

SHELTER FROM THE STORM



Unaudited

Trustees' annual report and financial statements

For the year ended 31 March 2019

Shelter from the Storm

(a company limited by guarantee)

Registered Company number: 6631475

Charity number: 1125575

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Shelter from the Storm

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Reference and administrative details of the company

Trustees and advisers for the year ended 31 March 2019:

- K Sparks
- L Newby
- M Clinch
- S J Fixman
- Francine Sumners (appointed 21/10/2018)
- David Drewery (appointed 11/11/2019)

- M D Clark (resigned 13/09/19)
- A R Hochhauser (resigned 22/06/18)

Registration Details

Company Registered Number: 6631475

Charity Registered Number: 1125575

Registered Office

Suite 3, Kemp House, 152-160 City Road, London, EC1 2NX

Chief Executive

S M Stephenson

Accountants

Berg Kaprow Lewis LLP Chartered Accountants
35 Ballards Lane, London, N3 1XW

Principal Bankers

Barclays Bank PLC

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Our Mission is to house and support the homeless in London whoever they are wherever they come from

Achievement highlights of the year

- **147 guests supported successfully into accommodation**
- **15,330 beds provided**
- **78 guests supported into or with employment**
- **251 individuals supported with shelter and services**
- **Over 16,000 dinners served**
- **59 guests saw our in-house counsellor - a total of 171 sessions**

And all for a cost of £23.94 per bed per night without a penny from the government

About Shelter from the Storm

Shelter from the Storm is a completely free emergency night shelter providing bed, dinner and breakfast for 38 homeless people every night of the year. Established in 2007 as a response to the increasing levels of homelessness and destitution on the streets of London, our mission is to house and support the homeless in London whoever they are wherever they come from.

We take people off the streets FIRST then see what we can do to help them. Not only do we offer a safe warm bed for the night, showers, clothing and meals all free of charge but we also provide a settled base, with an address where people can receive mail and register for ID, employment or benefits.

The work of the shelter has always been based around the notion that homeless people are part of our community, not an embarrassment to be swept into the gutter. With the right support, our homeless guests can and do take their rightful position in society. For some this will be in paid employment, for others not ready or able to work, it will be about helping them become more active, involved and engaged members of their community. Each evening they sit down to eat together; a simple ritual for most of us, but for many of them it will be the first time they've done this since they left home.

Shelter from the Storm is 12 years old this year. We don't think we've changed too much since we first began; yes, we're able to offer more services to our guests and our capacity has increased, but the truth is the concept is still the same... and this is why, 12 years down the line, we still think that what we do works, is important and deserves to be recognized and supported, and we're determined to continue our work for years to come. We started with one night in a church hall and now we care for up to 38 men and women every night, 365 days a year. Shelter from the Storm truly is a place of transformation, a place of hope - not only for our guests, but for all of us.

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Mission statement and vision

Our mission is to house and support the homeless in London *whoever* they are *wherever* they come from. Our vision is of a society where charities like Shelter from the Storm are no longer necessary.

To achieve our mission and realise our vision all our activities are underpinned by the following values:

- A commitment to respond to the specific needs of our guests no matter how complex. We don't shy away from difficult cases that require extra perseverance, understanding and care.
- To work with each guest as an individual, supporting them to set achievable and realistic goals that will enable them to work towards a safe, sustainable and happy future.
- To help our guests to realise the value of their labour and the contribution they can make to building a better society for all.
- To foster and grow a community of guests and volunteers built on a commitment of care, understanding and mutual respect.
- Understand that tackling homelessness requires a grasp of complex problems and 'wrap around' solutions that must address the practical, emotional and social challenges that our guests face.

Shelter from the Storm

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Co-Founder's statement and annual review

We can hardly believe it, but we finally moved into our new shelter in June 2019. With a huge amount of help from our supporters we've made a warm, beautiful safe home for our guests. Our years of unique experience has informed every aspect of the design. This was a very deep, dark site and our number one priority was to get enough light into the space - spiritually and emotionally, light is a metaphor for the transformative work we try to achieve with our guests. We cut in new windows, we were perfectly happy for people to see "what we were up to!" Nothing scary here – playing pool, watching telly, eating dinner – just like the rest of us. As always with the shelter, the kitchen had to be at the heart of the building. We also knew we needed more, better and more private showers, after an exhausting day at work or sitting on a bus or just walking the streets, a hot shower with a lovely clean towel is vital to helping our guests de-stress and feel a little more human.

Space was really tight. We wanted separate private spaces for Counselling, Case-working and English language classes. But, we were determined not to scrimp on provision for the guests. The cosy dormitories were designed with as much space, warmth and privacy as we could manage – each bed has a soft cork headboard and each guest has their own lockable wardrobe so they can leave their belongings secure in the knowledge that they'll be there when they return.

There's an idea that homeless people can be housed in any old place, but although we had a very modest budget, we demanded and achieved the highest standard of beauty, comfort and safety. All the finishes we used were things we'd be lucky to have in our own homes, avoiding anything that looked 'institutional'. There was a preconception that a shelter was somewhere that needed to be regularly hosed down! Nothing could be further from the truth – our guests treat the shelter great care and respect – better I expect than some top hotels enjoy from their guests.

We've had some very positive feedback from our neighbours, many of whom hadn't realised we'd been operating for months and asked when we'll be moving in. We hope that in a small way we're doing a little to change people's attitude to homelessness. Our new home is offering a level of comfort, privacy and safety to our guests which is making our job of helping people into work, accommodation, education and more positive pathways so much easier.

Sheila Scott (Stephenson) Co-founder & Chief Executive

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Our team

Matt Conlon-General Manager, Sheila Scott-Chief Executive, Cookie Sami-Senior Caseworker

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Our volunteers

Our amazing volunteers, are key to delivering truly remarkable outcomes for our guests. Many volunteers have been with us since the beginning, some for years and new team members are joining us all the time. Once they're settled in their new homes, we encourage our ex guests to come back to volunteer. Our fantastic and dedicated crew always go the extra mile to provide a warm, welcoming and safe environment for the guests. They cook delicious dinners, undertake arduous fundraising activities, do laundry, play pool, help with job applications, search for rooms, but mostly offer love and care and a someone to talk to.



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Serge started sleeping on the streets after an argument with his uncle

I ended up sleeping on the street because I had a disagreement with my uncle. I realized I was actually homeless - I barely had enough to eat - it was a very harsh situation. I met a friend who told me about a youth centre where I could get help and luckily, they referred me to Shelter from the Storm. SFTS helped me get a proper job with a great hotel chain and they're training me to be an engineer – it's a year-long course and if I work hard I should end up with a universally recognised qualification. I'm doing ESOL lessons at the shelter and things are really looking up. I'm looking forward to getting my own place and I'm so grateful to the shelter for helping me get from a really bad place to where I am now.

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Art Classes at the Shelter

We have weekly art sessions for our guests. Working with paint, clay and paper can be very therapeutic. This is particularly true for people who don't have English as a first language or are suffering from stress. It can be a way of expressing themselves even if they don't feel ready to share their experiences with the counsellor. We now have a beautiful 'Green Room' that we can use for all sorts of classes and workshops.

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Improved IT Services

It is now much easier to help our guests access employment and accommodation and keep in touch with friends and family. Local people are also able to use our computers and wifi for free to log in for health care appointments, Universal Credit claims or any other services they need to access.

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Our new layout enable us to provide even more activities which help improve the well-being of our guests. We now provide weekly Boxing classes and Yoga.

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English classes

At SFTS we realise that gaining a proper grasp of English is key to the well-being, inclusion and employment prospects for many of our guests. Some will have fled war torn areas or escaped trafficking or slavery. Our experienced ESOL teacher designs the lessons with the needs of each individual student in mind. Classes are one to one or in small groups.

Some need help with job interviews and the specialist vocabulary for work – some need help with housing interviews. But for others, being able to buy things in a shop, get tickets at the station or just asking questions face-to-face or over the phone are all part of ensuring guests assimilate safely and comfortably into society.

With cuts to the provision of adult education, we provide one of the few services our guests can access. We believe that by supporting these guests to improve their communication skills we will not only enhance their wellbeing but:

- It will maximise chances of finding meaningful employment
- Improve access to volunteering opportunities for those not yet ready for or able to work
- Create meaningful relationships, prevent isolation and help them integrate into society

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Counselling

The links between homelessness and psychological ill-health are well known. Our guests arrive at the shelter often in a state of shock. They may have travelled hundreds of miles in terrifying conditions, or they may have been kicked out by their mum only a few streets away; or maybe they have been 'just about managing' but then get into rent arrears. Either way, their life has been turned upside down and they need time, understanding and acceptance in order to re-orient themselves and find new directions. People also arrive at the shelter with long histories of abuse, neglect and loss of close family members. Our counselling service offers a stepping stone to start to unravel some of these issues that have led to a life going out of balance, perhaps over a long period. Through coming for counselling during their stay, guests gain some insight as to what aspects of their own life experience has led to this and find new optimism and support in going forward with their lives.

Charlotte Williams Counsellor (MBACP Accred.)

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Recognition of Supporters :

We would like to acknowledge the generous support of the following people and organisations without which we would not have been able to make the recent transition to our beautiful new home.

Altro Flooring, Aram Balakjian, Aram Furniture, Bernard Lewis Charitable Foundation, Blu-3, Bouygues, Choose Love, Conegate Ltd, Domino Recording, eNett, Ennismore Restaurant Group, Havwoods Flooring, Hill Cross Furniture, Holland Harvey Architects, Greenhatch Group, Grestec Tiles, Kennedy Wilson UK, LandAid, Planning Potential, Price & Myers Structural Engineers, Quadrant Building Control, RBA Acoustics, Streets of London, Streetsmart, Sustainable Advantage, Tala Lighting, The Band Trust, The Estate of Mrs Fay Perloff, The Morris Charitable Trust, The Pret Foundation, Welcome Trust and everyone else who has helped us to achieve our dream of where we are today. And...we didn't miss a single night of shelter for our homeless guests.

Structure, governance and management

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Shelter from the Storm (the company) for the ended 31 March 2019. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 26/6/08.

The company is constituted under a Memorandum of Association dated 26/6/08 and is a registered charity number 1125575.

The principal object of the company is to provide shelter, food, advice, counselling and other forms of charitable support to those who are homeless or otherwise socially or economically disadvantaged.

Method of appointment or election of trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. New trustees are given a copy of the Charity Commission publication 'The Essential Trustee - What You Need to Know', and we are looking at additional training options.

Organisation

The following trustees served throughout the year:

- M D Clark (resigned 13/09/19)
- K Sparks
- L Newby
- M Clinch
- S J Fixman (appointed 19/04/2018)
- A R Hochhauser (resigned 22/06/18)
- Francine Sumners (appointed 21/10/2018)

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The shelter is managed by Sheila Stephenson (Chief Executive) and Matt Conlon (General Manager) who are supported by Cookie Sami (Senior Caseworker) and army of volunteers. The volunteer Shift Leaders are responsible for delivering the aims and objectives of the Shelter on the nights/mornings that they are in charge. Any issues of procedure, problems with the guests and source of referrals are constantly monitored and entered on the database. Either the Chief Executive or the General Manager is always available.

The Trustees met regularly to consider and review the following in accordance with the needs of our guests:

- Operational Issues
- Finances
- Expansion
- Fund Raising
- Training

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit.

Reserves

As can be seen from the accounting statements included within this report, Shelter from the Storm is in good financial health, with unrestricted funds of £873,715 and restricted funds of £118,815 at the end of the accounting period which includes £450,000 designated funds for the upcoming move to a new shelter. In October 2018 the purchase of a virtual freehold (984 years unexpired) on a new shelter was completed. The refurbishment and new building works completed in June 2019 when all SFTS operations moved to the new site.

Moving forward the reserves policy is to have 8-9 months operational costs in hand.

Trustees' responsibilities statement

The Trustees (who are also directors of Shelter from the Storm for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

Shelter from the Storm

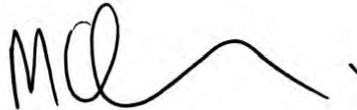
Trustees' report and accounts for the year ended 31 March 2019

- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on *19 Feb 2020* and signed on their behalf by:

Megan Clinch
Trustee

A handwritten signature in black ink, appearing to read 'MCL', followed by a long horizontal flourish and a small dot at the end.

SHELTER FROM THE STORM
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2019

Independent Examiner's Report to the Trustees of Shelter from the Storm ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2019.

Responsibilities and Basis of Report

As the Trustees of the parent company (and 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 the company's accounts 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 the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales, 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.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the parent company and the company's Trustees as a body, for my work or for this report.

SHELTER FROM THE STORM
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

Signed: 

Dated: 20 February 2020

Ian Saunderson FCA

Berg Kaprow Lewis LLP

Chartered Accountants

London

SHELTER FROM THE STORM
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2019**

		Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Income from:					
Donations and legacies	2	107,253	686,346	793,599	345,684
Other trading activities	3	-	-	-	29,891
Investments	4	-	1,355	1,355	758
		<u>107,253</u>	<u>687,701</u>	<u>794,954</u>	<u>376,333</u>
Expenditure on:					
Raising funds	5	-	1,527	1,527	3,685
Charitable activities		-	365,442	365,442	339,000
		<u>-</u>	<u>366,969</u>	<u>366,969</u>	<u>342,685</u>
Total expenditure					
		<u>107,253</u>	<u>320,732</u>	<u>427,985</u>	<u>33,648</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		11,562	552,983	564,545	530,897
Net movement in funds		107,253	320,732	427,985	33,648
		<u>118,815</u>	<u>873,715</u>	<u>992,530</u>	<u>564,545</u>
Total funds carried forward					

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 28 to 40 form part of these financial statements.

SHELTER FROM THE STORM
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06631475

BALANCE SHEET
AS AT 31 MARCH 2019

		2019 £	2018 £
Fixed assets			
Tangible assets	10	879,774	4,682
Current assets			
Debtors	11	81,761	25,681
Cash at bank and in hand		532,717	555,917
		614,478	581,598
Creditors: amounts falling due within one year	12	(60,332)	(21,735)
Net current assets		554,146	559,863
Total assets less current liabilities		1,433,920	564,545
Creditors: amounts falling due after more than one year	13	(441,390)	-
Net assets excluding pension asset		992,530	564,545
Total net assets		992,530	564,545
Charity funds			
Restricted funds	14	118,815	11,562
Unrestricted funds	14	873,715	552,983
Total funds		992,530	564,545

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

SHELTER FROM THE STORM
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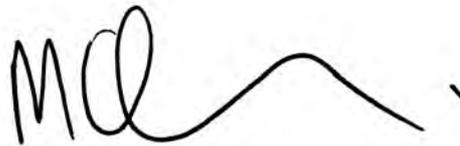
BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2019

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Megan Clinch
Trustee

Date: *19 Feb 2020*

A handwritten signature in black ink, appearing to read 'MCL', followed by a long, wavy horizontal line that ends in a small tick mark.

SHELTER FROM THE STORM
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	2019	<i>2018</i>
	£	£
Cash flows from operating activities		
Net cash used in operating activities	370,186	<i>89,404</i>
Cash flows from investing activities		
Investment interest	1,355	<i>758</i>
Purchase of tangible fixed assets	(877,867)	<i>-</i>
Net cash (used in)/provided by investing activities	(876,512)	<i>758</i>
Cash flows from financing activities		
Cash inflows from new borrowing	500,000	<i>-</i>
Repayments of borrowing	(16,874)	<i>-</i>
Net cash provided by financing activities	483,126	<i>-</i>
Change in cash and cash equivalents in the year	(23,200)	<i>90,162</i>
Cash and cash equivalents at the beginning of the year	555,917	<i>465,755</i>
Cash and cash equivalents at the end of the year	532,717	<i>555,917</i>

The notes on pages 28 to 40 from part of these financial statements

SHELTER FROM THE STORM
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

1.2 Income

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

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

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.4 Interest receivable

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies (continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Over the term of the lease from first use
Leasehold improvements	- Over the term of the lease (including subsequent leases on the same property where relevant)
Plant and machinery	- 25% straight line and 50% straight line
Motor vehicles	- 33.33% straight line
Office equipment	- 33.33% straight line

1.6 Debtors

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

1.7 Cash at bank and in hand

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

1.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

SHELTER FROM THE STORM
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies (continued)

1.9 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.10 Pensions

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

1.11 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Investment income, gains and losses are allocated to the appropriate fund.

2. Income from donations and grants

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Donations and grants	107,253	686,346	793,599	<i>345,684</i>
<i>Total 2018</i>	<i>5,708</i>	<i>339,976</i>	<i>345,684</i>	

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3. Fundraising income

Income from fundraising events

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Fundraising income	-	-	29,891

4. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Bank interest receivable	1,355	1,355	758

5. Fundraising expenditure

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Fundraising expenses	1,527	1,527	3,685

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6. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
	333,556	31,886	365,442	339,000
<i>Total 2018</i>	<u>308,669</u>	<u>30,331</u>	<u>339,000</u>	

Analysis of direct costs

	Total funds 2019 £	Total funds 2018 £
Staff costs	128,875	103,774
Depreciation	2,775	16,580
Food and supplies	31,136	40,766
Volunteer costs	163	112
Insurance	11,341	9,148
Training	2,326	4,406
Travel	3,165	4,057
Rent and service charges	90,690	56,049
Light and heat	12,952	12,660
Other premises expenses	24,078	24,653
Guest expenses	2,809	6,777
Counselling and English tuition	11,023	20,365
Translation services	1,183	2,037
Legal clinic expenses	-	450
Security	11,040	6,835
	<u>333,556</u>	<u>308,669</u>

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6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2019 £	<i>Total funds 2018 £</i>
Printing, postage and stationary	851	2,568
Telephone	5,037	3,290
Computer costs	1,540	1,707
Legal fees	1,980	9,410
Sundry expenses	1,388	5,390
Administration expenses	360	360
Finance costs	8,735	-
Accountancy fees	11,995	7,606
	<u>31,886</u>	<u>30,331</u>

Analysis of Governance costs

	2019 £	<i>2018 £</i>
Payroll and bookkeeping fees	8,653	4,486
Independent examiners fees	3,120	3,120
Other Governance costs	111	-
	<u>11,884</u>	<u>7,606</u>

7. Independent examiner's remuneration

The Independent examiner's remuneration amounts to an Independent examiner fee of £2,500 (2018-£2,500), and consultancy fees of £620(2018-£620).

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8. Staff costs

	2019	<i>2018</i>
	£	£
Wages and salaries	118,081	<i>96,223</i>
Social security costs	9,086	<i>6,774</i>
Contribution to defined contribution pension schemes	1,708	<i>777</i>
	128,875	<i>103,774</i>

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

	2019	<i>2018</i>
	No.	No.
Directors/trustees	7	<i>7</i>
Employees	4	<i>3</i>
	11	<i>10</i>

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

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2018 - £NIL).

During the year ended 31 March 2019, no Trustee expenses have been incurred (2018 - £NIL).

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10. Tangible fixed assets

	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Assets in course of construction £	Total £
Cost or valuation						
At 1 April 2018	76,286	40,411	3,500	1,546	-	121,743
Additions	-	1,200	-	-	876,667	877,867
At 31 March 2019	<u>76,286</u>	<u>41,611</u>	<u>3,500</u>	<u>1,546</u>	<u>876,667</u>	<u>999,610</u>
Depreciation						
At 1 April 2018	76,286	35,729	3,500	1,546	-	117,061
Charge for the year	-	2,775	-	-	-	2,775
At 31 March 2019	<u>76,286</u>	<u>38,504</u>	<u>3,500</u>	<u>1,546</u>	<u>-</u>	<u>119,836</u>
Net book value						
At 31 March 2019	<u>-</u>	<u>3,107</u>	<u>-</u>	<u>-</u>	<u>876,667</u>	<u>879,774</u>
<i>At 31 March 2018</i>	<u>-</u>	<u>4,682</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,682</u>

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11. Debtors

	2019 £	2018 £
Due within one year		
Other debtors	57,940	4,136
Prepayments and accrued income	4,742	14,071
Tax recoverable	19,079	7,474
	81,761	25,681
	81,761	25,681

12. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other loans	41,736	-
Trade creditor	9,786	4,020
Other taxation and social security	2,907	3,054
Other creditors	226	289
Accruals and deferred income	5,677	14,372
	60,332	21,735
	60,332	21,735

13. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Other loans	441,390	-
	441,390	-

The aggregate amount of liabilities payable or repayable wholly or in part more than 1 year after the reporting date is:

	2019 £	2018 £
Due within 1 - 2 years	43,545	-
Due within 2 - 5 years	142,289	-
Due in more than 5 years	255,556	-
	441,390	-
	441,390	-

The bank loan is secured over the property.

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14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2018 £	Income £	Expenditure £	Balance at 31 March 2019 £
Unrestricted funds				
Designated funds				
Funds designated for new centre	450,000	-	-	450,000
General funds				
General Funds	102,983	687,701	(366,969)	423,715
Total Unrestricted funds	552,983	687,701	(366,969)	873,715
Restricted funds				
Pro Bono Legal Clinic Fund	7,562	1,440	-	9,002
Equipment Fund	4,000	5,813	-	9,813
Holland Walk Fund	-	100,000	-	100,000
	11,562	107,253	-	118,815
Total of funds	564,545	794,954	(366,969)	992,530

The Pro Bono Legal Clinic Fund relates to amounts donated to provide free legal services to residents.

The Holland Walk Fund relates to amounts donated by Land Aid in relation to expenditure on the new shelter.

The Equipment Fund relates to amounts donated for new appliances for the charity.

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NOTES TO THE FINANCIAL STATEMENTS
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14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2017</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Balance at 31 March 2018</i> £
Unrestricted funds					
Designated funds					
Funds designated for new centre	250,000	-	-	200,000	450,000
General funds					
General Funds	266,910	370,625	(334,552)	(200,000)	102,983
Total Unrestricted funds	516,910	370,625	(334,552)	-	552,983
Restricted funds					
Pro Bono Legal Clinic Fund	6,962	1,050	(450)	-	7,562
Equipment Fund	7,025	4,658	(7,683)	-	4,000
	13,987	5,708	(8,133)	-	11,562
Total of funds	530,897	376,333	(342,685)	-	564,545

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NOTES TO THE FINANCIAL STATEMENTS
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15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	879,774	879,774
Current assets	118,815	495,663	614,478
Creditors due within one year	-	(60,332)	(60,332)
Creditors due in more than one year	-	(441,390)	(441,390)
Total	118,815	873,715	992,530

Analysis of net assets between funds - prior year

	<i>Restricted funds 2018 £</i>	<i>Unrestricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	4,682	4,682
Current assets	11,562	570,036	581,598
Creditors due within one year	-	(21,735)	(21,735)
Total	11,562	552,983	564,545

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

	2019 £	<i>2018 £</i>
Net income for the year (as per Statement of Financial Activities)	427,985	33,648
Adjustments for:		
Depreciation charges	2,775	16,580
Decrease/(increase) in debtors	(56,080)	36,346
Increase/(decrease) in creditors	(3,139)	3,588
Investment interest	(1,355)	(758)
Net cash provided by operating activities	370,186	89,404

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17. Analysis of cash and cash equivalents

	2019	<i>2018</i>
	£	£
Cash in hand	532,717	<i>555,917</i>
Total cash and cash equivalents	532,717	<i>555,917</i>

18. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £1,708 (2018 - £777). Contributions totalling £226 (2018 - £275) were payable to the fund at the balance sheet date and are included in creditors.

19. Capital commitments

As at March 2019, the total commitment for the refurbishment and fitting out of the new shelter was £392,000.

20. Related party transactions

During the year the charity incurred costs of £6,507 for payroll, bookkeeping and IT services provided by Kostech Consulting Limited (2018 - £4,994), a company of which Kris Sparks, trustee is a sole director and shareholder. The payment for provision of services by a trustee are in line with the charity's memorandum and articles of association. At the balance sheet date, £6,507 (2018 - £1,703) was owed to Kostech Consulting Limited, included within trade creditors.

During the year the charity borrowed £500,000 from Mrs Francine Sumners, a trustee, in order to assist with the purchase and fit out costs of the new shelter. This amount bears interest at 3.5% above the Bank of England Base Rate and is repayable in instalments over a ten year period. The balance as at March 2019 is £483,126 and total interest charged is £8,735.