

COMPANY REGISTRATION NUMBER: 04566985  
CHARITY REGISTRATION NUMBER: 1098126  
SOCIAL HOUSING REGULATOR No. 4742

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Financial Statements**  
**31<sup>st</sup> March 2023**



# Homeless Action Resource Project

## Charitable Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31<sup>st</sup> March 2023

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The Trustees, who are also the Directors for the purposes of company law, present their report and the financial statements of the Charity for the year ended 31<sup>st</sup> March 2023.

#### Reference and administrative details

**Registered Charity name** Homeless Action Resource Project

**Trading name** HARP (Southend's Homelessness Charity)

**Charity registration number** 1098126

**Company registration number** 04566985

**Social Housing Regulator number** 4742

**Principal office and registered office** 146 New London Road  
Chelmsford  
Essex  
CM2 0AW

**The Trustees** Alistair Barr (Honorary Treasurer)  
Iain Campbell  
Lilias Felton  
Michael Nevin  
Joanne Prestidge (resigned 4 April 2023)  
Michael Raffan (Chair)  
Mark Rothman  
Haroon Siddique  
Debbie Stanton  
Peter Thorn  
Yvonne Vickers

**Key management** Vanessa Hemmings (appointed 8 August 2022) (Chief Executive)  
Jackie Bliss (Chief Executive) (Retired 30 June 2022)  
Nicolette Bowling (Director of Property Development)  
Stephen Mansfield (Director of Fundraising and Communications)  
Jacqueline Saxby (Director of Finance and HR)  
Gary Turner (Director of Service Operations) (left December 2022)  
Michelle Pollock (Director of Services and Operations) (commencing 3 August 2023)

**Auditor** Edmund Carr LLP  
Chartered Accountants & Statutory Auditor  
146 New London Road  
Chelmsford  
Essex  
CM2 0AW

# Homeless Action Resource Project

## Charitable Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31st March 2023

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#### Our Vision, Mission and Values

##### VISION

Working together with our community to ensure that nobody is forced to sleep rough in Southend-on-Sea.

##### MISSION

To end the need for rough sleeping by transforming the lives of those we support, providing people with the foundation for change. We offer emergency accommodation options and support tailored to people's needs. We build lasting, restorative relationships, shining a light on each individual's strengths. We empower people to move away from rough sleeping for good.

##### VALUES

###### 1) KINDNESS

Honouring and empowering those we support. We offer choice and value differences.

###### 2) HONESTY

We are accountable and work with integrity.

###### 3) RELATIONSHIPS

We value partnerships and know we are stronger as a community working together.

###### 4) EQUITY

We walk alongside those we support and share high aspirations for social justice.

#### Objectives and activities

HARP offers a critical lifeline to the most vulnerable experiencing homelessness in Southend-on-Sea. Our vision includes us working together with our community to ensure that nobody is forced to rough sleep in Southend on Sea. We aim to end the need for rough sleeping by transforming the lives of those we support; providing people with the foundation for change. We offer emergency accommodation options and support tailored to their needs; we build lasting, restorative relationships, We empower people to move away from rough sleeping for good. We have set up bedspaces specifically to accommodate rough sleepers 'straight from the street' our outreach teams are out daily working to identify people they find bedded down and offering opportunities for them to come directly into our accommodation. As well as making sure individuals primary needs are met, through building supportive relationships we work to identify the root causes of each individuals' homelessness and any factors that may interfere with them being able to live independently. We enable people to work with us to address those things as well as the inevitable side-effects of rough sleeping. Our ultimate aim is to move people on from HARP and into independent living.

There are many reasons why people become homeless, including dependence on substances and unmet mental health or physical needs. It is our hope that people using our services are able to rebuild their support networks and tackle those issues so that when they are able to move on, they do so positively and into greater independence.

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Year ended 31st March 2023

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#### STRATEGIC REPORT

##### Achievements and performance

###### **The need:**

Across 22/23 1039 people presented at the Bradbury Day centre for support, this figure shows a steady increase on last year (1,016) and the prior year (852). The official rough sleeper count in November 22 detailed 16 people rough sleeping. We know that figure to be higher with our outreach team regularly counting upwards of 30 people on a nightly basis. In Southend there are also still 55 people waiting for more secure housing accommodated in B&B's following 20/21's everyone in initiative. We know a significant number of those people to be multiply disadvantaged with interlinked and complex needs, meaning suitable housing options are limited. Our local authority has continued to house vulnerable rough sleepers in local B&Bs beyond cold weather periods, which has enabled us time to provide specific supported options for many of those in need.

###### **a. Age and gender**

2022/23					
Age	Female	Male	Non binary		%
16-17	0	0	0	0	0.0%
18	6	9	0	15	1.4%
19-25	67	95	3	165	15.9%
26-29	18	78	0	96	9.2%
30-59	172	516	0	688	66.3%
60+	18	57	0	75	7.2%
	281	755	3	1039	100.0%

###### **b. Rough sleepers**

Long Term Rough Sleepers (LTRS) are defined as those who have spent the equivalent of three months or more sleeping on the streets in their lifetime, and Short Term Rough Sleepers (STRS) are those who have spent time on the streets, but not yet the equivalent of three months' of nights in total. Of the 501 rough sleepers we helped during 22/23, (487; 21/22) (20/21: 463), 330 were LTRS and 171 STRS. Rough sleepers made up 48% of total clients, with LTRS representing 32% and STRS being 16% of the total.

###### **c. Mental illness**

611 people (59% of total clients) reported having a history of or were currently experiencing mental health issues, compared with 650 (64%) last year.

###### **d. Substance misuse**

587 people (56%) reported having drug and/or alcohol misuse issues in 22/23, which is broadly in line with the 634 (62%) seen in the previous year.

###### **e. Women**

281 women (27% of total clients) sought assistance from HARP in 22/23. This compared with 292 (29%) in the previous year. Of clients who were **resident** with HARP this year, 35% were female (averaged over 22/23 as a whole), compared with 35% in 21/22.

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#### Resources

##### *Emergency day services*

Bradbury Day Centre continues to be a "one-stop-shop", in order to focus the work onto those most in need during 2022/23 we restricted access to day centre services to verified rough sleepers only. They can continue to access breakfasts, lunch, showers, training and access to medical attention. It also usually offers advice and support, clean clothes, laundry, and various meaningful activities aimed at helping to motivate people to get back on their feet.

##### *Accommodation*

By 31<sup>st</sup> March 2023, HARP had a total of 264 available beds, we reconfigured access to those beds as well as the support offered into a pathway model. This focuses most resources on moving people straight from the street quicker from the point of being verified. Our direct access beds can accommodate people under assessment for up to six months during which time they will be moved into longer term supported accommodation or suitable offers beyond HARP. We know from our data that support needs range from high to very complex amongst the rough sleeping community and we have adapted to that by working more flexibly with our admission criteria and processes. We have introduced a harm minimisation approach to services housing people with substance use needs in essence a 'wet hostel' offer. We have implemented a new structure with one person managing the 'pathway' and journeys through it.

##### *Training, employment and volunteering*

HARP's service model is based on the three key elements of Support, Accommodation and Meaningful Activity ('SAM'). Meaningful Activity is an essential part of our programme, as research has shown that people taking part in such activities have purpose and motivation to address their underlying issues, and are consequently more likely to succeed in rebuilding their lives and moving on to independent living. We offer a wide range of services and some of these are in a training room and other facilities at HARP's Bradbury Centre which are also used by other training organisations, e.g.: the Southend Adult Community College runs Tenancy Sustainment courses there. An unfortunate outfall from Covid19 was that it proved difficult to provide anything more than a skeleton meaningful activities programme or training during 2020/21 or the early part of 2021/22, but the intention for the future is very much to return to pre-pandemic levels of training and meaningful activities across HARP.

##### *Housing outcomes*

Of the 1,039 people who sought our assistance during 2022/23 (2021/22: 1,016), we helped 541 (2021/22: 413) people to either find or keep their accommodation. Of those, 302 cases were closed (2021/22: 371), 68 with a known positive outcome and with 19 negative outcomes, (2021/22: 12), such as return to prison and death. A total of 215 (2021/22: 266) of the cases closed had an unknown outcome as those clients had ceased contact with the Charity for three months or more and many will have left the area, making it difficult for HARP to know whether their final outcomes were positive or negative. As at 31<sup>st</sup> March 2023, 161 people still lacked accommodation (2021/22: 232). This was mainly due to lack of suitable property. In December 2022 our Bluebird development was completed and we were able to move in the first residents freeing up additional straight from the street beds.

##### *Public benefit*

The Trustees pay due regard to the Charity Commission's guidance on Public Benefit when deciding what activities the Charity should undertake, and this is demonstrated in a variety of ways. HARP's success in enabling homeless people to move towards independent living comes as a result of putting into place three key types of service: Support, Accommodation and Meaningful Activity (SAM Programmes). The Charity's experience has evidenced that when all three elements are in place, people

# Homeless Action Resource Project

## Charitable Company Limited by Guarantee

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are more able to sustain their tenancies, find employment and live more positive lifestyles. We also provide emergency support for local rough sleepers and specialist supported housing for people that are multiply disadvantaged including those with complex needs to not only accommodate but help them to sustain their tenancies. Across HARP we have reframed our approach to the service model and established a clear pathway into and throughout our services. In 2022/23 continued to embed a psychologically informed and strength-based approach throughout. We continued to deliver Housing First as an option for those entrenched rough sleepers where shared or hostel type accommodation is not an option. We adapted to the challenge of securing self-contained housing by leasing properties for this provision. This has enabled us to provide the service and support / subsidise the existing grant funding.

HARP's services include:

- emergency support (food, warmth and shelter)
- short term accommodation.
- advice and support, eg: tenancy rescue & advocacy
- education, training and assistance in finding and sustaining employment.

We successfully bid for and were awarded the contract to deliver outreach services in Southend. This funding was part of DLUHC's Rough Sleeping Initiative (RSI) funding. HARP came to the end of what was an ambitious five-year plan in 2023. The goal was "No one turned away by 2023" which unfortunately wasn't achieved with various external factors coming into play including the cost-of-living crisis. What we have seen instead is a steady rise in the numbers needing our support. While levels of rough sleeping in Southend continues to grow, we are refocusing the way to most effectively manage needs with our beds being reconfigured to provide a pathway. What we have begun to pilot is an expanded offer of straight from the street bed spaces, we aim to have 68 (Direct Access) beds by December 2023 (up from 12 in 21/22 / 22/23) with resources being directed into the redevelopment of our Acorn properties. Consequently, we have refined our plans for 23/24 into a focus on consolidating and evaluating our model / pathway approach. This we believe to be a high priority in our Corporate Business Plan for 2023/24.

#### Volunteers

We have continued to grow and invest in volunteers; we recruited a new full time volunteer coordinator in 22/23 and that additional resource has enabled us to grow our numbers back up to pre pandemic levels. We have also been developing the role played by corporate volunteers with several large firms including Lloyd's bank offering staff time to support projects.

#### Food donations

We continue to be incredibly grateful to local business and members of the public who donate food to HARP. We estimate that the value of food donated is approximately £225,000 for 22/23 (2021/22: £225,000) We have included this amount in our donations and in the food expenditure costs for 2022/23.

#### Financial review

Our surplus for the year ended 31<sup>st</sup> March 2023 was £232,180. As part of the regular revaluation of HARP owned properties, a write down on revaluation of £724,110 was taken to the income and expenditure account resulting in an overall deficit of £491,930 for the year. Total funds at the end of the year were £6,427,750. Of this, £9,039,250 represented the property value of accommodation which HARP provides for the homeless. Our principal funding source is from housing income (see note 6) and this is used to run and maintain HARP's high standard of housing stock for homeless people. This income allows us to provide the support our residents need to enable them to move towards independent living and a healthier lifestyle. We also receive grant funding (see note 6) which allows us to provide additional specialist support for particularly vulnerable and at-risk homeless individuals.

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Freehold properties have been reviewed by the Trustees in the year to ensure the valuations being carried in the accounts reflect a fair market value. A professional valuation was carried out by Jones Lang LaSalle in May 2021 using the 'existing use' valuation method for the majority of the properties in the portfolio. The newly completed Bluebird project and the properties at Ceylon Road, Heath House and White Heather House have been revalued by an independent valuer at 31 March 2023.

As part of the Charity's overall management of risk, the Trustees' financial strategy is to ensure there is diversification in HARP's sources of income. The plan is to achieve this via a combination of public sector funded income from housing benefit and capital/revenue grants, funds from voluntary sources such as fundraised income from events and donations, an expansion of our charity shops, all topped up with income generated from HARP's charitable activities.

#### Reserves statement

It is the aim of the Trustees to ensure that HARP has sufficient funds to:

- enable the Charity to continue its operations in any short term absence of income
- allow it to continue to develop the services it is able to offer the homeless
- provide seed-corn funding when required for property redevelopment programmes.

Charity Commission guidance defines free reserves as 'income which becomes available to the Charity and is to be expended at the Trustees' discretion in furtherance of the Charity's objects, but is not yet spent, committed or designated'. At the balance sheet date, the Charity's net free current asset reserves amounted to £206,724 (2021/22: £645,520)

This is calculated as follows

Total Funds (Note 23)	6,427,750
Less Tangible Fixed Assets (Note 18)	(9,472,859)
Less Designated Reserves (Note 22)	-
Less Designated Funds (Note 22)	-
Plus Long Term Liabilities	3,251,833
Free reserves	<u>£206,724</u>

This represents approximately two weeks' of expenditure (2021/22: seven weeks). The Trustees' aim is to build up the level of free reserves over time, but this remains a challenge due to the continued rise in homelessness and the Charity's need to continue to invest most of its funds each year into combatting that.

#### Plans for future periods

HARP's refreshed vision includes working together with our community to ensure that nobody is forced to sleep rough in Southend-on-Sea. In order to achieve that vision and our mission "To end the need for rough sleeping by transforming the lives of those we support, providing people with the foundation for change. We offer emergency accommodation options and support tailored to people's needs. We build lasting, restorative relationships, shining a light on each individual's strengths. We empower people to move away from rough sleeping for good." We are launching a new five-year strategy which is based around four pillars:

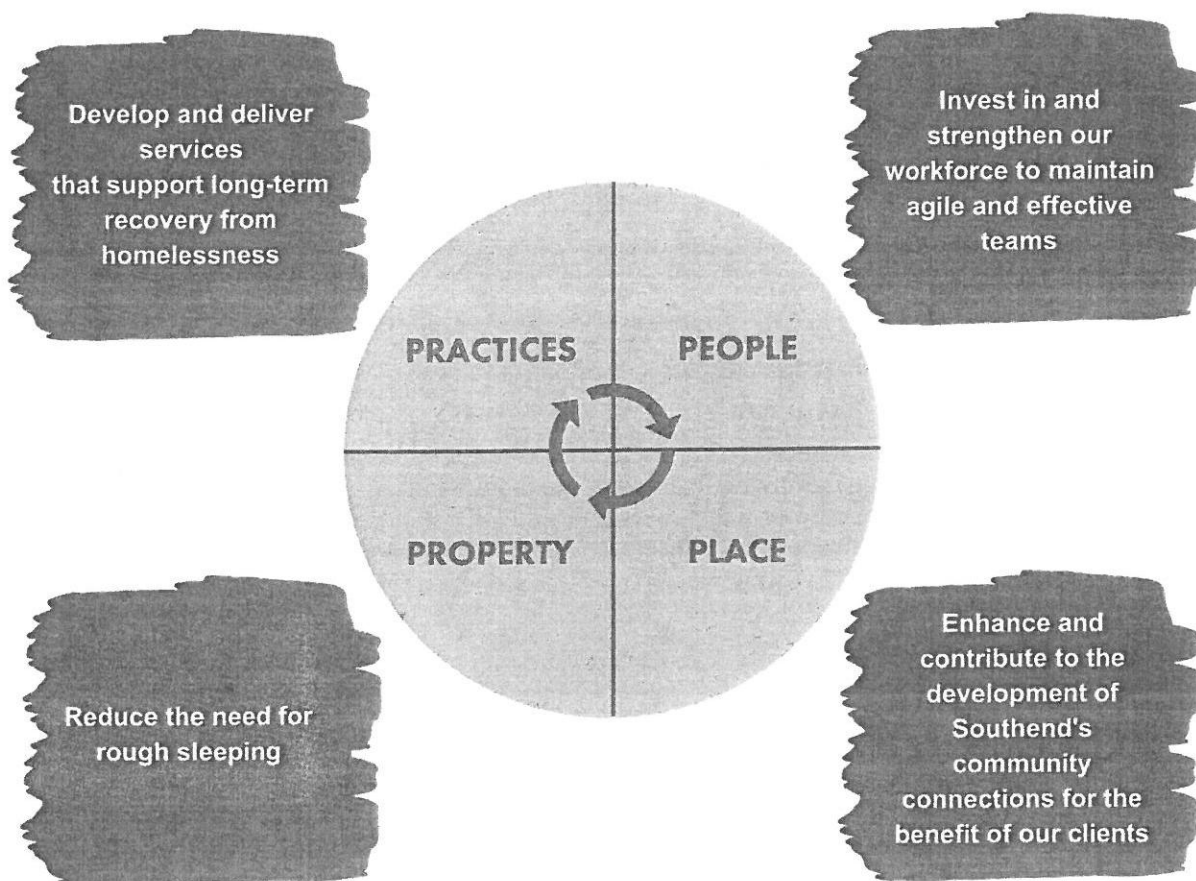
# Homeless Action Resource Project

Charitable Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31st March 2023

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## Pay policy for senior staff

The Directors of the Company are also the Charity's Trustees. All Trustees give up their time freely, and no Trustees received remuneration in the year.

The Executive Management Team (EMT) comprises the key management personnel of the Charity in respect of managing and operating HARP on a day-to-day basis. The pay of the EMT is reviewed annually, as for other HARP staff, subject to the approval of the Trustees and following performance appraisal. In view of the nature of the Charity, the Trustees' policy is to seek to match HARP staff pay levels with those of competing employers within its sector.

## Events after the end of the reporting period

### Bradbury Mansions

HARP entered into a letter of intent with Goldsmith (London) Limited on 2<sup>nd</sup> May 2023, and a full JCT contract on 10<sup>th</sup> May 2023 for a 28 week contract from 22<sup>nd</sup> May, with completion on 9<sup>th</sup> December 2023 for the refurbishment and remodelling of 158,160 and 162 York Rd to provide 23 straight from the street beds. The contract value is £1,316,675 plus Vat at standard rate, with fees, furniture and contingencies the project is forecast at £2,057,433. The project is funded by grants receivable from Clothworkers Foundation (£150,000); Bradbury Foundation (£100,000) and Homes England SHAP of £731,433, and

# Homeless Action Resource Project

## Charitable Company Limited by Guarantee

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a new loan from Charity Bank of £800,000. HARP carried out the conversion of an office at 117 York Rd into a bedsit for £20,000, for which it has been awarded a grant of £12,000 from SHAP. The balance of these projects is achieved through existing borrowing with Charity Bank.

#### **Crowstone Manor**

Plans are underway to replace some of our existing leased bedspaces with a new building purchased by HARP. There is a Total cost of £1.37 million including purchase and refurbishment. This is being met by £800k borrowing source yet to be confirmed. Also additional capital grant funding again from SHAPS (Homes England) for £570k.

### **Structure, governance and management**

#### **Governing document**

The Charity is controlled by its governing document, the Memorandum and Articles of Association, and constitutes a Company Limited by Guarantee, as defined by the Companies Act 2006. HARP is also a Registered Social Housing Provider, and consequently regulated by the Social Housing Regulator.

#### **Organisational structure**

The Charity is governed by its Trustees, who are selected to provide a broad base of expertise in social welfare, legal matters, finance, human resources, homelessness and charity administration.

Trustee meetings are hybrid depending on availability of trustee's, the Trustees have chosen to exercise much of the Charity's governance and oversight via the following sub-committees: Premises Committee, Finance Committee, Fundraising & Communications Committee, Also the recently restructured Operations Committee and People & OD Committee. The Operations Committee includes service-related H&S and oversight of the organisational risk register. The day-to-day operating decisions of the Charity are delegated via a Scheme of Delegated Authority to the Chief Executive Officer, who reports directly to the Trustees via the Chair.

New Trustees are recruited through external advertising and are selected according to their relevant skills, expertise and the sympathy they demonstrate towards the plight of people finding themselves homeless. Prospective Trustees attend one or more Trustees meetings (including a Sub-Committee) in addition to being interviewed by a panel of Trustees, prior to being appointed. Trustees attend an induction programme following their appointment, and all Trustees are offered suitable training opportunities according to their needs. Between 22/23 no new trustees were appointed however in 2023 vacant trustee roles will be advertised. Jo Prestige stepped down as trustee in April 23 and we are very grateful for her input and support over the last two years.

Vanessa Hemmings joined HARP as new Chief Executive Officer in August 2022. There was a further change to the executive team with Gary Turner leaving HARP in December 2022. Following a successful recruitment process we are expecting a new Executive Director of Service Operations to join HARP in August 2023, Michelle Pollock brings with her over 30 years of experience of homelessness work including extensive developmental experience of Housing First Services- starting in 2011/12 with one of England's first schemes.

#### **Risk management**

In accordance with Accounting and Reporting by Charities (Charities SORP FRS 102), the Charity carries out regular risk reviews.

# Homeless Action Resource Project

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As part of these, the Charity has (and will continue to):

- reviewed its financial control system to protect its assets and help to prevent fraud and other irregularities
- reviewed all relevant regulations with regards to the conduct of its principal activities
- ensured that regulations governing employment law and taxation are complied with
- continuously monitored Health and Safety risks for its staff, volunteers and clients, especially with regards to the inherently difficult nature of the work of frontline staff in particular, due to the sometimes-chaotic behaviours exhibited by the Charity's more complex clients
- reviewed its information management systems to ensure compliance with the data protection regulations known as GDPR
- implemented other risk management measures as appropriate, including insurances where available, to help mitigate those risks which cannot be eliminated entirely
- appointed expert health and safety consultants, human resources consultants, and other professional firms or individuals, to advise the Charity and the Trustees as and when required

The Trustees believe the greatest potential risks facing the Charity to be:

- Its ability to continue to provide high quality services with the need to balance the safety of staff and volunteers with achievement of HARP's core charitable objective of meeting the needs of Southend's homeless people.
- Access to longer term revenue funding beyond the lifetime of the three-year SHAPS revenue grant.
- Fundraising ROI.
- Move towards regulating supported living and hostel sector leading to increased costs for staff training.
- Rising sector wages impacting recruitment and retention levels.
- Rising interest rates impacting existing / future borrowing.
- Increased rates of homelessness due to rising poverty and the cost-of-living crisis, and reduced funding available to the government.
- The continued shortage of suitable affordable quality accommodation within the local vicinity.
- The relatively small size of the Charity's staffing, constraining opportunities for segregation of duties and resulting in over-reliance on individuals for key tasks such as preparing payroll.

#### **Trustees' responsibilities statement**

The Trustees (who are also Directors of HARP for the purposes of company law) are responsible for preparing the Trustees Annual 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).

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 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:

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## Charitable Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31st March 2023

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- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- 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;
- 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 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### Auditor

Each of the persons who is a Trustee at the date of approval of this report confirms that:

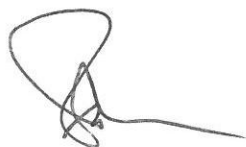
- so far as they are aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

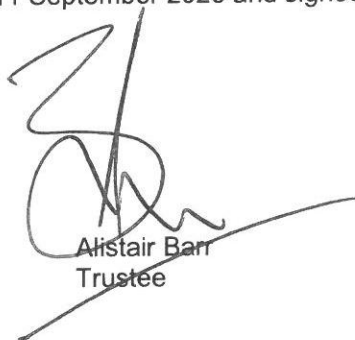
#### Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The Trustees' annual report was approved on 11 September 2023 and signed on behalf of the board of Trustees by:



Michael Raffan  
Trustee



Alistair Barr  
Trustee

# Homeless Action Resource Project

## Charitable Company Limited by Guarantee

### Independent Auditor's Report to the Members of the Homeless Action Resource Project

Year ended 31st March 2023

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#### Opinion

We have audited the financial statements of Homeless Action Resource Project (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of comprehensive income, the statement of financial activities (including income and expenditure account), statement of financial position, 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 2023, and of 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, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

#### 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Trustees Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Trustees Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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

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### Independent Auditor's Report to the Members of the Homeless Action Resource Project

Year ended 31st March 2023

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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.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Annual Report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees Annual Report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (incorporating the directors' report). We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

#### **Responsibilities of the Trustees**

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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or has no realistic alternative but to do so.

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## Charitable Company Limited by Guarantee

### Independent Auditor's Report to the Members of the Homeless Action Resource Project

Year ended 31st March 2023

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#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations for the company, including the Companies Act 2006, tax legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- Considered the internal controls in place to mitigate the risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships
- Tested journal entries to identify unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation
- Enquiring of management as to actual and potential litigation and claims

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

# Homeless Action Resource Project

## Charitable Company Limited by Guarantee

### Independent Auditor's Report to the Members of the Homeless Action Resource Project

Year ended 31st March 2023

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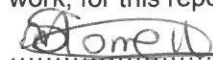
As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company' to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. 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.

  
.....

S Morrell (Senior Statutory Auditor)

For and on behalf of Edmund Carr LLP  
Chartered Accountants and Statutory Auditor

28/09/2023

146 New London Road  
Chelmsford  
Essex  
CM2 0AW

# Homeless Action Resource Project

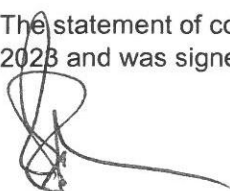
## Charitable Company Limited by Guarantee

### Statement of Comprehensive Income (Including Income and Expenditure Account)

Year ended 31st March 2023

	2023	2022
	Total funds	Total funds
	£	£
Turnover	6,050,713	4,862,759
Operating expenditure	(5,688,262)	(4,844,112)
Operating surplus / (deficit)	362,451	18,647
Interest receivable	108	18
Interest and financing costs	(130,379)	(56,364)
Downward revaluation of housing properties	(724,110)	(148,481)
Total comprehensive income for the year	(491,930)	(186,180)

The statement of comprehensive income was approved by the Board of Trustees on 11 September 2023 and was signed on its behalf by:



Michael Raffan  
Trustee



Alistair Barr  
Trustee

# Homeless Action Resource Project

## Charitable Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

Year ended 31st March 2023

		Unrestricted funds	2023 Restricted funds	Total funds	2022 Total funds
	Note	£	£	£	£
<b>Income and endowments</b>					
Donations and legacies	5	607,251	65,326	672,577	564,304
Charitable activities	6	3,874,342	977,848	4,852,190	3,805,641
Other trading activities	7	513,433	-	513,433	484,294
Investment income	8	108	-	108	18
Other income	9	12,513	-	12,513	8,502
<b>Total income</b>		<u>5,007,647</u>	<u>1,043,174</u>	<u>6,050,821</u>	<u>4,862,759</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Fundraising costs	10	198,355	-	198,355	174,873
Expenditure on charitable activities	11,12	5,143,933	476,353	5,620,286	4,725,585
<b>Total expenditure</b>		<u>5,342,288</u>	<u>476,353</u>	<u>5,818,641</u>	<u>4,900,458</u>
<b>Net income</b>		<u>(334,641)</u>	<u>566,821</u>	<u>232,180</u>	<u>(37,699)</u>
<b>Other recognised gains and losses</b>					
Revaluation of freehold property		(631,063)	93,047	(724,110)	(148,481)
<b>Net movement in funds</b>		<u>(965,704)</u>	<u>473,774</u>	<u>(491,930)</u>	<u>(186,180)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward (restated)		2,185,679	4,734,001	6,919,680	7,105,860
<b>Total funds carried forward</b>		<u>1,219,975</u>	<u>5,207,775</u>	<u>6,427,750</u>	<u>6,919,680</u>

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

All income and expenditure derive from continuing activities.

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**

**Statement of Financial Position**  
**Company registration number 04566985**

**31st March 2023**

	Note	2023 £	£	(restated) 2022 £
<b>Fixed assets</b>				
Tangible fixed assets	18		9,472,859	8,951,314
<b>Current assets</b>				
Debtors	19	194,985		136,370
Cash at bank and in hand		483,768		1,359,116
		<u>678,753</u>		<u>1,495,486</u>
<b>Creditors: amounts falling due within one year</b>	20	<u>472,029</u>		<u>539,395</u>
<b>Net current assets</b>			<u>206,724</u>	<u>956,091</u>
<b>Total assets less current liabilities</b>			<u>9,679,583</u>	<u>9,907,405</u>
<b>Creditors: amounts falling due after more than one year</b>	21		<u>3,251,833</u>	<u>2,987,725</u>
<b>Net assets</b>			<u><u>6,427,750</u></u>	<u><u>6,919,680</u></u>
<b>Funds of the Charity</b>				
Restricted funds			5,207,775	4,734,001
Unrestricted funds			1,219,975	2,185,679
<b>Total Charity funds</b>	22		<u><u>6,427,750</u></u>	<u><u>6,919,680</u></u>

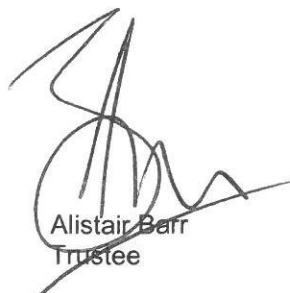
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the Board of Trustees and authorised for issue on 11 September 2023

and are signed on behalf of the Board by:



Michael Raffan  
Trustee



Alistair Barr  
Trustee

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Statement of Cash Flows**  
**Year ended 31st March 2023**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net (expenditure) income	232,180	(37,699)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	53,117	41,465
Other interest receivable and similar income	(108)	(18)
Interest payable and similar charges	130,379	56,364
Gain on disposal	1,378	-
<i>Changes in:</i>		
Trade and other debtors	(58,615)	510,912
Trade and other creditors due in one year	(67,366)	183,517
Cash generated from operations	<u>290,965</u>	<u>754,541</u>
Interest paid	(130,379)	(56,364)
Interest received	108	18
Net cash from operating activities	<u>160,694</u>	<u>698,195</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(1,300,150)	(2,058,161)
Proceeds from sale of tangible assets	-	-
Long terms loan for purchase of assets	264,108	1,690,355
Net cash used in investing activities	<u>(1,036,042)</u>	<u>(367,806)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(875,348)</b>	<b>330,389</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>1,359,116</b>	<b>1,028,727</b>
<b>Cash and cash equivalents at end of year</b>	<b><u>483,768</u></b>	<b><u>1,359,116</u></b>

# Homeless Action Resource Project

## Charitable Company Limited by Guarantee

### Notes to the Financial Statements

Year ended 31st March 2023

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#### 1. General information

The Charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered Charity in England and Wales. The address of the registered office is 146 New London Road, Chelmsford, Essex, CM2 0AW. The charitable company is registered under the Companies Act 2006 and is a registered provider of social housing.

#### 2. Statement of compliance

The financial statements are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charitable company.

##### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome.

##### Income tax

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31st March 2023**

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**3. Accounting policies** *(continued)*

**Fund accounting**

Funds held by the Charity are either:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objectives of the Charity. These are detailed in the financial statements.

Designated funds - these are funds set aside by the Trustees out of unrestricted funds for specific future purposes or projects. These are detailed in the financial statements.

**Incoming resources**

All incoming resources are included in the statement of financial activities when entitlement has passed to the Charity; it is probable that the economic benefits associated with the transaction will flow to the Charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably
- legacy income is recognised when receipt is probable and entitlement is established
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

**Grants received**

Items of income are recognised and included in the accounts when all the following criteria are met:

- the charity has entitlement to the funds;
- any performance conditions attached to the income have been fully met or are fully within the control of the charity;
- there is sufficient certainty that the receipt of the income is considered probable; and
- the amount can be reliably measured.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned (as the related goods or services are provided). Grant income included in this category is recognised on a receivable basis except where it is given specifically to fund expenditure in a future period when it is treated as deferred income.

# Homeless Action Resource Project

## Charitable Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31st March 2023

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### 3. Accounting policies *(continued)*

#### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods
- expenditure on charitable activities includes all costs incurred by a Charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the Charity apportioned to charitable activities
- other expenditure includes all expenditure that is neither related to raising funds for the Charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Motor vehicles	-	15% reducing balance
Equipment	-	15% reducing balance to 33.3% straight line

No depreciation is charged on the freehold property. The Charity's policy is to maintain the property in a continual state of sound repair and accordingly the Trustees are of the opinion that the life of the property is so long and the residual value so high that the depreciation is insignificant.

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*

**Year ended 31st March 2023**

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**3. Accounting policies** *(continued)*

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

**Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

**4. Limited by guarantee**

In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity whilst he or she is a member or within one year thereafter.

**5. Donations and legacies**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations and legacies	<u>607,251</u>	<u>65,326</u>	<u>672,577</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations and legacies	<u>494,760</u>	<u>69,544</u>	<u>564,304</u>

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31st March 2023**

The Charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in the Trustees' Report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

**6. Charitable activities**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Grants from charitable bodies	-	606,500	606,500
Statutory contracts	-	371,348	371,348
Housing benefit and service charges	3,874,342	-	3,874,342
	<u>3,874,342</u>	<u>977,848</u>	<u>4,852,190</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Grants from charitable bodies	-	86,000	86,000
Statutory contracts	-	423,247	423,247
Housing benefit and service charges	3,296,394	-	3,296,394
	<u>3,296,394</u>	<u>509,247</u>	<u>3,805,641</u>

**7. Other trading activities**

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
				-
				-
Shop sales	513,433	513,433	484,294	484,294
	<u>513,433</u>	<u>513,433</u>	<u>484,294</u>	<u>484,294</u>

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Notes to the Financial Statements (continued)**  
**Year ended 31st March 2023**

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**8. Investment income**

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	108	108	18	18

**9. Other income**

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Kickstart Grant	12,113	12,113	-	-
Government receipts re Covid (Furlough/Retail scheme)	-	-	8,102	8,102
Other income	400	400	400	400
	<u>12,513</u>	<u>12,513</u>	<u>8,502</u>	<u>8,502</u>

**10. Fundraising costs**

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Wages and salaries	178,850	178,850	160,122	160,122
Activities				
Rates & water	485	485	-	-
Equipment and IT costs	4,369	4,369	3,167	3,167
Motor and travelling expenses	2,538	2,538	700	700
Telephone	2,196	2,196	2,184	2,184
Printing, postage and stationery	1,086	1,086	142	142
Subscriptions	497	497	-	-
Marketing	8,334	8,334	8,558	8,558
	<u>198,355</u>	<u>198,355</u>	<u>174,873</u>	<u>174,873</u>

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31st March 2023**

**11. Expenditure on charitable activities by fund type**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Services to the homeless	4,341,389	476,353	4,817,742
Support costs	802,544	-	802,544
	<u>5,143,933</u>	<u>476,353</u>	<u>5,620,286</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Services to the homeless	3,336,420	750,287	4,086,707
Support costs	638,878	-	638,878
	<u>3,975,298</u>	<u>750,287</u>	<u>4,725,585</u>

**12. Expenditure on charitable activities by activity type**

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Services to the homeless	4,817,742	556,559	5,374,301	4,520,802
Governance costs	-	245,985	245,985	204,783
	<u>4,817,742</u>	<u>802,544</u>	<u>5,620,286</u>	<u>4,725,585</u>

**13. Analysis of support costs**

	Total 2023 £	Total 2022 £
Premises	365,409	262,893
Communications and IT	72,965	54,960
General office	118,185	116,243
Governance costs	245,985	204,782
	<u>802,544</u>	<u>638,878</u>

**14. Net income**

Net income is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	53,117	41,465
Loss/(gains) on disposal of tangible fixed assets	(1,378)	-
Operating lease rentals	566,039	440,317
Auditors remuneration	12,105	11,750
	<u>1,129,883</u>	<u>904,332</u>

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*

**Year ended 31st March 2023**

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**15. Auditors' remuneration**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fees payable for the audit of the financial statements	12,105	11,750

**16. Staff costs**

The total staff costs and employee benefits for the reporting period are analysed as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,753,910	2,355,030
Social security costs	270,037	211,659
Pension contributions	59,517	52,172
Agency staff	290,145	287,082
	<u>3,373,609</u>	<u>2,905,943</u>

Wages and salaries included a payment of £3,500 to an ex employee under an ACAS settlement agreement. The average head count of employees during the year was 105 (2021/22: 101). The average number of full-time equivalent employees during the year is analysed as follows:

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Charitable purposes	89	81
Management and administration	8	8
	<u>97</u>	<u>89</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
£60,000 to £69,999	3	2
£70,000 to £79,999	<u>1</u>	<u>1</u>

**Key management personnel**

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the Charity. The total remuneration benefits paid to key management personnel for services provided to the Charity was £391,682 which includes employer's national insurance contributions of £42,607 (2021/22: £392,067 including employer's national insurance of £40,266).

**17. Trustee remuneration and expenses**

The Trustees neither received nor waived any remuneration during the year (2021/22: £Nil) and

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*

**Year ended 31st March 2023**

no Trustee received payment for expenses during the year (2021/22: 1 Trustee; £27).

**18. Tangible fixed assets**

	Freehold property £	Motor vehicles £	Equipment £	Total £
<b>Cost</b>				
At 1 <sup>st</sup> April 2022	8,666,986	55,165	590,316	9,312,467
Additions	1,096,374	12,900	190,876	1,300,150
Disposals	-	(5,565)	-	(5,565)
Revaluations	(724,110)	-	-	(724,110)
<b>At 31<sup>st</sup> March 2023</b>	<u>9,039,250</u>	<u>62,500</u>	<u>781,192</u>	<u>9,882,942</u>
<b>Depreciation</b>				
At 1 <sup>st</sup> April 2022	-	26,505	334,648	361,153
Charge for the year	-	5,806	47,311	53,117
Disposals	-	(4,187)	-	(4,187)
<b>At 31<sup>st</sup> March 2023</b>	<u>-</u>	<u>28,124</u>	<u>381,959</u>	<u>410,083</u>
<b>Carrying amount</b>				
<b>At 31<sup>st</sup> March 2023</b>	<u>9,039,250</u>	<u>34,376</u>	<u>399,233</u>	<u>9,472,859</u>
At 31 <sup>st</sup> March 2022	<u>8,666,986</u>	<u>28,660</u>	<u>255,668</u>	<u>8,951,314</u>

The freehold properties have been reviewed by the Trustees in the year to ensure the valuations being carried in the accounts reflect a fair market value. A professional valuation was carried out by Jones Lang LaSalle in May 2021 using the 'existing use' valuation method for the majority of the properties in the portfolio. Additions or redevelopments in the year have been included at their cost price and the properties at Ceylon Road, Heath House and White Heather House have been revalued by an independent valuer in June 2023. On completion of the new Bluebird complex, these properties were revalued by Jones Lang LaSalle in March 2023.

Included within bank loans and overdrafts is an amount of £2,669,380 (2021/22: £2,420,971) which is secured by The Charity Bank Limited by a fixed charge over certain properties owned by Homeless Action Resource Project.

Also included within bank loans and overdrafts is an amount of £600,000 (2021/22: £600,000) which is secured by Parochial Church Council of the Ecclesiastical Parish of Leigh by way of a fixed charge over 2 Ceylon Road.

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*

**Year ended 31st March 2023**

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**Tangible fixed assets held at valuation**

In respect of tangible fixed assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	<b>Freehold property £</b>
<b>At 31 March 2023</b>	
Aggregate cost	12,496,548
Aggregate depreciation	–
<b>Carrying value</b>	<u>12,496,548</u>
<b>At 31 March 2022</b>	
Aggregate cost	11,400,174
Aggregate depreciation	–
<b>Carrying value</b>	<u>11,400,174</u>

**19. Debtors**

	<b>2023 £</b>	<b>2022 £</b>
Prepayments and accrued income	77,130	94,090
Other debtors	117,855	42,280
	<u>194,985</u>	<u>136,370</u>

**20. Creditors: amounts falling due within one year**

	<b>2023 £</b>	<b>2022 £</b>
Trade creditors	265,530	320,499
Accruals and deferred income	73,675	81,386
Social security and other taxes	88,712	54,174
Bank and third party loans	44,112	83,336
	<u>472,029</u>	<u>539,395</u>

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Notes to the Financial Statements (continued)**

**Year ended 31st March 2023**

**21. Creditors: amounts falling due after one year**

	2023 £	2022 £
Bank and third party loans	3,251,833	2,987,725
	<u>3,251,833</u>	<u>2,987,725</u>

Of this amount, capital of £2,826,214 (2021/22: £2,552,986) is due to be repaid after more than five years.

Included within bank loans and overdrafts is an amount of £2,669,380 (2021/22: £2,420,971) which is secured by The Charity Bank Limited by way of a fixed charge over Vancouver House, 36 Genesta Road, 58 York Road, 117 York Road, 49a Southchurch Avenue, 49b Southchurch Avenue 49c Southchurch Avenue, 158 York Road, 160 York Road, 162 York Road, 45 Southchurch Road and 47 Southchurch Road (incorporating Bluebird Walk) . There is also a floating charge covering all the property and undertaking of the company. The legal charge also contains a negative pledge Also included within bank loans and overdrafts is an amount of £600,000 (2021/22: £600,000) which is secured by Parochial Church Council of the Ecclesiastical Parish of Leigh by way of a fixed charge over 2 Ceylon Road.

**22. Analysis of charitable funds**

**Unrestricted funds**

	At 1 <sup>st</sup> April 2022 (restated) £	Income £	Expenditure/ Revaluation £	Transfers £	At 31 <sup>st</sup> March 2023 £
General funds	1,885,679	4,465,147	(5,396,234)	265,383	1,219,975
Property development	300,000	542,500	(577,117)	(265,383)	-
	<u>2,185,679</u>	<u>5,007,647</u>	<u>(5,973,351)</u>	-	<u>1,219,975</u>

	At 1 <sup>st</sup> April 2021 (restated) £	Income £	Expenditure/ Revaluation £	Transfers £	At 31 <sup>st</sup> March 2022 (restated) £
General funds	1,422,613	4,252,445	(4,267,652)	478,273	1,885,679
Property development	777,750	31,523	(31,000)	(478,273)	300,000
	<u>2,200,363</u>	<u>4,283,968</u>	<u>(4,298,652)</u>	-	<u>2,185,679</u>

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*

**Year ended 31st March 2023**

**Restricted funds**

	<b>Balance at 1 Apr 2022 (restated) £</b>	<b>Income £</b>	<b>Expenditure/ Revaluation £</b>	<b>Balance at 31 Mar 2023 £</b>
Southend Rough Sleeper	-	371,348	(371,348)	-
Henry Smith Foundation	-	64,000	(64,000)	-
National Lottery	-	9,684	(9,684)	-
NSAP	-	-	-	-
Serving The Homeless	-	7,250	(7,250)	-
Essex Community Foundation	-	7,042	(7,042)	-
Co-op	5,071	-	(5,071)	-
Lions Club	-	1,000	(1,000)	-
Groundwork UK	-	3,600	(3,600)	-
Asda	500	-	(500)	-
B&Q gardening project	5,000	-	(5,000)	-
Others - food	-	1,858	(1,858)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Funds Available to Spend	10,571	465,782	(476,353)	-
Capital Fund (Fixed Assets)	4,723,430	577,392	(93,047)	5,207,775
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	4,734,001	1,043,174	(569,400)	5,207,775

During the year, HARP received a total of £371,348 as part of 3 years funding through Southend Borough Council as part of the Department for Levelling Up, Housing & Communities (DLUHC) initiative to tackle rough sleeping.

**Henry Smith Foundation**

Funding is for a four year Housing First pilot project.

**National Lottery**

This a grant to fund a project called "Voices in Action"

**Essex Community Foundation**

The amount received was to fund a polytunnel for the Gardening project

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*

**Year ended 31st March 2023**

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**Lions Club**

To fund clients' Christmas presents

**Groundwork UK**

to fund fridges and freezers for the kitchen at Heath House

**New Development Project**

Donations were received from various sources for the new Bluebird development including Garfield Weston, Homes England, Landaid, Albert Hunt Trust and B&Q. A Capital Appeal was launched for additional funding for this project..

**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*

**Year ended 31st March 2023**

**Restricted funds**

	Balance at 1 Apr 2021 (restated) £	Income £	Expenditure/ Revaluation £	Capitalised Expenditure £	Balance at 31 Mar 2022 (restated) £
Southend Main Grant	-	59,264	(59,264)	-	-
Serving The Homeless	-	6,934	(6,934)	-	-
Southend Rough Sleeper	-	363,983	(363,983)	-	-
Henry Smith Foundation	7,341	86,000	(93,341)	-	-
Tesco Groundwork	-	2,500	(2,500)	-	-
NSAP	170,000	-	(170,000)	-	-
Bridgepoint	15,450	-	(15,450)	-	-
Nationwide Building Society	-	12,500	(12,500)	-	-
Co-op	1,684	3,388	(1)	-	5,071
Southend emergency fund	-	1,000	(1,000)	-	-
Fowler Smith and Jones	-	2,000	(2,000)	-	-
Asda	-	500	-	-	500
LandAid – for under 25s	5,042	-	(5,042)	-	-
Rosca Trust	-	2,500	(2,500)	-	-
LandAid Charitable Trust	3,511	-	(3,511)	-	-
Over 25s	10,428	-	(10,428)	-	-
B&Q gardening project	-	5,000	-	-	5,000
Others	133	1,700	(1,833)	-	-
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Funds Available to Spend	213,589	547,269	(750,287)	-	10,571
Capital Fund (Fixed Assets)	4,691,908	31,522	-	-	4,723,430
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	4,905,497	578,791	(750,287)	-	4,734,001
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**Homeless Action Resource Project**  
**Charitable Company Limited by Guarantee**  
**Notes to the Financial Statements (continued)**

**Year ended 31st March 2023**

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

	Tangible fixed assets £	Net current assets £	Creditors: amounts falling due after more than one year	Total 2023 £
<b>Restricted Income Funds:</b>				
Services to the homeless	5,325,528	(117,753)	-	5,207,775
<b>Unrestricted Income Funds</b>	4,147,331	324,477	(3,251,833)	1,219,975
<b>Total Funds</b>	<u>9,472,859</u>	<u>206,724</u>	<u>(3,251,833)</u>	<u>6,427,750</u>

	Tangible fixed assets £	Net current assets £	Creditors: amounts falling due after more than one year	Total 2022 (restated) £
<b>Restricted Income Funds:</b>				
Services to the homeless	4,840,908	(106,907)	-	4,734,001
<b>Unrestricted Income Funds</b>	4,110,406	1,062,998	(2,987,725)	2,185,679
<b>Total Funds</b>	<u>8,951,314</u>	<u>956,091</u>	<u>(2,987,725)</u>	<u>6,919,680</u>

**24. Operating lease commitments**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023 £	2022 £
Not later than 1 year	484,186	521,123
Later than 1 year and not later than 5 years	642,708	733,170
	<u>1,126,894</u>	<u>1,254,293</u>

**25. Contingencies**

During 2022/23, the Charity received donations of £1,115 (2021/22: £3,000) in respect of unclaimed client account balances from various solicitors. The Charity has provided an indemnity to reimburse the funds should the relevant parties ever come forward and raise a claim on the balance.

Grants of £150,000 were received in each of 2014 and 2017 for property development at the Bradbury Centre and White Heather House respectively. The grant terms stipulate that in the event either property is sold within ten years of receiving the donation, the donor Foundation reserves the right to claim back the relevant donation in part or in full, depending on the proceeds received by the Charity.

# Homeless Action Resource Project

## Charitable Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31st March 2023

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#### 26. Related parties

There were no related party transactions in the year. (2021/22: In March 2019, the Charity entered into a lease at market value for a property where the landlord is a family company of which Richard Hair, HARP's Chair of Trustees until 10<sup>th</sup> January 2022, is a director. Rent of £12,500 was paid in the period of the year until Richard hair ceased to be a Trustee.)

#### 27. Events after the reporting period

HARP entered into a letter of intent with Goldsmith (London) Limited on 2<sup>nd</sup> May 2023, and a full JCT contract on 10<sup>th</sup> May 2023 for a 28 week contract from 22<sup>nd</sup> May, with completion on 9<sup>th</sup> December 2023 for the refurbishment and remodelling of 158,160 and 162 York Rd to provide 23 straight from the street beds. The contract value is £1,316,675 plus VAT at standard rate, with fees, furniture and contingencies the project is forecast at £2,057,433. The project is funded by grants receivable from Clothworkers Foundation (£150,000); Bradbury Foundation (£100,000) and Homes England SHAP (£731,433), and a new loan from CharityBank of £800,000. HARP carried out the conversion of an office at 117 York Rd into a bedsit for £20,000, for which it has been awarded a grant of £12,000 from SHAP. The balance of these projects is achieved through existing borrowing with Charity Bank.

HARP has been awarded a further £570,000 capital grant for the purchase and refurbishment of Crowstone Manor, a project of £1,370,000, to provide 8 intense recovery beds for people straight from the street with complex needs. The balance of this funding is to be achieved by borrowing of £800,000 and fundraising initiatives.

In May 2023, a fire broke out in the building where we leased our charity shop in Hamlet Court Road. The shop has had to close and is unlikely to re-open before our lease on the premises ends in 2023. We are actively seeking a new shop in the same location to replace this and expect to be trading again at the end of 2023.

#### 28. Capital commitment

At the year end, HARP were committed to paying £1,316,675 + VAT towards the refurbishment of HARP owned properties.

#### 29. Prior period adjustment

The comparative figures have been restated to correct the split of fixed assets reserves between restricted and unrestricted reserves. There have been historic errors whereby the revaluations have been applied fully against the restricted fund where they should have been apportioned partly to unrestricted. There has been no change to the overall reserves, but the restricted reserves at 31 March 2022 have been increased by £844,301 with unrestricted reserves being reduced by the same amount.