



**Herefordshire Night Shelter
Hope Scott Hostel**

Annual Report and Accounts

For the year ended 31 July 2023

Registered Charity Number 515025

Unaudited

Unaudited Report and Accounts

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Herefordshire Night Shelter
Hope Scott House
2022-2023

Reference and Administrative Details

Charity name: Herefordshire Night Shelter
Registered Charity Number: 515025
Registered office: Hope Scott House, Roman Road, Hereford, HR1 1LE

The following have acted as Trustees (and Management Council Members) of the Charity during the year:

	From	To	Additional roles
Mr Stuart Fox	10 th March 2022	-	Chair
Mrs Barbara Hartland	1 st August 2019	-	Vice-Chair
Mr David Halpern	11 th March 2022	13 th October 2022	Member
Mr Alex Cunliffe	1 st August 2018	-	Member
Mr Kevin Ebsworth	1 st August 2019	-	Honorary Treasurer
Mr Gerald Ridley	21 st October 2020	-	Secretary
Mr Iain Hayes	19 May 2021	2 nd March 2023	Member

Employees of the Charity:

Name	Role
Mr Stuart Poole	House Manager

Support Worker (part time: self-employed):

Ms Alison Price	Resident's Support Worker
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Support Worker (full time: employed by Herefordshire County Council):

Mrs Jo Child	Resident's Support Worker
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Bankers:

Main account:

Santander
20/21 High Town
Hereford
HR1 2AB

House account:

Via
Tesco top up
Charge card

Deposit account:

CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Independent Examiner:

RJ Francis & Co
Suites 1 & 2
Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

Charity Information

The Charity is governed by a constitution adopted on the 16 September 1983, as amended on 29 November 1991, 28 March 1996 and 4 November 2014.

The Trustees/Management Council present their report and accounts of the charity for the year ended 31 July 2023.

The accounts have been prepared in accordance with the accounting policies set out in the notes on pages 10- 13 to the accounts and comply with the charity's constitution, applicable law including the Charities Act 2011.

Comparative figures in the accounts relate to the previous accounting year.

No specific investment powers are included in the Constitution. The Charity is therefore governed by the general provisions of the Trustee Act 2000. The Charity holds money not immediately required for day-to-day management purposes with CCLA Investment Management Limited.

The objects of the Charity are the care and treatment of persons in need who are homeless, or suffering from psychological or physical infirmity, or who by reason of adverse circumstances, ill health, or being a discharged offender, are in need of help in acquiring a settled way of life through the establishment of hostels and residential accommodation, and to educate these persons to develop their physical, mental and spiritual capacity that they may develop full maturity as responsible individuals and members of society, and that their life may be improved.

To further these objects, the Charity runs a hostel for homeless persons who can directly access the accommodation. The Charity also takes referrals from outside agencies.

There are currently five Trustees, which are reviewed and agreed at each AGM.

During this accounting period, The Trustee Board comprised of The Chairman, vice Chair, Secretary, Honorary Treasurer plus 1 additional volunteer Trustee.

There are currently no restrictions on the maximum number of Trustees.

Trustee recruitment/appointment has usually been by personal recommendation. Individuals who have a good standing and a clear understanding of the role, who are also happy to promote HSH within the wider community. A diverse approach is taken to recruit the right candidate.

All Trustees / Management Council members are volunteers.

All Trustees have regard to the Charity Commission guidance to public benefit

(<https://www.gov.uk/guidance/public-benefit-rules-for-charities>)

There have been no material changes in this policy since the last Report.

The day-to-day management of the hostel is by a resident, full-time employee – the House Manager.

Resident's support is provided by two dedicated Support Workers.

The hostel has continued to maintain consistently high standards throughout the past year.

Chairman's Annual Report

The last 12 months have been at times challenging but ultimately rewarding for all of us involved in this important and vital facility. Our work at HSH remains focused on giving our residents a place to feel safe and settled as we support them in the move onto the next stage of their lives and towards independent living. This work involves considerable skill and dedication and is dependent on the teamwork of our core members of staff.

With all the renovation and extension work complete, this year for the first time, HSH has been home to up to 13 residents. This has proved at times very demanding for our house manager, Stuart Poole and two support workers, Alison Price and Jo Child. Our residents' situations are often complex and it is testament to the commitment and hard work of the team that so many are helped to turn their lives around and take a step closer to independent living.

Our support workers Alison Price (part-time – joined the team in 2020) and Jo Child (full time – joined the team in 2022) have continued to do an excellent job in supporting the residents. Jo is employed by Herefordshire Council using funding from the Department for Levelling Up, Housing and Communities (DLUHC). Thanks to colleagues within the Council, we have recently received the good news that this funding will continue until 2025 (on a part time basis), 2 years beyond its original term.

This excellent news is further evidence of our strengthening relationship with Herefordshire Council officers. We are very grateful for their support and guidance across a whole range of issues and in providing line management and support directly for Jo. HSH remains an integral part of Herefordshire Council's Homelessness pathway, Project Brave.

Project Brave is a multi-agency response to homelessness and rough sleeping in Herefordshire. As part of project brave a range of strategic and voluntary agency's work in partnership placing individuals at the centre of their work to address homelessness and rough sleeping. HSH's role is to provide accommodation and support to enable our residents to move on to independent living, with a feeling of positive self-worth and dignity.

Over the last twelve months, we have been pleased to welcome Hereford & South Herefordshire MP, Jesse Norman and representatives from DLUHC to HSH among a number of other organisations and benefactors keen to see our work at first hand. We very much hope to welcome more visitors to HSH in the coming 12 months.

As in previous years. the generous donations made by individuals and organisations are vital to the ongoing operations at HSH. Their contributions are essential in turning around the lives and the whole Committee would once again like to thank them for their support.

The Friends of Hope Scott House group established in 2022 has also had a productive and exciting year. Led with boundless enthusiasm by Mary Schiavon-Priebe the group has already held a garden party and a well-supported quiz night both of which have raised four figure sums. Plans are afoot for more ambitious fundraising activity in 2024 and the trustees would like to thank Mary and her brilliant team for all that they do for HSH.

This year has also seen the resignation and retirement of three long-serving trustees. More will be said elsewhere but they will be greatly missed. My predecessor, David Halpern, retired as a trustee in October last year. His service to HSH is second to none and it is largely due to his determination and compassion that it carried on through some very difficult times.

Kevin Ebsworth who is also retiring has been Treasurer since 2019 and oversaw all the refurbishment and new building work at HSH. This was almost a full time job and we are all indebted to Kevin for his dedication and management skill. On a personal note, I would like to thank Kevin for helping me to navigate the uncharted territory in taking over from David. Finally, Iain Hayes who has been a trustee since 2021 (however, a volunteer for many years prior), left us in March for a new job in the Peak District. Iain had always been there to help in both practical and advisory roles, combining a skill in assembling flatpack furniture with sage advice on a range of matters from personnel to procurement decisions.

The work on the Committee continues as we try to support a facility that has evolved into a larger and more complex operation than ever before. As I mentioned at the start of this Chairmans' report, this brings challenges for us as a group and we need to recruit new trustees with fresh skills to complement our current cohort.

Occupation

Occupation rates have been maintained to the maximum levels, when possible:

As reported last year, there are a total of 13 en-suite accommodation units.

We continue to work hard to fill all units to achieve maximum occupancy at the earliest opportunity.

Room Inspections

The Room Inspection regime has continued – some of the residents do take pride in their new en-suite rooms, however, regular room inspections ensure that living and cleanliness standards are maintained.

Laundry and Kitchen

The laundry and the kitchen facilities continue to provide a valuable resource and, work well. residents are making good use of them, and are becoming adept at using these facilities.

Support

As mentioned in last year's report, the introduction of in-house Support Workers has been a real success story. We continue to benefit from a full time support worker funded by Herefordshire Council (via DLUH) and a part time support worker funded by HSH.

Stuart Poole is now an integral part of the support team.

However, there continues to be a large discrepancy between the level of the support element of housing benefit (IHM – Intensive Housing Management) funds received for each resident, and, the cost of providing the support.

Capital Spend

There was no capital spend items for this accounting year. (2022: £89,870) (2021 £40,000), and addition to the major spend of previous years there were also (2022: £1,920) (2021 £1,972).

Accounts

In the previous report, it was highlighted that there were some major points of note to the Balance Sheet, (these still apply) namely:

- The property revaluation during a previous accounting year and the updated value of £500,000 has been carried forward in these accounts.

The Charity entered into a Grant Agreement with the Local Authority to fund the new build & pods (£250,000), this funding is not repayable provided that, for a period of 10 years from October 2019, the Charity receives all resident nominations through the Housing Solutions team from Herefordshire Council.

The Agreement provides that the Charity may terminate this Agreement, (ie: if it wanted to cease to operate and sell the property on the open market with vacant possession) by repaying the grant, reducing by 1/10th (£25,000) for each year of existence - this, prospective liability has been included in the accounts to give a clear year by year property "equity" value.

Income

The resident generated income of the Charity has increased from the previous accounting year to - £ 117,246 (2022: £57,435) – as predicted, the income has increased now that all building and refurbishment works are completed.

Donations and grant income were substantially increased during the year – these funds very kindly helped us to continue funding the Support Worker.

Total income was £ 134,901 (2022: £160,973) (2021 £94,789)

Last year, Herefordshire Community Foundation (HCF), generously granted £1,500 towards the creation of a website. There is a small remaining balance showing as separate Restricted Fund in the accounts below. The website (Friends – www.hopescottthhouse.co.uk) is up and running.

Expenses

The house running expenses are continuously evolving now that all refurbishments are completed and HSH is running at maximum occupancy levels, points to note are:

- Insurance costs continue to increase due to increased risk / increased occupancy
- Wages and, particularly Support Worker costs, have increased, especially since that the HCF grant has been fully utilized. There is also use of a 'relief manager' to ensure that the House Manager has sufficient time off. As anticipated that the cost of this 'Relief Manager' provision has increased significantly through the 2022/2023 accounting period.
- Electricity costs have increased, and expected to continue to increase during the current energy 'crisis'.

Total Expenses were £ 106,916 (2022: £163,157) (2021 £93,309) lower than the previous couple of years, due to completion of building/renovation works

Overall Position

After the very busy previous couple of years, as expected, this year has settled into the normal pattern. Resident numbers are clear and the aim is to maintain as close to maximum residency as possible.

The final Accounts' position was an increase in income over expenses of £ 27,985 (2022: deficit of £2,184) (2021 surplus of £1,480).

The Charity has reserves of £187,691 (2022: £159,706) (2021 £161,890) (with £169 remaining HCF grant restricted or website creation and £890 restricted for garden project funding), and a property with a valuation of £500,000.

The Charity remains financially sound and secure

Future Proposals

During the new year the Charity will continue to try and address the following;

- Conversion to a Charitable Incorporated Organisation (CIO) adopting the Charity Commissions recommended template constitution - this will give HSH a more modern business structure, give the volunteer trustees more protection and make it easier to attract new trustees.
- Maintain resident numbers to maximum occupation levels
- Continue to review/expand the HSH "support" services
- Continue to work positively with our Hoople housing benefit partners to resolve any housing benefit application / claim issues quickly and efficiently.
- Review the management needs/structure of the Charity in the light of its increased numbers and increased services etc.
- Look to cementing and securing the long term security of the services provided by the Charity



Stuart Fox
Chairman

Date: 12th October 2023

Independent Examiner's Report

I report on the accounts of Herefordshire Night Shelter for the year ended 31 July 2023, which are set out on pages 10 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees and members of the Management Council are responsible for the preparation of the accounts. The charity's trustees and members of the Management Council consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

1. examine the accounts under section 145 of the 2011 Act;
2. to follow the procedures laid down in the general Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
3. to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
 1. to keep accounting records in accordance with section 130 of the 2011 Act; and
 2. to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:

A A Houston

ON BEHALF OF RJ FRANCIS & CO

Chartered Accountants
Suites 1 & 2
Marshal Business Centre
Faraday Road
Hereford
HR4 9NS

Date: 10th October 2023

Herefordshire Night Shelter
Hope Scott House
2022-2023

Statement of Assets and Liabilities

Liabilities	General Fund	Restricted Fund	2023	2022
	£	£	£	£
Fund b/fwd	652,761	6,945	659,706	661,890
Surplus/(loss) for the year	28,664	(679)	27,985	(2,184)
Fund c/fwd	<u>681,425</u>	<u>6,266</u>	<u>687,691</u>	<u>659,706</u>
Represented by:				
Current Account - Santander	51,077	1,059	52,136	28,212
Deposit Account – CCLA	135,418	-	135,418	131,494
House Manager Account	137	-	137	0
HSH Property Value	500,000	-	500,000	500,000
<u>Total Charity Funds</u>	<u>686,632</u>	<u>1,059</u>	<u>687,691</u>	<u>659,706</u>
Potential LA Grant Liability	(175,000)	-	(175,000)	(200,000)
Taking Liability into Consideration	511,632	1,059	512,691	459,706

New annex (East Wing) - LA Grant liability agreement:
£250k (reducing at straightline 10% (£25k) pa over 10 years) starting October 2019

These accounts were approved by the Trustees and Council of the Management of the Charity on 12th October 2023, and signed on their behalf by:



Mr Stuart Fox
HSH Chairman

Date 12th October 2023



Mr Kevin Ebsworth
Honorary Treasurer

Date 12th October 2023

Herefordshire Night Shelter
Hope Scott House
2022-2023

Receipts & Payments

General Fund

	<u>Receipts</u>			<u>Payments</u>	
	2023	2022		2023	2022
	£	£		£	£
Housing Benefit	117,246	42,402	House Manager	17,440	16,736
Room Rate to bank	-	15,033	Relief House Manager	20,027	1,888
Interest	3924	392	Support Worker	18,924	-
Donations	11,225	1,638	Water	720	656
Key Deposits	16	8	Council Tax (flat)	1,860	816
		-	Electricity	10,054	8,527
			Oil	6,700	2,735
			Insurance	4,405	3,902
			Repairs/Maintenance	6,694	3,494
			TV Licence	159	159
			Housekeeping	1,424	1,124
			New Items	7,816	7,486
			Phone / B/band	893	644
			Misc	4,819	4,467
			Acct / Payroll Services	1,544	1,039
			Office Expenses	47	84
			Refurbishment (old annex)	-	1,370
			New Build Items	-	1,920
			Mobile SIMCosts	221	217
			Surplus/(Loss)	28,664	2,209
	132,411	59,473		132,411	59,473

Receipts & Payments

Restricted Fund – Support worker

	<u>Receipts</u>			<u>Payments</u>	
	2023	2022		2023	2022
	£	£		£	£
Grants	-		Support Worker	-	16,968
Donations	-	11,500	Surplus/(Loss)	-	(5,468)
		11,500		-	11,500

Herefordshire Night Shelter
Hope Scott House
2022-2023

Restricted Fund – Refurbishment (old annex)

	<u>Receipts</u>			<u>Payments</u>	
	2023	2022		2023	2022
	£	£		£	£
Donations	-	38,500	Refurbishment (old annex)	-	88,500
Grants	-	50,000	Surplus/(Loss)	-	-
	-	88,500		-	88,500

Receipts & Payments
Restricted Fund – Website

	<u>Receipts</u>			<u>Payments</u>	
	2023	2022		2023	2022
	£	£		£	£
Grants	-	1,500	Build cost	895	295
			Hostinger – Web hosting	11	115
			Domain Transfer		15
	906		Surplus/(Loss)		1,075
	906	1,500		906	1,500

Receipts & Payments
Restricted Fund – Garden Project / Resident Laptop

	<u>Receipts</u>			<u>Payments</u>	
	2023	2022		2023	2022
	£	£		£	£
Grant (EFBulmer)	490	-	Laptop	490	-
Grant (Morrisons)	1,000		Garden furniture	500	-
Grant (B&Q)	1,000		Gardening equipment	449	-
			Gardening items	824	-
			Surplus/(Loss)	227	-
	2,490	-		2,490	-

Notes:

These accounts are on a receipts and payments basis
There are no trusts

The accounts comply with the appropriate legal requirements. That is, that gross recorded income from all sources did not exceed £250,000 and the charity is not a company incorporated under the Companies Act.

The above Receipts and Payments details and the associated Balance Sheet are extracted from the from the cash book and records of Herefordshire Night Shelter, and are certified to be correct and that the assets are as stated.

Reserves Policy

Unrestricted funds are held for routine use in accordance with the charity's objects.

The charity has experienced serious financial difficulties in the past and now aims to retain free reserves sufficient to provide adequate working capital to fund the core activities for at least 18 months.

The charity's assets are available and adequate to fulfil these obligations.

Total reserves at the balance sheet date were £135,418 in the CCLA deposit account with the Santander current account immediate access to £52,136 plus, a small balance of £137 on Tesco debit card – giving a total of £187,691 (2022: £ 159,706) (2021 £150,552).

With total projected future annual overheads of around £70k, this provides around 30 months protection. HSH was fortunate to have received donations to cover the original amount 'earmarked' towards funding the old annex (now called the West Wing) and frontage refurbishment. This means that the reserves have remained intact. The refurbishment is now complete.

Future potential impacts on the reserves policy:

With the massively increasing heating (oil) and electricity supply costs recently experienced, it is prudent financial management to ensure that current and future liabilities are contained and managed. Additionally, Herefordshire County Council currently fund the fulltime support worker (earnings c£30k). It is strongly anticipated that HSH will need to pick up these costs in the future to continue with the levels of support needed and provided.

At the time of completing this report, the support element of Housing Benefit (IHM) is totally insufficient to provide anything more than a total of a few hours a week in total, where 1 full time & 0.6 (part time) support workers are required/currently in place, which will result in the expected annual expenditure increasing going forward, it is estimated that this will then be in excess of £100,000.