



LEWES DISTRICT CHURCHES **HOMELINK**

Charitable Incorporated Organisation

TRUSTEES' ANNUAL REPORT  
&  
FINANCIAL STATEMENTS

for the year ended

31st DECEMBER 2020

Registered Charity Number 1174895

Office address: 208 High Street, School Hill, LEWES, East Sussex, BN7 2NS

The Board of Trustees of Lewes District Churches HOMELINK (registered charity number 1174895) presents its Annual Report and Accounts for the year ended 31st December 2020.

1 Charity objects

The object of the Charity is 'the relief of persons in housing need who are in financial hardship, elderly or sick, and are resident or seeking residence in the area of the Lewes District Council'.

2 Governance

Lewes District Churches HOMELINK is a Charitable Incorporated Organisation (CIO), set up in 2017 at the instigation of the Board of an unincorporated charity of the same name (charity number 1068735, hereafter referred to as 'the Trust'). The CIO has the same objectives as the Trust, and is governed in accordance with the Charity Commission's foundation model constitution.

The Board of Trustees meets four times a year, and has delegated management responsibilities to a Management Committee between meetings. Up to 12 trustees are appointed by the Churches Together groups in Lewes, Newhaven and Seaford, and a further 4 trustees may be co-opted by the Board, although there are no co-opted trustees at present. An annual meeting open to all local supporters would normally be held each year, but was not possible in the circumstances of 2020.

3 Charitable activities

The operations of HOMELINK were transferred from the Trust to the CIO as from 1st April 2019, and all the assets and liabilities of the Trust were transferred to the CIO as at that date. The principal charitable activity continues to be the provision of interest-free loans to people seeking private rented accommodation in the Lewes District area. Loans can cover the deposit and/or first month's rent, and are generally repayable by monthly instalments over periods of 3-5 years.

In addition, a limited number of small non-repayable grants are available to help with some of the costs of setting up home in a new place; or to pay for short-term lodgings for people upon release from Lewes prison.

National restrictions on movement for much of the year prevented widespread viewing of properties, and meant that fewer tenancies than usual were taken up. Nonetheless HOMELINK still managed to assist 83 new tenants with loans (compared to 98 in 2019). In addition, some 65 non-repayable grants were made to provide essential household goods or short-term accommodation for applicants under financial constraints during lockdown. We are most grateful to all the HOMELINK staff, who continued to offer advice and assistance during 'lockdown', enabling a number of clients to make a move while observing all the necessary precautions.

In fact, a total of 309 applications was received during the year for loans or grants, resulting in over 200 telephone interviews with would-be tenants, more than in either 2018 or 2019. In the hope of greater freedom of movement in 2021, it seems wise to plan for a backlog of new tenancies.

4 Finance

The accounts of the CIO are set out on pages 4-7 below, and a comparison with the combined activity of the CIO and the Trust during 2019 is given on page 8. New loans were largely funded by repayments from earlier loans, together with local council grants and voluntary donations from individuals, churches and other organisations. Staffing costs were covered by a legacy and from charitable grants. We are grateful for the generosity of all the support received, and for advice and encouragement from the Ernest Kleinwort Charitable Trust and other grant-making bodies.

5 Reserves policy

The trustees need to hold reserves for cash flow reasons, i.e. to ensure they can pay salaries and other costs as they arise, and can fund new tenant loans in advance of income from donations and grants. The Charity also sometimes needs to draw upon reserves when the demand for loans is particularly acute; and for this reason, the former Caburn Trust has been identified as a backup source of funding in case there is a post-Covid recovery surge in loan applications in 2021.

In order to clarify the way in which HOMELINK activities are funded, the trustees have decided in future to make separate reserve provision for tenant loans and for operational expenses. A new designated reserve of £80,000 has been created to support future new tenant loans; leaving a 'free' reserve of £42,647 to provide for salaries and other operational expenses as at the end of 2020 (*see note 9.3 on page 7*). Both reserves are equivalent to some six months' worth of the planned outlay in their respective sectors.

The Trustees consider this to be an appropriate level and pattern of reserves for the time being, and accordingly, they have pleasure in confirming formally that they consider the CIO to be a going concern for at least the next 12 months, and are working to secure a fully sustainable future.

6 Public interest

The trustees have regard to the Charity Commission's guidance on public interest. Our services are open and accessible to all groups of homeless people irrespective of gender, race, nationality, religion, sexual orientation, class, disability, age, marital status, HIV status, appearance or size.

7 Risk management

The Board regularly reviews the major risks which the Charity faces and decides on any actions needed to reduce the likelihood or impact of such risks. HOMELINK is a relatively small charity and heavily dependent on a few key people. Consequently it faces many of the risks associated with security of resources and future loss of personnel. For these reasons, especial attention is directed to financial controls and to maintaining sound and clear written operational procedures.

8 Strategy

Over the coming year the trustees will maintain the programme of loans and grants to tenants. The CIO has continued the Trust's longstanding working partnership with Lewes District Council's Housing staff, and the majority of applicants to HOMELINK come through referrals from LDC.

The year 2020 was dominated for us all by the coronavirus outbreak. HOMELINK endeavoured to continue to support people with housing needs wherever possible. Whilst the Lewes office was closed, staff worked from home to respond to enquiries and, as already indicated, the Charity plans to be in a position to respond as the level of housing activity picks up in 2021.

Given the significant growth of the Trust's work over the last five years, the Board has taken steps towards future-proofing the Charity by strengthening the paid administration, particularly in finance and communications. Early in 2021 an additional Client Manager was appointed, enabling the office to open on an additional day each week, and to provide easier access to our services.

The Board has continued its efforts to enhance awareness of HOMELINK locally and to extend its reach to new supporters. It was not possible to provide many of the traditional fund-raising activities in 2020, but an online auction was held in October as part of a new outreach programme under the title *#homes4families*. The auction raised over £5,000, and has since prompted further interest in HOMELINK. We thank everyone who took part, and we are grateful for all the commitment shown by our regular supporters and by others who have raised funds for our work.

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TRUSTEES' ANNUAL REPORT 2020 (continued)

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9 Trustees

The trustees who held office during the year and up to the date of this report were:-

Mrs Joan Wignall ( <i>Chair</i> )*	Mr Terence Howell *
Mrs Christine Tutt ( <i>Secretary</i> )*	Ms Rosalind Kellaway ( <i>from July 2020</i> )
Mr John Howes ( <i>Treasurer</i> )*	Mrs Jane Lee *
Mr John Cornish	Mr Malcolm Mazey
Mrs Diana Dixon	Rev Jacqueline Parson
Mrs Linda Fisher *	Mrs Joanna Slaughter

The Management Committee comprised those trustees marked \* above, together with Mr Neil Fisher.

**Signed on behalf of the trustees on 29th April 2021**

J V Wignall  
Chair

# Lewes District Churches HOMELINK (CIO)

## STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31st December 2020

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
<b>Income from:</b>					
Voluntary donations ( <i>note 2</i> )	30,472	-	-	30,472	27,706
Charitable grants ( <i>note 3</i> )	-	-	33,214	33,214	44,608
Local housing grants ( <i>note 4</i> )	-	-	15,100	15,100	18,750
Fund-raising events	8,401	-	-	8,401	51,916
Investment income	398	-	-	398	355
Tax refunds	2,597	-	-	2,597	2,500
	<b>41,868</b>	<b>-</b>	<b>48,314</b>	<b>90,182</b>	<b>145,835</b>
<b>Expenditure (<i>note 5</i>) on:</b>					
Employee expenses	48,089	-	-	48,089	21,498
Office expenses	6,192	-	1,584	7,776	7,770
Tenant expenses	14,625	-	-	14,625	32,333
Non-repayable grants	17,770	-	-	17,770	5,559
Communications & events	1,547	-	10,386	11,933	28,971
	<b>88,222</b>	<b>-</b>	<b>11,970</b>	<b>100,192</b>	<b>96,131</b>
Transfers between funds (to fund expenses)	36,735	-12,977	-23,758	-	-
<b>Net income for the year</b>	<b>-9,619</b>	<b>-12,977</b>	<b>12,586</b>	<b>-10,010</b>	<b>49,704</b>
Transfers to fund loans	-64,900	80,000	-15,100	-	-
<b>Net movement in funds</b>	<b>-74,519</b>	<b>67,023</b>	<b>-2,514</b>	<b>-10,010</b>	<b>49,704</b>
Transfers from HOMELINK Trust	-	-	-	-	487,083
Fund balances at 1st January ( <i>note 9</i> )	453,927	56,918	25,942	536,787	-
<b>Fund balances at 31st December '20</b>	<b>379,408</b>	<b>123,941</b>	<b>23,428</b>	<b>526,777</b>	<b>536,787</b>

## Lewes District Churches HOMELINK (CIO)

### BALANCE SHEET

As at 31st December 2020

	<u>Notes</u>	<b>2020</b> £	<b>2019</b> £
<b>Social investments</b>			
Concessionary loans to tenants	6	336,761	348,439
<b>Current assets</b>			
Sundry debtors	7	500	26,333
Cash at bank and on deposit	8	189,516	166,215
<b>Current liabilities</b>			
Creditors due within one year	7	-	-4,200
		<b>526,777</b>	<b>536,787</b>
<b>The Funds of the Charity</b>	9		
Restricted funds *		23,428	25,942
Unrestricted funds			
- Designated funds *		123,941	56,918
- General Fund		379,408	453,927
		<b>526,777</b>	<b>536,787</b>

\* restricted and designated funds are held entirely in cash and cash deposits

Signed on behalf of the trustees on 29th April 2021

J V Wignall  
Chair

John Howes  
Treasurer

## Lewes District Churches HOMELINK (CIO)

### NOTES TO THE ACCOUNTS

- 1 These accounts have been prepared in accordance with the requirements of the Charities Acts and the Statement of Recommended Practice 2015 (FRS 102). The following includes a summary of the accounting policies used in preparing the accounts.
- 2 Voluntary donations  
Donations are gifts received from individuals, churches, charities and other organisations.
- 3 Charitable grants  
This line includes major charitable grants towards our 'future-proofing' project to enhance the staffing of the Charity. The trustees would like especially to thank the Ernest Kleinwort Charitable Trust and the Nationwide Foundation for their generous assistance. The comparative figure for 2019 also includes sponsorships received from corporate supporters towards the costs incurred in promoting our 20th anniversary gala concert at Glyndebourne.
- 4 Local housing grants  
A grant of £11,800 was received from Lewes District Council to help fund concessionary loans to homeless clients. The final instalment of a special grant obtained under the Discretionary East East Sussex Support Scheme (DESSS) in fiscal year 2019/20 is also included. The aim of the DESSS grant is to assist homeless people who might otherwise otherwise fall outside our usual criteria.
- 5 Expenditure  
The Charity employed a part-time Client Manager and three other part-time staff. Other expenses included the hire of office and interviewing accommodation (£2,856), insurance (£669) and IT equipment and support (£2,468). A £10,000 consultancy project to establish an up-to-date communications and outreach strategy was met from charitable funds donated for this purpose.
- 6 Concessionary loans to tenants  
Interest-free loans are made to people with little or no savings, able to live independently and seeking accommodation in the private sector in the Lewes District area. A total of 83 new loans were made this year (98 in 2019); and at the end of 2020, 398 individuals, couples and families were recorded as holding loans from HOMELINK (384 in 2019).

	Total 2020 £	Total 2019 £
Balance at 1st April 2019	-	403,660
Balance at 1st January 2020	398,439	-
New loans advanced in the year	122,535	104,088
Repayments during the year	-119,588	-96,976
Write-offs and adjustments	-14,625	-12,333
Balance at 31st December	<b>386,761</b>	<b>398,439</b>
Provision in case of non-repayment of loans	-50,000	-50,000
	<b>336,761</b>	<b>348,439</b>

- 7 Debtors and creditors  
The CIO is recognised for claims to HMRC under the gift aid scheme. An estimated debtor has been included for the 4th quarter of 2020. There are no outstanding creditors.

NOTES TO THE ACCOUNTS (continued)

8 Cash at bank and on deposit

These are held in designated bank accounts according to use or need, with available funds placed on deposit.

9 Statement of funds

	Balance at 1.1.2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.2020 £
<i>Restricted funds</i>					
Grants for salary costs	13,799	30,500	-4,060	-22,758	17,481
Local housing grants	-	15,100	-	-15,100	-
Other restricted gifts	12,143	2,714	-7,910	-1,000	5,947
	<b>25,942</b>	<b>48,314</b>	<b>-11,970</b>	<b>-38,858</b>	<b>23,428</b>
<i>Unrestricted funds</i>					
Designated					
- Tenant Loans	-	-	-	80,000	80,000
- Former Caburn Trust	29,336	-	-	-	29,336
- Legacy Fund	27,582	-	-	-12,977	14,605
General Fund	453,927	41,868	-88,222	-28,165	379,408
	<b>536,787</b>	<b>90,182</b>	<b>-100,192</b>	<b>-</b>	<b>526,777</b>

9.1 *Restricted funds* are monies which have been given to the Charity for specific purposes:

- *Grants for salary costs* are those described in note 3 above. Grants received during the year will continue to be drawn down up to mid 2021.
- *Local housing grants* are those described in note 4 above. Grants received for the year were fully utilised to help fund tenant loans.

9.2 *Unrestricted funds* are all other funds and available for use at the trustees' discretion:

- The *Tenant Loans* reserve has been designated to ensure the availability of adequate cash flow for advancing new loans to tenants who would otherwise face homelessness.
- The *Former Caburn Housing Trust* grant is designated to be used for future development of the Charity's work. In 2021 it will serve as an additional source of funds to meet any post-Covid recovery surge in applications following the restrictions on movement in 2020.
- The *Legacy Fund* is designated to help meet the cost of the Client Managers' salaries.
- The *General Fund* is the Charity's core account for all operational income and expenses.

9.3 The 'free' reserve of £42,647 comprises cash and any other net current assets held within the General Fund. Trustees aim to keep this equivalent to between 4-8 months' expenditure.

10 Trustees' emoluments

In addition to the paid staff, much of the work of the Charity is carried out on a voluntary basis by the trustees and about a dozen other volunteers. No emoluments were paid to trustees.

Routine postage and stationery costs totalling £172 were reimbursed to two trustees (2019: £218), and repayment was also made to a trustee and a related party for expenses directly incurred on behalf of the Charity (£712).

Identifiable donations totalling £735 were received from trustees and related parties (2019: £ 1,671)



# Lewes District Churches HOMELINK (Charitable Trust & CIO)

## COMPARISON OF 2020 WITH COMBINED SUMMARY FOR 2019

*Comparison of income and expenditure of the CIO in 2020  
with the combined results of the Trust and the CIO in 2019*

### Income from:

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Voluntary donations ( <i>note 2</i> )	30,472	33,993
Charitable grants ( <i>note 3</i> )	33,214	56,108
Local housing grants ( <i>note 4</i> )	15,100	25,000
Fund-raising events	8,401	51,916
Investment income	398	556
Tax refunds	2,597	3,572
	<b>90,182</b>	<b>171,145</b>

### Expenditure (*note 5*) on:

Employee expenses	48,089	28,759
Office expenses	7,776	9,263
Tenant expenses	14,625	38,888
Non-repayable grants	17,770	9,748
Communications & events	11,933	30,796
	<b>100,192</b>	<b>117,454</b>

### Net income for the year

**-10,010      53,691**

Fund balances at 1st January

536,787      483,096

### Fund balances at 31st December

**526,777      536,787**

### Concessionary Loans

Balance at 1st January	398,439	382,216
New loans advanced in the year	122,535	156,236
Repayments during the year	-119,588	-121,124
Write-offs and adjustments	-14,625	-18,889
Balance at 31st December	386,761	398,439
Provision in case of non-repayment of loans	-50,000	-50,000

336,761      348,439

### Cash at bank & other net current assets

190,016      188,348

**526,777      536,787**

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**INDEPENDENT EXAMINER'S REPORT**

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I report to the trustees on my examination of the accounts of the Charity for the year ended 31st December 2020, which are set out on pages 3 to 6 above.

**Responsibilities and basis of report**

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and 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 the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable 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.

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

Signed: Steven Willox

Name: H. Steven Willox FCA

Date: 29th April 2021

Address : Shelbourne, Cuckmere Road, SEAFORD, BN25 4DG