



LEWES DISTRICT CHURCHES HOMELINK

Charitable Incorporated Organisation

**TRUSTEES' ANNUAL REPORT
&
FINANCIAL STATEMENTS**

for the year ended

31st DECEMBER 2021

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 2021.

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 to assume the role of an earlier unincorporated charity of the same name, founded in 1999. The CIO 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 twelve trustees are appointed by the Churches Together groups in Lewes, Newhaven and Seaford, and a further four trustees may be co-opted by the Board. We have one co-opted trustee at present. An annual meeting open to all local supporters was held in Seaford on 2nd October 2021.

3 Charitable activities

The principal charitable activity of HOMELINK is 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 prison.

National restrictions on movement over the last two years have limited the extent to which would-be tenants have been able to view and move into properties. Nonetheless HOMELINK has assisted 86 new tenants with loans during 2021 (compared to 83 in 2020). In addition, some 99 non-repayable grants were made (compared with 65 in 2020) to provide essential household goods or short-term accommodation for our clients. We are most grateful to all the HOMELINK staff, who continued to offer advice and assistance to an ever growing number of applicants during 'lockdown'.

In fact, a total of 439 applications were received during the year for loans or grants, substantially more than the 309 in 2020. As freedom of movement continues to open up in 2022, it seems wise to plan for a further increase in new tenancies, in the hope of more properties gradually becoming available.

4 Finance

The accounts of the CIO for 2021 are set out on pages 4-8 below, together with comparisons with the previous year. New loans were largely funded by repayments from earlier loans, along 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 all the very generous support received, and for advice and encouragement from the Ernest Kleinwort Charitable Trust, Lewes District Council and other bodies which have provided financial assistance.

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 trustees have identified the former Caburn Trust fund as a backup source of funding in case there is a major post-Covid recovery surge in loan applications.

In order to clarify the way in which HOMELINK activities are funded, separate reserve provision has been made for tenant loans and for operational expenses. To support future new tenant loans, a designated reserve of £95,000 (2020: £80,000) is held; leaving an unrestricted 'free' reserve of £59,266 (2020: £42,647) available to help meet salaries and other operational expenses. Both reserves are equivalent to some seven months' worth of the planned outlay in their respective sectors.

The trustees consider this is an appropriate level and pattern of reserves for the foreseeable future, and accordingly they have pleasure in confirming formally that they consider the CIO to be a going concern for at least the next twelve months.

6 Public interest

The Charity has 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 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 a longstanding working partnership with Lewes District Council's Housing staff, and many of our applicants come to HOMELINK through referrals from LDC.

2020 and 2021 have been dominated for us all by the coronavirus outbreak. HOMELINK has continued to support people with housing needs wherever possible. When the Lewes office was closed, staff worked from home to respond to enquiries and, as restrictions were lifted, HOMELINK has endeavoured to be in a position to provide assistance to those most in need.

Given the substantial growth of the CIO's workload over recent years, an additional Client Manager was appointed early in 2021, enabling the office to open on an additional day each week so as to offer easier access to our services.

It has not been possible to hold many of the traditional fund-raising activities over the last two years, but the Christmas concert with the Ashdown Singers and the sale of Christmas cards were a great success.

Lewes District Churches HOMELINK (CIO)

TRUSTEES' ANNUAL REPORT 2021 (continued)

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
Mr John Howes (<i>Treasurer</i>) * (<i>to July 2021</i>)	Mrs Jane Lee *
Mr Hugh Jones (<i>Finance</i>) (<i>from September 2021</i>)	Mr Malcolm Mazey
Mr John Cornish	Rev Jacqueline Parson
Mrs Diana Dixon (<i>to March 2022</i>)	Mrs Joanna Slaughter
Mrs Linda Fisher *	

The Management Committee comprised those trustees marked * above, together with Mr Neil Fisher and Mrs Gabrielle Hill.

Signed on behalf of the trustees on 28th July 2022

Chair

Mrs Joan WIGNALL

Lewes District Churches HOMELINK (CIO)

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31st December 2021

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 ** £
Income from:					
Voluntary donations (<i>note 2</i>)	33,828	-	-	33,828	30,472
Charitable grants (<i>note 3</i>)	1,000	-	50,000	51,000	33,214
Local housing grants (<i>note 4</i>)	-	-	25,000	25,000	15,100
Fund-raising events	4,861	-	-	4,861	8,401
Investment income	358	-	-	358	398
Tax refunds	2,840	-	-	2,840	2,597
	42,887	-	75,000	117,887	90,182
Expenditure (<i>note 5</i>) on:					
Employee expenses	61,557	-	-	61,557	48,088
Office expenses	8,042	-	586	8,628	7,776
Tenant expenses	4,334	-	-	4,334	14,625
Non-repayable grants	25,103	-	-	25,103	17,770
Communications & events	825	-	-	825	11,933
	99,861	-	586	100,447	100,192
Transfers between funds (to fund expenses)	45,513	-13,799	-31,714	-	-
Net income for the year	-11,461	-13,799	42,700	17,440	-10,010
Transfers to fund tenant loans	10,000	15,000	-25,000	-	-
Net movement in funds	-1,461	1,201	17,700	17,440	-10,010
Fund balances at 1 st January (<i>note 8</i>)	379,408	123,941	23,428	526,777	536,787
Fund balances at 31st December	377,947	125,142	41,128	544,217	526,777

** An analysis of the 2020 figures between fund types is given on page 6

Lewes District Churches HOMELINK (CIO)

BALANCE SHEET

As at 31st December 2021

	2021	2020
	£	£
Social investments		
Concessionary loans to tenants (<i>note 6</i>)	318,681	336,761
Current assets (<i>note 7</i>)		
Sundry debtors	-	500
Cash at bank and on deposit	238,486	189,516
Current liabilities		
Grant received in advance	-12,950	-
	544,217	526,777
The Funds of the Charity (<i>note 8</i>)		
Restricted funds ***	41,128	23,428
Unrestricted funds		
Designated funds ***	125,142	123,941
General Fund	377,947	379,408
Fund balances at 31st December 2021 (2020)	544,217	526,777

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

Signed on behalf of the trustees on 28th July 2022

Chair

Mrs Joan WIGNALL

Lead Trustee for Finance

Mr Hugh JONES

Lewes District Churches HOMELINK (CIO)

STATEMENT OF FINANCIAL ACTIVITIES – 2020 COMPARATIVES

Year ended 31st December 2020

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £
Income from:				
Voluntary donations	30,472	-	-	30,472
Charitable grants	-	-	33,214	33,214
Local housing grants	-	-	15,100	15,100
Fund-raising events	8,401	-	-	8,401
Investment income	398	-	-	398
Tax refunds	2,597	-	-	2,597
	41,868	-	48,314	90,182
Expenditure on:				
Employee expenses	48,088	-	-	48,088
Office expenses	6,192	-	1,584	7,776
Tenant expenses	14,625	-	-	14,625
Non-repayable grants	17,770	-	-	17,770
Communications & events	1,547	-	10,386	11,933
	88,222	-	11,970	100,192
Transfers between funds (to fund expenses)	36,735	-12,977	-23,758	-
Net income for the year	-9,619	-12,977	12,586	-10,010
Transfers to fund tenant loans	-64,900	80,000	-15,100	-
Net movement in funds	-74,519	67,023	-2,514	-10,010
Fund balances at 1 st January 2020	453,927	56,918	25,942	536,787
Fund balances at 31st December 2020	379,408	123,941	23,428	526,777

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 notes include further details.
- 2 Voluntary donations
Donations are gifts received from individuals, churches, charities and other groups.
- 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 for their generous assistance, which included match-funding for grants from other grant-making trusts. The comparative figure for 2020 also included sponsorship from the Nationwide Foundation.
- 4 Local housing grants
A grant of £11,800 was received from Lewes District Council to help fund concessionary loans to homeless clients. An additional special grant of £13,200 was received in February 2021 under the Discretionary East Sussex Support Scheme (DESSS): the purpose of the grant is to facilitate loans for homeless people who might otherwise fall outside our usual criteria.
- 5 Expenditure
The Charity employed two part-time Client Managers on a job-share basis for part of the year, and three other part-time staff. Other expenses included the hire of office accommodation (£3,893), insurance (£533), Telephones (£1,210) and IT support (£605). Expenditure in 2020 included a £10,000 communications and outreach project.
- 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 86 new loans were made this year (83 in 2020); and at the end of 2021, 417 individuals, couples and families were recorded as holding loans from HOMELINK (398 in 2020).

	2021 £	2020 £
Balances at 1 st January (start of year)	386,761	398,439
New loans advanced during the year	125,675	122,535
Repayments during the year	-139,421	-119,588
Write-offs and adjustments	-4,334	-14,625
Balances at 31 st December (year-end)	368,681	386,761
Provision in case of non-repayment	-50,000	-50,000
To Balance Sheet	318,681	336,761

- 7 Current assets and liabilities

Cash at bank is held in designated bank accounts according to use or need, with available funds placed on deposit.

Lewes District Churches HOMELINK (CIO)

NOTES TO THE ACCOUNTS (continued)

8 Statement of funds

	Balance at 1.1.2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.2021 £
<i>Restricted funds</i>					
Grants for salary costs	17,481	45,000		-30,714	31,767
Local housing grants	-	25,000	-	-25,000	0
Other restricted gifts	5,947	5,000	-586	-1,000	9,361
	<u>23,428</u>	<u>75,000</u>	<u>-586</u>	<u>-56,714</u>	<u>41,128</u>
<i>Unrestricted funds</i>					
Designated					
- Tenant Loans reserve	80,000	-	-	15,000	95,000
- Former Caburn Trust	29,336	-	-	-	29,336
- Legacy Fund	14,605	-	-	-13,799	806
General Fund	379,408	42,887	-99,861	55,513	377,947
	<u>526,777</u>	<u>117,887</u>	<u>-100,447</u>	<u>0</u>	<u>544,217</u>

- 8.1 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-2022.
 - *Local housing grants* are those described in note 4 above, which help to fund new tenant loans.
- 8.2 Unrestricted funds are all other funds and available for use at the trustees' discretion:
- The *Tenant Loans* reserve is designated to ensure there is an adequate cash flow pool 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 with tenants. Currently it is identified as an additional source of funds to meet any post-Covid surge in applications following the lifting of restrictions in movement in 2020/21.
 - 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.
- 8.3 The 'free' reserve of £59,266 (2020: £42,647) comprises cash and any other net current assets held in the General Fund. Trustees aim to keep this equivalent to between 4-8 months' expenditure.

9 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 other volunteers. No emoluments were paid to trustees for this work. Routine postage and stationery costs totalling £115 were paid to two trustees (2020: £172), and other cost items incurred on behalf of the Charity were reimbursed to a trustee.

Identifiable donations totalling £764 were received from trustees and related parties.

Lewes District Churches HOMELINK (CIO)

INDEPENDENT EXAMINER'S REPORT

I report to the trustees on my examination of the accounts of the Charity for the year ended 31st December 2021, which are set out on pages 4 to 7 above.

Responsibilities and basis of report

As the charity trustees of the CIO, 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 CIO'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 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 CIO 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:

Name:

Date:

Andrew M Wells Accountancy
99, Western Road
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