

Charity registration number 1156746

Company registration number 08819740 (England and Wales)

RENTSTART (UK) LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

RENTSTART (UK) LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms S A Seery Mr L Holmes Mr N Lucas Mr M Farr	(Appointed 29 April 2021)
Secretary	Mr J E Rye	
Charity number	1156746	
Company number	08819740	
Registered office	51-55 High Street Walton on Thames Surrey KT12 1DH	
Auditor	Warner Wilde Limited 4 Marigold Drive Bisley Surrey United Kingdom GU24 9SF	
Bankers	HSBC Bank Plc 34 High Street Walton on Thames Surrey KT12 1DD CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4TA	

RENTSTART (UK) LTD

CONTENTS

	Page
Trustees' report	1 - 3
Statement of trustees' responsibilities	4
Independent auditor's report	5 - 8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 23

RENTSTART (UK) LTD

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)".

Objectives and activities

The charity's objects are the relief of poverty and distress and the protection of health among persons within the borough of Elmbridge and adjoining boroughs who are homeless or at risk of becoming homeless by providing and assisting in the provision of housing, advice, support and practical assistance and by such other means as the trustees may in their absolute discretion think fit. There has been no change in these during the year.

Public Benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. All Board Members give their time freely and no remuneration was paid to Board Members. The Charity has Trustee liability insurance cover.

Achievements and performance

Rentstart (UK) Ltd is a non-profit making organisation. Our state of affairs and financial results for the year are as shown by these accounts. We operate from an office in Walton on Thames, Surrey. Rentstart (UK) Ltd changed its name from Elmbridge Rentstart (UK) Ltd on 18 August 2020.

The unrestricted income and expenditure fund, which finances our running costs, shows a deficit of £126,697 (2021 surplus of £55,969). The Fund totalled £225,032 at 31st March 2022 (2021 £351,729).

Our aim remains to house and support local homeless people. We not only house our clients, we provide rent in advance, deposits and then on-going training and support (with a focus on financial literacy and employment) that enables them to become established and move on with their lives.

During the pandemic, Rentstart continued to offer face to face support to clients throughout, but we did need to suspend our small group work in line with Government guidance. During 2021/22 we were delighted to be able to remove all restrictions around face-to-face contact, opening up our groups and welcoming clients, volunteers and supporters back into our busy office.

It is important to note that our accounts present a slightly skewed view of our Charity. As mentioned later in this report we directly manage a significant number of rental properties to ensure quality housing is available for our clients have taken on direct management of rental properties to be able to provide enough quality housing for our clients. This means that we are collecting in rents, and then paying them out to property owners. Of our total expenditure of 1,285,832, £ 753,895 is related to our property work and £ 519,623 reflects our client support work costs with the small balance remaining (£12,314) supporting the costs of our fundraising.

RENTSTART (UK) LTD

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Over the last 12 months we have given advice to 423 people and have gone on to house 127 local people.

Alongside housing and supporting new clients this year, we have needed to support clients housed in previous years as two years of covid restrictions had caused many additional issues including isolation, job loss and anxiety. In total we have needed to support an additional 100 people whom we housed in past years.

This year we have seen significant issues with supporting housed clients to remain safely housed. In the aftermath of the pandemic, clients experienced increased anxiety, faced additional debt issues, often struggled to access benefits in a timely fashion, and needed a significantly higher amount of one-to-one support from our team in order to prevent a return to homelessness.

Our clients this past year have again faced numerous issues, 47% had slept rough, 8% have criminal records, 23% have drug and/or alcohol issues and over a third reported to us that they have mental health issues. We are delighted that 24% of these new clients are now in employment, and that 94% remain housed. We are especially proud of our statistics that show the number of people who are still housed, this is directly attributable to a huge amount of work delivered by our team in helping our clients with both practical and emotional support enabling our clients to sustain their tenancies.

The Trustees are most grateful to our staff, volunteers and funders, without whom our work would not be possible.

Financial review

Reserves need to be held to enable an orderly winding down of the Charity's affairs if adequate funding is no longer available. The Trustees have resolved that the Unrestricted Income and Expenditure Fund should be held at a level between 25% and 50% of total annual expenditure (excluding property management expenses and claims). At 31 March 2022, the Fund held £199,000 (2021 £202,320) in unrestricted reserves. This equates to 37% (2021 33%) of our current annual running costs (excluding property management fees). Restricted reserves total £26,032 (2021 £149,409) which are to be spent on specific projects during 2022/23.

In 2021/22 we have finished the financial year with a deficit of £127,000, as our income this financial year is significantly lower than the previous year, yet our charitable expenditure has not reduced in line with the reduction in income as client needs are still very high post covid. The reduction in income is due to the fact that in 2020/21 we were awarded some very significant grants from Crisis and Homeless link (amongst others) as we responded to a surge in need during Covid – especially the urgent need to house all rough sleepers. All this grant income had to be spent in that prior year, and this financial year has not seen the same opportunities for grant funding.

Our Board are satisfied with this deficit position for this year whilst we adjust to the post-Covid environment. Specifically, we are now forward planning with new funding opportunities via health funding and significantly increased corporate and community engagement with our work. We will look to adjust our expenditure on services to move back towards a balanced budget in future years but will be looking to make economies rather than reducing any client services.

Risk Management

The Trustees regularly review the risks to which the Charity is exposed. A risk analysis was carried out during the year. The principal areas of risk are as follows:

Loss of key management
Excessive guarantee claims
Loss of office accommodation

Loss of core funding
Risk to staff in dealing with clients

The Trustees are satisfied that appropriate action has been taken to minimise the risks to the Charity and its staff.

Structure, governance and management

The charity is a company limited by guarantee.

RENTSTART (UK) LTD

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr P J Tiller	(Resigned 29 April 2021)
Ms S A Seery	
Mr J E Rye	(Resigned 27 October 2021)
Mr L Holmes	
Mr N Lucas	
Mr M Farr	(Appointed 29 April 2021)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisation

The Charity is run by its members (as Trustees) in general meetings. Power may be delegated to one or more Trustees or groups of Trustees to manage the employees of the Charity and its day to day operations, subject to the overall supervision of the Trustees in general meeting. The Trustees meet in general meeting five times a year to review progress and take corrective action as required. This year the trustees have adopted a code of governance based on the Charity Commission's own code.

Auditor

The auditor, Warner Wilde Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.



Mr N Lucas
Trustee

Date: 18/11/2022

RENTSTART (UK) LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors of Rentstart (UK) Ltd for the purpose 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).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RENTSTART (UK) LTD

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF RENTSTART (UK) LTD

Opinion

We have audited the financial statements of Rentstart (UK) Ltd (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 31 March 2022 and of its incoming resources and application of resources, for the year 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

RENTSTART (UK) LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF RENTSTART (UK) LTD

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 charity for the purpose of company law, is 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 is responsible for assessing the charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

RENTSTART (UK) LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF RENTSTART (UK) LTD

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

The Extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the charity and sector;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, the Charities Act 2011, Companies Act 2006, taxation legislation, data protection, employment, environmental and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

- testing controls with walk through procedures and substantive transaction testing;

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

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- assessed whether judgements and assumptions made in determining any accounting estimates were indicative of potential bias;

- investigated the rationale behind significant or unusual transactions; and

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

- agreeing financial statement disclosures to underlying supporting documentation;

- reading the minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims;

- reviewing correspondence with HMRC and relevant regulators such as the Charity Commission

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

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

RENTSTART (UK) LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF RENTSTART (UK) LTD

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



FJ Wilde FCCA DChA (Senior Statutory Auditor)
For and on behalf of Warner Wilde Limited
Statutory Auditor

21 November 2022
.....
4 Marigold Drive
Bisley
Surrey
United Kingdom
GU24 9SF

Warner Wilde Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

RENTSTART (UK) LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations	3	73,154	192,762	265,916	106,296	490,883	597,179
Income from Rental Properties	4	881,329	-	881,329	837,319	-	837,319
Investments	5	152	-	152	406	-	406
Total income		954,635	192,762	1,147,397	944,021	490,883	1,434,904
Expenditure on:							
Raising funds	6	12,314	-	12,314	29,512	-	29,512
Charitable activities							
Support for Clients	7	209,431	310,192	519,623	109,397	495,274	604,671
Rental Property Expenses	7	753,895	-	753,895	753,110	-	753,110
Total charitable expenditure		963,326	310,192	1,273,518	862,507	495,274	1,357,781
Other	11	-	-	-	(1,160)	-	(1,160)
Total expenditure		975,640	310,192	1,285,832	890,859	495,274	1,386,133
Net gains/(losses) on investments	12	11,738	-	11,738	7,198	-	7,198
Net (outgoing)/incoming resources before transfers		(9,267)	(117,430)	(126,697)	60,360	(4,391)	55,969
Gross transfers between funds		5,947	(5,947)	-	-	-	-
Net movement in funds		(3,320)	(123,377)	(126,697)	60,360	(4,391)	55,969
Fund balances at 1 April 2021		202,320	149,409	351,729	141,960	153,800	295,760
Fund balances at 31 March 2022		199,000	26,032	225,032	202,320	149,409	351,729

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

RENTSTART (UK) LTD

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Investments	13		119,035		57,297
Current assets					
Debtors	15	106,848		79,536	
Cash at bank and in hand		83,058		287,669	
		189,906		367,205	
Creditors: amounts falling due within one year	16	(83,909)		(72,773)	
Net current assets			105,997		294,432
Total assets less current liabilities			225,032		351,729
Income funds					
Restricted funds	19	26,032		149,409	
Unrestricted funds - general		199,000		202,320	
		225,032		351,729	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 18/11/2022



Mr N Lucas
Trustee

Company registration number 08819740

RENTSTART (UK) LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(154,763)		100,511
Investing activities					
Proceeds on disposal of tangible fixed assets		-		2,800	
Purchase of investments		(50,000)		(50,099)	
Investment income received		152		406	
Net cash used in investing activities			(49,848)		(46,893)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(204,611)		53,618
Cash and cash equivalents at beginning of year			287,669		234,051
Cash and cash equivalents at end of year			<u>83,058</u>		<u>287,669</u>

RENTSTART (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Rentstart (UK) Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is 51-55, High Street, Walton on Thames, Surrey, KT12 1DH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

A cost is identified when either a legal or constructive obligation is identified. Irrecoverable VAT is charged to the same expenditure category as the corresponding cost.

RENTSTART (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

RENTSTART (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	28,652	2,500	31,152	45,533	-	45,533
Statutory Funding from Local Councils	44,502	190,262	234,764	25,763	357,918	383,681
Other	-	-	-	35,000	132,965	167,965
	<u>73,154</u>	<u>192,762</u>	<u>265,916</u>	<u>106,296</u>	<u>490,883</u>	<u>597,179</u>

4 Income from Rental Properties

	Rental Income 2022 £	Rental Income 2021 £
Charitable rental income	<u>881,329</u>	<u>837,319</u>

5 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	<u>152</u>	<u>406</u>

RENTSTART (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Raising funds

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
<u>Fundraising and publicity</u>		
Community fundraising events	2,096	11,602
Advertising	1,281	1,903
Other fundraising costs	8,937	16,007
Fundraising and publicity	12,314	29,512
	<u>12,314</u>	<u>29,512</u>

RENTSTART (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Charitable activities

	Support for Clients	Rental Property Expenses	Total 2022	Support for Clients	Rental Property Expenses	Total 2021
	2022	2022		2021	2021	
	£	£	£	£	£	£
Staff costs	338,668	-	338,668	388,196	-	388,196
Depreciation and impairment	-	-	-	540	-	540
Travel and Training	1,657	-	1,657	3,286	-	3,286
Office Costs	73,536	-	73,536	83,433	-	83,433
Communications and IT	26,155	-	26,155	28,857	-	28,857
Insurance	8,158	-	8,158	5,176	-	5,176
Client Support	15,258	-	15,258	61,645	-	61,645
Property Management Expenses	7,505	753,895	761,400	13,649	753,110	766,759
Consultants	35,697	-	35,697	8,500	-	8,500
Employee benefits	2,458	-	2,458	1,381	-	1,381
Project Costs (strategic planning projects)	-	-	-	2,000	-	2,000
	<u>509,092</u>	<u>753,895</u>	<u>1,262,987</u>	<u>596,663</u>	<u>753,110</u>	<u>1,349,773</u>
Share of governance costs (see note 8)	10,531	-	10,531	8,008	-	8,008
	<u>519,623</u>	<u>753,895</u>	<u>1,273,518</u>	<u>604,671</u>	<u>753,110</u>	<u>1,357,781</u>
Analysis by fund						
Unrestricted funds - general	209,431	753,895	963,326	109,397	753,110	862,507
Restricted funds	310,192	-	310,192	495,274	-	495,274
	<u>519,623</u>	<u>753,895</u>	<u>1,273,518</u>	<u>604,671</u>	<u>753,110</u>	<u>1,357,781</u>

RENTSTART (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

8 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Auditor's fees	-	9,758	9,758	-	8,008	8,008
Other governance costs	-	773	773	-	-	-
	-	10,531	10,531	-	8,008	8,008
Analysed between						
Charitable activities	-	10,531	10,531	-	8,008	8,008

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Operational and administrative	12	13
Employment costs	2022 £	2021 £
Wages and salaries	307,470	347,363
Social security costs	24,955	25,274
Other pension costs	6,243	15,559
	338,668	388,196

The total cost of Key Management Personnel for the year was £98,084 (2021: £103,154) including employers national insurance and pension contributions. Key Management Personnel is defined as the Chief Executive plus a proportion of the Operations Manager role.

RENTSTART (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Employees

(Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£60,000 - £70,000	1	1

11 Other

	Total £ 2022	Unrestricted funds general 2021
Net gain on disposal of tangible fixed assets	-	(1,160)
	-	(1,160)

12 Net gains/(losses) on investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Revaluation of investments	11,738	7,198

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2021	57,297
Additions	50,000
Valuation changes	11,738
At 31 March 2022	119,035
Carrying amount	
At 31 March 2022	119,035
At 31 March 2021	57,297

RENTSTART (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

13 Fixed asset investments (Continued)

Fixed asset investments revalued

The historic cost of the investments is £100,099 (2021: £50,099).

14 Financial instruments	2022 £	2021 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	119,035	57,297

15 Debtors	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	76,375	46,746
Other debtors	9,535	11,249
Prepayments and accrued income	20,938	21,541
	<u>106,848</u>	<u>79,536</u>

16 Creditors: amounts falling due within one year	Notes	2022 £	2021 £
Other taxation and social security		7,220	7,715
Deferred income	17	54,557	22,685
Trade creditors		10,152	-
Other creditors		1,280	30,139
Accruals		10,700	12,234
		<u>83,909</u>	<u>72,773</u>

17 Deferred income	2022 £	2021 £
Arising from prepaid rents	<u>54,557</u>	<u>22,685</u>
	2022 £	2021 £
Deferred income is included within:		
Current liabilities	<u>54,557</u>	<u>22,685</u>
Movements in the year:		

RENTSTART (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 Deferred income

(Continued)

Deferred income at 1 April 2021	22,685	28,821
Released from previous periods	(22,685)	(28,821)
Resources deferred in the year	54,557	22,685
	<u>54,557</u>	<u>22,685</u>
Deferred income at 31 March 2022	<u>54,557</u>	<u>22,685</u>

18 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £6,243 (2021 - £15,559).

RENTSTART (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Movement in funds		
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Client Support	104,827	431,341	(434,433)	(12,000)	89,735	192,762	(256,465)	-	26,032
Access to Private Rented Sector	48,973	59,542	(60,841)	12,000	59,674	-	(53,727)	(5,947)	-
	<u>153,800</u>	<u>490,883</u>	<u>(495,274)</u>	<u>-</u>	<u>149,409</u>	<u>192,762</u>	<u>(310,192)</u>	<u>(5,947)</u>	<u>26,032</u>

Our client support work involves helping local homeless and vulnerably housed people to transition from their current situations through to regaining a stable lifestyle. This work encompasses everything from our initial meeting with each client through our practical and emotional support until each client is safely housed and re-engaged with society. We place emphasis on helping clients to become financially literate and help them to seek and sustain paid employment.

Our access to the private rented sector work involves engaging with landlords to secure suitable properties for Rentstart to add to our portfolio of managed bed spaces, maintenance of these properties, placing of clients in the properties and managing the related financial aspects of this work.

RENTSTART (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

20 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Investments	119,035	-	119,035	57,297	-	57,297
Current assets/ (liabilities)	79,965	26,032	105,997	145,023	149,409	294,432
	<u>199,000</u>	<u>26,032</u>	<u>225,032</u>	<u>202,320</u>	<u>149,409</u>	<u>351,729</u>

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	10,600	39,100
Between two and five years	2,650	13,250
	<u>13,250</u>	<u>52,350</u>

The operating leases represent two properties, with a minimum term until 2022 and 2023 respectively.

22 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

23 Cash generated from operations

	2022 £	2021 £
(Deficit)/surplus for the year	(126,697)	55,969
Adjustments for:		
Investment income recognised in statement of financial activities	(152)	(406)
Gain on disposal of tangible fixed assets	-	(1,160)
Fair value gains and losses on investments	(11,738)	(7,198)
Depreciation and impairment of tangible fixed assets	-	540
Movements in working capital:		
(Increase)/decrease in debtors	(27,312)	36,771
(Decrease)/increase in creditors	(20,736)	22,131
Increase/(decrease) in deferred income	31,872	(6,136)
Cash (absorbed by)/generated from operations	<u>(154,763)</u>	<u>100,511</u>

RENTSTART (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 MARCH 2022***

24 Analysis of changes in net funds

The charity had no debt during the year.