

THE SIMON COMMUNITY

Trustees' report and financial statements

Company number: 01602161

Charity number: 283938

31 March 2023

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Reference and administrative details

Charity number	283938
The Board of Trustees	Chris Hunton (Chair) Alexander Pickering (Treasurer) Alan Cole Gesa Bukowski Mark Pritchard Dagnija O'Connell Peter McKay
Registered office	129 Malden Road Kentish Town London NW5 4HS
Auditors	Haysmacintyre LLP Chartered Accountants Registered Auditors 10 Queen Street Place London EC4R 1AG
Bankers	HSBC 246 Kentish Town Road London NW5 2BS
Investment Managers	Brooks Macdonald 21 Lombard Street London EC3V 9AH

Trustees' report

Below the trustees present their annual report and the financial statements of the company for the year ended 31 March 2023.

Objectives and activities

The principal objective of the charity is the relief of poverty of persons who by reason of mental or physical infirmity are unable to fulfill their duties as citizens or their obligations to their families or to their employers. This objective is put into practice via the following:

- By establishing, managing and improving houses of hospitality and shelters, clubs, cafes, day or night centers, residential settlements and sheltered workshops or other schemes for homeless and rootless, socially inadequate and mainly unemployable persons and provide them with the care, treatment, security and love to which they are entitled.
- By providing material relief care and comfort to those people sleeping rough and with no fixed abode.
- By providing, arranging, paying for or contributing towards the cost of providing board, lodging, meals and medical expenses for the homeless and rootless.
- By arranging for homeless and rootless people to be placed in suitable employment and by assisting in such manner as the Simon Community sees fit.

Public benefit

The trustees ensure that the activities of the charity are consistent with its charitable objectives and aims. In agreeing our annual plans, the trustees take into account public benefit as set out in the Charity Commission's general guidance on public benefit in relation to the prevention and relief of poverty, the advancement of education and health and the relief of those in need. The trustees believe there is clear public benefit derived from the activities of the charity.

Achievements and performance

Chair's note

Summarized below are the services undertaken during the year ended 31 March 2023:

Service	Description	No. Guests seen in the year	Services provided in the year
Street work	<ul style="list-style-type: none"> - Street Work involves walking along the streets of London at night, between 8.30 and 11pm. We go out to offer a cup of tea or coffee and food and spend some time with and talk to people. - We use this service as a grapevine to get provisions for people who are in need. Our regular guests will often alert us to someone who is new or in trouble and we can get them what they need quickly, such as shoes, a coat or a sleeping bag. If we find someone who is very ill prepared, we are able to get word back to the house to get them what they need. - We aim to develop supportive relationships with those who are vulnerable and isolated. We kept in touch with people as they went in and out of emergency accommodation in the lockdowns and were able to give them news of each other which was important when they had no way of keeping in touch. - Meeting people for the first time is a chance to build a rapport with them and to try to understand their needs. 	9135	160
Residential Project	<ul style="list-style-type: none"> - Our residential project (129 Malden Road) is a truly unique space. Unlike any homeless hostel you may have seen before, it is a space for our guests to heal through living in community, developing stronger relationships, and supporting people still on the streets. - Staffed by three full time staff and one live in volunteer, together with the resident group, staff and volunteers prepare and deliver outreach services. We support other volunteers on services, some of whom have given years of service to London's street homeless population. - From our house hundreds of meals are prepared and distributed to those still on the streets each week. 		

	<ul style="list-style-type: none"> - We currently offer 4 spaces to people experiencing homelessness that we have met through our street outreach. We prioritise people who are not suited to alternative provision or a quick move to independent living due to complex needs, trauma and PTSD. - We give people the time they need to heal, whether that is a few months or a few years. This is the opposite of a quick fix, but ultimately it will save government decades of investment in sticking plaster solutions that do not address the trauma of experiencing long-term street homelessness. - During the lock downs we were able to provide a door service where homeless guests could come to the door for food, clothes, hot drinks and information.
Visits	<ul style="list-style-type: none"> - Once guests or residents move on to alternative accommodation they are supported by the community through visits. We also visit people who have moved from the streets into accommodation who are in need of community if they have not been residents in the residential project but are known to the community through the street homeless community. In the year we undertook 204 hours of visits. - We have ex-residents that need our help for many years after they leave. The pandemic has propelled a digital revolution that excludes many of the people that we help. Without a digital presence it is extremely difficult to navigate any health and social care systems, those who get left behind tend to opt out of a system that they cannot access, which puts their income, health and tenancies in jeopardy. We advocate for and support people who are unable to access these systems. Following the lockdown restrictions, guests and members have been able to come to the house for this support. Many of our visiting hours were taken up with hospital visits to ex-residents or community members who rely on the community as their main source of support

Source: Simon Community

Over the course of the year to March 2023 we delivered 160 services to London's hardest to reach street-homeless people. Even though the UK was operating in a post-pandemic environment, we still had to implement our covid isolation plan and restructure outreach service due to covid twice during the year. As so many of our guests are unvaccinated and clinically vulnerable, it is important that we didn't and continue to not take any unnecessary risks. Our approach has been successful both times, the covid case has been contained at the residential or in the staff team and no outreach services were missed.

Our AGM was held on 29th October 2022.

Coming together at the AGM in the way that we have done annually since inception gave the charity the opportunity to mark a chapter following the pandemic. It was brilliant to see everyone and to see the support from all corners of the Community, old members and new.

In July 2022 there was a heatwave that saw temperature in the high 30s degrees Celsius. The community agreed to review a severe weather response when the temperature is above 30 degrees. On those days we sent teams out in the middle of the day with ice water, hats, sunscreen and ice poles to guests who found themselves outside in the extremely hot weather.

We had the first guest picnic since the pandemic last summer with around 50 guests coming together to enjoy lunch, games and community last summer. Everyone commented on how much they enjoyed it and we are looking forward to holding it again this year.

As one of the oldest homeless charities we had the joy of celebrating our 60th Anniversary on September 2nd 2023, with an event to say thank you to all those involved with the Simon Community over the years. This was held in the hall of the Church which held the funeral for our Founder, Anton Wallich-Clifford, who was born 100 years ago this year. A former probation officer at Bow Street Magistrates Court, Anton was a visionary whose work changed the way we view homelessness and who inspired the formation of a number of charities that dominate the homelessness sector today.

We want to take a special moment to appreciate all our donors. Thank you for your support particularly during these challenging and difficult times. Your loyalty and commitment to our cause has meant that we can adapt quickly to the changing needs of our guests and continue to provide consistent support.

The charity does not fundraise from on-the-street public sources and there were no fundraising complaints received in the year.

Trustees' report (continued)

Structure governance and management

The charity is governed by its memorandum and articles of association and is incorporated as a company limited by guarantee. Every member of the Simon Community undertakes to contribute to the assets of the charity in the event the charity is wound up whilst he/she is a member, such sum as may be required not exceeding £1.

Financial Review

Total income for the year is £415k (FY22: £217k) and total expenditure £210k (FY22: £223k), resulting in £175k net income (FY22: £97 net expenditure), after unrealised investment losses of £30k (FY22: £6k unrealised gain). Once again, we are immensely grateful to our donor base who continue to support us including those who leave legacies to us in their death estates which have contributed greatly in recent times to our overall income. Furthermore, the focus from the operational team continues to ensure a manageable cost base.

The trustees acknowledge the increasing pressures on the charitable sector particularly given the wider economic environment in the UK, including unprecedented levels of high inflation, translating into a cost-of-living crisis for many individuals and families. The charity's cash position was £387k (FY22: £217k) providing sufficient funds in the near term to absorb expected lower donations in the coming year.

Investment management

The trustees have an investment policy setting out the investment objectives, attitude to risk, time horizon and ethical policy. In the year £100k was transferred into the investment account (FY22: none). During the year unrealised losses amounted to £30,056 (FY22: £5,931 unrealised gain).

Risk management

The trustees continue to monitor the risks to the charity using a risk register. This is reviewed annually, and all trustees are made aware of the risks and their duty to assist in mitigating them.

Going concern

Based on the charity's reserves position and the board's reasonable expectation that the charity has the resources to continue in operational existence for the foreseeable future, we believe there are no material uncertainties that call into doubt the charity's ability to continue as a going concern. The accounts have therefore been prepared on the basis that the charity is a going concern.

Reserves

The board of trustees believe that the charity should hold financial reserves because:

- It has no endowment funding and is entirely dependent for income from year to year on donor funding, which is inevitably subject to fluctuation
- It requires protection against, and the ability to continue operating in the event of a serious lack of income
- There is a need to make provision for the development of the community's services

The trustees have a reserves policy which states that the target minimum level of free reserves should be equivalent of six months' unrestricted operating costs (FY22: six), calculated and reviewed annually, which amounts to approximately £100k on a pro-rata basis, based on current cost levels. At the financial year-end, there was £498k in general funds, as a result of un-budgeted legacies received during the financial year. It is expected that these excess funds will be utilized in the normal course of operations in the financial year ended 31 March 2024 and for renovations at one of the existing properties.

The Charity has designated £240,349 in a fixed asset fund to represent funds tied up in the Simon Community property portfolio and the Community Van used in the provision of services. The Charity has also designated £347,651 in a property fund to cover the future purchase of property (potentially with additional proceeds from the sale of another property, to be decided by the board in the coming financial year) and £19,200 for a new website, work for which began in the financial year.

Trustees' report (continued)

Structure governance and management (continued)

Board of trustees

The board consists of the Chair, Treasurer and not less than 3 nor more than 12 other persons, all elected by the members. At each Annual General Meeting (AGM), the Chair and Treasurer retire from office and are eligible for re-election. Members are also eligible for election at the AGM. Up to one third of trustees can be drawn from residents or service users. The policy of the charity is that all trustees receive training about their roles and responsibilities as trustees. Trustees are recruited through the networks of members and are appointed through vote at the AGM.

The trustees who held office during the year were as follows:

Chris Hunton, Chair	
Alexander Pickering, Treasurer	
Alan Cole	
Gesa Bukowski	
Mark Pritchard	
Charlotte Spence-Jones	(Resigned 29 October 2022)
Dagnija O'Connell	(Appointed 29 October 2022)
Peter McKay	(Appointed 17 July 2023)

Organisational structure

The charity is organised so that its trustees meet regularly (a minimum of 8 times per year) to manage its affairs and take strategic decisions on behalf of the charity. The day-to-day running of the Community is delegated to a Community Manager who is supported by an Assistant Community Manager, both of whom are full time and report to the board.

Disclosure of information to the auditor

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each trustee has taken all the steps that he/she ought to have been taken in their capacity as a director of the company to make him/her-self aware of any relevant audit information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Haysmacintyre LLP will therefore continue in office.

In preparing this report, the board of trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

Statement of Trustees' responsibilities in respect of the Trustees' report and the financial statements

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

This report was approved by the board of trustees on **20 NOVEMBER** 2023 and signed on its behalf, by:



Chris Hunton, Chair
129 Malden Road, Kentish Town
London, NW5 4HS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SIMON COMMUNITY

Opinion

We have audited the financial statements of The Simon Community for the year ended 31 March 2023 which comprise The Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of 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 2023 and of the charitable company's net movement in funds, including the income and expenditure, 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SIMON COMMUNITY (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are 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 are responsible for assessing the charitable company'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

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:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with regulatory requirements of company law, employment law and health and safety regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act, Charities Act and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting Trustees' meeting minutes
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Lee Stokes (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London EC4R 1AG

Dated 27 November 2023

Statement of financial activities

for the year ending 31 March 2023

	Note	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	-	392,698	392,698	196,814
Investments	3	-	9,605	9,605	6,892
Charitable activities – homelessness activities	4	-	13,040	13,040	12,980
TOTAL INCOME		-	415,343	415,343	216,686
EXPENDITURE ON:					
Raising funds	5	-	(11,017)	(11,017)	(10,463)
Charitable activities - homelessness activities	6	(905)	(198,622)	(199,527)	(212,251)
TOTAL EXPENDITURE		(905)	(209,639)	(210,544)	(222,714)
Net gains on investments	15	-	(30,056)	(30,056)	5,931
NET (EXPENDITURE) /INCOME BEFORE TRANSFERS		(905)	175,648	174,743	(97)
TRANSFERS BETWEEN FUNDS		-	-	-	-
NET (EXPENDITURE)/INCOME		(905)	175,648	174,743	(97)
Reconciliation of funds:					
Total funds at 1 April 2022	17	49,814	929,492	979,306	979,403
TOTAL FUNDS AT 31 MARCH 2023	13	48,909	1,105,140	1,154,049	979,306

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

The charity has no recognised gains or losses other than the net increase in funds for the year.

The notes on pages 13 to 23 form part of these financial statements.

Balance sheet
as at 31 March 2023

		2023	2022
	Note	£	£
FIXED ASSETS			
Tangible assets	10	240,349	256,671
Investment	15	527,643	455,072
		<u>767,992</u>	<u>711,743</u>
CURRENT ASSETS			
Debtors	11	11,072	65,627
Cash at bank		387,337	217,351
		<u>398,409</u>	<u>282,978</u>
CREDITORS: amounts falling due within one year	12	(12,352)	(15,415)
NET CURRENT ASSETS		<u>386,057</u>	<u>267,563</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,154,049</u>	<u>979,306</u>
CHARITY FUNDS			
Restricted funds	13	48,909	49,814
Unrestricted funds	13	1,105,140	929,492
		<u>1,154,049</u>	<u>979,306</u>

20 NOVEMBER

The financial statements were approved by the board of trustees on 20 NOVEMBER 2023 and signed on their behalf, by:


Chris Hunton
 Chair


Alexander Pickering
 Treasurer

The notes on pages 13 to 23 form part of these financial statements.

Statement of cash flows
for the year ended 31 March 2023

	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net I(expenditure)/income for the year (as per the Statement of Financial Activities)	174,743	(97)
<i>Adjustments for:</i>		
Depreciation	16,322	14,121
Gains on investments	30,056	(5,931)
Investment income	(8,067)	(6,863)
Interest received	(1,538)	(29)
Decrease / (Increase) in debtors	54,555	(19,471)
(Decrease) / Increase in creditors	(3,063)	1,912
	<hr/>	<hr/>
NET CASH (USED IN)/GENERATED BY OPERATING ACTIVITIES	263,008	(16,358)
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment acquisitions	(136,557)	(57,091)
Investment disposals	27,105	53,877
Movement in investment cash	6,825	1,859
Investment income	8,067	6,863
Interest received	1,538	29
	<hr/>	<hr/>
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES	(93,022)	5,537
	<hr/>	<hr/>
Change in net cash and cash equivalents in the year	169,986	(10,821)
Cash and cash equivalents at 1 April 2022	217,351	228,172
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT 31 MARCH 2023	387,337	217,351
	<hr/> <hr/>	<hr/> <hr/>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2022	Cash flows	Other non- cash changes	At 31 March 2023
Cash and bank	217,351	169,986	-	387,337
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 13 to 23 form part of these financial statements.

Notes

(forming part of the financial statements)

1. Accounting policies

Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Simon Community meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis

Having considered future plans and cash flows, the trustees confirm that they are not aware of any material uncertainties with regard to the entity's ability to continue as a going concern for the foreseeable future and therefore have prepared the accounts on a going concern basis.

Estimation uncertainty

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Tangible fixed assets and depreciation

All assets costing more than £100 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold Property	-	2% straight line
Motor Vehicles	-	25% straight line
Furniture and Fixtures	-	20% straight line

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes (continued)

1. Accounting policies (continued)

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes bank accounts, cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably 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 provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Income recognition

Income is included in the SOFA once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies apply to categories of income:

Donations & Grants where related to performance and specific deliverables are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance of its recognition it is deferred and included in creditors. Where entitlement occurs before income being received the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Investment income is credited to income when it is receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Expenditure is recognised on an accruals basis as a liability is incurred, inclusive of VAT, which cannot be recovered.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Notes (continued)

1. Accounting policies (continued)

Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs. The allocation of support and governance costs is analysed in note 7.

Investments

Investments in financial assets and securities are generally measured and reported at fair value. The initial 'fair' value being the original transaction price. Going forward such assets are subsequently carried at the current indicative trading price in the market, which is fair value. Where the asset has a spread the price quoted is the bid-price. Changes in fair value are recognised in the Statement of Financial Activities.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Donations and legacies	Total funds 2023 £	Total funds 2022 £
Donations and appeals	75,832	81,594
Legacies	311,866	114,220
Grants	5,000	1,000
	<hr/>	<hr/>
Total donations and legacies	392,698	196,814
	<hr/>	<hr/>
3. Investment income	Total Funds 2023 £	Total Funds 2022 £
Investment income	8,067	6,863
Interest receivable	1,538	29
	<hr/>	<hr/>
Total investment income	9,605	6,892
	<hr/>	<hr/>

Notes (continued)

4. Charitable activities	Total Funds 2023 £	Total Funds 2022 £
Rental income from houses	13,040	12,980
	<hr/> <hr/>	<hr/> <hr/>
5. Raising funds	Total Funds 2023 £	Total Funds 2022 £
Direct fundraising costs	1,751	1,297
Allocation of support costs	3,063	3,337
Management costs	6,203	5,829
	<hr/> 11,017 <hr/> <hr/>	<hr/> 10,463 <hr/> <hr/>
6. Charitable expenditure— homelessness activities	Total Funds 2023 £	Total Funds 2022 £
Staff costs	110,366	100,451
Direct charitable costs	45,422	60,558
Support costs	17,356	18,908
Insurance costs	15,983	20,869
Governance cost -auditors' remuneration	10,400	10,840
Management costs	-	626
	<hr/> 199,527 <hr/> <hr/>	<hr/> 212,251 <hr/> <hr/>

Notes (continued)

7. Analysis of support costs -2023

	Fundraising	Charitable activities	Total	Total
	£	£	2023	2022
			£	£
Communication costs	511	2,894	3,405	3,185
Printing, postage & stationery	34	195	229	364
Utility costs	1,621	9,183	10,804	11,539
Other support costs	16	89	105	2,082
Governance costs	881	4,995	5,876	5,075
	<u>3,063</u>	<u>17,356</u>	<u>20,419</u>	<u>22,245</u>

Analysis of support costs -2022

	Fundraising	Charitable activities	Total
	£	£	2022
			£
Communication costs	478	2,707	3,185
Printing, postage & stationery	55	309	364
Utility costs	1,731	9,808	11,539
Other support costs	312	1,770	2,082
Governance costs	761	4,314	5,075
	<u>3,337</u>	<u>18,908</u>	<u>22,245</u>

Notes (continued)

8. Net income/(expenditure)	2023	2022
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the charity	16,322	14,121
Auditors' remuneration	10,400	10,840
	<u><u> </u></u>	<u><u> </u></u>

9. Staff costs and trustees	2023	2022
	£	£
<i>Staff costs were as follows:</i>		
Wages and salaries	96,086	87,510
Social security costs	4,940	4,394
Employer's pension contributions	9,340	8,547
	<u><u>110,366</u></u>	<u><u>100,451</u></u>

The number of employees during the year was as follows:

	2023	2022
	Number	Number
Charitable activities	3	3
	<u><u> </u></u>	<u><u> </u></u>

No employee received remuneration amounting to more than £60,000 in either year.

Total benefits paid to key management personnel in the year amounted to £41,242 (2022: £37,804).

No remuneration was paid to trustees nor were any expenses reimbursed (2022 – the same).

Notes (continued)

10. Tangible fixed assets	Freehold property £	Motor vehicles £	Fixtures & Fittings £	Total £
Cost				
At 1 April 2022	335,442	22,020	15,041	372,503
At 31 March 2023	335,442	22,020	15,041	372,503
Depreciation				
At 1 April 2022	101,325	10,038	4,469	115,832
Charge for the year	6,708	6,606	3,008	16,322
At 31 March 2023	108,033	16,644	7,477	132,154
Net book value				
At 31 March 2023	227,409	5,376	7,564	240,349
At 31 March 2022	234,117	11,982	10,572	256,671
11. Debtors			2023 £	2022 £
Legacies receivable			11,072	65,627
			11,072	65,627
12. Creditors: amounts falling due within one year			2023 £	2022 £
Other creditors			1,521	4,377
Accruals			10,831	11,038
			12,352	15,415

Notes (continued)

13. Statement of funds - 2023

	Brought forward £	Income/ gains £	Expenditure £	Transfers £	Carried forward £
Designated funds					
Fixed assets funds	256,671	-	(16,322)	-	240,349
New property fund	347,651	-	-	-	347,651
New website fund	20,000	-	(800)	-	19,200
	<u>624,322</u>	<u>-</u>	<u>(17,122)</u>	<u>-</u>	<u>607,200</u>
General funds					
General funds	305,170	385,287	(192,517)	-	497,940
Total unrestricted funds	<u>929,492</u>	<u>385,287</u>	<u>(209,639)</u>	<u>-</u>	<u>1,105,140</u>

The fixed assets fund represents amounts tied up in fixed assets.

The new property fund represents amounts put aside to purchase new properties in the future.

The new website fund represents funds put aside to develop a new website.

	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
Restricted funds 2022					
129 Malden Road fund	49,814	-	(905)	-	48,909
Total restricted funds	<u>49,814</u>	<u>-</u>	<u>(905)</u>	<u>-</u>	<u>48,909</u>
Total of funds	<u>979,306</u>	<u>385,287</u>	<u>(210,544)</u>	<u>-</u>	<u>1,154,049</u>

The 129 Malden Road Fund was received towards the regeneration of our 129 Malden Road property.

Statement of funds - 2022

	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
Designated funds					
Fixed assets funds	270,792	-	(14,121)	-	256,671
New property fund	347,651	-	-	-	347,651
New website fund	20,000	-	-	-	20,000
	<u>638,443</u>	<u>-</u>	<u>(14,121)</u>	<u>-</u>	<u>624,322</u>
General funds					
General funds	281,575	222,617	(199,022)	-	305,170
Total unrestricted funds	<u>920,018</u>	<u>222,617</u>	<u>(213,143)</u>	<u>-</u>	<u>929,492</u>

Notes (continued)

13. Statement of funds (continued)

	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
Restricted funds – 2022					
129 Malden Road fund	59,385	-	(9,571)	-	49,814
Total restricted funds	59,385	-	(9,571)	-	49,814
Total of funds	979,403	222,617	(222,714)	-	979,306

14. Analysis of net assets between funds -2023

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Tangible fixed assets	-	240,349	240,349	256,671
Investment	-	527,643	527,643	455,072
Current assets	48,909	349,500	398,409	282,978
Creditors due within one year	-	(12,352)	(12,352)	(15,415)
	48,909	1,105,140	1,154,049	979,306

Analysis of net assets between funds -2022

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	256,671	256,671
Investment	-	455,072	455,072
Current assets	49,814	233,164	282,978
Creditors due within one year	-	(15,415)	(15,415)
	49,814	929,492	979,306

Notes (continued)

15. Investments

	2023	2022
	£	£
Investment funds		
As at 1 April 2022	455,072	447,786
Additions	136,557	57,091
Disposals	(27,105)	(53,877)
Unrealised gains on investments	(30,056)	5,931
Movement on investment cash	(6,825)	(1,859)
	<hr/>	<hr/>
Investment funds as at 31 March 2023	527,643	455,072
	<hr/>	<hr/>

Investment funds consist of listed investments.

16. Related Party Transactions

There were no related party transactions in the year to be disclosed (2022 – the same).

Notes (continued)

17. Comparative Statement of Financial Activities

for the year ended 31 March 2022

	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total Funds 2022 £
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	-	196,814	196,814
Investments	-	6,892	6,892
Charitable activities – homelessness activities	-	12,980	12,980
TOTAL INCOME	-	216,686	216,686
EXPENDITURE ON:			
Raising funds	-	(10,463)	(10,463)
Charitable activities - homelessness activities	(9,571)	(202,680)	(212,251)
TOTAL EXPENDITURE	(9,571)	(213,143)	(222,714)
Net gains on investments	-	5,931	5,931
NET (EXPENDITURE)/INCOME	(9,571)	9,474	(97)
Reconciliation of funds:			
<i>Total funds at 1 April 2021</i>	59,385	920,018	979,403
TOTAL FUNDS AT 31 MARCH 2022	49,814	929,492	979,306