



**LEWES DISTRICT CHURCHES HOMELINK**

Charitable Incorporated Organisation

**TRUSTEES' ANNUAL REPORT  
&  
FINANCIAL STATEMENTS**

for the year ended

**31st DECEMBER 2022**

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 31<sup>st</sup> December 2022.

#### 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 1998. 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 Lewes on 19<sup>th</sup> May 2022.

#### 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.

2022 was a challenging year as the cost of living crisis is affecting many of our clients. Nonetheless HOMELINK has assisted 55 new tenants with loans during 2022 (compared to 86 in 2021). In addition, some 99 non-repayable grants were made (same number as 2021) to provide essential household goods or short-term accommodation for our clients. In March, we received a special one-off grant of £40,000 from the Enjoolata Foundation to help our clients struggling to feed their family and heat their home. At the end of 2022, we had spent £18,685 giving 70 Emergency grants, 33 Start-up grants and 28 Energy grants. 131 families benefited from these special grants. We have until the end of June 2023 to distribute the remaining balance.

A total of 269 applications were received during the year for loans or small grants, substantially less than the 439 in 2021. We helped a total of 120 people with loans in 2022.

#### 4 Finance

The accounts of the CIO for 2022 are set out on pages 4-8 below, together with comparisons with the previous year. New loans were funded by repayments from earlier loans. Staffing costs were covered in large part by charitable grants. We are grateful for all the very generous support received, and for advice and encouragement from the Ernest Kleinwort Charitable Trust, The Enjoolata Foundation, the Garfield Weston Foundation, 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 £145,000 is held (2021 £95,000) to maintain a level of funds available for loan; leaving an unrestricted 'free' reserve of £69,086 (2021: £59,266) available to help meet salaries and other operational expenses. This reserve is equivalent to some seven months' worth of the planned outlay.

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, special 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.

In 2022, two fundraising garden parties were organised in the Summer as well as the usual Christmas Concert at the beginning of December. All these events were well attended. We were also nominated to benefit from a cash collection during the late shopping evening on 1<sup>st</sup> December in Lewes.

There was a much increased incidence of those presenting or being referred who lack basic essentials to allow them to lead a normal life. Therefore, there was a consequent increase in demand for traditional small grants and wider provision supported by the Enjoolata Foundation in the form of Energy Saving Grants, Micro Emergency Grants and New Home Start Up Grants.

TRUSTEES' ANNUAL REPORT 2022 (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> ) *	Ms Rosalind Toomey
Mrs Christine Tutt ( <i>Secretary</i> ) *	Mrs Jane Lee *
Mr Hugh Jones ( <i>Finance</i> )	Mr Malcolm Mazey
Mr John Cornish	Rev Jacqueline Parson
Mrs Linda Fisher *	Mrs Joanna Slaughter
Mr Terence Howell *	Mrs Diana Dixon ( <i>to March 2022</i> )

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

**Signed on behalf of the trustees on 27 July 2023**

**Chair** Joan WIGNALL & Rosalind Toomey

## Lewes District Churches HOMELINK (CIO)

### STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31<sup>st</sup> December 2022

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2022 £	Total 2021 ** £
<b>Income from:</b>					
Voluntary donations ( <i>note 2</i> )	35,915	-	-	35,915	33,828
Charitable grants ( <i>note 3</i> )	5,000	-	40,184	45,184	51,000
Local housing grants ( <i>note 4</i> )	-	-	25,150	25,150	25,000
Fund-raising events	10,414	-	-	10,414	4,861
Investment income	419	-	-	419	358
Tax refunds	3,773	-	-	3,773	2,840
	55,521	-	65,334	120,855	117,887
<b>Expenditure (<i>note 5</i>) on:</b>					
Employee expenses	59,825	-	-	59,825	61,557
Office expenses	7,932	-	756	8,688	8,628
Tenant expenses	50,675	-	-	50,675	4,334
Non-repayable grants	28,257	-	18,684	46,941	25,103
Communications & events	2,116	-	2,218	4,334	825
Audit fees	600	-	-	600	-
	149,405	-	21,658	171,063	100,447
Transfers between funds (to fund expenses)	43,638	-806	-42,832	-	-
<b>Net income for the year</b>	<b>-50,246</b>	<b>-806</b>	<b>844</b>	<b>-50,208</b>	<b>17,440</b>
Transfers to fund tenant loans	-24,850	50,000	-25,150	-	-
<b>Net movement in funds</b>	<b>-75,096</b>	<b>49,194</b>	<b>-24,306</b>	<b>-50,208</b>	<b>17,440</b>
Fund balances at 1 <sup>st</sup> January ( <i>note 8</i> )	377,947	125,142	41,128	544,217	526,777
<b>Fund balances at 31<sup>st</sup> December</b>	<b>302,851</b>	<b>174,336</b>	<b>16,822</b>	<b>494,009</b>	<b>544,217</b>

\*\* An analysis of the 2021 figures between fund types is given on page 6

## Lewes District Churches HOMELINK (CIO)

### BALANCE SHEET

As at 31<sup>st</sup> December 2022

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Social investments</b>		
Concessionary loans to tenants ( <i>note 6</i> )	233,765	318,681
<b>Current assets (<i>note 7</i>)</b>		
Sundry debtors	2,346	-
Cash at bank and on deposit	284,213	238,486
<b>Current liabilities</b>		
Grant received in advance	-26,315	-12,950
	<b>494,009</b>	<b>544,217</b>
<b>The Funds of the Charity (<i>note 8</i>)</b>		
Restricted funds ***	16,822	41,128
Unrestricted funds		
Designated funds ***	174,336	125,142
General Fund	302,851	377,947
<b>Fund balances at 31<sup>st</sup> December 2022 (2021)</b>	<b>494,009</b>	<b>544,217</b>

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

**Signed on behalf of the trustees on 27<sup>th</sup> July 2023**

Chair	Lead Trustee for Finance
Joan WIGNALL & Rosalind TOOMEY	Hugh JONES

## Lewes District Churches HOMELINK (CIO)

### STATEMENT OF FINANCIAL ACTIVITIES – 2021 COMPARATIVES

Year ended 31<sup>st</sup> December 2021

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

## 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 Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2019).
- 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 to thank The Garfield Weston Foundation for their generous assistance.
- 4 Local housing grants  
A grant of £12,000 was received from Lewes District Council to help fund concessionary loans to homeless clients. An additional special grant of £13,200 was received in April 2022 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. The total employee remuneration for the year was £59,304 (£61,428 in 2021). No employees received over £60k. Other expenses included the hire of office accommodation (£4,000), insurance (£619), Telephones (£1,300) and IT support (£452).
- 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 55 new loans were made this year (86 in 2021); and at the end of 2022, 389 individuals, couples and families were recorded as holding loans from HOMELINK (417 in 2021).

	2022 £	2021 £
Balances at 1 <sup>st</sup> January (start of year)	368,681	386,761
New loans advanced during the year	79,797	125,675
Repayments during the year	-114,038	-139,421
Write-offs and adjustments	-15,675	-4,334
Balances at 31 <sup>st</sup> December (year-end)	318,765	368,681
Provision in case of non-repayment	-85,000	-50,000
To Balance Sheet	233,765	318,681



**NOTES TO THE ACCOUNTS (continued)**

The increase of the provision for bad debt for £35,000 has been shown under “Tenant Expenses” on the SoFA.

Loans can cover the deposit and/or first month’s rent and are generally repayable by monthly instalments over periods of 3-5 years.

**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 1.1.2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.2022 £
<i>Restricted funds</i>					
Grants for salary costs	31,767	21,500		-42,832	10,435
Local housing grants	-	25,150	-	-25,150	-
Other restricted gifts	9,361	18,685	-21,659	-	6,387
	41,128	65,335	-21,659	-67,982	16,822
<i>Unrestricted funds</i>					
Designated					
- Tenant Loans reserve	95,000	-	-	50,000	145,000
- Former Caburn Trust	29,336	-	-	-	29,336
- Legacy Fund	806	-	-	-806	-
General Fund	377,947	55,521	-149,405	18,788	302,851
	544,217	120,856	-171,064	-	494,009

- 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 the first quarter of 2023.
  - *Local housing grants* are those described in note 4 above, which help to fund new tenant loans.
  - The *Enjoolata grant* for £40,000 is restricted to help our clients with the disbursement of food and electricity vouchers mostly via the Hugg platform.
- 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.
  - 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 £69,086 (2021: £59,266) 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 £55 were paid to two trustees (2021: £115), and other cost items incurred on behalf of the Charity were reimbursed to a trustee (£1,029).

Identifiable donations totalling £727 were received from trustees and related parties.

**INDEPENDENT EXAMINER'S REPORT**

I report to the trustees on my examination of the accounts of the Charity for the year ended 31<sup>st</sup> December 2022, which are set out on pages 4 to 8 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:

Caroline CLARKE

Name: Caroline Clarke ACA

Date: 08/08/2023

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