u>
	<u>335,468</u>	<u>677,014</u>

Grants received, included in the above, are as follows:

	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
GENERAL	<u>307,073</u>	<u>391,542</u>

3. OTHER TRADING ACTIVITIES

	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
Social Enterprise	<u>338,350</u>	<u>108,811</u>

AHAVA COMMUNITY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued for the Period 31 March 2021 to 29 March 2022

4. INVESTMENT INCOME

	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
Deposit account interest	<u>5</u>	<u>83</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
Supported Living	491,205	436,245
Residents Licence Top up	<u>33,112</u>	<u>13,652</u>
Activity		
Supported Living		
Residents Licence Top-up		
	<u>524,317</u>	<u>449,897</u>

6. RAISING FUNDS

Raising donations and legacies

	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
Shop expenses	86,097	95,605
Fundraising Costs	<u>35,420</u>	<u>6,086</u>
	<u>121,517</u>	<u>101,691</u>

Other trading activities

	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
Purchases	<u>40</u>	<u>78</u>
Aggregate amounts	<u>121,557</u>	<u>101,769</u>

AHAVA COMMUNITY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued for the Period 31 March 2021 to 29 March 2022

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Wages	601,331
Night Shelter Cost	5,603
Supported Living	554,526
Pension costs	<u>11,425</u>
	<u>1,172,885</u>

8. NET INCOME/(EXPENDITURE)

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

	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
Depreciation - owned assets	<u>5,042</u>	<u>1,990</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 29 March 2022 nor for the period ended 30 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the period ended 29 March 2022 nor for the period ended 30 March 2021.

10. STAFF COSTS

	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
Wages and salaries	601,331	216,869
Other pension costs	<u>11,425</u>	<u>10,928</u>
	<u>612,756</u>	<u>227,797</u>

AHAVA COMMUNITY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued for the Period 31 March 2021 to 29 March 2022

10. STAFF COSTS - continued

The average monthly number of employees during the period was as follows:

	Period 31.3.21 to 29.3.22 <u>38</u>	Period 1.4.20 to 30.3.21 <u>12</u>
Employees		

There was one employee paid over £60,000 in the year (None in 2021)

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	677,014	-	677,014
Charitable activities			
Supported Living	436,245	-	436,245
Residents Licence Top-up	13,652	-	13,652
Other trading activities	108,811	-	108,811
Investment income	<u>83</u>	<u>-</u>	<u>83</u>
Total	<u>1,235,805</u>	<u>-</u>	<u>1,235,805</u>
EXPENDITURE ON			
Raising funds	101,769	-	101,769
Charitable activities			
Wages	216,869	-	216,869
Night Shelter Cost	2,692	-	2,692
Supported Living	563,187	-	563,187
Pension costs	10,928	-	10,928
Other	<u>136,057</u>	<u>-</u>	<u>136,057</u>
Total	<u>1,031,502</u>	<u>-</u>	<u>1,031,502</u>
NET INCOME	204,303	-	204,303
RECONCILIATION OF FUNDS			
Total funds brought forward	26,542	-	26,542

AHAVA COMMUNITY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued for the Period 31 March 2021 to 29 March 2022

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	<u>230,845</u>	<u>-</u>	<u>230,845</u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION				
At 31 March 2021	250,000	6,200	1,772	257,972
Additions	-	8,962	1,964	10,926
Revaluations	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
At 29 March 2022	<u>350,000</u>	<u>15,162</u>	<u>3,736</u>	<u>368,898</u>
DEPRECIATION				
At 31 March 2021	-	3,400	1,772	5,172
Charge for year	<u>-</u>	<u>4,387</u>	<u>655</u>	<u>5,042</u>
At 29 March 2022	<u>-</u>	<u>7,787</u>	<u>2,427</u>	<u>10,214</u>
NET BOOK VALUE				
At 29 March 2022	<u>350,000</u>	<u>7,375</u>	<u>1,309</u>	<u>358,684</u>
At 30 March 2021	<u>250,000</u>	<u>2,800</u>	<u>-</u>	<u>252,800</u>

Cost or valuation at 29 March 2022 is represented by:

	Freehold property £	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2022	100,000	-	-	100,000
Cost	<u>250,000</u>	<u>15,162</u>	<u>3,736</u>	<u>268,898</u>
	<u>350,000</u>	<u>15,162</u>	<u>3,736</u>	<u>368,898</u>

AHAVA COMMUNITY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued for the Period 31 March 2021 to 29 March 2022

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	12,092	51,378
Other debtors	12,993	8,435
VAT	3,405	-
Prepayments	1,109	-
	<u>29,599</u>	<u>59,813</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 16)	9,260	-
Trade creditors	114,671	38,112
Social security and other taxes	18,834	10,397
Pension Liability	6,997	1,057
VAT	-	11,096
Other creditors	2,701	2,589
Net Wages	2,687	6,651
Accrued expenses	15,300	2,500
	<u>170,450</u>	<u>72,402</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 16)	36,598	49,000
Trade creditors	69,961	-
Social Security and other tax	70,980	-
Other creditors	5,039	-
	<u>182,578</u>	<u>49,000</u>

AHAVA COMMUNITY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued for the Period 31 March 2021 to 29 March 2022

16. LOANS

An analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year on demand:		
Bank loans	<u>9,260</u>	<u>-</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>36,598</u>	<u>49,000</u>

17. MOVEMENT IN FUNDS

	At 31.3.21 £	Net movement in funds £	At 29.3.22 £
Unrestricted funds			
General fund	230,845	(176,361)	54,484
TOTAL FUNDS	<u>230,845</u>	<u>(176,361)</u>	<u>54,484</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,198,140	(1,474,501)	100,000	(176,361)
TOTAL FUNDS	<u>1,198,140</u>	<u>(1,474,501)</u>	<u>100,000</u>	<u>(176,361)</u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 30.3.21 £
Unrestricted funds			
General fund	26,542	204,303	230,845
TOTAL FUNDS	<u>26,542</u>	<u>204,303</u>	<u>230,845</u>

AHAVA COMMUNITY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued for the Period 31 March 2021 to 29 March 2022

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,235,805	(1,031,502)	204,303
TOTAL FUNDS	<u>1,235,805</u>	<u>(1,031,502)</u>	<u>204,303</u>

18. RELATED PARTY DISCLOSURES

Kim Merry wife of Trustee Peter Merry was paid £65,000 (2021 £43,680) as CEO of the charity.

19. AUDITORS' REMUNERATION

	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
Auditors' Remuneration	<u>5,300</u>	<u>5,000</u>

AHAVA COMMUNITY LTD**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Period 31 March 2021 to 29 March 2022**

	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	28,395	285,472
Grants	<u>307,073</u>	<u>391,542</u>
	335,468	677,014
Other trading activities		
Social Enterprise	338,350	108,811
Investment income		
Deposit account interest	5	83
Charitable activities		
Supported Living	491,205	436,245
Residents Licence Top up	<u>33,112</u>	<u>13,652</u>
	<u>524,317</u>	<u>449,897</u>
Total incoming resources	1,198,140	1,235,805
EXPENDITURE		
Raising donations and legacies		
Shop expenses	86,097	95,605
Fundraising Costs	<u>35,420</u>	<u>6,086</u>
	121,517	101,691
Other trading activities		
Purchases	40	78
Charitable activities		
Wages	601,331	216,869
Pensions	11,425	10,928
Night Shelter Costs	5,603	2,692
Supported Living - Rent	519,278	509,948
Supported Living - Rates	11,721	24,103
Carried forward	1,149,358	764,540

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AHAVA COMMUNITY LTD

DETAILED STATEMENT OF FINANCIAL ACTIVITIES for the Period 31 March 2021 to 29 March 2022

	Period 31.3.21 to 29.3.22 £	Period 1.4.20 to 30.3.21 £
Charitable activities		
Brought forward	1,149,358	764,540
Supported Living -Light & Heat	20,404	13,844
Supported Living - Telephone	1,084	1,631
Supported Living - Food	88	2,001
Supported Living - TV License	302	747
Supported Living - Repairs	<u>1,649</u>	<u>10,913</u>
	1,172,885	793,676
Other		
Computer costs	3,741	1,628
Telephone	3,973	2,879
Stationary & advertising	2,612	1,621
Sundries	611	8,859
Working party expenditure	1,370	-
Travel	17,741	7,052
Motor Expenses	31,364	17,473
Professional Fees	20	1,402
Staff and volunteers expenses	34,729	10,673
Accountancy	2,500	2,500
Depreciation	5,041	1,991
Staff Welfare	761	427
Trade Subscriptions	3,910	192
Companies House	-	13
Bank Charges	526	115
Building Insurance	5,280	3,058
Training Costs	3,039	1,020
Loan Interest	831	-
Auditors' remuneration	10,300	-
Bookkeeping	3,068	2,735
Bad Debts	48,642	26,262
Interest payable	-	2,092
VAT Registration Adjustment	<u>-</u>	<u>44,065</u>
	<u>180,059</u>	<u>136,057</u>
Total resources expended	<u>1,474,501</u>	<u>1,031,502</u>
Net (expenditure)/income	<u>(276,361)</u>	<u>204,303</u>

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