

**REGISTERED COMPANY NUMBER: 01926938 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1017599**

**THRESHOLD HOUSING LINK  
REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 31 MARCH 2018**

Haines Watts  
Chartered Accountants  
Old Station House  
Station Approach  
Newport Street  
Swindon  
Wiltshire  
SN1 3DU

**THRESHOLD HOUSING LINK**

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FOR THE YEAR ENDED 31 MARCH 2018**

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**THRESHOLD HOUSING LINK**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2018. The trustees have adopted the provisions of 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).

Reference and administrative information is set out on page 11.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

Threshold Housing Link (established 1972) is a charity based in Swindon that actively tackles the issue of homelessness by providing supported accommodation for single homeless and hard to engage rough sleepers and sofa surfers. Our supported accommodation has a pro-active personal development and resettlement programme to enable move-on from hostel accommodation into more independent living. Threshold provides encouragement and training to help homeless people move from the street to a home, supporting them to learn as much as possible to be necessary to be independent and self-sufficient and develop their ability to take advantage of or (re)join education, employment or training opportunities.

We assisted over 200 people during the period of this report in our 6 hostels and over 900 people through our 2 tertiary services, Street Outreach and a rent management scheme, KeyScheme+ (which due to lack of funding, Threshold ceased to operate in May 2017).

Our sofa surfers and rough sleeper client group often have complex issues with substance misuse, mental health, social exclusion and the effects of being homeless on their confidence, self-esteem, wellbeing and ability to communicate and sustain positive relationships. Our direct access emergency hostel reports that 75% of their client group had declared a period of sleeping rough prior to being accommodated.

All residents undergo a needs assessments and support planning phase when they come into our projects and these are reviewed regularly during their stay. Our needs assessments are person centred and focus on outcomes, especially results that leave service users able to live well with less support. The aim is for people to first address the underlying issues around their homelessness situation and then undertake a programme of recovery and enablement for their independence.

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**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**Our Purpose and Objectives**

The charity's purposes as set out in the objects contained in the Company's Memorandum and Articles of Association. The aim of the charity is to reduce the impact of homelessness on people through the provision of supported accommodation, support and advice to single homeless people. Our aims fully reflect the purposes that the charity was set up to further. Ensuring our work delivers our aims.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Trustees met 6 times during the year to receive management reports, discuss proposals and plans for development and service improvement in the undertaking of their Governance responsibilities of being Trustees of the Charity and Directors of the Limited Company. The Trustees also met with senior managers bi monthly for focus groups and annually for an organisational review and development day.

**The focus of our work**

Our main objectives for the year continued to be the provision, operation and management of services to assist those who are single and homeless. All our schemes and services can be accessed by self-referrals or direct from other agencies such as Probation, Social Services and the local authority. Emergency assistance is available through our:

- Street Outreach Service; supporting, assessing risk and need of those sleeping on the streets, at breakfast clubs, our drop-in day centre and attendance at The Filing Station Soup Run; or
- Culverly Court, our emergency, direct access hostel; aimed at those in need of immediate accommodation; supporting 20 residents each day

For those moving on from our 'first stage' emergency direct access hostel, Culverly Court, we provide various types of move-on resettlement hostels. The remit of these hostels vary in the length of stay and levels of support provided and include:

- 2 Move-on resettlement hostels for men; supporting 7 residents each day with additional out of hours on-call support
- 1 Move-on resettlement hostel for women; supporting 5 residents each day with additional out of hours on-call support
- 2 Move-on resettlement hostel that is mixed; supporting 10 residents each day with additional out of hours on-call support

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**FOR THE YEAR ENDED 31 MARCH 2018**

The strategies we use to meet our objectives include:

- Providing a range of services that meet identified needs of single homeless people and focused provision specifically for rough sleepers
- Working in partnership with other agencies to secure the widest range of support and advice is available for the needs of our client group; and by
- Creating opportunities for people to encounter positive activities that increase self-esteem, confidence, social and leisure time interactions and experience a home environment whilst exploring and learning the skills necessary to secure and maintain an independent home and life style of their choice

**Significant activities**  
**Rough Sleeping**

We have continued to see a rise in the number of people sleeping rough both nationally and locally Threshold undertook the November 2017, Swindon street count and identified 45 people as sleeping rough on that particular night. The indirect costs associated with the consequences of rough sleeping (e.g. health and mental health problems, drug/alcohol misuse, crime) can be significant. Sleeping rough is dangerous and damaging to individuals and communities. The longer someone sleeps out, the worse their problems will become and the more costly to resolve once they get help.

Funded by Threshold's own free reserves, a grant from Swindon Borough Council, various donations and our own fundraising efforts, our Street Outreach Service was enabled to make contact with over 750 people and offered face to face contacts with these people who are rough sleeping, sofa surfing or threatened with homelessness. Of that figure 193 clients were registered as rough sleepers at some point during 2017-18. Individual advice is provided at drop-in times and also by special appointment. The grant funding received is restricted specifically to this project and we are grateful for the continued support of Swindon Borough Council and The Filling Station.

Assistance was provided with preventing homelessness, accessing accommodation, supporting benefit applications and appeals, organising physical and mental care interventions as well as providing advocacy, support and advice. By Outreach arranging GP appointments and health care staff appointments for the homeless people they interact with and support there is an improvement to people's general health and a reduction in hospital admissions and A&E attendances. Further to this the team was proactive in raising welfare concerns and safeguarding applications.

**Direct Access**

Our provision for single homeless men at Culvery Court continued to see heavy demand for the 20 beds. Considerable work has been undertaken in developing staff's skills in the provision of services to those suffering from complex trauma. Many of the residents have multiple needs relating to substance and alcohol use, severe and enduring poor mental health and issues raised through childhood neglect and abuse. A psychologically informed approach is being developed to better meet the needs of both staff and residents in delivering the first stage of the resettlement process.

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**Resettlement Move-On Projects**

Threshold operates 5 houses as move-on resettlement hostels offering 22 bed spaces and includes one 5 bed roomed project hostel specifically for women. People can stay for up to 2 years whilst they learn the essential life skills and coping mechanisms that will enable them to attain, maintain and sustain independent accommodation in the community; learning to be self-sufficient, good tenants and neighbours. As from 1st October 2018 Sanctuary Housing Association will take over the management of two of the properties.

**Monitoring and Evaluation**

All our services collate data, request feedback from service users, suppliers and partner agencies. This is used to review activities, plan for developments and create innovative solutions for issues and needs that require attention and support.

The "Outcomes Star" is a method of evaluating progress of service users through their journey of rehabilitation and resettlement into independent living and Threshold has adopted this approach over the last three years. The "Inform" support, risk and rent management system was introduced into the organisation in August 2017 enabling better monitoring, reporting and analysis of data.

Social Work students, seconded to Threshold for their community learning placements, provide valuable evaluation and feedback during their secondment and this enables improvements to the programme for future students, up-to-date knowledge transference and training for our staff groups. This programme also generates funding for the charity.

**Public benefit**

The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in the Charities Act 2011 and to have due regard to it. They consider the full information which follows in this annual report, about the Trust's aims, activities and achievements in the many areas of interest that the charity supports, demonstrates the benefit to its beneficiaries and through them to the Public that arise from those activities.

**How our activities deliver public benefit**

The charity's main activities and who it tries to help are described below. All our charitable activities focus on tackling homelessness and poverty and are undertaken to further our charitable purposes for the public benefit.

**Access to our services**

Equal access to our services is an important issue for us. We are currently monitoring the access to our services by gender, disability and sexual orientation. We are aware that Black and Minority Ethnic (BME) Communities are disproportionately represented in deprived areas of our town. We believe equal access to our services is vital to our success and that successful outcomes must be shared by all communities that use our services.

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**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**FINANCIAL REVIEW**

**Financial position**

Somewhat ironically given the impending funding cuts, the past year has seen the organisation operate on a sound footing and staff should be congratulated for their valiant efforts and determination to succeed with the planned objectives. Thanks goes to all those who helped achieve these goals. Initiatives have been aided by sound internal financial management and as a result we have managed to perform close to within our predicted budget. Incoming resources from our charitable activities amounted to generating £960,060 and was available for operating the accommodation and other related services for single homeless people. Resources expended to operate those services amounted to £910,233 with a net surplus of £49,827.

**Principal Funding Sources**

Our main funder during 2017 -18 was Swindon Borough Council through the payment of Housing Benefit and the Support Grant. Aside from the income generated by the fees charged for the supported accommodation (£509,759) and the Support Grant (£354,333) we also received grant awards to support the work of the Street Outreach Team (£21,360- SBC) and the Day Centre operations (£5,222 - SBC). Extra fundraising activities generated a total of £53,326 in donations and gifts.

Grants were received from:	Wiltshire Community Fund	£5,000
	Columbia Threadneedle Foundation	£1,859
	Big Lottery	£3,684

Part of the donations were from the following:

Sleepout  
Nationwide  
Filing Station  
NCS  
Paul Goodge's Lands' End to John O 'Groats Challenge  
Tithegrove limited  
AFL Telecommunications  
Uni Gloucester  
Arval UK Limited  
Excalibur  
Sainsburys Bridgemead  
Homeless Saturday Night Takeaway

and many generous members of the public.

As of the 31 March 2018 we employed 25 contracted employees (19 full time: 6 part time) and this is the greatest overall expenditure at £611,893. Administration and organisational support costs amounted to £222,783. These costs include admin staff, rates, council tax and water, light and heat, insurance, premises costs, depreciation, rent, telephone, fax and internet, printing, postage and stationary, computer and website costs plus mortgage interest and bank charges. Governance costs amounted to £15,455 (1.7%) of resources expended.

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**FOR THE YEAR ENDED 31 MARCH 2018**

**FINANCIAL REVIEW**

**Investment policy and objectives**

Each year most of the charity's income is spent so, aside from retaining a prudent amount of reserves in accordance with the charity's policy, there are few funds available for long-term investment. However, notwithstanding this, we place some income and/or grants that are received in advance, into high interest savings accounts before draw down in an effort to attract additional revenue. Donations can also accrue Gift Aid or be placed in CAF CASH and COIF Accounts before use. The Board of Trustees do not speculate in commercial money markets.

**Reserves policy**

Cash flow projections for income and expenditure are regularly reviewed to ensure that the level of available assets and income reserves is adequate, and that the charity is in a position to meet all its commitments. The charity's reserves policy states that Threshold will accrue funds "sufficient to cover three month's running costs in order to ensure an orderly closure of the project should this become necessary, taking into account future needs, forecasts of future income and expenditure, and the level of liabilities both current and future". Once this level is achieved, a review is undertaken and frequently some of the money is invested into property to provide additional accommodation schemes, which create supplemental income streams, property assets and enable further fundraising. These decisions support prudent activity that has enabled the development of five additional accommodation services over the past thirteen years. Last year a designated reserve fund of £10,000 was established to cover future replacement costs of all IT hardware and associated software following the need to replace the server and backup provision for the business. It is envisaged that during the next financial year approximately 50% of all the charity's computers will need to be replaced. This investment in equipment will help protect our business continuity capability.

A major repairs and renewals designated fund of £50,000 is kept to fund all major renewals, refurbishments and repairs to the charity's properties and ensures the agencies obligations of repair to the leased entities. This fund covers major purchases within the hostels and offices so that they can operate and be managed in good repairing order to uphold health and safety. This fund covers the replacement of boilers, roofs, windows, bathrooms, kitchens, carpets, large household goods and other necessary office equipment etc.

Threshold currently has unrestricted free reserves, being the net balance of current unrestricted assets and liabilities, of £359,218 and holds property with a net book value of £694,457.



**THRESHOLD HOUSING LINK**  
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**FOR THE YEAR ENDED 31 MARCH 2018**

**FUTURE PLANS**

- To strengthen our partnership and joint working capabilities through developing initiatives that will not only lever in funding but provide holistic approaches to support single homeless people. Recent meetings with other services have identified a gap in the provision for women in crisis, daycentre provision and additional resettlement accommodation and we are embarking on the development of plans to bridge this gap through collaborative working practices and protocols which are being explored along with appropriate funding sources.
- To strengthen the board of trustees by recruiting up to 10 members during the year. Underrepresented groups on the board, currently include people from ethnic minorities, those with disabilities and women therefore we aim to be more proactive to encourage people from these groups to consider joining our membership and becoming a trustee.
- Our strategy in terms of moving forward with funding, is to gain more corporate relationships in terms of fundraising support, business mentors, skills exchange and awareness raising. To broaden our base of grant giving bodies and continue to apply for grant funding for key posts and developments and to widen our "friends and supporters" network.
- Using social media and digital marketing effectively to gain more support, raise awareness and ultimately raise more funds of the charity.
- As part of the wider development of the organisation we will continue to investigate the viability of tendering for a range of additional support contracts and actively pursue alternative sources of funding by strengthening our approaches to grant awarding bodies, corporate sponsors and individual donors.

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**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation was formed in June 1972 and was known as The Swindon Cyrenians (AGAPE) when first registered as a charity. The charity is now branded as Threshold Housing Link, a registered charity No. 1017599 and is a company limited by guarantee, registered no. 1926938. The company is governed by its Memorandum of Association which establishes the objects and powers of the charitable company and the charity is regulated under its Articles of Association; the co-joined document is known as the Memorandum and Articles of Association. In any event of the company needing to be wound up members are required to contribute an amount not exceeding £10. There are 16 paid up members. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

**Recruitment and appointment of new trustees**

The directors of the company are also charity trustees and, for the purposes of charity law and under the company's Articles, are known as Trustees and members of the board of trustees. Under the requirements of the Memorandum and Articles of Association the Trustees are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting.

Recruitment is undertaken continually through recommendations and word of mouth, adverts in the local media, our website, information leaflets, presentations, Voluntary Action Forums, REACH (a skilled volunteer placement agency) and parish magazines etc. There is a documented induction process, which usually takes three months to complete and includes observing management meetings, visiting our projects and schemes, meeting other trustees, staff and service users as well as completing a full application form, providing references and undergoing a Disclosure and Barring Service (DBS) check. The Board of Trustees seek to maximise the skill base of the board and training is available in areas of the specific knowledge required for the nature of the charity's business and operations and the role of trustee. This assists people's understanding and capability to review services, monitor and evaluate data relating to the outputs and outcomes of the schemes and services. A broad skills mix is required; an annual skills review monitors and highlights any learning that has taken place and identifies areas of potential loss due to retirement thereby creating a need for growth and expansion with particular skill bases. An annual "away day" and bi monthly focus groups enables the board to review operations, discuss ideas for developments or consolidation of activities and develop of strategy.

The board meets bi monthly to receive reports from all departments as well as financial overviews, project development updates and ideas for modernisation and improvement. All Trustees give their time voluntarily and receive no benefits from the charity.

Jeremy Rice was elected as chairperson by the board of trustees with effect from 1st June 2016. The current number of members on the board of trustees stands at five. The maximum number of board members, as outlined in the Memorandum and Articles of Association, is determined as one third of the membership or up to ten people.

**THRESHOLD HOUSING LINK**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**Decision making**

The overall responsibility for the charity rests with the Board of Trustees, who are appointed as directors of the charitable company. The Trustees who served during the year and up to the date of this report are listed below. Authority from the Trustees is delegated to the Chief Executive Officer, who is also the company secretary, and is responsible for the day to day running of the charity.

Remuneration of key management personnel is set by the trustees after considering the remuneration of equivalent staff at similar charitable organisations.

**External Relationships**

The charity has funding relationships with Swindon Borough Council.

Our partner Housing Associations, who are Registered Social Landlords (RSL's), often influence our strategy, processes and operations through the managing agent agreements, review systems and reporting mechanisms. Currently we are working with Sanctuary Housing Association.

The charity also maintains close collaborative and strategic links with other homelessness, health and social care organisations both within Swindon and nationally.

**Risk management**

The charity is aware of non-financial risks presented by events and their outcomes that may have a significant effect on:

- Operational Performance
- Achievement of aims and objectives
- Meeting expectations of stakeholders

The charity's activities are subject to a variety of regulatory and legal compliance issues and as such the organisation has considered those major risks to which it is exposed and maintains a comprehensive risk register which is regularly reviewed and systems have been designed to mitigate those risks. Regular reports are brought to the Board of Trustees.

All operational and building risk assessments are reviewed annually, with routine inspection being undertaken at frequent intervals. Specific staff members have been identified as having health and safety responsibilities. All monitoring requirements are adhered to, with reports being submitted to funders as per specific arrangements. A Business Continuity Plan is in place which cover eventualities such as fire, flooding, loss of use of buildings and pandemic situations effecting staff and residents.

Most of Threshold's income comes from property rents, service charges and statutory grants and most costs relate directly to service provision. Our fixed assets relate to ownership and management and lease agreements on accommodation. Our balance sheet reflects the value of these property assets but these funds are not available for general charitable expenditure. It is further recognised that these fixed assets generate periodic maintenance and repair costs for the charity.

**THRESHOLD HOUSING LINK**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

The level of service provided by Threshold mainly corresponds to the level of grant funding and as such the charity will not be able to operate independently of statutory funding in its current form. The retendering of Adult Homelessness Services by Swindon Borough Council in March 2018 posed a major challenge. Sanctuary Housing Association, the owners of Culvery Court chose not to make the building available to other bidders (despite it being managed and operated by Threshold since it was built) and as such they will take over the management of the hostel from 1st October 2018 .The borough council also chose not to award support contracts for resettlement or ex offender accommodation. The organisation did develop a new fundraising strategy in 2017-18 which places a greater emphasis on corporate fundraising, events and increasing our donor and supporter base. This has increased donated income but not to the level of the loss of support grants.

There is a notice period built into each funding agreement which allows us to wind down services. This serves as protection against Threshold becoming insolvent. In addition, insurance provides cover against the inability to provide services due to damage to buildings, etc. The risks to service charge income is covered by a cautious estimate of occupancy level and bad debts in each year's budget and considerable work has been undertaken to reduce voids. Management accounts, cash flow forecasts and budget variances are regularly monitored and acted upon.

**THRESHOLD HOUSING LINK**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

01926938 (England and Wales)

**Registered Charity number**

1017599

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered office**

2nd Floor  
1 John Street  
Swindon  
Wiltshire  
SN1 1RT

**Trustees**

Lindsey Cattelain	
Charles Mccausland	- appointed 26.2.18
Michael O'Shea	
Jeremy Rice	
Bryan Saunders	
Stephen Davies	- resigned 24.4.17
Annie Anderson	- appointed 24.4.17
	- resigned 18.6.18
David McLurgh	- resigned 23.7.17

**Company Secretary**

Graeme Willis

**Independent examiner**

Susan Plumb ACA  
Haines Watts, Chartered Accountants  
Old Station House  
Station Approach  
Newport Street  
Swindon  
Wiltshire  
SN1 3DU

**Bankers**

Co-Operative Bank  
PO Box 250  
Skelmersdale  
WN8 6WT

**THRESHOLD HOUSING LINK**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

Approved by order of the board of trustees on 31.10.18 and signed on its behalf by:

Jeremy Rice - Trustee

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THRESHOLD HOUSING LINK**

### **Independent examiner's report to the trustees of Threshold Housing Link ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2018.

#### **Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

#### **Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACA which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

Susan Plumb ACA  
Haines Watts  
Chartered Accountants  
Old Station House  
Station Approach  
Newport Street  
Swindon  
Wiltshire  
SN1 3DU

Date: .1 Nov 2018.....

The notes form part of these financial statements

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THRESHOLD HOUSING LINK  
THRESHOLD HOUSING LINK**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2018**

		Unrestricted funds	Restricted funds	Total	2018 funds	Total	2017 funds
	Notes	£	£	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>							
Donations and legacies	2	44,641	8,685	53,326			32,589
<b>Charitable activities</b>	5						
Supported accommodation		865,592	28,441	894,033			963,011
Other trading activities	3	12,377	-	12,377			7,931
Investment income	4	324	-	324			2,874
<b>Total</b>		922,934	37,126	960,060			1,006,405
 <b>EXPENDITURE ON</b>							
Raising funds	6	3,192	-	3,192			2,493
<b>Charitable activities</b>	7						
Supported accommodation		873,600	33,441	907,041			992,181
<b>Total</b>		876,792	33,441	910,233			994,674
 <b>NET INCOME</b>							
		46,142	3,685	49,827			11,731
<b>Transfers between funds</b>	19	5,000	(5,000)	-			-
 <b>Other recognised gains/(losses)</b>							
Gains/(losses) on revaluation of fixed assets		-	-	-			50,138
<b>Net movement in funds</b>		51,142	(1,315)	49,827			61,869
 <b>RECONCILIATION OF FUNDS</b>							
<b>Total funds brought forward</b>		912,544	5,000	917,544			855,675
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>963,686</u>	<u>3,685</u>	<u>967,371</u>			<u>917,544</u>

The notes form part of these financial statements



**THRESHOLD HOUSING LINK**

**BALANCE SHEET  
AT 31 MARCH 2018**

	Notes	Unrestricted funds £	Restricted funds £	Total £	2018 funds £	Total £	2017 funds £
<b>FIXED ASSETS</b>							
Tangible assets	12	716,640	-	716,640		719,337	
<b>CURRENT ASSETS</b>							
Debtors	13	35,867	-	35,867		53,049	
Cash at bank		<u>415,097</u>	<u>3,685</u>	<u>418,782</u>		<u>383,619</u>	
		450,964	3,685	454,649		436,668	
<b>CREDITORS</b>							
Amounts falling due within one year	14	(91,746)	-	(91,746)		(106,522)	
		<u>359,218</u>	<u>3,685</u>	<u>362,903</u>		<u>330,146</u>	
<b>NET CURRENT ASSETS</b>							
		1,075,858	3,685	1,079,543		1,049,483	
<b>CREDITORS</b>							
Amounts falling due after more than one year	15	(112,172)	-	(112,172)		(131,939)	
		<u>963,686</u>	<u>3,685</u>	<u>967,371</u>		<u>917,544</u>	
<b>NET ASSETS</b>							
<b>FUNDS</b>							
	19						
Unrestricted funds				963,686		912,544	
Restricted funds				<u>3,685</u>		<u>5,000</u>	
<b>TOTAL FUNDS</b>				<u>967,371</u>		<u>917,544</u>	

The notes form part of these financial statements

**THRESHOLD HOUSING LINK**

**BALANCE SHEET - CONTINUED  
AT 31 MARCH 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 31.10.18 and were signed on its behalf by:

Jeremy Rice -Trustee

**THRESHOLD HOUSING LINK**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	2017 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	82,845	77,784
Finance costs		<u>(4,316)</u>	<u>(4,849)</u>
<b>Net cash provided by (used in) operating activities</b>		<u>78,529</u>	<u>72,935</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(24,272)	(5,622)
Interest received		<u>324</u>	<u>2,874</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(23,948)</u>	<u>(2,748)</u>
<b>Cash flows from financing activities:</b>			
Loan repayments in year		<u>(19,418)</u>	<u>(19,133)</u>
<b>Net cash provided by (used in) financing activities</b>		<u>(19,418)</u>	<u>(19,133)</u>
<hr/>			
<b>Change in cash and cash equivalents in the reporting period</b>		35,163	51,054
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>383,619</u>	<u>332,565</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>418,782</u>	<u>383,619</u>

The notes form part of these financial statements

THRESHOLD HOUSING LINK

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2018

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2018	2017
	£	£
<b>Net income for the reporting period (as per the statement of financial activities)</b>	49,827	11,731
<b>Adjustments for:</b>		
Depreciation charges	26,969	24,620
Interest received	(324)	(2,874)
Finance costs	4,316	4,849
Decrease in debtors	17,182	12,972
(Decrease)/increase in creditors	<u>(15,125)</u>	<u>26,486</u>
<b>Net cash provided by (used in) operating activities</b>	<u>82,845</u>	<u>77,784</u>

## THRESHOLD HOUSING LINK

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity and is rounded to the nearest £.

##### **Going concern**

Despite the loss of support funding from Swindon Borough Council as an effect of the Government's continued austerity measures, Directors are confident that the charity is still viable as a going concern. The reduction in staff numbers by way of transfer and redundancy and the ability to continue to provide accommodation to vulnerable people by utilising its own housing stock enables the charity to continue to generate income. Prudent financial management has produced sufficient reserves to both meet obligations and the ability to further develop accommodation and other services.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Allocation and apportionment of costs**

Support and governance costs are re-allocated on the following basis which is an estimate, based on direct expenditure, of the amount attributable to each activity

Support accommodation	99%
Fundraising	1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

## THRESHOLD HOUSING LINK

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2018

#### 1. ACCOUNTING POLICIES - continued

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	50 years
Hostel equipment	3 years
Motor vehicles	3 years
Computer equipment	3 years
Office equipment	15% reducing balance

##### **Taxation**

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

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

##### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

##### **Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

##### **Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount.

**THRESHOLD HOUSING LINK**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2018**

**2. DONATIONS AND LEGACIES**

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Donations	44,554	8,685	53,239	26,954
Subscriptions	87	-	87	635
Nationwide van	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
	<u>44,641</u>	<u>8,685</u>	<u>53,326</u>	<u>32,589</u>

In 2017, £5,000 of donations and legacies income was received as restricted funds.

**3. OTHER TRADING ACTIVITIES**

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Sleepout	7,221	-	7,221	7,171
Miscellaneous income	<u>5,156</u>	<u>-</u>	<u>5,156</u>	<u>760</u>
	<u>12,377</u>	<u>-</u>	<u>12,377</u>	<u>7,931</u>

**4. INVESTMENT INCOME**

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Deposit account interest	<u>324</u>	<u>-</u>	<u>324</u>	<u>2,874</u>

**THRESHOLD HOUSING LINK**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2018**

**5. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds	Restricted Funds	Total Funds 2018	Total Funds 2017
	£	£	£	£
Fees from residents	509,759	-	509,759	541,629
Swindon Borough Council				
Supporting People grant	354,333	-	354,333	394,624
Outreach workers	-	21,360	21,360	20,683
Day Centre	-	5,222	5,222	6,075
Outreach donations	1,500	-	1,500	-
Threadneedle grant	-	1,859	1,859	-
	<u>865,592</u>	<u>28,441</u>	<u>894,033</u>	<u>963,011</u>

In 2017, £26,758 of income from charitable activities was received as restricted funds.

**6. RAISING FUNDS**

**Raising donations and legacies**

	Unrestricted funds	Restricted funds	2018 Total funds	2017 Total funds
	£	£	£	£
Fundraising events	<u>3,192</u>	<u>-</u>	<u>3,192</u>	<u>2,493</u>



THRESHOLD HOUSING LINK

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2018

7. CHARITABLE ACTIVITIES COSTS

		Direct costs	Support costs	Totals	
		(See note 8)			
		£	£	£	
Supported accommodation		<u>684,258</u>	<u>222,783</u>	<u>907,041</u>	
	Cost of raising funds	Supported accommodation	Support costs	2018 Total	2017 Total
	£	£	£	£	£
Staff costs	-	457,214	155,977	613,191	670,506
Housing association charges	-	89,892	-	89,892	95,282
Rates, council tax and water	-	-	8,198	8,198	14,463
Light and heat	-	-	31,153	31,153	34,550
Repairs and maintenance	-	12,240	-	12,240	19,656
Bad debts	-	17,445	-	17,445	13,778
Insurance	-	13,270	-	13,270	13,737
Other premises costs	-	8,153	-	8,153	14,320
Staff recruitment, training etc	-	10,042	-	10,042	16,939
Food and catering	-	15,564	-	15,564	21,770
Depreciation	-	26,969	-	26,969	24,620
Fundraising events	964	-	-	964	430
Mortgage interest	-	4,316	-	4,316	4,849
Legal and professional fees	-	-	8,361	8,361	1,200
Auditors' remuneration	-	-	7,094	7,094	8,367
Trustee Indemnity Insurance and other costs	-	-	-	-	197
Rent	-	-	12,000	12,000	12,000
Telephone	-	13,206	-	13,206	14,110
Postage and stationery	-	3,046	-	3,046	3,068
Computer and website costs	-	6,360	-	6,360	5,540
Subscriptions	-	1,489	-	1,489	1,380
Bank charges	-	592	-	592	657
Sundry expenses	-	6,688	-	6,688	3,255
	964	686,486	222,783	910,233	994,674
Support costs	2,228	220,555	(222,783)	-	-
Total expenditure 2018	<u>3,192</u>	<u>907,041</u>	<u>-</u>	<u>910,233</u>	<u>994,674</u>
Total expenditure 2017	<u>2,493</u>	<u>992,181</u>	<u>-</u>	<u>994,674</u>	

Of the total expenditure, £876,792 was unrestricted (2017: £962,201) and £33,441 was restricted (2017: £32,473).

**THRESHOLD HOUSING LINK**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2018**

**8. SUPPORT COSTS**

	Management £	Governance costs £	Totals £
Supported accommodation	<u>207,328</u>	<u>15,455</u>	<u>222,783</u>

**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2018 £	2017 £
Auditors' remuneration	7,094	8,367
Depreciation - owned assets	26,969	24,620
Other operating leases	<u>101,892</u>	<u>107,282</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2018 nor for the year ended 31 March 2017.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2018 nor for the year ended 31 March 2017.

THRESHOLD HOUSING LINK

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2018

11. STAFF COSTS

	2018	2017
	£	£
Wages and salaries	556,866	619,229
Social security costs	45,879	51,277
Other pension costs	<u>9,148</u>	<u>-</u>
	<u>611,893</u>	<u>670,506</u>

The average monthly number of employees during the year was as follows:

2018	2017
<u>26</u>	<u>29</u>

No employees received emoluments in excess of £60,000.

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £79,819 (2017: £80,841).

In addition to the regularly incurred staff costs above, £1,298 of costs relating to staff redundancy were paid (2017: £nil).

THRESHOLD HOUSING LINK

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2018

12. TANGIBLE FIXED ASSETS

	Freehold property £	Office equipment £	Hostel equipment £
<b>COST</b>			
At 1 April 2017	720,000	23,435	137,798
Additions	-	-	-
At 31 March 2018	<u>720,000</u>	<u>23,435</u>	<u>137,798</u>
<b>DEPRECIATION</b>			
At 1 April 2017	11,143	22,588	135,279
Charge for year	<u>14,400</u>	<u>847</u>	<u>1,270</u>
At 31 March 2018	<u>25,543</u>	<u>23,435</u>	<u>136,549</u>
<b>NET BOOK VALUE</b>			
At 31 March 2018	<u>694,457</u>	<u>-</u>	<u>1,249</u>
At 31 March 2017	<u>708,857</u>	<u>847</u>	<u>2,519</u>
	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2017	5,499	86,936	973,668
Additions	<u>9,174</u>	<u>15,098</u>	<u>24,272</u>
At 31 March 2018	<u>14,673</u>	<u>102,034</u>	<u>997,940</u>
<b>DEPRECIATION</b>			
At 1 April 2017	5,499	79,822	254,331
Charge for year	<u>2,548</u>	<u>7,904</u>	<u>26,969</u>
At 31 March 2018	<u>8,047</u>	<u>87,726</u>	<u>281,300</u>
<b>NET BOOK VALUE</b>			
At 31 March 2018	<u>6,626</u>	<u>14,308</u>	<u>716,640</u>
At 31 March 2017	<u>-</u>	<u>7,114</u>	<u>719,337</u>

Freehold property includes two properties held at valuation on an open market basis of £445,000. The valuation was carried out in March 2016 by independent, qualified valuers, Haslams Chartered Surveyors. One further property was revalued by Butfield Ltd in March 2017.

**THRESHOLD HOUSING LINK**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2018**

**12. TANGIBLE FIXED ASSETS - continued**

The net book value of all freehold property on an historic cost basis is £469,233 (2017 £481,585).

All of the above are used for charitable purposes.

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018	2017
	£	£
Trade debtors	26,822	42,600
Other debtors	1,101	1,151
Prepayments and accrued income	<u>7,944</u>	<u>9,298</u>
	<u><u>35,867</u></u>	<u><u>53,049</u></u>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018	2017
	£	£
Bank loans and overdrafts (see note 16)	19,650	19,301
Trade creditors	242	566
Social security and other taxes	12,802	11,855
Other creditors	778	(150)
Accruals and deferred income	<u>58,274</u>	<u>74,950</u>
	<u><u>91,746</u></u>	<u><u>106,522</u></u>

**15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2018	2017
	£	£
Bank loans (see note 16)	<u><u>112,172</u></u>	<u><u>131,939</u></u>

**THRESHOLD HOUSING LINK**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2018**

**16. LOANS**

An analysis of the maturity of loans is given below:

	2018	2017
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>19,650</u>	<u>19,301</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>19,650</u>	<u>19,841</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>51,548</u>	<u>64,779</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instalments	<u>40,974</u>	<u>47,319</u>

**17. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018	2017
	£	£
Within one year	<u>3,060</u>	<u>92,709</u>

**18. SECURED DEBTS**

The following secured debts are included within creditors:

	2018	2017
	£	£
Bank loans	<u>131,822</u>	<u>151,240</u>

Bank loans totalling £131,822 (2017 £151,240) are secured against The Old Apple Yard and 10 Bronte Close.

**THRESHOLD HOUSING LINK**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2018**

**19. MOVEMENT IN FUNDS**

	At 1/4/17 £	Net movement in funds £	Transfers between funds £	At 31/3/18 £
<b>Unrestricted funds</b>				
General funds	912,544	46,142	5,000	963,686
<b>Restricted funds</b>				
Nationwide van	5,000	-	(5,000)	-
National Lottery	<u>-</u>	<u>3,685</u>	<u>-</u>	<u>3,685</u>
	5,000	3,685	(5,000)	3,685
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>917,544</u>	<u>49,827</u>	<u>-</u>	<u>967,371</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General funds	922,934	(876,792)	46,142
<b>Restricted funds</b>			
SBC - day centre	5,222	(5,222)	-
Outreach workers	21,360	(21,360)	-
WCF outreach	5,000	(5,000)	-
Threadneedle	1,859	(1,859)	-
National Lottery	<u>3,685</u>	<u>-</u>	<u>3,685</u>
	37,126	(33,441)	3,685
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>960,060</u>	<u>(910,233)</u>	<u>49,827</u>

**THRESHOLD HOUSING LINK**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2018**

**19. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1/4/16 £	Net movement in funds £	Transfers between funds £	At 31/3/17 £
<b>Unrestricted Funds</b>				
General funds	605,439	12,446	(3,755)	614,130
IT reserve fund	60,000	-	-	60,000
Revaluation reserve	<u>182,624</u>	<u>50,138</u>	<u>5,652</u>	<u>238,414</u>
	848,063	62,584	1,897	912,544
<b>Restricted Funds</b>				
Key Scheme +	2,456	(2,456)	-	-
SBC - day centre	1,588	309	(1,897)	-
Nationwide van	-	5,000	-	5,000
PAW grant	<u>3,568</u>	<u>(3,568)</u>	-	-
	7,612	(715)	(1,897)	5,000
	<u>855,675</u>	<u>61,869</u>	<u>-</u>	<u>917,544</u>
<b>TOTAL FUNDS</b>	<u>855,675</u>	<u>61,869</u>	<u>-</u>	<u>917,544</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General funds	974,647	(962,201)	-	12,446
Revaluation reserve	-	-	50,138	50,138
	974,647	(962,201)	50,138	62,584
<b>Restricted funds</b>				
SBC - day centre	6,075	(5,766)	-	309
Outreach workers	20,683	(20,683)	-	-
Nationwide van	5,000	-	-	5,000
Key Scheme +	-	(2,456)	-	(2,456)
PAW grant	-	(3,568)	-	(3,568)
	31,758	(32,473)	-	(715)
	<u>1,006,405</u>	<u>(994,674)</u>	<u>50,138</u>	<u>61,869</u>
<b>TOTAL FUNDS</b>	<u>1,006,405</u>	<u>(994,674)</u>	<u>50,138</u>	<u>61,869</u>



## THRESHOLD HOUSING LINK

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2018

#### 19. MOVEMENT IN FUNDS - continued

##### **Purpose of restricted funds**

The Key Scheme + fund is an initiative to support service users to access private lettings through selecting landlords, property and tenancy inspections and continuing support of the individual.

SBC - Day Centre fund is to support the work of our drop-in day centre.

Outreach Workers funds are amounts received to support the work of the Outreach programme.

Nationwide van funds are amounts received for the purchase of a new van.

The PAW grant is funds received to support a Positive Activities Worker post.

WCF outreach funds are funds received to support the work of the Outreach programme.

Threadneedle funds are amounts received to support photography workshops and an exhibition.

National Lottery funds are funds received to support mental health first aid training.

##### **Designated IT reserve fund**

This fund was created last year to cover future replacement costs of all IT hardware and associated software following the need to replace the server and backup provision for the business.

##### **Designated major repair reserve**

A transfer of 3% of gross rents from owned and managed properties is made from general funds to the repair funds each year up to a cap of £50,000. Any major repair will be charged to the repair fund.

##### **Revaluation reserve**

This represents the difference between the revalued amount of the freehold property and the value under the historic cost basis.

#### 20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2018.