

EROSH

**REPORT OF THE TRUSTEES AND FINANCIAL
STATEMENTS**

YEAR ENDED 31 DECEMBER 2020

REGISTERED CHARITY NUMBER: 1165109

**REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2020**

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REFERENCE AND ADMINISTRATIVE INFORMATION

Patron

Dame Esther Rantzen DBE

Trustees

Robin Deane, Chair
Ann Karas, Vice Chair
Karen Palmer, Treasurer
Emma McPherson Secretary
Tony Clark
Lucy Hales
Trudy Hawkins
Ken Johnson
Christopher Jones
Emma Quansah

Charity registration number

1165109

Registered office address

PO Box 6362
Stratford upon Avon
Warwickshire
CV37 1PU

Independent Examiner

Alan C Radford FCA DChA
Chartered Accountant
Needham Cottage
Needham Green
Hatfield Broad Oak
Bishops Stortford
Herts
CM22 7JT

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

REPORT OF THE TRUSTEES FOR THE YEAR ENDED DECEMBER 2020

The Trustees submit their report and financial statements for the year ended 31 December 2020. 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 constitution, the Charities Act 2011 and the provisions of the Statement of Recommended Practice, "Accounting and Reporting by Charities" (Charities SORP FRS 102).

Objects, governance and management

Erosh was formed in 1997 to champion the "emerging role of sheltered housing". In 2015 we reviewed our charitable status - and registered with the Charity Commission for England and Wales as a Charitable Incorporated Organisation on 8 January 2016. The changes in the sector and in Erosh's role are reflected in our objects – showing a departure from our original focus on sheltered housing:

- To promote the education of the public in the provision of older persons housing and services in order to relieve the needs of older people.
- To relieve the needs of older people by promoting the effective use of resources by charities and non-charitable organisations within the older persons housing and support sector.

Membership is open to individuals, corporate or unincorporated bodies interested in furthering the charity's objectives. The Board of Trustees comprises a minimum of three and a maximum of fifteen persons. One third of the Trustees retire annually but are eligible for re-election, when new members may also be elected. New Trustees may be recruited at any time through co-option at a Board meeting.

The Trustees who served during the year are:

Robin Deane (Chair)
Ann Karas (Vice-chair)
Karen Palmer (Treasurer)
Emma McPherson (Secretary)
Tony Clark (from 3 November 2020)
Lucy Hales
Ken Johnson
Christopher Jones
Emma Quansah (from 9 February 2021)
Trudy Hawkins (from 3 November 2020)
Ying Hu (resigned 11 August 2020)
Angela Stacey (resigned 4 February 2020)
Kevin Williamson (resigned 4 February 2020)
Jane Endersby (resigned 31 December 2020)

Activities and achievements

2020 brought unique challenges to Erosh, our members, and the older people they serve. As the Covid pandemic locked down face-to-face contact, many of our members had to quickly rethink their services. They took their staff out of schemes and switched to contact using the phone and warden call systems. Meetings and social activities were suspended. The social life of schemes ground to a halt. Our members took responsibility to ensure their residents stayed healthy and had the food and medication they needed. Their own staff had to quickly adapt to working from home, looking after the interests of vulnerable people without being able to see them. Despite their best efforts, many residents and some staff lost their lives to the virus.

Erosh, too, has had to adjust our approach, and despite the challenges, 2020 was another year of development and growing strength for the organisation:

- We increased our membership as staff working from home have sought more support and advice e.g. from our Covid-19 briefings.

- We replaced our face-to-face network meetings with virtual meetings and expanded the programme so more members were able to attend. In 2021 we plan to not only increase our networks, but also to develop more virtual national network events along with other training and development sessions.
- We accredited 17 organisations through our Code of Practice, which we reviewed in preparation for launching an updated version which will attract a wider range of types and sizes of organisation.
- We kept members and the wider sector informed through our social media campaigns and regular e-zines
- We published briefings or good practice guides on TV licenses; resident engagement; working during the pandemic; returning to schemes when lockdown eases and Anti Social Behaviour.
- Rebecca Mollart, our Chief Executive, was a keynote speaker at a number of events and conducted a live interview with our patron Dame Esther Rantzen DBE, which was part of our virtual older people's conference with CIH Cymru on 1 December.
- We've benefited through the year from sponsorship from some loyal supporting organisations and I'd particularly like to thank Keir, Riverside, Optivo, Engie and Neo Property Solutions and who have been so generous.
- Finally, we developed a new three-year Business Plan which sets out how we'll increase membership and Code of Practice (CoP) take up and extend our networks across the UK. Our strong financial position and healthy reserves will enable us to invest in these activities.

Charity Governance Code self-assessment

The code includes 73 practice recommendations grouped under seven principles and 22 'key outcomes'. They focus on the role of the board. This is a summary of our self-assessment for 2020. Overall, we have effective governance arrangements, proportional to the size of the organisation. We've strengthened our governance in some key areas compared to 2019. However, there are some areas we can further improve.

Principle 1 - Organisational purpose

The board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably:

- Our constitution is relatively new – rewritten during 2015 before we registered as a Charitable Incorporated Organisation
- We are adopting a new three-year business plan which shows how our charitable purpose translates into objectives
- Every year we agree an action plan to further the objectives
- We report on our progress in the annual report included in the annual accounts document, and through regular ezines and member briefings

Principle 2 - Leadership

The board is effective and provides strategic leadership in line with the charity's aims and values.

- Trustees are recruited from member organisations and so represent the interests of those directly supporting beneficiaries
- Trustees and officers have role profiles and a trustee information pack details expectations and policies
- The board reviews progress against the annual action plan at each meeting
- Since the last review in 2019, we have strengthened the Board with new members and all officer roles are now filled

Principle 3 - Integrity

The board acts with integrity, adopting values and creating a culture which helps achieve the organisation's charitable purposes. The board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly:

- Trustees are reminded about conflicts of interest at each meeting
- Trustees have created a 'firewall' between discussions about the management of the Code of Practice and operational decisions about how organisations are assessed
- We carry out an annual review of how we measure up to this code (the Charity Governance Code)

Principle 4 - Decision making, risk and control

The board makes sure that its decision-making processes are informed, rigorous and timely, and that effective delegation, control and risk-assessment, and management systems are set up and monitored:

- We hold regular meetings and minute them clearly
- We set an annual budget and monitor progress against it at every meeting
- Each meeting reviews progress against the action plan
- The trustee information pack describes our structure and the role of trustees and staff/consultants
- We assess risks before taking on new functions – e.g. Code of Practice
- We have strengthened our approach since the last review in 2019 by self-assessing against the Charity Commission's internal financial controls checklist

Principle 5 - Board effectiveness

The board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions:

- New trustees go through an interview and induction process
- The board seek external advice where needed – e.g. VAT
- Meetings are constructive and clearly minuted
- Some meetings are less well-attended than others
- We've adjusted during the Covid pandemic by holding virtual meetings, including the AGM

We can:

- Consider a light-touch process to review how the Board works, perhaps incorporating the diversity actions below

Principle 6 - Diversity

The board's approach to diversity supports its effectiveness, leadership and decision making:

- The board is broadly representative of erosh membership
- Our good practice briefings and Code of Practice promote diversity and equality

We can:

- Consider results of our trustee equality monitoring and set clearer targets for representation
- Report on the diversity and accessibility of the board

Principle 7 - Openness and accountability

The board leads the organisation in being transparent and accountable. The charity is open in its work, unless there is good reason for it not to be:

- The board reports progress of the action plan and other news to members' network meetings
- We post key documents on our website – including our business and action plans, AGM notes, trustee information pack and more
- We welcome observers at board meetings - Network chairs are invited to the annual planning session, and attendees at the AGM to the trustees meeting held on the same day

We can:

- Establish a register of interests, gifts and hospitality
- Publish a complaints procedure – especially relating to the Code of Practice
- Consider how we publicise erosh to our beneficiaries (residents living in older people's housing).

Trustees and staff

Erosh is a relatively small and lean organisation considering we are a national charity, with a high profile in our sector. We're able to operate so effectively thanks to our wonderful staff – who work for us on a consultancy basis. They are Rebecca Mollart our Chief Executive; Kate Chapman,

Membership & Good Practice Administrator; and Alison Braithwaite, Marketing Manager. On behalf of trustees and members, once again I offer them my admiration and thanks for their hard work throughout the year.

We also continue to be supported by a board of dedicated trustees representing a real range of member organisations. We were joined during the year by Tony Clark from Orbit and Trudi Hawkins from Trivallis. Despite having to conduct meetings virtually, trustees continue to provide knowledgeable and thoughtful leadership. They balance constructive challenge with positivity and support to staff. Meetings and discussions outside meetings are focused and good humoured. I'd like to particularly thank Karen and my fellow officers for their support.

I'd also like to thank the four trustees who stood down in 2020. Kevin Williamson had been a trustee since the early days of erosh and we will miss his enormous knowledge and sense of fun. Ying Hu was treasurer for a number of years and we owe her an enormous debt for her stewardship of our financial affairs. Jane Endersby and Angela Stacey both brought a wealth of experience to their roles. We thank them all for their service.

After eight years as a Trustee I'm stepping down myself at the 2021 AGM and do so with enormous pride at what we've achieved in that time, and the financial security we've attained. I'm confident erosh will continue to be a powerful voice of older people's housing and will expand its services to benefit older people.

Financial review

Our surplus for the year is £6,545 (2019: £25,946). Income is lower this year as although membership income and income from Code of Practice both increased, we did not receive sponsorship or event income. Direct costs have increased as Trustees agreed to invest in policy and good practice development. Support costs have reduced partly as a result of lower travel and office running costs. Reserves have increased to £66,854 of which £64,132 is held in cash. This position allows us to provide strong and flexible support to our members and fund future strategies and opportunities.

Impact of Covid 19.

Covid-19 has not significantly impacted on our results. Membership renewals have not been affected and Code of Practice income has increased. Events and accreditation are successfully being delivered virtually. Trustees consider the level of the reserves and the ability to deliver a remote service maintain the charities going concern status.

Reserves policy

The Trustees approved a reserves policy of holding a minimum of 3 months annual budgeted expenditure; this is £19,652 based on 2020 budget. The surplus earned in the year and level of reserves brought forward have ensured that we have comfortably achieved that level of reserve at the end of the year. Both this policy and its implementation are under regular scrutiny.

Public benefit statement

The Trustees confirm that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission in reviewing the aims and objectives and the outcomes of our work. The public benefit of the Charity's activities is outlined within this report through our achievements and performance and in planning future activities.

This report was approved and authorised for issue by the Trustees on May 4th 2021 and signed on their behalf by:


Robin Deane

Chair

May 4th 2021

Independent Examiner's Report to the Trustees of Erosch

I report to the Trustees on my examination of their financial statements for the year ended 31 December 2020, which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

Respective responsibilities of Trustees and Independent Examiner

The charity's Trustees are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the financial statements as required under section 145 of the 2011 Act. In carrying out my examination, I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's statement

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

- accounting records were not kept in accordance with section 130 of the 2011 Act.
- the accounts do not accord with such records.
- the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.
- the financial statements have not been prepared in accordance with the Charities SORP (FRS 102)

I have no concerns and have come across no 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.

Alan C Radford FCA DChA
Needham Cottage
Needham Green
Hatfield Broad Oak
Bishops Stortford
Herts. CM22 7JT

April 30th 2021

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020	2019
		£	£
INCOME			
Charitable activities	2	71,388	80,720
Investment income		<u>57</u>	<u>64</u>
TOTAL INCOME		71,445	80,784
EXPENDITURE			
Charitable activities	3	<u>64,900</u>	<u>54,838</u>
NET MOVEMENT IN FUNDS		<u>6,545</u>	<u>25,946</u>
FUNDS BROUGHT FORWARD AT 1 JANUARY 2020		<u>60,309</u>	<u>34,363</u>
FUNDS CARRIED FORWARD AT 31 DECEMBER 2020		<u>66,854</u>	<u>60,309</u>

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

The annexed notes form part of these financial statements

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020		2019	
		£	£	£	£
CURRENT ASSETS					
Debtors	7	11,675		5,272	
Cash at bank and in hand		<u>64,132</u>		<u>61,707</u>	
		75,807		66,979	
CURRENT LIABILITIES					
Creditors due within one year	8	<u>(8,953)</u>		<u>(6,670)</u>	
NET ASSETS		<u>66,854</u>		<u>60,309</u>	
FUNDS					
UNRESTRICTED INCOME FUNDS:					
General reserves		<u>66,854</u>		<u>60,309</u>	

The financial statements were approved by the Trustees on May 4th 2021 and signed on their behalf by:

Robin Deane

Robin Deane

K Palmer

Karen Palmer

The annexed notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**1. ACCOUNTING POLICIES****1.1 Basis of preparation**

The financial statements have been prepared under the historic cost convention with items recognised at cost or transaction value in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS 102) and the Charities Act 2011.

1.2 Going Concern

The Trustees consider that there are no material uncertainties over the Charity's ability to continue as a going concern.

1.3 Fund accounting

General funds are unrestricted funds that can be expended at the discretion of the Trustees in furtherance of the objects of the Charity and which have not been designated for other purposes.

1.4 Income

Membership subscriptions are recognised as income according to the subscription year to which they relate. Bank interest is recognised when credited to the account.

1.5 Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis. The Charity is not registered for VAT so all costs are shown inclusive of VAT charged.

Governance costs comprise costs of preparation and examination of accounts, the costs of trustee meetings and the costs of any advice to trustees on governance or constitutional matters.

1.6 Debtors

Debtors are recognised at the settlement amount due. We have made a provision for unpaid invoices we do not expect to collect in 2021.

1.7 Cash at bank

Cash at bank comprises bank deposits repayable on demand.

1.8 Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will 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 and accruals are recognised at their settlement amount.

1.9 Taxation

The Charity is not liable to income tax or capital gains tax on its charitable activities.

2. INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
	£	£
Membership subscriptions	50,388	47,245
Code of practice income	21,000	16,900
Conference, sponsorship & training income	-	16,575
	<u>71,388</u>	<u>80,720</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
3. EXPENDITURE ON CHARITABLE ACTIVITIES -

	2020	2019
	£	£
DIRECT COSTS		
Marketing & PR	8,000	13,522
Consultancy - policy & projects	19,060	13,233
Code of Practice	20,960	5,669
Other events and conferences	-	1,640
	<u>48,020</u>	<u>34,064</u>
SUPPORT COSTS		
Administrator	10,800	10,830
Website	1,698	2,893
Telephone	131	111
Printing, postage & stationery	372	673
Subscriptions	375	216
Insurance	151	151
Travel and subsistence	281	1,496
Bank charges	60	60
Professional fees	-	1,800
Governance costs (Note 4)	1,284	1,597
Bad debt provision	1,688	-
Sundry expenses	40	947
	<u>16,880</u>	<u>20,774</u>
TOTAL	<u>64,900</u>	<u>54,838</u>

4. GOVERNANCE COSTS

	2020	2019
	£	£
Independent examiner's fee	1,220	1,220
Trustee travel costs	64	377
	<u>1,284</u>	<u>1,597</u>

5. TRANSACTIONS WITH TRUSTEES AND RELATED PARTIES

During the year, no Trustee received any remuneration or any other benefits from the charity. The charity paid a total of £64 to Trustees for reimbursement of travel expenses (2019: £377). There were no transactions with related parties.

6. EMPLOYEES

The Charity had no employees during the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

7. DEBTORS DUE WITHIN ONE YEAR

	2020	2019
	£	£
Insurance prepaid	38	38
Other debtors	13,325	5,234
Bad debt provision	(1,688)	-
	<u>11,675</u>	<u>5,272</u>

8. CREDITORS DUE WITHIN ONE YEAR

	2020	2019
	£	£
Membership subscriptions received in advance	3,656	1,841
Other creditors and accruals	5,297	4,829
	<u>8,953</u>	<u>6,670</u>

9. CONTROL

No one party had control of the Charity during this or the previous year.