

Charity registration number 702230

Company registration number 02422130 (England and Wales)

ACTION HOMELESS (LEICESTER) LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

ACTION HOMELESS (LEICESTER) LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S De Looze C Hurst (Treasurer) D Ireland M Pankhurst A Peasgood K Gallagher J Elsey A Patel P Parmar	(Appointed 31 March 2022) (Appointed 31 March 2022) (Appointed 31 March 2022) (Appointed 31 March 2022)
Secretary	R Mawdsley	
Charity number	702230	
Company number	02422130	
Principal address	Ridgeway House Little Hill Newton Lane Wigston LE18 3SE	
Registered office	Ridgeway House Little Hill Newton Lane Wigston LE18 3SE	
Auditor	Mayfield & Co. 2 Merus Court Meridian Business Park Leicester LE19 1RJ	
Bankers	HSBC	
Solicitors	Howes Percival LLP 3 The Osiers Business Centre Leicester LE19 1DX	

ACTION HOMELESS (LEICESTER) LTD

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ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

Action Homeless has referred to the Charity Commission's guidance on public benefit when reviewing its aims and objectives and in planning its future activities. In particular, the Board of Trustees has considered how the charity's activities have and will continue to deliver the aims and objectives they have set. The vision, values and objectives of Action Homeless as agreed by the Board of Trustees are as follows.

Vision

Action Homeless will endeavour to break the cycle of chronic homelessness and prevent people from sleeping rough. Action Homeless believes that the cycle of street homelessness in Leicestershire can be broken in the lifetime of its current strategy, given the numbers of people who are currently sleeping rough in the City and County. Action Homeless will focus its efforts on preventing people from ending up on the streets in the first instance and getting those who do find themselves on the street into accommodation as quickly as possible. We will ensure that those who have a history of chronic homelessness can find a home and are supported to keep it.

Objectives

- Develop services to break the cycle of chronic homelessness
- Leading policy and practice to break the cycle of chronic homelessness
- Creating a customer-led organisation
- Growing our resources and capabilities needed to deliver our vision and objectives

Values

- Everyone has the right to live as independently as possible and we will do everything we can to ensure people affected by homelessness achieve and maintain independent living.
- Those affected by homelessness have the potential to transform their lives through support and education to enable them to achieve their aspirations.
- People at risk of homelessness have the right to expect timely and clear information and support to ensure that they do not become homeless.
- Everyone affected by homelessness has the right to expect good standards of accommodation and we will work to ensure that our housing is of good quality.
- Everyone using our services has the right to have their say in how these services are run and we will work to ensure that they have a voice in the running and development of the charity's activities.
- Our colleagues are the key to our success and we will work to create a culture which values and supports the people that work with and for us.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The Operating Environment

Action Homeless continues to strive to meet the needs of its local community providing a public benefit across Leicester and Leicestershire. The shortage of affordable and accessible housing continues to be the biggest challenge for Action Homeless in meeting its objectives. In addition to these challenges the on-going impact of the Covid-19 Pandemic has placed a significant pressure on Action Homeless' services. Action Homeless has had to continue to adapt its accommodation and services to ensure they are "Covid Safe" and meet the needs of those presenting as homeless. Over the past year the organisation has continued to focus its efforts on breaking the cycle of homelessness for those who have been homeless for a significant time and has developed new services to support these individuals.

Our key projects and achievement's during the year were as follows;

Developing services to break the cycle of chronic homelessness

A key objective for Action Homeless is to provide a public benefit through provision of services that break the cycle of homelessness. This year we delivered projects that can do this.

In conjunction with Leicestershire NHS Partnership Trust, Action Homeless has continued to provide additional accommodation through the Community Transitions Project, which provides patients who have been discharged from the Bradgate Mental Health Unit with a safe place to live whilst they start to reintegrate into the community. The project offers support which has enabled people to make the transition from hospital to community living and prevents instances where people are discharged without a stable accommodation offer. During the year, 5 people moved on positively either into supported housing or their own tenancy.

In partnership with Leicester City Council Action Homeless continues to deliver services through the Governments' Rough Sleeping Initiative. This supports some of Leicester's most entrenched rough sleepers to find and sustain accommodation in which they can thrive. In July 2021 the organisation received additional funding from the Department of Levelling Up, Housing and Communities (DLUHC), to continue to operate Flora Lodge, a 12 bed project that provides intensive support by specialist staff to work with those experiencing chronic street homelessness by encouraging them off the streets and support them to move into appropriate housing.

In July 2021 we opened Stretton Road, a new project consisting of 10 units of accommodation for those who have previously slept rough and provides them with intensive support for up to two years. The building was purchased by Action Homeless using its own reserves and with a grant from Leicester City Council's Right to Buy Programme. Revenue is provided for two years by DLUHC through the "Next Steps" programme. The cost of the acquisition and the refurbishment of the house was £587,000.

The Housing First project, which is supported by a grant award from the Henry Smith Charity, successfully completed its first year of the four-year initiative and has supported 7 individuals. Over the course of the programme it aims to break the cycle of homelessness for 18 people who have long-term experience of rough sleeping.

Bridge House is our specialist project for women and children fleeing domestic violence, providing them with accommodation, specialist support and counselling to help them move on with their lives. We are pleased that we have been awarded another three years of funding from BBC Children In Need, for Building Blocks, an Action Homeless project for children affected by homelessness and domestic violence. It offers playgroups and 121 support for families with children aged 0-12 and increased support to overcome the impact of the Pandemic on the children living there. We worked with 22 children. 82% reported progress and positive outcomes following involvement in sessions.

During the year Action Homeless benefited from a grant from Nationwide Building Society's Community Programme. They provided funds to enable the employment of a dedicated development manager to work with the private rented sector to secure more accommodation for those experiencing homelessness. Through this work a number of partnerships with private landlords have been developed, including one with Zone Developments, who have agreed to lease 5 properties on long term leases to Action Homeless. These properties provide 25 units of high quality self-contained accommodation offering secure homes for those people who have experienced homelessness. During the course of the year, we secured an additional 35 units, 19 were tenanted by the end of March 2022 with remaining 16 due to be occupied by Summer 2022.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The Food Stop and Emergency Food

During the year, Action Homeless worked with local and central government to ensure that those in need were able to access emergency food. After a long period of closure due to the Pandemic, we are able to re-open the Food Stop to support those who were experiencing acute food poverty. In addition, Action Homeless also managed a Grant programme to provide support to members of Leicester Emergency Food Partnership. Utilising funds from the Department of Work and Pension's Household Support Funds provided by Leicester City Council, over £112,000 of grants were given out to enable the purchase of wholesale food to be distributed to those in need in the most disadvantaged communities of Leicester.

The contract to deliver the Emergency Food service that Action Homeless held from LCC ended at the end of March 2022. A new contract was awarded to Reaching People to support community food providers in Leicester. As a member of Reaching People we continue to support them to deliver this work.

As part of this work Action Homeless had received a grant from the Waste and Resources Action Programme (WRAP), which was used to purchase a Van to support the Emergency Food Partnership. Action Homeless has since gifted this asset to one of the network members, Christ the King Food Bank.

During the life of the project, Action Homeless secured £160,000 of additional funding for the Leicester Emergency Food Partnership as well as £2.6 million worth of extra food brought into the city for distribution to those in need of emergency food.

Supported Housing

Action Homeless has continued to provide supported housing to people affected by homelessness in partnership with Leicester City Council through the Single Homeless pathway. The Council commissioned Action Homeless to provide 72 units of accommodation across its property portfolio for people with a range of support needs.

For 9 years, our Accommodation+ (A+) service has been offering permanent homes to people with experience of homelessness along with low level support which enables them to reintegrate into communities. Crucially homes offered through A+ are permanent homes, meaning people aren't required to "move on". The sense of stability that this creates, supports people to achieve ambitions in other aspects of their lives. 40% of tenants have been in their home since the project began. Thanks to a new partnership with Zone Developments, the coming year will see A+ will expand to offer homes to a total of 90 people, across 33 properties.

Ensuring that everyone leaving our housing has the confidence and skills to live independently

A key objective for Action Homeless is to provide public benefit by ensuring that the people leaving our housing are able to sustain their independence and therefore avoid future instances of homelessness. This year we have continued to provide a number of services that enable this to happen.

Moneywise Plus supports unemployed individuals with money handling, budgeting and digital confidence. The programme works to prepare these individuals for employment through training and education. The project is funded by the European Social Fund and the National Lottery Community Fund. Action Homeless have two advisors based within our services who worked with 36 people living in our accommodation during the course of the year.

Action Trust is a social enterprise providing professional cleaning and gardening services. The social enterprise offers supervised training and work placements to people who have experienced homelessness and are long term unemployed.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Leading policy and practice to break the cycle of chronic homelessness

A key objective for Action Homeless is to provide public benefit by leading policy and practice to break the cycle of chronic homelessness. This year we have been at the forefront of a number of projects to help affect systems change locally.

Action Homeless led Leicester's European End Street Homelessness Campaign, a partnership effort and commitment to end street homelessness locally and across Europe. The campaign continued its work to support rough sleepers through the work of Leicester's Homelessness Charter.

Creating a customer-led organisation

Action Homeless is committed to ensuring that people affected by homelessness have a voice and are able to be involved in and influence the decisions that affect them. We have continued to develop our user led coaching approach and are supporting the development of the voice of Lived Experience through Leicester's Homelessness Charter. We have developed an initiative with The Bridge (Homelessness to Hope) to support a monthly Women's Only Open Space. During the course of the year, we held 4 groups with a total of 27 different women joining us.

The Covid-19 pandemic prompted us to find new and innovative ways to connect with the people that we support. In place of an annual conference, we held a Connections Week with various events taking place across our sites and services. The events brought our Trustees, staff and 45 people with lived experience of homelessness together to get to know one another and share experiences. In addition, 195 people who were receiving support from us at the time, received wellbeing packs in the post inviting them to connect with us in a range of ways.

Working with the Community

As in previous years, Action Homeless has greatly benefited from the support of the local community and working in partnership with local organisations and funders. We are thankful to community volunteers who have supported our work, enabling us to offer high quality spaces and services to people affected by homelessness. In particular, we'd like to recognise the significant contribution made by Food Stop volunteers who donated over 24,000 hours of their time during the life of the project.

We are grateful to the countless individuals, community groups and organisations who have made financial donations as well as those who have generously collected food, toiletries and household goods. These donations helped to meet peoples' immediate needs as well as supporting our on-going work.

Our people

At the close of the 2021/22 financial year, Action Homeless employed a total of 55 people. The Covid-19 pandemic environment created some recruitment and retention challenges for Action Homeless. Staff teams have worked tirelessly to ensure that clients have remained well supported in times of staff shortages and continue to be integral to our success. 84% of staff members received training to help them to develop in their roles during the year.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

Key Achievements

During what has been a another challenging year, we are proud of what we have been able to achieve despite having to make changes to the way we work and support services across the city

We provided housing and support to 463 people:

- 24% were women & 76% were men
- On average our female clients were younger than our male clients but we supported people aged between 22 and 60
- 32% of our clients were from BAME communities

We supported 139 people to move into more secure and permanent homes:

- 29% moved into more suitable housing within Action Homeless, including permanent homes
- 16% moved into other supported housing
- 19% moved into a Local Authority tenancy
- 6% moved into a Registered Social Landlord tenancy
- 11% moved into a Private Rented Sector tenancy
- 15% moved in with friends or families

Financial review

The results for the year show total income of £4,161,135 a rise of £ 767,377 on the 2021 income of £3,393,758.

This amount included Restricted Funds of £1,509,174 and £2,651,961 of Unrestricted Funds. The total resources expended in the year amounted to £3,906,163. This leaves us to report an overall surplus of £271,479 after taking into consideration investment surpluses of £16,507.

The surplus income was predominantly made up from better than budget voids and bad debt and ensuring tight fiscal controls. These funds have been reinvested into the Charity to further support the strategic objectives of creating 100 new homes. These Accounts show that the Organisation is holding designated funds that it plans to deploy in the coming year to invest in upgrading its housing stock, in particular its Oakfield and Mayfield House properties.

The reserves carried forward were £3,158,890 of which £310,313 were restricted funds. These reserves will be used over a number of years and matched against depreciated amounts. Good corporate governance dictates that the charity maintains sufficient unrestricted reserves to meet unexpected events, irregular cashflow and contingencies. Our Unrestricted Funds of £527,716 are considered sufficient to achieve this aim. We also have £2,320,861 in designated reserves which is ring fenced for future development plans and to ensure there is sufficient funds to improve and maintain our properties and there are two major capital improvements programmed for 2022/23.

Due to the expansion of our Housing First programme, which is a means to ending rather than managing homelessness the accounts show growth in the revenue of housing management. The income from this programme has been designated to continue the development of this initiative in the coming financial year.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Reserves Policy

The Board of Trustees has given careful consideration to the requirement for Action Homeless to maintain an appropriate level of free reserves, being those funds not invested in fixed assets, designated for specific purposes or otherwise committed. Reserves are required to cover the following risks: loss of income as a result of reductions in contracts or services, failure to equip and maintain buildings to a satisfactory standard, failure to achieve agreed and necessary fundraising targets and the consequences of an event having a major negative reputational impact on the work of the charity.

Based on this assessment, the Board of Trustees consider that the level of free reserves currently held, whilst adequate enough to cover the current assessment of potential costs, would ideally be greater and the Trustees would like an increased level of free reserves in order to ascertain a greater margin of safety.

During the year the trustees transferred £195,361 to the designated funds (see below). This leaves free unrestricted reserves to carry forward of £527,716.

The remaining funds (representing the balance between the level of reserves required by Trustees and the actual level of free reserves) have been specifically identified by Trustees to support the realisation of the charity's strategic objectives.

The Charity owns 10 properties which provide a total of 79 units of social housing and are deemed necessary in order to help in the fulfilment of the Charity's Objectives. These properties have a carrying value of over £2million and these properties are essential in the delivery of affordable social housing.

In addition to the properties Action Homeless owns, it also manages another 14 properties (70 units) for Registered Social Landlords and leases 29 properties (103 units) from private owners.

Designated Reserves

Our Designated Funds now stand at £2,320,861 following a transfer of £195,361 from Unrestricted Funds during the year to cover specific future events which is part of the charity's strategic planning.

An amount of £78,750 was transferred for future development purposes. A further amount of £12,480 to cover future costs to meet contractual dilapidation agreements between the charitable company and existing lessors. Furthermore, we added £130,000 to our property funds.

The costs to maintain, and improve these properties alongside future investment in social housing requires the need to maintain healthy designated reserves.

During the year we calculated our potential redundancy liability and made a specific provision to ring fence an amount within designated funds to cover this amount. This amounted to a reduction, to the carried forward funds, of £25,869.

Principal Funding Sources

The charity's principal funding comes through rental income, contracts and grants. The Charity also continued to be funded by Leicestershire Boroughs to support Winter Beds for rough sleepers in the county. In addition, Reaching People provided a grant for the continuation of Moneywise, a project to improve financial confidence. Children In Need also provided funds to support our work to support homeless children through the Building Blocks project. Action Homeless is also grateful to the many individuals and companies who provided financial support and gifts in kind to the Charity during the course of the year.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Investment Policy

The charity continues to review its investment policy to reflect the fact that its level of reserves has come into line with the Reserves Policy. The Charity uses interest bearing accounts to maximise the interest on money on deposit. The Charity has also invested some of its reserves with investment manager Raymond James in order to maximise the returns from its reserves, *however the Trustees made the decision to withdraw the funds and transfer them to general funds given the capital improvements scheduled for the coming year.* The Charity has also used some of its free reserves to purchase the freehold for a property that provides ten residential rooms, providing both accommodation for clients and a monetary return in the form of rental income. A balance has been struck between the requirements to maximise interest and the cash-flow needs of the charity.

Risk Management

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trustees recognise the importance of risk management within the framework of governance and internal control. A risk register has been compiled to assess strategic, operational and financial risk. Risk management processes are in place providing a high level of reassurance. The risk management process applies to all aspects of work undertaken by Action Homeless. Risk assessments and risk management are an integral part of the daily duties of front line staff and managers.

Plans for future periods

Future Plans

At the heart of Action Homeless' Strategy is to continue to respond to the growing crisis of homelessness in Leicester and Leicestershire and in particular street homelessness. A key component of Action Homeless' strategy is to continue to increase the number of homes it can provide. It aims to do this by acquiring property from private and social property owners either through leases, or through purchase of houses. Previously this activity has been focused to the City; however, we will be in future be looking to acquire property across the County.

The Trustees have allocated unrestricted funds to advance this work, which, along with grants and loan finance, will enable us to acquire up to another 6 units of accommodation in the coming year. Action Homeless believes that the best way to break the cycle of homeless is through a Housing First model, this offers a combination of secure homes with high quality landlord services and intensive personal support. Over the coming year, Action Homeless has earmarked staff and properties that will be exclusively dedicated to offering Housing First. Action Homeless' largest property Mayfield House was purchased from East Midland Housing Group in 2018. In addition we also purchased Oakfield House from Midland Heart Housing Association in 2017 and it is our intention to refurbish this accommodation to make it fit for future use and adapt it to meet the needs of our beneficiaries in the coming year.

Action Homeless is also committed to ensuring that everyone has a safe and secure home and has adopted the principle of Housing First, an initiative that seeks to house homeless people in secure tenancies.

During the COVID pandemic we applied for a £50,000 loan under the Government Bounceback Scheme. This loan was granted in November 2020. In accordance with the terms and conditions of the loan agreement the full amount of £50,000 was repaid in July 2021.

Action Homeless will also be reviewing its Strategic Plan in the coming year as local and national government reviews how services for homeless people are commissioned and this will inevitably impact on Action Homeless. The Charity will also have to ensure that it is able to adapt to the challenging fiscal environment to ensure that it can continue to effectively meet the needs of its beneficiaries and stakeholders. 2023 will mark 50 years' of Action Homeless supporting people affected by homelessness in Leicester & Leicestershire. We are planning some special events to mark this momentous year.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Leicester's Homelessness Charter aims to improve the way organisations and individuals work together to tackle homelessness in the city, and to harness the enthusiasm of those who want to get involved but don't know how.

Action Homeless is also committed to ensuring that everyone has a safe and secure home and has adopted the principle of Housing First, an initiative that seeks to house people affected by homelessness in secure tenancies.

During February and March 2021, Action Homeless entered into an agreement with the owners of Bradgate House (Stretton Road, Leicester). The house has ten bedrooms, ten bathrooms, communal facilities, a cellar, offices and a garden. The house provides much needed accommodation for people who are homeless in Leicester. The agreement was formalised on 15th April 2021 and allowed for the renovation and lease of the house, the agreement also gave Action Homeless the option to buy the house at a future date. On 4th June 2021 Action Homeless acquired the house and by the 30th June 2021 the house had been refurbished and the first occupants took up residence. The cost of the acquisition and the refurbishment of the house was £587,000. In addition we have planned to buy and refurbish another house, costing up to £600,000 before the end of March 2022.

During the Covid-19 Pandemic we applied for a £50,000 loan under the Government's Bounceback Scheme. This loan was granted in November 2020. In accordance with the terms and conditions of the loan agreement the full amount of £50,000 was repaid in July 2021.

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 12 September 1989 and registered as a charity on 17 November 1989.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

R Roberts	(Resigned 30 November 2021)
S Malcherczyk	(Resigned 30 November 2021)
S De Looze	
C Hurst (Treasurer)	
N Winks (Chair)	(Resigned 1 June 2022)
D Ireland	
M Pankhurst	
G Parekh	(Resigned 30 May 2022)
A Peasgood	
K Gallagher	(Appointed 31 March 2022)
J Elsey	(Appointed 31 March 2022)
A Patel	(Appointed 31 March 2022)
P Parmar	(Appointed 31 March 2022)

Recruitment and Appointment of Trustees

The directors of the company are charity trustees for the purposes of charity law and under the company's articles are known as members of the Board of Trustees. Under the requirements of the Memorandum and Articles of Association, members of the Board of Trustees are elected annually at the Annual General Meeting.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

ACTION HOMELESS (LEICESTER) LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Organisational Structure

The Board of Trustees meet six times in a year and is responsible for the governance framework and the strategic direction and policy of the charity.

The Board currently has 9 members drawn from a variety of professional backgrounds relevant to the work of the charity. Three sub committees of the Board of Trustees each meet up to three times a year to review specific areas of the charity's operations and to make recommendations to the Board in relation to their areas of concern. The sub committees are as follows: Finance and General Purposes Committee, Quality and Performance Committee and the Remuneration Committee.

The Chief Executive and Executive Management Team are responsible for the day to day running of the charity and for the realisation of the strategy agreed by the Board.

The highest paid officer is paid between £70,000 and £80,000 and this is 3.5 times more than the lowest paid officer.

Auditor

In accordance with the company's articles, a resolution proposing that Mayfield & Co. be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of Information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees report was approved by the Board of Trustees.



S De Looze
Trustee

23 November 2022

ACTION HOMELESS (LEICESTER) LTD

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors of Action Homeless (Leicester) Ltd for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACTION HOMELESS (LEICESTER) LTD

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ACTION HOMELESS (LEICESTER) LTD

Opinion

We have audited the financial statements of Action Homeless (Leicester) Ltd (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 2022 and of its incoming resources and application of resources, 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

ACTION HOMELESS (LEICESTER) LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ACTION HOMELESS (LEICESTER) LTD

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

ACTION HOMELESS (LEICESTER) LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ACTION HOMELESS (LEICESTER) LTD

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Charity and the sector in which it operates. We determined that the following laws and regulations were most significant: the Companies Act 2006, the UK Corporate Governance Code and UK corporate taxation laws and all applicable charity laws and regulations.
- We obtained an understanding of how the Charity is complying with those legal and regulatory frameworks by making inquiries to the management. We corroborated our inquiries through our review of board minutes and papers provided to the Directors.
- We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - challenging assumptions and judgments made by management in its significant accounting estimates;
 - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
 - assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the company's charitable members, as a body, in accordance with section 391 of the Companies Act 2014. 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.



David Mayfield FCA (Senior Statutory Auditor)
for and on behalf of Mayfield & Co

23 November 2022

Chartered Accountants
Statutory Auditor

2 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Mayfield & Co. is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ACTION HOMELESS (LEICESTER) LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:									
Donations and legacies	3	42,833	-	817,208	860,041	111,753	-	487,348	599,101
Charitable activities	4	2,588,920	-	691,966	3,280,886	2,279,715	-	413,557	2,693,272
Raising funds	5	16,640	-	-	16,640	10,541	-	-	10,541
Investments	6	3,568	-	-	3,568	3,510	-	-	3,510
Other income	7	-	-	-	-	87,334	-	-	87,334
Total income		2,651,961	-	1,509,174	4,161,135	2,492,853	-	900,905	3,393,758
Expenditure on:									
Fundraising	8	25,205	-	-	25,205	18,721	-	-	18,721
Charitable activities	9	2,534,109	-	1,346,849	3,880,958	1,909,533	-	993,479	2,903,012
Total expenditure		2,559,314	-	1,346,849	3,906,163	1,928,254	-	993,479	2,921,733
Net gains/(losses) on investments	13	16,507	-	-	16,507	43,765	-	-	43,765
Gross transfers between funds		(195,361)	195,361	-	-	(389,400)	389,400	-	-
Net movement in funds		(86,207)	195,361	162,325	271,479	218,964	389,400	(92,574)	515,790

ACTION HOMELESS (LEICESTER) LTD

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Unrestricted funds general 2022	Unrestricted funds designated 2022	Restricted funds 2022	Total 2022	Unrestricted funds general 2021	Unrestricted funds designated 2021	Restricted funds 2021	Total 2021
Notes	£	£	£	£	£	£	£	£
Fund balances at 1 April 2021	613,923	2,125,500	147,988	2,887,411	394,959	1,736,100	240,562	2,371,621
Fund balances at 31 March 2022	527,716	2,320,861	310,313	3,158,890	613,923	2,125,500	147,988	2,887,411

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

ACTION HOMELESS (LEICESTER) LTD

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	16		2,020,477		2,036,804
Investments	17		-		232,898
			<u>2,020,477</u>		<u>2,269,702</u>
Current assets					
Debtors	18	285,869		339,555	
Cash at bank and in hand		<u>2,079,236</u>		<u>1,638,194</u>	
		2,365,105		1,977,749	
Creditors: amounts falling due within one year	20	<u>(441,386)</u>		<u>(545,129)</u>	
Net current assets			<u>1,923,719</u>		<u>1,432,620</u>
Total assets less current liabilities			<u>3,944,196</u>		<u>3,702,322</u>
Creditors: amounts falling due after more than one year	21		<u>(785,306)</u>		<u>(814,911)</u>
Net assets			<u><u>3,158,890</u></u>		<u><u>2,887,411</u></u>
Income funds					
Restricted funds	25		310,313		147,988
<u>Unrestricted funds</u>					
Designated funds	26	2,320,861		2,125,500	
General unrestricted funds		<u>527,716</u>		<u>613,923</u>	
			<u>2,848,577</u>		<u>2,739,423</u>
			<u><u>3,158,890</u></u>		<u><u>2,887,411</u></u>

ACTION HOMELESS (LEICESTER) LTD

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 23 November 2022



C Hurst (Treasurer)
Trustee

P Parmar
Trustee

Company registration number 02422130

ACTION HOMELESS (LEICESTER) LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	29		849,889		695,098
Investing activities					
Purchase of tangible fixed assets		(586,560)		-	
Proceeds on disposal of tangible fixed assets		4,469		-	
Proceeds on disposal of investments		249,406		-	
Investment income received		3,568		3,510	
Net cash (used in)/generated from investing activities			(329,117)		3,510
Financing activities					
Proceeds of new bank loans		-		50,000	
Repayment of bank loans		(79,730)		(29,129)	
Net cash (used in)/generated from financing activities			(79,730)		20,871
Net increase in cash and cash equivalents			441,042		719,479
Cash and cash equivalents at beginning of year			1,638,194		918,715
Cash and cash equivalents at end of year			2,079,236		1,638,194

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity Information

Action Homeless (Leicester) Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Ridgeway House, Little Hill, Newton Lane, Wigston, LE18 3SE.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Action Homeless (Leicester) Ltd meets the definition of a public benefit entity under FRS 102.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are to be used for specific purpose as laid down by the donor. Grants received by the charity by way of management agreements with Local Authorities and Housing Associations are restricted to particular schemes but not to specific items of expenditure. The Charity treats expenditure from these restricted funds as being the earliest expenditure at each scheme, in the year.

Unrestricted funds are donations and other incoming resources, including charges for accommodation, receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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

Expenditure in the operation of the charity's central services system and central office is apportioned between support costs, fund-raising and publicity and governance of the charity based on actual costs incurred where these can be ascertained. Other costs, such as salaries and overhead costs are apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity:

Scheme support costs	78%
Fund-raising and publicity	4%
Management and administration of the charity	18%

1.6 Tangible fixed assets

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other recognised gains and losses and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in net income/(expenditure) or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold Property	4% straight line
Scheme Fixtures & Fittings	50% straight line
Motor vehicles	25% straight line
Central Office Equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The pension costs charged in the financial statements represents the contribution payable by the company during the year.

1.13 Renewals

This was an amount agreed by Housing Benefit to specifically purchase and update furniture at each of the projects.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	42,833	-	42,833	111,753	-	111,753
Grants receivable	-	817,208	817,208	-	487,348	487,348
	<u>42,833</u>	<u>817,208</u>	<u>860,041</u>	<u>111,753</u>	<u>487,348</u>	<u>599,101</u>
Donations and gifts	42,833	-	42,833	111,753	-	111,753
Donations and gifts	42,833	-	42,833	111,753	-	111,753
Grants receivable for core activities						
Leicester City Council - Right To Buy	-	234,624	234,624	-	-	-
Reaching People	-	50,762	50,762	-	32,394	32,394
Moneywise Plus	-	-	-	-	111,862	111,862
Resettlement grants	-	-	-	-	12,799	12,799
Waste and Resource Action Programme	-	-	-	-	19,784	19,784
Children In Need/Building Blocks	-	18,262	18,262	-	43,628	43,628
Severe Weather Beds City	-	150,000	150,000	-	-	-
HS Fund Food	-	78,543	78,543	-	81,081	81,081
LCC Foodbank	-	-	-	-	93,150	93,150
DEFRA	-	150,000	150,000	-	-	-
Food Partnership	-	117,241	117,241	-	92,650	92,650
Other	-	-	-	-	-	-
	<u>-</u>	<u>817,208</u>	<u>817,208</u>	<u>-</u>	<u>487,348</u>	<u>487,348</u>

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	Housing schemes 2022 £	Housing schemes 2021 £
Other income	3,280,886	2,693,272
Analysis by fund		
Unrestricted funds - general	2,588,920	2,279,715
Restricted funds	691,966	413,557
	3,280,886	2,693,272

Included within Unrestricted Income for 2022 relating to Housing Schemes are the following:

Board and lodging and rent receipts	£238,747
Housing benefits receipts	£2,445,505
Bad debts recovered/(written off)	(£95,332)
Total	£2,588,920

Included within Restricted Income for 2022 relating to Housing Schemes are the following:

Accommodation Based Housing Related Support	£319,476
Rough Sleepers Initiative Income	£0
Communities Transition Fund	£118,063
Protect Scheme (Flora Lodge)	£254,427
Total	£691,966

All income from charitable activities are to provide Housing Related Support.

5 Raising funds

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Fundraising events	16,640	10,541

Unrestricted funds:	2022	2021
Action Trust	£16,640	£10,541
Total	£16,640	£10,541

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	3,568	3,510

7 Other income

	Total 2022 £	Unrestricted funds general 2021 £
Other Income	-	87,334

8 Fundraising

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Costs of raising funds		
Premises costs	750	813
Stationery and publications	1,020	873
Training and communications	1,191	367
Audit and professional fees	559	829
Other fundraising costs	242	4
Staff costs	21,443	15,835
Costs of raising funds	25,205	18,721
	25,205	18,721

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Charitable activities

	Housing Schemes 2022 £	Charitable activities 2022 £	Total 2022 £	Housing Schemes 2021 £	Charitable activities 2021 £	Total 2021 £
Staff costs	569,020	852,616	1,421,636	605,021	597,327	1,202,348
Depreciation and impairment	532,875	65,545	598,420	35,603	79,813	115,416
Premises costs	354,780	64,268	419,048	355,274	52,049	407,323
Management charge	367,129	50,830	417,959	351,104	32,516	383,620
Charitable expenditure	320	148,300	148,620	250	53,255	53,505
Catering costs	28,277	141,609	169,886	19,761	98,785	118,546
Communications	21,927	4,335	26,262	23,592	5,692	29,284
Stationery, publications and publicity	8,366	1,115	9,481	4,812	1,247	6,059
IT costs	6,071	189	6,260	11,802	8,443	20,245
TV rental and licenses	4,767	318	5,085	3,942	158	4,100
Bank charges and fees	26,061	-	26,061	6,718	24,600	31,318
Renewals (Misc)	24,077	5,438	29,515	56,361	7,016	63,377
Motor and travel	9,863	6,514	16,377	8,620	3,916	12,536
Welfare	3,667	5,542	9,209	593	3,873	4,466
Vehicle costs	-	-	-	-	1,794	1,794
Training, meetings and staff development	3,096	230	3,326	68	3,995	4,063
Grants repayable	-	-	-	-	19,000	19,000
	<u>1,960,296</u>	<u>1,346,849</u>	<u>3,307,145</u>	<u>1,483,521</u>	<u>993,479</u>	<u>2,477,000</u>
Share of support costs (see note 10)	462,270	-	462,270	350,601	-	350,601
Share of governance costs (see note 10)	111,543	-	111,543	75,411	-	75,411
	<u>2,534,109</u>	<u>1,346,849</u>	<u>3,880,958</u>	<u>1,909,533</u>	<u>993,479</u>	<u>2,903,012</u>
Analysis by fund						
Unrestricted funds - general	2,534,109	-	2,534,109	1,909,533	-	1,909,533
Restricted funds	-	1,346,849	1,346,849	-	993,479	993,479
	<u>2,534,109</u>	<u>1,346,849</u>	<u>3,880,958</u>	<u>1,909,533</u>	<u>993,479</u>	<u>2,903,012</u>

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	364,529	42,886	407,415	269,189	31,669	300,858
Premises costs	16,308	-	16,308	15,339	-	15,339
Communications and Insurance	10,406	-	10,406	4,914	-	4,914
Stationery, publications and publicity	1,699	-	1,699	1,455	-	1,455
IT costs	12,983	-	12,983	9,916	-	9,916
Training	5,148	-	5,148	667	-	667
Travel and vehicle costs	2,003	-	2,003	1,331	-	1,331
Audit and professional fees	12,557	-	12,557	29,615	-	29,615
Meetings and staff	4,117	-	4,117	-	-	-
Sundry other costs	28,777	-	28,777	13,726	-	13,726
Vehicle costs	3,743	-	3,743	4,449	-	4,449
Audit fees	-	5,305	5,305	-	3,470	3,470
Premises costs	-	8,977	8,977	-	11,372	11,372
Communications	-	1,363	1,363	-	644	644
Stationery and publications	-	4,078	4,078	-	3,494	3,494
IT costs	-	12,983	12,983	-	9,916	9,916
Other governance costs (includes Training, Travel, Meeting staff, Recruitment, Bank charges and Miscellaneous expenses)	-	35,951	35,951	-	14,846	14,846
	<u>462,270</u>	<u>111,543</u>	<u>573,813</u>	<u>350,601</u>	<u>75,411</u>	<u>426,012</u>
Analysed between Charitable activities	<u>462,270</u>	<u>111,543</u>	<u>573,813</u>	<u>350,601</u>	<u>75,411</u>	<u>426,012</u>

Governance costs Includes payments to the auditors of £5,674 (2021- £4,506) for audit fees.

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but traditionally some have been reimbursed travelling expenses, with £18 claimed in the year (2021- £0).

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Chief Executive	1	1
Housing Schemes	32	42
Administration and support	11	9
Cleaning/Maintenance	6	4
Cook/Foodbank	5	4
Total	55	60

Employment costs

	2022 £	2021 £
Wages and salaries	1,660,462	1,350,487
Social security costs	133,089	116,499
Other pension costs	56,943	52,055
	1,850,494	1,519,041

The number of employees whose annual remuneration was more than £70,000 is as follows:

	2022 Number	2021 Number
Band £70,000 to £80,000	1	1

13 Net gains/(losses) on Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Revaluation of investments	16,507	43,765

14 Taxation

The charitable company is exempt from corporation tax on its charitable activities.

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Impairments

Impairment tests have been carried out where appropriate and the following Impairment losses have been recognised in profit or loss:

	2022 £	2021 £
In respect of:		
Property, plant and equipment	461,814	-

16 Tangible fixed assets

	Freehold Property £	Scheme Fixtures & Fittings £	Motor vehicles £	Central Office Equipment £	Total £
Cost					
At 1 April 2021	2,619,627	254,502	47,587	25,329	2,947,045
Additions	586,560	-	-	-	586,560
Disposals	-	-	(21,450)	-	(21,450)
At 31 March 2022	3,206,187	254,502	26,137	25,329	3,512,155
Depreciation and impairment					
At 1 April 2021	596,423	254,502	33,985	25,329	910,239
Depreciation charged in the year	127,473	-	9,133	-	136,606
Impairment losses	461,814	-	-	-	461,814
Eliminated in respect of disposals	-	-	(16,981)	-	(16,981)
At 31 March 2022	1,185,710	254,502	26,137	25,329	1,491,678
Carrying amount					
At 31 March 2022	2,020,477	-	-	-	2,020,477
At 31 March 2021	2,023,203	-	13,601	-	2,036,804

As outlined under the accounting policies at the end of each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered impairment loss.

For the year ended 31 March 2022 the Trustees have considered the valuation of the properties it held and does not believe the carrying values to be materially different to open market values and on that basis have decided against make further impairment provisions.

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Fixed asset investments

	Unlisted Investments £
Cost or valuation	
At 1 April 2021 & 31 March 2022	232,898
Carrying amount	
At 31 March 2022	232,898
At 31 March 2021	232,898

18 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	230,663	152,764
Other debtors	4,918	87,334
Prepayments and accrued income	50,288	99,457
	285,869	339,555

19 Loans and overdrafts

	2022 £	2021 £
Bank loans	815,037	894,767
Payable within one year	29,731	79,856
Payable after one year	785,306	814,911

The long-term loans are secured by fixed charges over seven of the charity's freehold properties with total carrying value of £1,206,423 (2020: £1,415,913).

The bank loan bears interest at 2.75% above Bank of England base rate, provided that if the Bank of England base rate is lower than 0.00%, the Bank of England base rate applicable to the loan shall be deemed to be 0.00%.

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

20 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	19	29,731	79,856
Other taxation and social security		31,755	30,056
Deferred income	22	27,504	108,916
Trade creditors		109,003	93,278
Other creditors		78,316	65,734
Accruals and deferred income		165,077	167,289
		<u>441,386</u>	<u>545,129</u>

21 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	19	<u>785,306</u>	<u>814,911</u>

22 Deferred income

	2022 £	2021 £
Arising from Grants in advance	<u>27,504</u>	<u>108,916</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	<u>27,504</u>	<u>108,916</u>
Movements in the year:		
Deferred income at 1 April 2021	108,916	45,630
Resources deferred in the year	<u>(81,412)</u>	<u>63,286</u>
Deferred income at 31 March 2022	<u>27,504</u>	<u>108,916</u>

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £56,943 (2021 - £52,055).

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

24 Unrestricted funds

	Balance at 1 April 2020	Income	Movement in funds Expenditure	Transfers Gains and Losses	Balance at 1 April 2021	Income	Movement in funds Expenditure	Transfers Gains and Losses	Balance at 31 March 2022
	£	£	£	£	£	£	£	£	£
General Fund	394,959	2,536,618	(1,928,254)	(389,400)	562,462	2,651,961	(2,559,314)	-	459,748
Revaluation Fund	-	-	-	-	51,461	-	-	16,507	67,968
	394,959	2,536,618	(1,928,254)	(389,400)	613,923	2,651,961	(2,559,314)	16,507	527,716

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

25 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2020	Income	Expenditure	Balance at 1 April 2021	Income	Expenditure	Balance at 31 March 2022
	£	£	£	£	£	£	£
Resettlement grants	-	122,952	(111,862)	11,090	-	(11,090)	-
Sundry grants	-	135,092	131,640	3,452	671,668	(657,610)	17,510
Tribal Capital Grant	113,785	-	(84,371)	29,414	-	(29,414)	-
DEFRA	-	93,150	(93,150)	-	-	-	-
Communities Transition Fund (NHS)	-	66,082	(66,082)	-	118,063	(118,063)	-
Pret a Mange	6,845	-	(963)	5,882	-	(2,558)	3,324
Children In Need (Building Blocks)	-	19,784	(19,784)	-	17,776	(17,776)	-
Moneywise Plus Reaching People	-	32,394	(32,394)	-	50,762	(50,762)	-
Leicester City Council - Right To Buy	105,612	-	(14,626)	90,986	234,624	(36,131)	289,479
World Habitat Grant	1,524	-	(1,524)	-	-	-	-
LCC Foodbank	-	81,081	(81,081)	-	78,543	(78,543)	-
Waste and Resources Action Programme (WRAP)	12,527	12,799	(18,162)	7,164	-	(7,164)	-
Severe Weather - City Rough Sleepers Initiative	-	43,628	(43,628)	-	18,262	(18,262)	-
Accommodation Based Housing Related Support	-	216,171	(216,171)	-	319,476	(319,476)	-
Charity Link	269	-	(269)	-	-	-	-
	<u>240,562</u>	<u>900,905</u>	<u>(730,199)</u>	<u>147,988</u>	<u>1,509,174</u>	<u>(1,346,849)</u>	<u>310,313</u>

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

26 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020	Transfers	Balance at 1 April 2021	Transfers	Balance at 31 March 2022
	£	£	£	£	£
Property Fund	956,000	84,000	1,040,000	130,000	1,170,000
Dilapidation Fund	130,100	10,400	140,500	12,480	152,980
Development Fund	650,000	75,000	725,000	78,750	803,750
Contingency Fund	-	220,000	220,000	(25,869)	194,131
	<u>1,736,100</u>	<u>389,400</u>	<u>2,125,500</u>	<u>195,361</u>	<u>2,320,861</u>

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

27 Analysis of net assets between funds

	Unrestricted Funds		Designated Funds		Restricted Funds		Total		Unrestricted Funds		Designated Funds		Restricted Funds		Total	
	2022	£	2022	£	2022	£	2022	£	2021	£	2021	£	2021	£	2021	£
Fund balances at 31 March 2022 are represented by:																
Tangible assets	560,998		1,170,000		289,479		2,020,477		10,904		1,905,500		120,400		2,036,804	
Investments	-		-		-		-		232,898		-		-		232,898	
Current assets/(liabilities)	752,024		1,150,861		20,834		1,923,719		1,185,032		220,000		27,588		1,432,620	
Long term liabilities	(785,306)		-		-		(785,306)		(814,911)		-		-		(814,911)	
	527,716		2,320,861		310,313		3,158,890		613,923		2,125,500		147,988		2,887,411	

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

28 Related party transactions

There were no disclosable related party transactions during the year (2021- none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	204,342	198,373

Action Trust

There are common management for Action Trust (Leicester) Ltd and Action Homeless (Leicester) Ltd. The administration of Action Trust (Leicester) Ltd is carried out by Action Homeless (Leicester) Ltd.

During the year Action Homeless (Leicester) Ltd recharged management fees and other costs to Action Trust (Leicester) Ltd totalling £9,363 (2021: £24,832) and paid £25,078 (2021: £33,702) for services carried out.

As at the year end the balance owed to Action Homeless (Leicester) Ltd by Action Trust (Leicester) Ltd was £15,888 (2021: £6,264).

29 Cash generated from operations

	2022 £	2021 £
Surplus for the year	271,476	515,790
Adjustments for:		
Investment income recognised in statement of financial activities	(3,568)	(3,510)
Fair value gains and losses on investments	(16,507)	(43,765)
Depreciation and impairment of tangible fixed assets	598,420	115,416
Movements in working capital:		
Decrease/(increase) in debtors	53,686	(70,619)
Increase in creditors	27,794	118,500
(Decrease)/increase in deferred income	(81,412)	63,286
Cash generated from operations	849,889	695,098

ACTION HOMELESS (LEICESTER) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

30 Analysis of changes in net funds

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	1,638,194	441,042	2,079,236
Loans falling due within one year	(79,856)	50,125	(29,731)
Loans falling due after more than one year	(814,911)	29,605	(785,306)
	<u>743,427</u>	<u>520,772</u>	<u>1,264,199</u>