

Registered number: 02708334  
Charity number: 1027832

**Worthing Churches Homeless Projects**  
(A company limited by guarantee)

**Trustees' report and financial statements**

**For the year ended 31 March 2017**

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

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**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Reference and administrative details of the company, its trustees and advisers**  
**For the year ended 31 March 2017**

<b>Trustees</b>	Fr B Eadon M Hodson M James (appointed 7 November 2016) R Kullar P Maggs I Mintram J Mitchell (appointed 7 November 2016) Dr L Rockall S Roff D Standing (appointed 6 February 2017) G Wheeler A Williams P Burtenshaw (resigned 14 June 2016) J Saunders (resigned 6 February 2017) T Wolstenholme (resigned 11 July 2016)
<b>Company registered number</b>	02708334
<b>Charity registered number</b>	1027832
<b>Registered office</b>	Worthing Town Hall Chapel Road Worthing West Sussex BN11 1HA
<b>Company secretary</b>	R Kullar
<b>Chief executive officer</b>	J Holmstrom
<b>Independent auditor</b>	Kreston Reeves LLP Chartered Accountants Springfield House Springfield Road Horsham West Sussex RH12 2RG
<b>Bankers</b>	HSBC 16 Goring Road Worthing West Sussex BN12 4AW

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Trustees' report**  
**For the year ended 31 March 2017**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Trustees of Worthing Churches Homeless Projects (WCHP) are pleased to present their annual report and the audited financial statements for the year ended 31 March 2017. The Trustees are required to prepare the accounts using the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and follow the Charities SORP (FRS 102).

**About Worthing Churches Homeless Projects**

Worthing Churches Homeless Projects (WCHP) was registered as a charity in 1992 and services have been developed over the years to meet the needs of the homeless community in Worthing and surrounding areas.

Worthing Churches Homeless Projects provides services to support people who are homeless or insecurely housed in Worthing, Littlehampton and surrounding areas in West Sussex. Last year having identified a need for services to people living in the Horsham area, an Outreach Worker was employed to work with the Local Authority and other agencies locally. The Charity provides a referral route into the winter Night Shelter run by Horsham Matters, a local Charity with whom there was an established link, and manages 2 Recovery Houses in Horsham for ANA Works providing housing for people in recovery from addictions.

The Trustees have a 5 year business plan, that gives the Organisation clear direction to achieve strategic objectives, chief of which is to end rough sleeping in Worthing and surrounding areas.

The highly skilled staff team works with clients, to overcome barriers faced due to their complex and multiple needs whilst maximising the benefits of inter-agency working. The Chief Executive chairs the South East Homelessness Forum and staff members are active contributors to the Homelessness Forum with Adur and Worthing Councils and Voluntary Action Worthing.

**Objectives**

WCHP aims to relieve poverty through the provision of emergency and other accommodation, advice and assistance for persons who are deemed homeless and / or in need of such accommodation, advice or assistance.

The vision for Worthing and the surrounding areas is for a community where no local person needs to sleep out and everyone has the opportunity to fulfil their potential. WCHP's mission is to end the need to sleep rough.

WCHP continually reassesses its current strategy, whilst the vision guiding the Organisation remains constant. WCHP has evolved over the 25 year history to meet a continually changing need and the current business plan objectives include:-

To reduce time taken for rough sleepers to enter accommodation through:

- Maximisation of throughput of supported housing but with improved positive and sustainable move on
- Reduction in 'revolving door' events and improved complex needs working
- Increase in emergency and other suitable accommodation

**Review of the Year**

WCHP worked with over 1000 clients across all the services during the 2016/17 financial year. 245 of these clients were new 'homeless' presentations to the Charity through St Clare's Community Hub.

Clients' needs are assessed on first contact with the 3 things they most wanted help to address:

- mental wellbeing
- substance use
- managing tenancies

The hostels provided accommodation to 78 new clients during the 2016/17 financial year.

**Worthing Churches Homeless Projects**  
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**Trustees' report (continued)**  
**For the year ended 31 March 2017**

**ACHIEVEMENTS AND PERFORMANCE**

**Homelessness Services**

Following a review of services a new role of Homelessness Services Manager (HSM) was created. This post offers a more senior and strategic leadership role for WCHP focussing on innovation and sustainability across the community hubs and specialist services. It also has responsibility to ensure clients are involved at all levels in shaping and running the charity. The HSM is tasked with finding funding for the community hubs to ensure there is a focus on sustainability in the future. The HSM also manages the Local Assistance Network and Mental Health Team for WCHP, to look at increasing specialist provision for the Organisation alongside the development of our community inclusion work.

**St Clare's Day Centre – A Community Hub for Homeless People in Worthing**

**Service Provided:**

During the year a review of the services provided at St Clare's Day Centre (opened in 2002) was undertaken. A decision was made to make the Day Centre a Community Hub. The Team based at the Hub is a multi-disciplinary team providing information, assistance and specialised support services according to the range of challenges facing the local homeless and insecurely housed population. These can include resettlement, mental health and substance misuse. The Team works with individuals across WCHP and in the wider community (including on the street, in private accommodation and social housing). The majority of posts at St Clare's were funded by a Big Lottery Grant between April 2014 and March 2017.

St Clare's Community Hub offers morning drop in sessions serving hot and cold breakfasts. An additional part of the review identified some improvements to the service. In order to develop further the service provided, it was decided that from 1 April 2017 St Clare's Day Centre would open for 6 days a week, Monday to Saturday, for the breakfast drop in sessions (all other sessions remain unaffected), closing on Sundays. This allows provision of more comprehensive cover and better support to the rough sleepers seeking help on the days the Hub is open.

There is a small financial contribution of 40p required for any client having a hot breakfast and 50p for a bag of laundry. Hot showers, spare bedding and new and second-hand clothes / shoes are available. Other services available at the Hub include counselling, chiropody, haircuts, benefits advice and access to medical services, general advice and information. These form part of the integrated approach to working in partnership with local stakeholders. The team based at St Clare's are focussed on providing a client centred, holistic approach combined with a range of therapeutic interventions.

St Clare's Community Hub is the primary location for the multi-agency Rough Sleepers Team (RST). The RST is made up of Adur and Worthing Councils' Single Homelessness Co-Ordinator, Council Community Safety Team's Addictions Outreach Worker, a former client WCHP volunteer, CGL Addiction Services Worker, Sussex Police Constable and St Mungo's (till March 2017).

The commitment to inter-agency work makes a positive impact on Worthing's rough sleepers and on WCHP's ability to fund provision for supporting an entrenched cohort. Finding ways of keeping the door of St Clare's firmly open to all that require the services, no matter what their presentation, plays an important role in terms of housing and hope. St Clare's and WCHP residential services staff have been working together to develop a Psychological and Trauma Informed Approach which will benefit clients with complex needs. Various activities are delivered each afternoon for the benefit of clients resident in WCHP accommodation and others within the local community including music, art and games, auricular acupuncture and hearing voices sessions. Each of these activities can reduce social isolation and introduce attendees to new experiences and new social networks.

A weekly Women's Group is a drop-in run in partnership with Brighton Women's Centre (BWC). Some women who experience rough sleeping find accessing the Community Hub intimidating, so a women only environment has been made available at the Hub. This has been useful. The BWC Outreach Worker also holds one to one appointments with women clients during the week.

## **Worthing Churches Homeless Projects (A company limited by guarantee)**

### **Trustees' report (continued) For the year ended 31 March 2017**

St Clare's continue to hold the budget for WSCC Local Assistance Network for the Worthing and Adur areas. The Local Assistance Project Worker works with those in desperate need. Financial support for utilities is available, as well as provision of emergency furniture / electrical items and provides signposting and support advice.

#### **Achievements:**

- In November 2015 the rough sleeper count in Worthing returned a figure of 19, the same as in the previous year. WCHP and the other community groups working in partnership to eradicate homelessness in the area saw this as a positive because the rest of the UK on average had seen a 30% rise, and in the South East which is where we are based there was a 36% rise. In November 2016 the rough sleeper count returned a figure of 11, with a further 5 known rough sleepers acknowledged to be in hospital. Including those in hospital the total figure of 16 is a decrease of 16% - whereas nationally there was a 16% increase.
- The RST meets weekly at St Clare's and has focussed on entrenched and harder to reach clients by persisting with clients displaying mental health needs and approaching mental health services. There has been success with getting long term rough sleepers into accommodation, especially in terms of persistence with clients suffering mental health needs and approaching mental health services. The RST is represented on Operation Reform, a monthly multi agency casework meeting considering the most challenging street community cases. RST reports to the Single Homelessness Sub Group which meets bi monthly and the Homelessness Forum.
- St Clare's aims to engage with the more complex rough sleeper cases, ensuring the door is open to anyone who needs to access the services. The Pathways Group continues to operate on Friday afternoons, giving some of the more complex characters an opportunity to engage with the service and with their peers; encouraging relapse prevention and peer-led discussion around lifestyle change.
- Two of the specialist workers have been working with other agencies on the MEAM (Make Every Adult Matter) pilot within the town. 6 highly complex cases are currently being housed under this scheme.

#### **Outreach**

##### **Service Provided:**

The Outreach Team supports people who have moved on from WCHP services as they start living independently, and visits people about to be discharged from prison / hospital to help with housing options.

As part of their work they continue to run a weekly Outreach café which engages with clients who have moved on from WCHP residential projects into their own accommodation as well as other vulnerable adults in the community. The Team running this holistic service are skilled in all aspects of the work including relapse prevention and enduring mental health issues.

Clients come to Outreach for different reasons. Many come to socialise. It gives clients structure and a meaningful activity for their week. Support with reading and understanding letters; making phone calls; filling in forms; sorting out appointments etc.; as well as emotional support are available if required.

##### **Achievements:**

- There has been an average of 6.5 clients per week, (max 10 min 4) There are three volunteers who regularly attend to support and chat with clients, which is a valuable aspect of the group. Two of the volunteers help with the cost of the lunch.
- Clients organise their own fundraising events to help fund outings for the group including one to Chichester Cathedral.

#### **Littlehampton Community Hub**

##### **Service Provided**

The Breakfast Club operates 4 days a week between 8.30am and 10.00am serving hot and cold breakfasts to those in need. Daily attendance is between 15 and 20 people.

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**For the year ended 31 March 2017**

This service operates from the Littlehampton United Church, High Street, Littlehampton where support and advice is available; staff can signpost people to other relevant services. Funding was obtained from Big Lottery to continue and expand this work and respond to the needs of the homeless community in Littlehampton.

In September 2016 a review of the service provision resulted in a change to some of the roles to include a:

- Community Hub Manager
- Early Intervention and Assessment Worker part time

Increasing the management support for the Hub and Private Rented Sector services would enhance service provision and ensure the highest quality service and outcomes are achieved. The Manager is responsible for the strategic lead and development of the WCHP offer in Arun, working with the local authority and other agencies across the District to best serve the client base.

The Early Intervention and Assessment Worker focus on referring cases to specialist workers including the Dual Diagnosis and Accommodation Support Worker, providing the guidance at an early stage. The changes were implemented in November 2016.

**Achievements:**

- PRS Access Worker worked with 44 clients.
- Dual Diagnosis Worker worked with 28 clients.
- Considerable links built with local services and organisations, such as Arun District Council, CGL, MH Services, Police and Probation.
- Local Assistance Network developed providing a valuable service to those in need in the Littlehampton Area.
- Women's only session run fortnightly.

**Horsham Services**

The Horsham Outreach Worker was appointed in November 2016 to make referrals to the Horsham Night Shelter coordinated by Horsham Matters. On average there were 4-5 clients per night in the shelter but by March 2017 this rose to 9-10 clients.

The Horsham Outreach Worker has built relationships with other services in the Horsham area and developed a network of agencies to ensure multi agency collaboration.

**Achievements:**

- Student social worker started and taking on client case loads
- Attend and provide drop-in advice and referral applications at Salvation Army Thursday evening drop-in
- Held two mornings of client meetings and drop-ins each week on Monday and Tuesdays at Salvation Army
- Four clients housed, 2 of them long term rough sleepers.
- Late night and early morning street outreach with Horsham police and PCSOs

**Housing Services**

**Short Term Assessment Hostel and Stepping Stones Project (STAH and SSP)**

**Service Provided**

The STAH and SSP projects, located in West Worthing, have a total of 29 bed spaces. Referrals to the projects are made through WCHP's St Clare's Community Hub based on multi agency decision making. Agencies include the RST, Mental Health and Probation Services.

STAH provides 15 clients with a place of safety and security where they have an opportunity to re-evaluate their lives and, with the help of a key worker, allows them to set realistic and achievable goals. The initial length of residency is 28 days although this can be extended for up to 3 months. The project is staffed 24 hours a day by a minimum of 2 staff with a waking night worker during the night.

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**For the year ended 31 March 2017**

The Stepping Stones Project (SSP) opened in 1998 and can accommodate 14 people. The hostel provides accommodation for people who are more advanced on their journey towards independent living. They still receive one to one support but live more independently. Residences can last up to 9 months and are reviewed on a 3 month basis. All clients are expected to engage in training, voluntary or paid employment.

**Achievements:**

- During 2016/17 financial year the STAH and SSP have helped 70 people.
- The annexe to STAH of 6 studio flats (formally opened on the 29 April 2016) has undoubtedly been a success, especially when viewed from a psychological perspective. A steady stream of visitors from across the community and West Sussex throughout the year have been impressed with its quality and its use. It has enabled the service to work with individuals who would not have previously accessed, but perhaps as importantly, permitted a more qualitative and quantitative approach. The build quality has lifted the rest of the building through an ongoing program of works, which has led to the creation of new quiet spaces for interventions and meetings that were previously lacking. All of this complements a psychologically informed approach that the service has adopted.
- 57% of new clients had been rough sleeping prior to access.
- Of new clients 70% entered the service for the first time, 9% accessed it for the second time and 21% used our residential service for the third time or more.
- The planned departures percentage continues to increase year on year (9% above last year) but this must be tempered by the number of actual planned departures amounting to 30 this year compared to 44 the previous year. This reflects the increasing complexity the service is now working with. Throughput slows down as residents stay longer to undertake deeper therapeutic work. It should also be noted statistics show a reduction in the number of repeat cases (27%) and, of course, the lower street count.
- Regular sessions are provided at STAH by Samaritans and IT Junction. The IT Junction helps tackle the issues of digital exclusion, making sure that the internet is made available to everyone including support for individuals to gain the benefits of being online.

**Move On Housing (formerly Independent Housing / Congregational Housing)**

**Service Provided**

A review of this service was undertaken and the model that has received approval from Worthing and Adur Council created a scheme of exempt housing for 4 of the properties, based on vulnerability and the provision of support. The increased income funds an increase in the staff to support this scheme, and also created capacity for an increasing portfolio. The decision was also made to refer to the whole scheme, previously known as the Move On Project and Independent Housing initiatives simply as Move On Housing. Following the refurbishment of 13 Grafton Road, collectively this project now provides accommodation for up to 36 residents in 6 properties throughout Worthing. Of the 6 properties, 5 are freehold and 1 is leased on a peppercorn rent. We are grateful to the Church of St Andrew The Apostle for this generous opportunity to lease the property at a peppercorn rent.

**Achievements:**

- A Move On Housing Manager, has commenced in role.
- Recruitment is underway for an additional part-time Housing Officer.
- Refurbishment of 10 bedsits at 13 Grafton Road completed and first residents have moved in.

**Recovery Services**

**Service Provided**

The Recovery Project opened in 2006. It is a Tier 4 registered care service, providing residential treatment with detox facilities for 25 homeless or insecurely housed clients who have alcohol and / or drug misuse problems. Referrals are made through a variety of channels including WCHP's St Clare's Community Hub. Potential clients are required to demonstrate a commitment to their individual recoveries. Many of the clients here have complex needs with dual diagnosis.

## **Worthing Churches Homeless Projects**

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### **Trustees' report (continued)**

**For the year ended 31 March 2017**

Once clients move into the Recovery Project they receive bespoke specialist interventions including one to one support and a compulsory group work programme. A holistic approach is adopted addressing drug and / or alcohol issues along with the rebuilding of relationships lost through addiction. In addition, the programme provides cultural activities, physical exercise, training, volunteering and employment in the community. Residency can be for up to 2 years.

The project is staffed 24 hours a day by a minimum of 2 staff with a waking night worker during the night.

#### **Achievements:**

- During 2016/17 financial year the Recovery Project helped 69 clients.
- Strategically we continue to influence local agendas through our involvement in the Safer Communities Alcohol Group, the Avoiding Drug Deaths Group, through our involvement in the needle exchange group and in the Tier 4 provider forum.
- The Substance Misuse Social Work Co-ordinator (SMSWC) role (funded by the Henry Smith Charity October 2015 to September 2016) has had great impact on the work undertaken. The SMSWC has supported a number of clients to rebuild relationships with their families and children and this will continue to be a core part of this work.
- As part of working with a number of complex child protection cases the SMSWC has advocated for and supported a number of clients in core group meetings and at child protection conferences. Clients have found having this role helped them make sense of the sometimes confusing and complicated child protection arrangements.
- A new door entry system has been installed allowing clients to utilise a key fob to gain access to their home independently. The key fobs can be de activated if necessary and allow for time limits.

#### **Littlehampton**

Recovery Houses are being developed in Littlehampton. The Charity has purchased a Recovery House consisting of 6 bed sits, which is ready for residents to access from June 2017. It is planned to purchase another 4 bed shared house which will, hopefully, open in August 2017. The funding for the purchase of these buildings comes from a bid for capital funding to Public Health England. This is thanks to the ongoing support from the commissioners from West Sussex DAAT.

#### **Horsham**

WCHP as an organisation has taken on a contract to manage two Recovery Houses in Horsham that provide additional supported accommodation for clients in recovery. The Recovery Project is working with ANA Treatment Works to deliver this housing and meet the need in the Horsham area.

#### **Fundraising and Publicity**

The PR and Fundraising Team continue to seek new and inventive ways in which to reach out to the local community. The team attends a number of different networking events on a weekly, fortnightly and monthly basis to promote the Charity, encourage support for events and engage with potential new supporters. At the forefront of the work is the necessity to secure funding to enable WCHP to continue to provide services, at the same time enabling development to better suit the needs of clients. The team also works to improve the public's understanding of homelessness; including the different types of homelessness, the wide range of people with whom the Charity works, the impact homelessness can have on people and that homelessness is something that doesn't just occur from one root cause but can be a result of a combination of things. Two of the overarching messages included in talks and presentations are that homelessness can happen to anyone and is a community issue.

WCHP relies on the support of local people in many ways including financial donations, volunteering and through the donation of items to the charity shops. Without this continued support it would not be possible to continue to provide the service at the current level.

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**Trustees' report (continued)**  
**For the year ended 31 March 2017**

As WCHP are now working in different geographical locations, some of the PR & Fundraising Team time has been allocated to increase awareness and knowledge about homelessness, the services provided in the areas as well as increasing the number of supporters on the central database in those specific areas. The part time Community Fundraiser concentrates on the Littlehampton area and the full time Social Media Community Fundraiser concentrates on villages to the north of Worthing and the Horsham area.

The Chief Executive and Senior Management Team, in conjunction with the Fundraising Team, continue to work to improve the strategic relevance of the Charity within the local community. The need to work in a multi-agency environment is recognised and this has strengthened relationships with Adur and Worthing Councils, West Sussex County Council, Arun District Council, Horsham District Council, Sussex Police, Sussex Partnership NHS Trust and the Coastal Clinical Commissioning Group. WCHP is an active contributor to the Adur and Worthing Homelessness Forum.

In addition to good relationships with local newspapers and radio, followers on Facebook and visitors to the website have steadily increased - resulting in many new supporters and successful requests for help/donations. The WCHP website continues to be well used and serves as an information point and resource. The news and blog section of the site is regularly updated and maintained by the Social Media Community Fundraiser and these articles are linked to the WCHP Facebook page to encourage through traffic. The increase in social media engagement has markedly improved since the new Social Media Community Fundraiser came into post. On Facebook WCHP now have 2,075 likes (up 43%) and in March 2017 the website had 7,917 page views (up 44% on March 2016) with 3,621 sessions (up 61% on March 2016).

During the year, approximately 100 talks were delivered to schools, groups and organisations. The presentations outline ways people become homeless, describe the effects this has on the people concerned and promote WCHP's work. The newsletters provide more specific details on the work carried out in the projects and include informative articles around the issues of homelessness. The newsletters also provide a space to thank local businesses for their support and celebrate the achievements made by supporters and volunteers who work tirelessly to help raise funds and awareness.

A variety of Fundraising Events were organised including the 24 Peaks Challenge, Sky Dive, Christmas Tree Festival and the annual sponsored Sleepout. As well as the Worthing Sleepout, for the first time there was a Sleepout in Horsham and for the third time a Sleepout in Littlehampton. The Charity continues to seek new events to attract supporters of all ages / outlooks and to develop links in Littlehampton, Horsham and Shoreham and more events are planned in all of these areas for the coming financial year.

Individual and Community giving remains a large part of the Fundraising income for the Charity and are grateful thanks go for the continued support and dedication shown.

Legacies remain an important part of unrestricted income for the charity. This year three individual legacies were received.

**Friends Groups**

A network of Friends Groups has been developed to organise fundraising and awareness events in their areas. Groups have been established in West Worthing, Central Worthing, Shoreham, Horsham and Littlehampton. They help support local collections but also organise their own events e.g. Quiz Nights, Curry Nights, Caribbean Evenings. These groups are an essential part of increasing support within the communities in which the Charity works and, again, grateful thanks go to the members of these groups for their hard work and commitment.

**Churches and Faith Groups**

WCHP retain strong links with local Churches who support the Charity through giving at harvest festival, financial donations and volunteer support. Many churches also run their own events to fundraise for WCHP through the year.

Thanks also go to members of the local Mosque who visited some projects during Ramadan, at the time of breaking their daily fast, to share meals with residents.

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**Volunteers**

Volunteers continue to carry out a vital role within Worthing Churches Homeless Projects, helping to provide many of the front line services and this is very much appreciated by WCHP. At the year end, the number of active volunteers was 234 (10% up on previous year).

In the past year a number of Volunteers, with the support of WCHP, progressed to paid employment. 14 Volunteers found paid employment, 5 Volunteers found employment within WCHP.

**Hours**

Volunteers supported WCHP with a total of 17,559 hours during this 12 month period. Operating on the National Council for Voluntary Organisations (NCVO) recognised costings of one voluntary hour equating to £12, this works out as a saving of £210,708 for WCHP.

The total number of Voluntary hours was down on that of the previous year (18,815.5) by 1,256.5 hours. This was due primarily to the Strand shop closing at the end of June 2016.

**Retail**

At the beginning of the financial year, Worthing Churches Homeless Projects underwent a restructure of their retail arm. This led to the planned closure of the shop in the Strand Parade and a reduction in staffing levels. As part of that restructure, the Charity hoped to retain its ReRide bike project as a Social Enterprise. Avenues were explored as to how to achieve this but it became apparent the costs were too high for the Charity. Sadly, a decision was made to close the Charity's bike recycling operation. This was carried out with great regret as the project developed a brilliant reputation and had been very innovative.

During this financial year, sales at the Littlehampton shop have led the way and along with the transformation of the Unit into a working warehouse and donations/distribution centre, sales income improved considerably.

The loss in the year is significantly less than previously and includes closure and redundancy costs.

In March 2017 WCHP took over a shop in Shoreham from Adur Furniture Network / Horsham Matters. This provided the opportunity to also extend LAN support work in the area with a worker able to give support and advice on Mondays. The Shoreham shop commenced business under the WCHP banner on 1 April 2017.

**Financial Review**

The surplus for the year of amounted to £574,205 (2016: £93,902) whilst income increased to £2,864,179 (2016: £2,518,702). The principal sources of funding are from Housing Benefit, grants and supporting people (see note 4). During the year £400,000 was received for the purchase and conversion of two properties and this was recognised as income in the SOFA. In the same period, significant Fixed Asset investments were made in our client accommodation: £510,788 (2016: £792,680).

Expenditure decreased to £2,289,974 (2016: £2,424,800) due to a reduction in retail operations.

**Reserves Policy and Going Concern**

The Charity aims to maintain a suitable level of reserves consistent with the ongoing activities of the Charity such that negative fluctuations in funding do not have an immediate adverse impact on clients or staff. The Trustees approve the 5 year business plan, budget and cash flow forecast on an annual basis. Financial performance and forecast information is monitored on a monthly basis to assess the cash requirements of the Charity.

The Charity agreed a £330k loan facility with HSBC of which £10k has been utilised. The remaining £320k may be drawn down before mid-October 2017 and the Trustees will consider financial performance, risks and future cash flow projections prior to drawing down a proportion of the funds.

## **Worthing Churches Homeless Projects** **(A company limited by guarantee)**

### **Trustees' report (continued)** **For the year ended 31 March 2017**

At the year end, total funds were £3,685,366 (2016: £3,111,161), £396,250 (2016: £nil) of restricted funds were tied up in fixed assets and there was an undrawn loan facility of £320,000 (2016: £330,000). Therefore, Free Reserves excluding Fixed Assets and Restricted Funds but after adding the undrawn HSBC loan amount to £53,450 (2016: £334,721).

### **Plans for the Future**

WCHP continues to:-

- develop as a Systems Leadership Organisation. This means working in partnership with other agencies and organisations to try and make progress on complex problems through finding shared purpose across systems.
- work in a more collective way helping individual organisations better understand each other, become aware of the issues each are facing and most importantly use this knowledge and the shared skills of the group to provide the best solutions.
- seek ways to evolve the services within Adur, Worthing, Littlehampton and Horsham to better meet the needs of the Clients and the communities in the areas of operation.
- continue to develop the staff team with a commitment to training and career progression.
- continue to develop volunteering opportunities within the Charity, developing new roles to match volunteer's talents where possible.

### **Structure**

There are currently 12 Trustees on the Board but this can rise to 15. As members, Trustees pay a £1 annual membership fee and are Directors of the Charity for the purposes of the Companies Act 2006. In addition, the Charity benefits from the expertise of 6 long term supporters of the Organisation who are non-Trustee members.

### **Governance**

The Trustees run the Charity and meet quarterly with additional meetings as needed. Trustees are selected to reflect the community and on the basis of personal competencies and specialist skills as required by WCHP. Trustees must be elected by at least 75% of the Members to serve for a 3 year term. Trustees can be re-elected subject to the aforementioned support of the members. Trustee meetings are attended by the Chief Executive and Finance Manager. The Chair of Trustees meets at least monthly for supervision purposes with the Chief Executive.

All Trustees are expected to:

- satisfy eligibility criteria
- attend meetings regularly
- contribute to the decision making process
- undertake voluntary tasks suited to their skills
- keep up to date with relevant charity sector issues

A public recruitment for new Trustees was undertaken in the first part of 2015 with wide ranging advertising. The Trustee role profile was reviewed and used to develop a new application form. A selection panel of Trustees and the Chief Executive interviewed candidates. As a result 4 new Trustees joined the Board.

New Trustees are provided with a personalised induction suited to their experience, knowledge of WCHP and their expected role. Training is made available to all serving Trustees and Governance magazine is circulated 6 times a year.

The Trustees appointed a Finance Sub-Committee which meets monthly (except July) to oversee the Financial performance of the Charity. The Committee is formed of Trustees and other co-opted individuals with relevant skills. The Sub-Committee operates under specific terms of reference and reports to the Board of Trustees.

Linda Rockall was appointed Chair of Trustees in July 2013. The trustees have delegated day-to-day management of the charity to the chief executive officer.

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**Remuneration**

In February 2017 Worthing Churches Homeless Projects established a Remuneration Committee to ensure remuneration arrangements support the strategic aims of WCHP and enable the recruitment, motivation and retention of staff whilst complying with the requirements of regulation. The Committee is comprised of at least three independent Trustees and has responsibility for setting the level and structure of remuneration for senior management. The objective of such policy shall be to attract, retain and motivate executive management of the quality required to run the Charity successfully without paying more than is necessary, having regard to views of all stakeholders. The Remuneration Policy should have regard to the risk appetite of the Charity and alignment to the Charity's long strategic term goals.

**Risk Management**

The Charity has a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying the means of mitigating the potential risk, this forms the Risk Map. The Risk Map is reviewed on a regular basis by relevant members of the Management Team.

The Finance Sub-Committee is responsible for the review of the Risk Map and the progress of Risk Action Plans. Current risks include potential changes in Housing Benefit and Housing Support funding, long term funding for St Clare's, and effective Asset Management. These risks are mitigated by maintaining a strong relationship with Commissioners at all levels, applications to alternative funders for St Clare's and by increasing the resources available to maintain the Charity's Property Assets.

**Public Benefit Statement**

WCHP's objective is the relief of poverty through the provision of accommodation and advice to those who find themselves homeless or at risk of homelessness.

It is a Charity with a Christian background and ethos providing services to any adult member of the general public regardless of whether they have a personal faith in any religion or denomination or have none. The services are provided in Worthing and surrounding areas in West Sussex. This geographical area is limited by restrictions on some current funding streams and the work being carried out by similar charities in neighbouring districts.

Historically, WCHP can only accommodate single homeless people but does offer advice and support to couples and families as and when required. In Littlehampton the work with couples and families has increased. The opportunity to provide accommodation for couples and families is kept under review by the Trustees.

WCHP asks for no membership fees from individuals in order to benefit from its assistance.

**Trustees' responsibilities statement**

The Trustees (who are also directors of Worthing Churches Homeless Projects for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**For the year ended 31 March 2017**

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 2015 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditor**

- Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:
- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
  - that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

**Auditor**

The auditor, Kreston Reeves LLP, has indicated its willingness to continue in office. The Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

The report was approved by the Trustees on 10/2/17 and signed on their behalf by:



**Dr Linda Rockall**

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Independent auditor's report to the members of Worthing Churches Homeless Projects**

We have audited the financial statements of Worthing Churches Homeless Projects for the year ended 31 March 2017 set out on pages 15 to 31. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**Respective responsibilities of Trustees and auditor**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

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 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' report (including the Strategic Report) for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Independent auditor's report to the members of Worthing Churches Homeless Projects**

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustee's Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*Kreston Reeves LLP*

Sarah Ediss BSc FCA (Senior Statutory Auditor)  
**Kreston Reeves LLP**

Chartered Accountants  
Statutory Auditor

Springfield House  
Springfield Road  
Horsham  
West Sussex  
RH12 2RG

Date: *19 July 2017.*

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Statement of financial activities incorporating income and expenditure account**  
**For the year ended 31 March 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>Income from:</b>					
Donations and legacies	2	267,543	-	267,543	294,166
Charitable activities	3	1,788,297	662,810	2,451,107	2,038,750
Other trading activities	5	145,218	-	145,218	182,706
Investments	6	311	-	311	3,080
<b>Total income</b>		<b>2,201,369</b>	<b>662,810</b>	<b>2,864,179</b>	<b>2,518,702</b>
<b>Expenditure on:</b>					
Retail operations	5,7	168,582	-	168,582	258,956
Charitable activities	8	1,850,744	270,648	2,121,392	2,165,844
<b>Total expenditure</b>	11	<b>2,019,326</b>	<b>270,648</b>	<b>2,289,974</b>	<b>2,424,800</b>
<b>Net income before transfers</b>		<b>182,043</b>	<b>392,162</b>	<b>574,205</b>	<b>93,902</b>
Transfers between Funds	19	3,750	(3,750)	-	-
<b>Net income before other recognised gains and losses</b>		<b>185,793</b>	<b>388,412</b>	<b>574,205</b>	<b>93,902</b>
<b>Net movement in funds</b>		<b>185,793</b>	<b>388,412</b>	<b>574,205</b>	<b>93,902</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		3,096,405	14,756	3,111,161	3,017,259
<b>Total funds carried forward</b>		<b>3,282,198</b>	<b>403,168</b>	<b>3,685,366</b>	<b>3,111,161</b>

All activities relate to continuing operations.

The notes on pages 18 to 31 form part of these financial statements.

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**  
**Registered number: 02708334**

**Balance sheet**  
**As at 31 March 2017**

	Note	£	2017 £	£	2016 £
<b>Fixed assets</b>					
Tangible assets	15		3,548,748		3,076,928
<b>Current assets</b>					
Debtors	16	170,098		100,510	
Cash at bank and in hand		331,508		326,070	
		<u>501,606</u>		<u>426,580</u>	
<b>Creditors: amounts falling due within one year</b>	17		<u>(174,955)</u>		<u>(186,905)</u>
<b>Net current assets</b>			<u>326,651</u>		239,675
<b>Total assets less current liabilities</b>			<u>3,875,399</u>		3,316,603
<b>Creditors: amounts falling due after more than one year</b>	18		<u>(190,033)</u>		<u>(205,442)</u>
<b>Net assets</b>			<u><u>3,685,366</u></u>		<u><u>3,111,161</u></u>
<b>Charity Funds</b>					
Restricted funds	19		403,168		14,756
Unrestricted funds	19		3,282,198		3,096,405
<b>Total funds</b>			<u><u>3,685,366</u></u>		<u><u>3,111,161</u></u>

The financial statements were approved by the Trustees on 10 July 2017 and signed on their behalf, by:



**Dr Linda Rockall**



**Matthew Hodson FCA**

The notes on pages 18 to 31 form part of these financial statements.

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Cash flow statement**  
**For the year ended 31 March 2017**

	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	21	<u>547,506</u>	<u>426,054</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		311	3,080
Purchase of tangible fixed assets		<u>(530,942)</u>	<u>(792,680)</u>
<b>Net cash used in investing activities</b>		<u>(530,631)</u>	<u>(789,600)</u>
<b>Cash flows from financing activities:</b>			
Repayments of borrowings		<u>(11,437)</u>	<u>(21,098)</u>
<b>Net cash used in financing activities</b>		<u>(11,437)</u>	<u>(21,098)</u>
<b>Change in cash and cash equivalents in the year</b>			
Cash and cash equivalents brought forward		<u>326,070</u>	<u>710,714</u>
<b>Cash and cash equivalents carried forward</b>	22	<u><u>331,508</u></u>	<u><u>326,070</u></u>

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2017**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

Worthing Churches Homeless Projects meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements have been prepared in sterling, which is the functional currency of the charity and rounded to the nearest £1.

**1.2 Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**1.3 Fund accounting**

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

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

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2017**

**1. Accounting policies (continued)**

**1.4 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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

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

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2017**

**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 allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All resources expended are inclusive of irrecoverable VAT.

**1.6 Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**1.7 Tangible fixed assets and depreciation**

The charity only capitalises major capital expenditure relating to the construction or extensive refurbishment of property and the purchase of vehicles.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

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

Freehold land	-	not depreciated
Freehold property	-	2% straight line
Motor vehicles	-	25% straight line

**1.8 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2017**

**1. Accounting policies (continued)**

**1.9 Operating leases**

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

**1.10 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.11 Debtors**

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

**1.12 Cash at Bank and in hand**

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

**1.13 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.14 Financial instruments**

The company 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.

**1.15 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2017**

**1. Accounting policies (continued)**

**1.16 Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

- depreciation and useful economic life of properties - this requires an estimation of the useful economic lives of properties (which are based on surveyors' reports when available) and an estimate of land apportionment at each site.

Where the company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

**1.17 Redundancy**

Redundancy payments are recognised as they fall due. Amounts paid or falling during the year are disclosed in note 14.

**2. Income from donations and legacies**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	179,772	-	179,772	247,711
Legacies	87,771	-	87,771	46,455
<b>Total donations and legacies</b>	<b>267,543</b>	<b>-</b>	<b>267,543</b>	<b>294,166</b>

In 2016, of the total income from donations and legacies, £159,456 was to unrestricted funds and £134,710 was to restricted funds.

**3. Income from charitable activities**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
STAH & SSP	687,999	-	687,999	653,959
Homelessness Services	264,501	625,177	889,678	503,478
Recovery Services	569,383	27,133	596,516	778,739
Fundraising & Volunteering	97,413	10,500	107,913	65,954
Move on Housing	144,150	-	144,150	36,620
Central	24,851	-	24,851	-
<b>Total</b>	<b>1,788,297</b>	<b>662,810</b>	<b>2,451,107</b>	<b>2,038,750</b>

In 2016, of the total income from charitable activities, £1,519,454 was to unrestricted funds and £519,296 was to restricted funds.

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2017**

**4. Analysis of income from charitable activities by type of income**

	<b>Total funds 2017 £</b>	<b>Total funds 2016 £</b>
Housing benefit	791,256	684,534
WSCC Housing Support	305,789	283,850
Rents, service charge and breakfasts	128,201	126,076
Statutory grants	778,385	492,137
Events	66,206	65,954
LAN income - Littlehampton Services	26,250	10,800
Lottery	221,857	160,149
Charitable trusts	72,151	200,000
Other income	61,012	15,250
	<u>2,451,107</u>	<u>2,038,750</u>

**5. Trading activities**

	<b>Total funds 2017 £</b>	<b>Total funds 2016 £</b>
<b>Charity trading income</b>		
Sales - Retail Unit	32,486	7,762
Shop income - Retail Montague Street	37,239	44,925
Shop Income - Retail The Strand	9,387	43,047
Shop Income - Retail Littlehampton	64,516	60,740
Bikes Sales - Retail Bikes	1,590	26,232
	<u>145,218</u>	<u>182,706</u>

**6. Investment income**

	<b>Total funds 2017 £</b>	<b>Total funds 2016 £</b>
Deposit account interest	311	3,080
	<u>311</u>	<u>3,080</u>

In 2016, all investment income was to unrestricted funds.

**Worthing Churches Homeless Projects**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 March 2017**

**7. Costs of Retail Operations**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Staff costs	85,426	-	85,426	144,514
Other staff costs	154	-	154	-
Establishment	71,943	-	71,943	76,535
Other	11,059	-	11,059	37,907
	<u>168,582</u>	<u>-</u>	<u>168,582</u>	<u>258,956</u>

In 2016, of the total costs of retail operations, £248,156 was to unrestricted funds and £10,800 was to restricted funds.

**8. Analysis of expenditure on charitable activities**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
STAH & SSP	510,784	-	510,784	794,415
Homelessness Services	273,754	223,857	497,611	559,016
Recovery Services	550,753	27,166	577,919	533,696
Fundraising & Volunteering	171,303	19,625	190,928	166,738
Move on Housing	124,708	-	124,708	34,356
Central	219,442	-	219,442	77,623
	<u>1,850,744</u>	<u>270,648</u>	<u>2,121,392</u>	<u>2,165,844</u>

In 2016, of the total expenditure, £1,911,604 was expenditure from unrestricted funds and £254,240 was expenditure from restricted funds.

Worthing Churches Homeless Projects

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 March 2017

9. Direct costs

	STAH & SSP £	Homeless- ness Services £	Recovery Services £	Fundraising & Volunteering £	Move on Housing £	Central £	2017 £	2016 £
Staff costs	343,392	337,534	355,522	147,033	25,817	218,108	1,427,406	1,324,138
Other staff costs	964	4,035	365	1,729	108	-	7,201	-
Establishment	92,389	26,689	128,052	32,970	59,822	-	339,922	370,803
Other	34,516	112,484	58,702	9,196	8,295	-	223,193	137,221
Depreciation	13,704	3,959	17,850	-	22,275	1,334	59,122	256,059
	<u>484,965</u>	<u>484,701</u>	<u>560,491</u>	<u>190,928</u>	<u>116,317</u>	<u>219,442</u>	<u>2,056,844</u>	<u>2,088,221</u>

**Worthing Churches Homeless Projects**  
(A company limited by guarantee)

**Notes to the financial statements**  
**For the year ended 31 March 2017**

**10. Support costs**

	STAH & SSP £	Homeless- ness Service £	Recovery Services £	Fundraising & Volunteering £	Total 2017 £	Total 2016 £
Other costs	22,593	11,297	15,251	7,343	56,484	70,374
Governance	3,226	1,613	2,177	1,048	8,064	7,249
	<u>25,819</u>	<u>12,910</u>	<u>17,428</u>	<u>8,391</u>	<u>64,548</u>	<u>77,623</u>

**11. Analysis of expenditure by expenditure type**

	Staff costs 2017 £	Depreciation 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
<b>Costs of Retail Operations:</b>					
Expenditure on raising voluntary income	85,426	-	83,156	168,582	258,956
<b>Charitable activities:</b>					
STAH & SSP	343,392	13,704	153,688	510,784	794,415
Homelessness Services	337,534	3,959	156,118	497,611	559,016
Recovery Services	355,522	17,850	204,547	577,919	533,696
Fundraising & Volunteering	147,033	-	43,895	190,928	166,738
Move on Housing	25,817	22,275	76,616	124,708	34,356
Central	218,108	1,334	-	219,442	77,623
	<u>1,427,406</u>	<u>59,122</u>	<u>634,864</u>	<u>2,121,392</u>	<u>2,165,844</u>
	<u>1,512,832</u>	<u>59,122</u>	<u>718,020</u>	<u>2,289,974</u>	<u>2,424,800</u>

**12. Analysis of expenditure by activities**

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
STAH & SSP	484,965	25,819	510,784	794,415
Homelessness Services	484,701	12,910	497,611	559,016
Recovery Services	560,491	17,428	577,919	533,696
Fundraising & Volunteering	190,928	-	190,928	166,738
Move on Housing	116,317	8,391	124,708	34,356
Central	219,442	-	219,442	77,623
Total	<u>2,056,844</u>	<u>64,548</u>	<u>2,121,392</u>	<u>2,165,844</u>

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**Notes to the financial statements**  
**For the year ended 31 March 2017**

**13. Net income/(expenditure)**

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets: - owned by the charity	59,122	256,059
Auditors' remuneration	7,600	7,000
	<u>66,722</u>	<u>263,059</u>

During the year, no Trustees received any remuneration (2016 - £NIL).

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2016 - £NIL).

Included within the depreciation charge for the year is an impairment charge of the Byron Road annexe amounting to £nil (2016 - £209,743).

**14. Staff costs**

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	1,382,840	1,344,236
Social security costs	114,611	107,251
Other pension costs	15,381	17,165
	<u>1,512,832</u>	<u>1,468,652</u>

The average number of persons employed by the company during the year was as follows:

2017 No.	2016 No.
69	65

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

Redundancy costs of £70,192 (2016 - Nil) are included in the above figures.

Remuneration and benefits received by key management personnel amounted to £96,529 (2016 - £100,625).

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**For the year ended 31 March 2017**

**15. Tangible fixed assets**

	Freehold property £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 April 2016	3,738,160	9,594	3,747,754
Additions	510,788	20,154	530,942
At 31 March 2017	<u>4,248,948</u>	<u>29,748</u>	<u>4,278,696</u>
<b>Depreciation</b>			
At 1 April 2016	661,232	9,594	670,826
Charge for the year	57,788	1,334	59,122
At 31 March 2017	<u>719,020</u>	<u>10,928</u>	<u>729,948</u>
<b>Net book value</b>			
At 31 March 2017	<u>3,529,928</u>	<u>18,820</u>	<u>3,548,748</u>
At 31 March 2016	<u>3,076,928</u>	<u>-</u>	<u>3,076,928</u>

**16. Debtors**

	2017 £	2016 £
Trade debtors	64,024	56,261
Prepayments and accrued income	106,074	44,249
	<u>170,098</u>	<u>100,510</u>

**17. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Bank loans and overdrafts	24,923	20,951
Trade creditors	31,233	20,230
Other creditors	10,651	7,241
Accruals and deferred income	108,148	138,483
	<u>174,955</u>	<u>186,905</u>

**Deferred income**

	£
Deferred income at 1 April 2016	14,756
Resources deferred during the year	107,391
Amounts released during the year	(99,549)
Deferred income at 31 March 2017	<u>22,598</u>

**Worthing Churches Homeless Projects**  
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**Notes to the financial statements**  
**For the year ended 31 March 2017**

**18. Creditors:**  
**Amounts falling due after more than one year**

	2017 £	2016 £
Bank loans	<u>190,033</u>	<u>205,442</u>

Included within the above are amounts falling due as follows:

	2017 £	2016 £
<b>Between two and five years</b>		
Bank loans	<u>86,030</u>	<u>86,030</u>
<b>Over five years</b>		
Bank loans	<u>104,003</u>	<u>119,412</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2017 £	2016 £
Repayable by instalments	<u>104,003</u>	<u>119,412</u>

The bank loan is a commercial mortgage which is secured by way of a fixed legal charge dated 22 September 2006 over the freehold property known as Delaney House, 14-16 Selden Road, Worthing, West Sussex, BN11 2LL.

The bank loan is repayable over a 20 year term at an interest rate 1.25% above base rate.

**19. Statement of funds**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Carried Forward £
<b>Unrestricted funds</b>					
General funds	<u>3,096,405</u>	<u>2,201,369</u>	<u>(2,019,326)</u>	<u>3,750</u>	<u>3,282,198</u>
<b>Restricted funds</b>					
The Big Lottery Fund	2,000	221,857	(223,857)	-	-
Henry Smith Charity	33	27,133	(27,166)	-	-
The Seedbed Christian Community Trust Limited	3,320	3,320	(6,640)	-	-
SHORE	9,403	-	(9,403)	-	-
PHE Capital Funding Scheme	-	280,000	-	(3,750)	276,250
YMCA Downslink Group	-	120,000	-	-	120,000
MEAM	-	5,500	(2,749)	-	2,751
Masonic Charitable Foundation	-	5,000	(833)	-	4,167
	<u>14,756</u>	<u>662,810</u>	<u>(270,648)</u>	<u>(3,750)</u>	<u>403,168</u>
Total of funds	<u>3,111,161</u>	<u>2,864,179</u>	<u>(2,289,974)</u>	<u>-</u>	<u>3,685,366</u>

**Worthing Churches Homeless Projects**  
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**Notes to the financial statements**  
For the year ended 31 March 2017

**19. Statement of funds (continued)**

The restricted funds comprise:

The Big Lottery Fund - funding has been received for the Reaching Communities programme at St Clare's Community Hub and for funding the Littlehampton Community Hub.

Henry Smith Charity - To provide funding for a Substance Misuse Social Work Co-ordinator at the Recovery Project.

The Seedbed Christian Community Trust Limited - Support to help keep the Breakfast Club open and fill gaps in homelessness services in Littlehampton following the closure of LCT Homelink.

SHORE - Support of single homeless people in Sussex.

Public Health England Capital Funding - To assist in the purchase of a property in Littlehampton for clients to live in a shared abstinence based environment.

YMCA Downlink Group - Provision of capital funding for the conversion of a property to shared accommodation.

MEAM - Funding from Sussex Police, WSCC, WBC and Sussex Partnership NHS to improve policy and services for people facing multiple needs.

Masonic Charitable Foundation - Funding for a Community Inclusion Lead.

The £3,750 reserves transfer represents the depreciation charged in respect of the property.

**Summary of funds**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Carried Forward £
General funds	3,096,405	2,201,369	(2,019,326)	3,750	3,282,198
Restricted funds	14,756	662,810	(270,648)	(3,750)	403,168
	<u>3,111,161</u>	<u>2,864,179</u>	<u>(2,289,974)</u>	<u>-</u>	<u>3,685,366</u>

**20. Analysis of net assets between funds**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Tangible fixed assets	3,152,498	396,250	3,548,748	3,076,928
Current assets	494,688	6,918	501,606	426,580
Creditors due within one year	(174,955)	-	(174,955)	(186,905)
Creditors due in more than one year	(190,033)	-	(190,033)	(205,442)
	<u>3,282,198</u>	<u>403,168</u>	<u>3,685,366</u>	<u>3,111,161</u>

**Worthing Churches Homeless Projects**  
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**Notes to the financial statements**  
**For the year ended 31 March 2017**

**21. Reconciliation of net movement in funds to net cash flow from operating activities**

	2017 £	2016 £
Net income for the year (as per Statement of financial activities)	574,205	93,902
<b>Adjustment for:</b>		
Depreciation charges	59,122	256,059
Dividends, interest and rents from investments	(311)	(3,080)
(Increase)/decrease in debtors	(69,703)	70,896
(Decrease)/increase in creditors	(15,807)	8,277
<b>Net cash provided by operating activities</b>	<b>547,506</b>	<b>426,054</b>

**22. Analysis of cash and cash equivalents**

	2017 £	2016 £
Cash in hand	331,508	326,070
<b>Total</b>	<b>331,508</b>	<b>326,070</b>

**23. Pension commitments**

The pension contributions outstanding at the year end amounted to £3,595 (2016: £2,969).

**24. Operating lease commitments**

At 31 March 2017 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
<b>Amounts payable:</b>		
Within 1 year	102,588	14,400
Between 1 and 5 years	192,445	142,205
<b>Total</b>	<b>295,033</b>	<b>156,605</b>

**25. Related party transactions**

During the year, the charity received a grant from YMCA Downslink Group of £120,000. The grant was received in two tranches of £60,000 each on 24 October 2016 and 24 March 2017. John Holmstrom was appointed as a Director/Trustee of YMCA Downslink Group on 8 February 2017. There are no amounts due to or from YMCA Downslink Group at the balance sheet date.